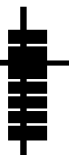
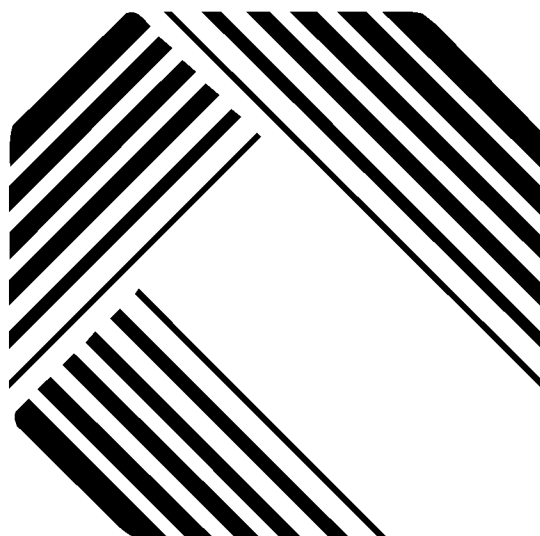


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COMPANY INFORMATION

Board of Directors

- Mr. Javaid S. Siddiqi Chief Executive
- Mr. Pervaiz S. Siddiqi Chairman
- Mrs. Fauzia Javaid
- Mr. Salman Javaid Siddiqi
- Mr. Asim Pervaiz Siddiqi
- Mr. Adnan Javaid Siddiqi
- Mr. Arsalan Javaid Siddiqi

Audit Committee

- Mr. Salman Javaid Siddiqi Chairman
- Mr. Pervaiz S. Siddiqi Member
- Mrs. Fauzia Javaid Member

HR&R Committee

- Mr. Pervaiz S. Siddiqi Chairman
- Mr. Javaid S. Siddiqi Member
- Mr. Asim Pervaiz Siddiqi Member

Chief Financial Officer

- Mr. Javed Rashid

Company Secretary

- Mr. Sohail Ashraf

Auditors

- Grant Thornton Anjum Rahman
Chartered Accountants
01-Inter Floor, Eden Centre
Jail Road, Lahore.

Bankers

- MCB Bank Limited
- Faysal Bank Limited
- Bank AL Habib Limited
- United Bank Limited
- Allied Bank Limited
- Habib Metropolitan Bank Limited

Legal Advisor

- Imtiaz Siddiqi Associates
179/180-A, Scotch Corner, Upper Mall Scheme,
Lahore-Pakistan. Tel: 042-35758573-35758574
Fax: 042-35758572

Shares Registrar

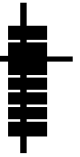
- Corplink (Pvt.) Ltd.
Wings Arcade, 1-K Commercial Model Town,
Lahore.
Ph: 042-35916714, 35916719
Fax : 042-35869037

Registered Office

242-A, Anand Road,
Upper Mall, Lahore.
Ph: 042-35751765-67
Fax : 042-35789206
Web site : www.icctextiles.com

Factory

32-K.M. Lahore-Multan Road,
Sunder, Distt. Lahore.
Ph: 042-35975426-27
Fax : 042-35975428



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth (30th) Annual General Meeting of ICC Textiles Limited will be held at Company's Registered Office at 242-A, Anand Road, Upper Mall, Lahore on Tuesday, November 27, 2018 at 10:30 a.m. to transact the following business:

1. To confirm the minutes of the Annual General Meeting held on January 27, 2018.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' Reports thereon.
3. To appoint statutory auditors for the year ending June 30, 2019 and to fix their remuneration.
4. Any other business with the permission of the Chair.

By Order of the Board

**LAHORE:
November 06, 2018**

SHAHID ALI AHMAD
Company Secretary

Notes:

1. The Share Transfer Books of the Company will remain closed from 19.11.2018 to 27.11.2018 (both days inclusive). No transfer will be accepted for registration during this period.
2. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. The CDC Account Holders are requested to bring their original CNIC and participant ID to attend the meeting.
3. Shareholders are requested to promptly notify the change in their address, if any, to the Company's Shares Registrar M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore.



CHAIRPERSON'S REVIEW REPORT ON BOARD PERFORMANCE

ICC Textiles Limited ("the Company") has a seven member Board of Directors ("the Board") comprises of competent and able persons having vast experience in corporate business.

The board is responsible for overall management of the company. Being the highest management platform in the company, it formulates strategies and policies.

The Composition of the Board is in accordance with the requirements of Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2017, except non appointment of independent director, and its duties, obligations, responsibilities and rights are as defined therein.

During the financial year 2018 the BOD met eight times. The board itself is compliant with all regulatory requirements and has acted in accordance with applicable laws and best practices.

The board, in its meetings, deliberated extensively to arrive at decisions.

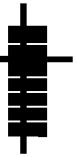
The Board has developed a mechanism for annual evaluation of it's own performance, in compliance with the provisions of Listed Companies (Code of Corporate Governance) Regulations 2017. The performance evaluation mechanism facilitates and enables the members to play an effective role as a coordinated body for ongoing success of the Company.

The board played an effective role by performing the following functions:

- Ensured effective oversight.
- Supervised overall corporate strategy and financial performance .
- Ensured the quality and appropriateness of financial reporting and the transparency of disclosures.
- Reviewed effectiveness of internal control system.
- Reviewed implementation of its plan to consolidate company's resources by selling of old and obsolete machinery to reduce the debt burden and to curtail overall expense and liability.

LAHORE:
November 06, 2018

PERVAIZ S. SIDDIQI
Chairman



DIRECTORS' REPORT TO THE MEMBERS

On behalf of the board of directors, we take pleasure in presenting the audited financial statements of the company pertaining to the financial year ended on June 30, 2018.

Financial Highlights

The company earned an after tax profit of Rs. 16.034 million and registered a revenue of Rs. 15.363 million as against an after tax profit of Rs. 4.739 million and revenue of Rs. 31.884 million in the preceding period.

• Revenue	Rs.	15,363,305
• Gross profit	Rs.	3,205,991
• Operating loss	Rs.	23,843,503
• Finance Cost	Rs.	49,638,352
• Change in fair value of investment property	Rs.	90,251,125
• Profit after tax from continuing operations	Rs.	13,821,444
• Profit after tax from discontinued operations	Rs.	2,212,151
• Total profit after tax	Rs.	16,033,595
• Accumulated losses	Rs.	741,670,613
• Earning per share	Rs.	0.53

Period under Review

Our plan to consolidate the company's affairs by selling off old and obsolete machinery to reduce our debt burden and curtailing our overall expense and liability has been almost fully implemented. The shareholders of the company, considering negative textile sentiments coupled with depressed fabric demand and high cost of doing business, in the EOGM held on Dec 4, 2017 decided to dispose off the balance Sulzer dobby looms with accessories, equipment and parts, which were no more financially viable and were causing continuous losses. It was further decided to focus on generating rental income to improve the cashflow of the company. Accordingly, further mills premises have been classified as "Investment property".

As a result of sponsors fund injection and sale of machinery during the year under review, the bank borrowings have been fully repaid by April, 2018 by making final payment of Rs. 70.216 million ahead of schedule.

The following transactions / factors influenced the company's financial position and performance during this period:

- There was no sale of cloth as the company has disposed off all its looms.
- Company's rental revenue amounts to Rs. 15.363 million (2017: Rs. 9.910 million)
- The company has classified its further land and buildings amounting to Rs. 133.419 million, attributed to sale of textile machinery, as "Investment Property" and change in fair value of the investment property amounted to Rs. 90.251 million (2017: Rs. 100.453 million) has been accounted for as income during the year.
- Other income of discontinued business, includes markup waived off by a bank amounting to Rs. 4.910 million, considering final settlement of the finance facility ahead of schedule.
- The company has obtained loan from directors amounting to Rs. 32.008 million.



- Other income from discontinued operations, has reduced from Rs. 40.090 million to Rs. 5.765 million (refer note 36.6).
- The company has disposed off assets from property, plant and equipment and non-current assets held for sale having written down value of Rs. 76.316 million.
- Loan obtained from a director has been rescheduled, as its repayment date and mark-up rate has been changed (refer note 7.2.5).
- Due to implementation of Companies Act, 2017, certain new disclosures have been incorporated in these financial statements including inclusion of surplus on revaluation in equity, accordingly company's accounting policy has been changed (refer note 4.19 to the financial statements).

Future Strategy and Prospects

While keeping focus on enhancing our revenue by renting out additional covered area of mills premises, we are monitoring the general textile environment in the context of steps being taken by the new Government for revival of textile industry & uplifting of exports and devaluation of Pak Rupee. While RLNG being the substitute for Natural Gas is now available in the country for energy fuel, its price rose up sharply during the year due to the increase in the brent crude oil price and the depreciated Pak rupee. As our existing huge textile infrastructure is intact, we may consider to evaluate and invest in the new textile weaving technology in future.

Moreover, we are in negotiation with various buyers for disposal of our assets classified as held for sale and spares & loose tools.

Contingencies and commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the statement of financial position relates and the date of Directors' Report, except as disclosed in the financial statements.

Outstanding Statutory Dues

There are no outstanding statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2018 except for those disclosed in the financial statements.

Corporate Social Responsibility

Your company is a responsible corporate citizen and fully recognizes its responsibility towards community, employees and environment.

Corporate and Financial Reporting Framework

In order to follow the SECP code of corporate governance, the following statements are given:

Presentation of Financial Statements

The financial statements, prepared by the management of the Company, fairly present its state of affairs, the result of its operations, cash flow and changes in equity.

Books of Accounts

Proper books of accounts have been maintained by the Company.



Accounting Policies

Appropriate accounting policies have been consistently applied, except change of accounting policy regarding surplus on revaluation as detailed in note 4.19 to the financial statements, in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.

Internal Control System

The system of internal control is sound in design and has been effectively implemented and monitored.

Going Concern

Without qualifying their opinion, Company's auditors, in their report, have drawn your attention to note 1.2 to the financial statements, which describes that the Company's current liabilities exceeded its current assets by Rs. 107.052 million, and its accumulated losses stood at Rs. 741.671 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern.

These financial statements have, however, been prepared on going concern basis on the grounds that the company will be able to achieve satisfactory levels of profitability in the future based on plan drawn up by the management for this purpose and bringing its liabilities to serviceable levels and availability of the adequate working capital from its lenders and sponsors.

To substantiate its going concern assumption the directors had approved a plan to consolidate the company's resources by repaying the banks' borrowings through sponsors' loans and sale of inefficient looms & allied equipment, which were no more financially viable and were causing losses due to uncertainty in securing industrial gas connection which is essential for cheaper and continuous gas based electricity. It was further decided to focus on renting out precious vacant factory buildings and open land to generate revenue. Accordingly company taken steps mentioned in note 1.2 (i – vii) to the financial statements. The plan has been almost fully implemented i,e bank borrowings have been fully repaid by April 2018 and company has rented out substantial portion of its factory premises to generate revenue. Last lot of looms with allied equipment has been disposed off in March 2018, resulting in availability of more covered area of mills premises for renting out and thus enhancing revenue in future.

Corporate Governance

The Company's auditors, in their review report to the members have mentioned regarding non appointment of independent director(s) as required by the Code of Corporate Governance. The company is continuing its effort to resolve the issue shortly. There has been no other material departure from the best practices of corporate governance, as detailed in the listing regulations of stock exchanges.

Operating and Financial Data

Key operating and financial data of last six years is as under:



SIX YEARS AT A GLANCE

	(Rs. in million)					
	2013	2014	2015	2016	2017	2018
Revenue :						
- Textiles (Rs.)	1,728.459	1,234.768	540.948	443.604	21.974	0.191
- Rental (Rs.)	-	-	-	-	9.910	15.363
Net profit/(loss) after tax (Rs.)	2.984	(73.401)	(63.965)	(211.063)	4.739	16.034
Fixed assets (Rs.)	979.040	933.611	928.706	675.842	242.183	13.454
Investment property (Rs.)	-	-	-	-	620.350	844.020
Retained earnings (Rs.)	(535.519)	(592.182)	(625.212)	(816.970)	(787.600)	(741.671)
Net profit rate	0.2%	(5.9%)	(11.8%)	(47.6%)	14.86%	103.08%
Current ratio	0.35:1	0.28:1	0.34:1	0.21:1	0.28:1	0.35:1
Share breakup value (Rs.):						
- Current year						4.44
- Previous years – Restated	8.72	6.45	8.25	0.22	3.87	
Earning per share (Rs.)	0.10	(2.45)	(2.13)	(7.04)	0.16	0.53
Dividend	Nil	Nil	Nil	Nil	Nil	Nil

Staff Retirement Benefits

Value of unfunded gratuity scheme, based on actuarial valuation, at the period end was Rs. 40.073 million (2017: Rs. 43.218 million).

Board and Committees Meetings

During the year July 2017 to June 2018, eight meetings of the Board of Directors, Seven meetings of audit committee and One meeting of HR & R committee were held. Attendances by the Directors were as follows:

Name of Directors	Attendance	Remarks
Board of Directors		
Mr. Javaid S. Siddiqi	7	
Mr. Pervaiz S. Siddiqi	6	
Mrs. Fauzia Javaid	7	
Mr. Salman Javaid Siddiqi	8	
Mr. Asim Pervaiz Siddiqi	8	
Mr. Adnan Javaid Siddiqi	3	
Mr. Arsalan Javaid Siddiqi	6	
Audit Committee		
Mr. Salman Javaid Siddiqi	7	
Mr. Pervaiz S. Siddiqi	7	
Mrs. Fauzia Javaid	7	
HR & R Committee		
Mr. Pervaiz S. Siddiqi	1	
Mr. Javaid S. Siddiqi	1	
Mr. Asim Pervaiz Siddiqi	1	



Pattern of Shareholding

The Pattern of shareholding as required by the Code of Corporate Governance is attached with this report.

Trading of Company Shares

During the financial year there was no trading in shares of the company by Directors, Company Secretary, CEO, CFO and Executives of the Company (including their spouses and minor children).

Audit Committee

The Audit Committee comprises 3 members, of whom all are non-executive directors.

HR And Remuneration Committee

The HR and Remuneration Committee comprises 3 members, of whom 2 are non-executive directors.

Auditors

M/s Grant Thornton Anjum Rahman, Chartered Accountants will retire at the conclusion of 30th Annual General Meeting. They have expressed their willingness for reappointment. The Audit Committee has recommended their reappointment.

Dividend

Considering the results for the year, the board is not recommending disbursement of any dividend for the period ended June 30, 2018.

Acknowledgement

Finally, the directors would like to record their appreciation for the continued commitment and hard work being carried out by the employees of the company.

For and on behalf of the Board of Directors

LAHORE:
November 06, 2018

JAVAID S. SIDDIQI
Chief Executive Officer

PERVAIZ S. SIDDIQI
Director



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: 6
 - b. Female: 1

2. The composition of board is as follows:

Category	Names
Independent Director	-
Executive Director	Mr. Javaid S. Siddiqi
Non-Executive Director	Mr. Pervaiz S. Siddiqi Mrs. Fauzia Javaid Mr. Salman Javaid Siddiqi Mr. Asim Pervaiz Siddiqi Mr. Adnan Javaid Siddiqi Mr. Arsalan Javaid Siddiqi

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The board has arranged directors' training program for the following:

Mr. Salman J. Siddiqi - Director
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations.



11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

a) Audit Committee

- | | | |
|---------------------------|---|-------------------------------------|
| 1. Mr. Salman J. Siddiqi | - | (Non-Executive Director) – Chairman |
| 2. Mr. Pervaiz S. Siddiqi | - | (Non-Executive Director) |
| 3. Mrs. Fauzia Javaid | - | (Non-Executive Director) |

b) HR & Remuneration Committee

- | | | |
|-----------------------------|---|-------------------------------------|
| 1. Mr. Pervaiz S. Siddiqi | - | (Non-Executive Director) – Chairman |
| 2. Mr. Javaid S. Siddiqi | - | (Executive Director) |
| 3. Mr. Asim Pervaiz Siddiqi | - | (Non-Executive Director) |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following :

- | | | |
|--------------------------------|---|------------|
| a) Audit Committee | - | 7 meetings |
| b) HR & Remuneration Committee | - | 1 meeting |

15. The board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.

LAHORE :
November 06, 2018

JAVAID S. SIDDIQI
Chief Executive Officer

PERVAIZ S. SIDDIQI
Director

**INDEPENDENT AUDITORS' REVIEW REPORT OF
ICC TEXTILES LIMITED ON STATEMENT OF
COMPLIANCE LISTED COMPANIES CONTAINED IN
(CODE OF CORPORATE GOVERNANCE)
REGULATIONS, 2017**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of ICC Textiles Limited (the Company) for the year ended 30 June 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2018.

Further, we highlighted below instance of non-compliances with the requirements of the Code as reflected in following paragraphs where these are stated in the Statement of Compliance:

Paragraph:

Reference

Description

- | | |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6, 28 and 29 | The Board, audit committee and human resource and remuneration committee (HR&R) of the Company do not have any independent director as required by the Code. |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|

Grant Thornton Anjum Rahman

Chartered Accountants

Engagement Partner: Muhammad Shaukat Naseeb
Lahore.

Dated: November 06, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ICC TEXTILES LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of *ICC Textiles Limited* (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, (here-in-after referred to as “the financial statements”) and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (the Code)* as adopted by the Institute of Chartered Accountants of Pakistan (*the institute*) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention towards note 1.2 to the financial

statements which describes that as at June 30, 2018, the Company's current liabilities exceeded its current assets by Rs. 107.052 million and its accumulated losses stood at Rs. 741.671 million. These conditions indicate existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern. These financial statements have, however, been prepared on a going concern basis for the reasons, as more fully explained in note 1.2 to the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1	Preparation of financial statements under the Companies Act, 2017	
	<p>The Companies Act 2017 (the Act) became applicable for the first time for the preparation of the Company's annual financial statements for the year ended June 30, 2018.</p> <p>The Act forms an integral part of the statutory financial reporting framework as applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.</p> <p>Further, the Company has also changed its accounting policy relating to presentation and measurement of surplus on revaluation of fixed assets as a consequence of the application of the Act with retrospective effect. The impact of the said change in accounting policy has been disclosed in note 4.19 to the accompanying financial statements.</p> <p>The above changes and enhancements in the financial statements are considered important</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Reviewed and understood the requirements of the fourth schedule to the Companies Act, 2017. • Considered the management's process to identify the additional disclosures required in the annexed financial statements. • Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for sufficient audit evidence. • Verified, on test basis, the supporting evidence for the additional disclosures and assessed appropriateness of the disclosures made. • In respect of the change in accounting policy for the accounting and presentation

	and a key audit matter because of the volume and significance of the changes in the financial statements resulting from the transition to the new reporting requirements under the Act.	of revaluation surplus as referred to note 4.19 to the accompanying financial statements, we assessed the accounting implications in accordance with the applicable financial reporting standards and evaluated its application in the context of the Company.
2	Non-Current Assets Classified as Held for Sale & Discontinuation of Textile Operations:	
	The Company has classified its plant and machinery as held for sale as disclosed in Note 27 to the financial statements. We have focused on this area owing to the significance of this transaction.	With respect to this transaction, we performed the following audit procedures: <ul style="list-style-type: none"> • Discussed with the management their active plan to dispose off the assets pertaining to this segment; • Obtained and reviewed the Board of Directors minutes to confirm approval of disposal of assets relevant to the textile division; • Assessed independence, scope of work and findings of management's third party valuation expert engaged for ascertaining the fair value of the assets being disposed off; • Evaluated the presentation and disclosures of Non-Current Assets Classified as Held for Sale and loss from discontinuing operations in the financial statements as required by the applicable reporting framework.
3	Investment Properties	
	<p>The Company owns freehold land and building at 32-Km Multan Road, Sundar, Lahore. As at June 30, 2018, the fair value of investment properties was Rs. 844.019 Million, representing 90% of the Company's total assets as at that date.</p> <p>The fair values of the Company's investment properties were assessed by management based on independent valuations prepared by external property valuers.</p> <p>We identified valuation of investment properties as a key audit matter because the</p>	<p>Our audit procedures to assess the valuation of investment properties included the following:</p> <ul style="list-style-type: none"> • evaluating the qualifications, experience and competence of the external valuer engaged by management and holding discussions with the external valuer, without the presence of management, to understand their valuation methods and the assumptions applied; • evaluating the valuation methodology used by the external valuer by comparison with the valuation methodologies applied by other valuers for similar property types; • assessing the key assumptions adopted

	<p>determination of the fair values involves significant judgement and estimation, particularly in selecting the appropriate valuation methodology and in determining the underlying assumptions, which increase the risk of error or potential management bias, and because the valuations are sensitive to the key assumptions applied.</p>	<p>in the valuations, including those relating to sales prices per square feet and the discount rates applied to determine forced sale value, by comparing them with historical rates and available industry data and considering the possibility of error or management bias in the selection of assumptions adopted; and</p> <ul style="list-style-type: none"> • assessing fair value gain recorded during the year.
4.	<p>Valuation of Gratuity</p>	
	<p>The Company's obligation in respect of defined benefit plans as at June 30, 2018 amounted to Rs. 40.730 million.</p> <p>In determining the obligation in respect of defined benefit plans, the Company engaged an actuarial expert to perform the actuarial valuation of the defined benefit obligation, which involves use of key assumptions including discount rates, expected rate of increase in future salaries and mortality rates. Changes in any of these key assumptions can have a material impact on the calculation of these liabilities.</p> <p>We identified retirement benefit obligation as a key audit matter because of significant management judgment relating to valuation assumptions that are inherently complex and require specialist actuarial input.</p>	<p>Our audit procedures amongst others, comprised understanding the management valuation process, including the involvement of actuarial expert in performing the actuarial valuation of plan assets and defined benefit obligation:</p> <ul style="list-style-type: none"> • We assessed the competence and objectivity of the qualified actuary engaged by the Company to value the defined benefit obligation under IAS 19 'Employee Benefits'; • we assessed the appropriateness of the methodology and assumptions used to determine the obligation in respect of defined benefit plans by comparison with the valuation methodologies applied by other actuaries; • We tested data provided by the Company to actuary for the purpose of valuation; • We also reviewed the adequacy of the related disclosures in the financial statements; and • We verified payments made during the year.

Information Other than the Financial Statements and Auditor's Report Thereon

The Board of Directors are responsible for the other information. Other information comprises the information included in the annual report for the year ended June 30, 2018, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017;
- b) the statement of financial position, the statement of profit or loss and other comprehensive income or the income and expenditure account, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Shaukat Naseeb.

Grant Thornton Anjum Rahman

Chartered Accountants

Lahore

Date: November 06, 2018



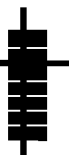
**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018**

EQUITY AND LIABILITIES	Note	2018 Rupees	2017 Rupees Restated	2016 Rupees Restated
SHARE CAPITAL AND RESERVES				
Authorized share capital				
32,000,000 (2017: 32,000,000) ordinary shares of Rs. 10 each		320,000,000	320,000,000	320,000,000
Share capital				
Issued, subscribed and paid-up share capital	5	300,011,200	300,011,200	300,011,200
Capital reserves				
Revaluation surplus	6	574,923,456	603,715,735	523,687,940
Revenue reserves				
Accumulated losses		(741,670,613)	(787,599,476)	(816,970,385)
Total equity		133,264,043	116,127,459	6,728,755
NON-CURRENT LIABILITIES				
Long term financing from directors	7	551,524,401	501,588,618	270,570,409
Long term financing from commercial banks	8	-	-	-
Deferred liabilities	9	85,887,967	112,787,495	142,772,428
		637,412,368	614,376,113	413,342,837
CURRENT LIABILITIES				
Trade and other payables	10	91,949,559	104,691,740	161,006,389
Security deposits	11	5,546,163	7,853,730	-
Accrued interest / mark-up	12	29,833,050	25,923,989	30,453,900
Short-term borrowings	13	35,810,966	4,331,979	124,319,088
Current portion of long term financing	14	-	65,288,898	190,834,087
Unclaimed dividend		1,662,656	1,662,656	1,662,656
		164,802,394	209,752,992	508,276,120
TOTAL EQUITY AND LIABILITIES		935,478,805	940,256,564	928,347,712
CONTINGENCIES AND COMMITMENTS	15			

The annexed notes 1 to 46 form an integral part of these financial statements.

Statement under section 232 of the Companies Act, 2017

The Chief Executive is currently out of country. Therefore, the Board of Directors of the company has authorised two Directors and Chief Financial Officer to sign these financial statements.



**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018**

ASSETS	Note	2018 Rupees	2017 Rupees	2016 Rupees
			Restated	Restated
NON-CURRENT ASSETS				
Property, plant and equipment	16	13,453,832	242,182,764	675,842,075
Investment properties	17	844,019,885	620,349,770	-
Long term loans and advances	18	58,000	209,000	29,000
Long term deposits	19	1,629,034	1,629,034	1,629,034
		859,160,751	864,370,568	677,500,109
CURRENT ASSETS				
Stores, spare parts and loose tools	20	15,880,663	15,801,172	25,123,900
Stock in trade	21	734,477	1,035,767	14,551,946
Trade debts	22	-	127,448	9,576,623
Loans and advances	23	734,665	429,907	3,603,334
Short term prepayments and other receivables	24	1,392,421	1,345,669	1,659,834
Tax refunds due from Government	25	37,645,656	40,000,826	38,288,792
Cash and bank balances	26	1,362,310	455,207	11,442,103
		57,750,192	59,195,996	104,246,532
Non-current assets classified as held for sale	27	18,567,862	16,690,000	146,601,071
TOTAL ASSETS		935,478,805	940,256,564	928,347,712

Sd-
Director

Sd-
Director

Sd-
Chief Financial Officer



**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018**

	Note	2018 Rupees	2017 Rupees
			Restated
REVENUE	28	15,363,305	9,909,550
DIRECT COST	29	(12,157,314)	-
GROSS PROFIT		3,205,991	9,909,550
OPERATING EXPENSES:			
DISTRIBUTION COST	30	(369,201)	-
ADMINISTRATIVE EXPENSES	31	(25,816,437)	(594,573)
OTHER EXPENSES	32	(866,908)	-
		(27,052,546)	(594,573)
		(23,846,555)	9,314,977
OTHER INCOME	33	3,052	-
OPERATING (LOSS) / PROFIT		(23,843,503)	9,314,977
FINANCE COST	34	(49,638,352)	(21,152,053)
CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES	17	90,251,125	100,452,810
PROFIT BEFORE TAXATION		16,769,270	88,615,734
TAXATION FOR THE YEAR	35	(2,947,826)	(2,273,251)
PROFIT AFTER TAXATION FOR THE YEAR FROM CONTINUING OPERATIONS		13,821,444	86,342,483
PROFIT / (LOSS) AFTER TAXATION FOR THE YEAR FROM DISCONTINUED OPERATIONS	36	2,212,151	(81,603,975)
PROFIT AFTER TAXATION FOR THE YEAR		16,033,595	4,738,508
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified to profit or loss			
Actuarial loss or gains on employee benefit obligations (net of tax)		2,464,196	3,151,734
Revaluation surplus arisen on property, plant and equipment (net of tax)		8,704,028	102,191,534
Revaluation decrease in non-current assets classified as held for sale (net of tax)		(11,592,411)	(2,939,400)
Effect of change in tax rates		1,527,176	2,256,328
		1,102,989	104,660,196
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		1,102,989	104,660,196
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		17,136,584	109,398,704
EARNING/(LOSS) PER SHARE - BASIC AND DILUTED			
- FROM CONTINUING OPERATIONS		0.46	2.88
- FROM DISCONTINUED OPERATIONS		0.07	(2.72)
- TOTAL	37	0.53	0.16

The annexed notes 1 to 46 form an integral part of these financial statements.

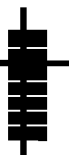
Statement under section 232 of the Companies Act, 2017

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Sd-
Director

Sd-
Director

Sd-
Chief Financial Officer



**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018**

	2018 Rupees	2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash (used in) / generated from operations:		
Cash used in continuing operations	41 (18,328,417)	24,876,811
Cash used in discontinued operations	41 (11,639,715)	(63,781,252)
	(29,968,132)	(38,904,441)
Finance cost paid	(27,784,609)	(28,044,589)
Income tax paid	(2,520,597)	(4,677,977)
Gratuity paid	(6,596,687)	(33,738,714)
	(36,901,893)	(66,461,280)
Net cash used in operating activities	(66,870,025)	(105,365,721)
CASH FLOWS FROM INVESTING ACTIVITIES		
Received / (amount distributed) pertaining to long term loans and advances	151,000	(180,000)
Proceeds from disposals of property, plant and equipment & non-current assets classified as held for sale	74,359,268	125,736,226
Purchase of property, plant and equipment and investment properties	(4,600)	(1,264,678)
Net cash generated from investing activities	74,505,668	124,291,548
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) short term borrowings - net	31,478,987	(119,987,109)
Proceeds from long term financing obtained from directors	32,008,302	214,968,251
Repayment of long term financing obtained from commercial banks-net	(70,215,829)	(124,893,865)
Net cash used in financing activities	(6,728,540)	(29,912,723)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	907,103	(10,986,896)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	455,207	11,442,103
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26 1,362,310	455,207

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Sd-
Director

Sd-
Director

Sd-
Chief Financial Officer



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2018

Description	Paid-up Capital Rupees	Capital Reserves - Revaluation Surplus Rupees	Revenue Reserves - Accumulated Losses Rupees	Total Shareholders' Equity Rupees
Balance at July 01, 2016 - as previously reported	300,011,200	-	(816,970,385)	(516,959,185)
Effect of retrospective change in accounting policy-note 4.19	-	523,687,940	-	523,687,940
Balance at July 01, 2016 - restated	300,011,200	523,687,940	(816,970,385)	6,728,755
Other comprehensive income for the year - restated	-	101,508,462	3,151,734	104,660,196
Profit for the year	-	-	4,738,508	4,738,508
Total comprehensive income for the year- restated	-	101,508,462	7,890,242	109,398,704
Transfer to accumulated losses on account of incremental depreciation (net of tax)	-	(21,480,667)	21,480,667	-
Balance at June 30, 2017 - restated	300,011,200	603,715,735	(787,599,476)	116,127,459
Other comprehensive (loss) / income for the year	-	(1,361,207)	2,464,196	1,102,989
Profit for the year	-	-	16,033,595	16,033,595
Total comprehensive (loss) / income for the year	-	(1,361,207)	18,497,791	17,136,584
Transfer to accumulated losses on account of incremental depreciation (net of tax)	-	(27,431,072)	27,431,072	-
Balance at June 30, 2018	300,011,200	574,923,456	(741,670,613)	133,264,043

The annexed notes 1 to 46 form an integral part of these financial statements.

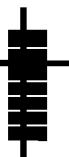
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Sd-
Director

Sd-
Director

Sd-
Chief Financial Officer



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

1 STATUS AND NATURE OF BUSINESS

1.1 ICC Textiles Limited ("the Company") was incorporated in Pakistan on May 25, 1989 as a public limited company under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of greige fabric and renting out vacant buildings and / or open area of the company's premises. The registered office of the Company is situated at 242-A, Anand Road, Upper Mall, Lahore and the Company's plant is located at 32-Km Multan Road, Sundar, Lahore.

1.2 The Company has accumulated losses amounting to Rs. 741.671 million at the year end. While, the Company's current liabilities exceeded its current assets by Rs. 107.052 million at the year end. These conditions indicate existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern and therefore, may be unable to realize its assets and discharge its liabilities in normal course of business. Continuation of the Company as a going concern is dependent on its ability to attain satisfactory levels of profitability and liquidity in the future by bringing its liabilities to serviceable levels and availability of adequate working capital through continued support from:

- (a) the principal lenders of the Company; and
- (b) the sponsors of the Company.

These financial statements have been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability and liquidity in the future based on the plans drawn up by the management for this purpose, bringing its liabilities to serviceable levels and availability of the adequate working capital from its lenders and sponsors.

To substantiate its going concern assumption:

- i In order to consolidate the Company's resources, due to uncertainty in securing industrial gas connection, which is essential for cheaper and continuous gas based electricity, the Company had disposed off all its looms:
 - 63 (including 23 sold during last year) inefficient sulzer looms; and
 - 78 (including 74 sold during last year) old energy intensive air-jet looms, with allied equipment, accessories and parts, which were no more financially viable and were causing continuous losses.
 Similarly, the Company has rented out its partial factory buildings and labour colony to generate cashflows;
- ii Bank borrowings have been fully repaid by April 2018 by making final payment of Rs. 70.216 million during the year;
- iii During the year 2015, the Company had also repaid long term loan amounting to Rs. 14.896 million and had reduced the running finance facilities from Rs. 480 million to Rs. 330 million, as 37 sulzer looms were disposed off and one director of the Company sold his property to MCB Bank Limited under buy-back arrangement, and advanced such proceeds amounting to Rs. 140 million as long term loan to the Company for partial settlement of the finance facilities. The loan is payable in lump sum by June 30, 2025;
- iv Some directors of the Company have also extended long term interest bearing loans amounting to Rs. 32.008 million (2017: Rs. 214.254 million) during the year to meet working capital requirements of the Company and settlement of banks' finance facilities. The sponsors of the Company would continue such support in future;
- v Few directors of the Company had also invested through long term interest free loans amounting to Rs. 321.531 million during May 2013 to June 2016 to meet working capital requirements of the Company;



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

- vi During 2013, the Board of Directors of ICC (Private) Limited, an associated undertaking, had decided to write off following outstanding loans advanced to the Company:
- Long term interest free loans amounting to Rs. 189.150 million with carrying value, in ICC Textiles Limited books, amounting to Rs. 48.801 million; and
 - Short term interest bearing loans amounting to Rs. 30.850 million.
- vii During April 2011, the Company had also increased its paid-up capital by Rs. 200.003 million by converting loans obtained from associated company, directors and their family members by issuing further 20,000,320 ordinary shares of Rs. 10 each at par.

The financial statements consequently do not include any adjustment relating to the realization of the assets and liquidation of its liabilities that might be necessary would the Company be unable to continue as a going concern.

2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

- 2.1 For a detailed discussion about these significant transactions and events, please refer to the Directors' report.
- 2.2 The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:
- The Company has obtained loan from directors' amounting to Rs. 32.008 million.
 - The Company has transferred free hold land and building to investment property amounting to Rs. 133.419 million;
 - The Company has disposed off assets from property, plant and equipment and non-current assets classified as held for sale having WDV of Rs. 76.316 million;
 - Loan obtained from director amounting to Rs. 140 million has been rescheduled, as its repayment date has been extended to June 30, 2025 and rate of mark-up has also been changed; and
 - The Company has adopted Companies Act, 2017 and accordingly, certain new disclosures have been incorporated in these financial statements.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions of and directives issued under the Companies Act, 2017 shall prevail.

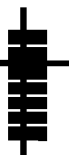
3.2 Standards, amendments or interpretations that became effective during the year

The fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of these financial statements. The Companies Act, 2017 (including its fourth schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements. The Company has also adopted following new standards and amendments to published standards during the year:

Standard or Interpretation

IAS-7 Statement of Cash Flows
IAS-12 Income Taxes

Adoption of the above standards and amendments have no significant effect on these financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

3.3 Standards, amendments and interpretations to the approved accounting standards that are relevant but not yet effective and not early adopted by the Company

The following standards, amendments or interpretations with respect to the approved accounting standards and interpretations as applicable in Pakistan would be effective from the dates mentioned below against the respective standards:

Standard or interpretation	IASB effective date
IFRS 9 Financial Instruments	1-Jul-18
IFRS 15 Revenue from Customers	1-Jul-18
IFRS 16 Leases	1-Jul-19
IFRS 2 Share-based Payment – Classification and Measurement of Share based Payment Transactions	1-Jan-18
IFRS 4 Insurance Contracts – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1-Jan-18
IAS 40 Investment Property – Transfers of Investment Property	1-Jan-18
IFRS 1 Annual Improvements to IFRS Standards 2014–2016 Cycle	1-Jan-18
IFRS 11 Joint Agreements - Accounting for Acquisition of Interests in Joint Operations (Amendments)	1-Jan-18
IAS 28 Presentation of Financial Statements - Annual Improvements to IFRS Standards 2014–2016 Cycle	1-Jan-18
IAS 16 Property, Plant and Equipments and IAS 38 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortization (Amendments)	1-Jul-16
IFRIC 22 Foreign Currency Transactions and Advance Consideration	1-Jan-18
IFRIC 23 Uncertainty Over Income Tax Treatment	1-Jan-19
IFRS 1 and IAS 28 - Annual Improvements to IFRSs 2014-2016	1-Jan-18

The Company is in process of assessing impact of these amendments to the published standards, interpretations and Companies Act 2017 on the financial statements of the Company.

3.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

In addition to the above, following standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan ;

Standard or Interpretation

IFRS 14 Regulatory Deferral Accounts

IFRS 17 Insurance Contracts

3.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for:

- staff retirement benefits which are measured at present value of defined benefit obligations (refer note 4.1);
- free hold land, buildings and plant and machinery which are measured at revalued amounts (refer note 4.2);
- financial assets and liabilities which are measured at fair value (refer note 4.8); and
- non current assets classified as held for sale which are measured at fair value (refer note 4.17).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

3.6 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are discussed below:

Income taxes

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.

Trade debts and other receivables

Impairment loss against doubtful trade and other debts is made on a judgment basis, which provisions may differ in the future years based on the actual experience. The difference in provision if any, is recognized in the future period.

Property, plant and equipment

The Company's management determines the estimated useful lives and related depreciation charge for its property, plant and equipment. The estimates for revalued amounts of different classes of property, plant and equipment are based on valuation performed by external professional valuers and recommendations of technical teams of the Company. The said recommendation also includes estimates with respect to residual values and depreciable lives. Further, the Company reviews its assets for possible impairment on an annual basis. Any change in use of assets in future years might affect carrying amounts of the respective item of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Investment property and assets classified as held for sale

Valuation is performed by external professional valuers. Further, the Company reviews its assets for possible impairment on an annual basis. Any change use of assets in future years might affect carrying amounts of the respective item with a corresponding effect on the impairment.

Stock in trade and stores, spare parts and loose tools

The Company's management reviews the net realizable value (NRV) and impairment of stock in trade and stores, spare parts and loose tools to assess any diminution in the respecting carrying values and wherever required provision for NRV / impairment is made. The difference in provision, if any, is recognized in statement of profit or loss for the year.

Staff retirement benefits

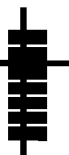
Certain actuarial assumptions have been adopted as disclosed in Note 4.1 to the financial statements for the valuation of present value of defined benefit obligation. Any changes in these assumptions might affect unrecognized gains and losses in those years.

Provision for contingencies

The Company's management uses assumptions and estimates in disclosures and assessment of provision for contingencies.

3.7 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) covering all eligible directors and employees, payable at the cessation of employment. The liability is provided on the basis of actuarial valuation applying Projected Unit Credit (PUC) Actuarial Method. The Company has a policy of carrying out actuarial valuation on annual basis with the assistance of independent actuarial appraisers to cover the obligations under the scheme.

Principal actuarial assumptions used in the actuarial valuation carried out as at June 30 are as follows:

- Discount rate used for year end obligation 9.00% (2017: 7.75%) per annum
- Expected rate of salary increase in future 8.00% (2017: 6.75%) per annum
- Average duration of the defined benefit obligation is 3 years (2017: 4 years)
- Mortality rate assumed were based on the SLIC 2001-2005 mortality table (2017:SLIC 2001-2005 mortality table)

4.2 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Furniture and fittings, vehicles, electrical appliances and office equipment

Subsequently, furniture and fittings, vehicles, electrical appliances and office equipment are measured using cost model i.e. cost less subsequent accumulated depreciation and impairment losses, if any. Depreciation is charged to statement of profit or loss on diminishing balance method at the rates as disclosed in Note 16 so as to write off the depreciable amount of furniture and fittings, vehicles, electrical appliances and office equipment over their estimated useful lives.

Freehold land, building on freehold land and plant and machinery

Free hold land is subsequently measured using revaluation model at the revalued amounts.

Buildings and plant and machinery are subsequently measured using revaluation model at revalued amount less subsequent accumulated depreciation and impairment losses, if any. Any surplus on revaluation of freehold land, building on freehold land, and plant and machinery is credited to the surplus on revaluation of property, plant and equipment account. Revaluation is carried with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred tax) is transferred directly to accumulated loss.

Depreciation on buildings and plant and machinery is charged to statement of profit or loss on straight line method at the rates as disclosed in note 16 so as to write off the depreciable amount of these assets over their estimated useful lives.

Depreciation on additions to property, plant and equipment except freehold land is charged from the date of acquisition / capitalization / start of commercial production of the assets and depreciation on assets disposed off during the year is charged up to the date of disposal.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

Gain / loss on disposal of property, plant and equipment is reflected in statement of profit or loss during the period in which they are incurred. Normal repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized.

The asset's residual values and estimated useful lives are reviewed as required, but at least annually and adjusted if impact on depreciation is significant.

4.3 Investment properties

Properties which are held to earn rentals or for capital appreciation or for both are classified as investment properties. Investment properties are initially recognized at cost, being the fair value of the consideration given. Subsequently these are stated at fair value. The fair value is determined annually by an independent professional valuer based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable willing parties in an arm length transaction. Any gain or loss arising from a change in fair value is charged to the statement of profit or loss.

When an item of property, plant and equipment is transferred to investment property, following a change in its use, any difference arising at the date of transfer between the carrying amount of the item and its fair value is recognized in revaluation surplus of property, plant and equipment. Upon disposal, the related revaluation surplus is transferred to accumulated loss. Any gain or loss arising in this manner is credited to statement of profit or loss.

When an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes for subsequent recording.

4.4 Finance leases

Assets subject to finance lease, in which the Company bears substantially all risks and rewards of ownership of the assets, are recognized at the inception of lease at the lower of present value of the minimum lease payments under the lease agreements and the fair value of the assets.

The related obligations of leases, net of finance cost, are included in liabilities against assets subject to finance lease.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate of financial cost on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Assets acquired under a finance lease are depreciated over the useful life of the assets on reducing balance method. Depreciation of the leased assets is charged to statement of profit or loss.

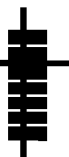
Depreciation on additions to leased assets is charged from the date of acquisition of the assets and depreciation on assets disposed off during the year is charged up to the date of disposal.

4.5 Capital work-in-progress

Capital work-in-progress is stated at cost accumulated upto the date of statement of financial position less accumulated impairment losses, if any. Capital work-in-progress is recognized as operating fixed asset when it is made available for intended use.

4.6 Stores, spare parts and loose tools

These are stated at lower of cost & net realizable value using moving average method except goods in transit which are stated at lower of cost.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

4.7 Stock in trade

Stock in trade is stated principally at lower of cost and net realizable value.

Cost of major components of stock in trade is determined as follows:

Raw materials	- At annual average cost
Work in process and finished goods	- At prime cost plus appropriate production overheads using weighted average

Net realizable value means the estimated selling price in the ordinary course of business less costs necessarily to be incurred to make the sale.

4.8 Financial instruments

4.8.1 Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs. Subsequent measurement of financial assets are described below. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial assets of the Company are classified as follows:

4.8.1.1 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. These are included in current assets, except for maturities for greater than twelve months after the date of statement of financial position, which are classified as non-current assets. The Company's cash and cash equivalents, trade debts, loans and advances, deposits and other receivables fall into this category of financial instruments. Loans and receivables are subject to review for impairment at each reporting date to identify whether there is objective evidence that the financial asset is impaired.

4.8.1.2 Available-for-sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the categories of loans and receivables, financial assets at fair value through profit or loss and financial assets held to maturity.

After initial recognition, available- for-sale investments are measured at fair value. Gains or losses on available-for-sale investments are recognized in other comprehensive income until the investment is sold or de-recognized, at which time the cumulative gain or loss previously reported is included in statement of profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company assesses at each date of statement of financial position whether there is objective evidence, that a financial asset or group of financial assets is impaired. If any such evidence exists for 'available-for-sale' financial assets, the cumulative loss is removed from equity and recognized in statement of profit or loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

4.8.2 Financial liabilities

The Company's financial liabilities include borrowings and trade and other payables.

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are measured initially at fair value, less attributable transaction costs. Financial liabilities are measured subsequently at amortized cost using the effective interest method, in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another on substantially different terms, or terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of original liability and the recognition of new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, if any, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, if any, pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized as expense in the period in which they are incurred.

A financial asset and financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.9 Foreign currencies

Transactions in currencies other than Pak Rupee are recorded at the rates of exchange prevailing on the dates of the transactions. At each date of statement of financial position, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the date of statement of financial position.

Gains and losses arising on retranslation are included in profit or loss for the period.

4.10 Revenue recognition

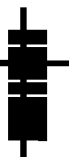
Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. Major type of revenue is recognized on the following basis:

- Export sales are recorded at the time of shipment. Exchange differences, if any, are adjusted in the period of realization.
- Local sales are recorded on dispatch of goods to the customers.
- Export rebates are accounted for on accrual basis.
- Interest income is recognized on time proportion basis.
- Rental income is recognised on accrual basis.

4.11 Taxation

Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemption available, if any, and tax paid on presumptive basis.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018****Deferred**

Deferred tax is provided using the statement of financial position liability method for all temporary differences at the date of statement of financial position between tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profits will be available against which such temporary differences and tax losses can be utilized. Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the date of statement of financial position. Deferred tax is charged or credited to the statement of profit or loss, except in the case of items credited or charged to equity in which case it is included in equity.

4.12 Impairment of assets

The Company assesses at each date of statement of financial position whether there is any indication that assets excluding inventory may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed recoverable amounts, assets are written down to their recoverable amounts and the difference is charged to the statement of profit or loss.

4.13 Provisions

A provision is recognized in the financial statements when the Company has legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of obligation.

4.14 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and bank balances and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.15 Contingent liability

Contingent liability is disclosed when:

- There is possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- There is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

4.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The management has determined that the Company has two reportable segments as the Board of Directors views the Company's operations as two reportable segments.

4.17 Non current assets held for sale

Non-current assets classified as assets held for sale are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recoverable principally through a sale transaction rather than through a continuing use.

4.18 Trade and other payables

Liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in future for goods and services received. These are recognized at amortized cost.

4.19 Change in accounting policy

The Companies Act, 2017 has introduced changes to the accounting standards, which have been applied for the first time in these financial statements. The changes in the accounting standards have impacted the Company's accounting policy relating to the revaluation surplus on property, plant and equipment. Accordingly, the accounting policy of the revaluation surplus on property, plant and equipment has been changed and applied retrospectively in these financial statements. The resulted impact of change in accounting policy is further explained below:

	30-Jun-18	30-Jun-17	30-Jun-16
	Rupees	Rupees	Rupees
Statement of financial position			
Surplus on revaluation below equity - as previously reported	573,396,280	603,715,735	523,687,940
Surplus on revaluation below equity - restated	-	-	-
Surplus on revaluation in equity - as previously reported	-	-	-
Surplus on revaluation in equity - restated	573,396,280	603,715,735	523,687,940
Statement of comprehensive income			
	30-Jun-18	30-Jun-17	
	Rupees	Rupees	
(Loss)/Gain on revaluation of property, plant & equipment- net of deferred tax (as previously reported)	-	-	
(Loss)/Gain on revaluation of property, plant & equipment - net of deferred tax (restated)	(2,888,383)	99,252,134	



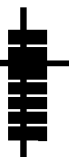
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
5 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL			
30,001,120 (2017 : 30,001,120) ordinary shares of Rs. 10 each fully paid in cash		<u>300,011,200</u>	<u>300,011,200</u>
6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX			
Surplus arising on revaluation	6.1	620,738,736	668,375,265
Less: Deferred tax arising on surplus on revaluation	6.2	<u>45,815,280</u>	<u>64,659,530</u>
		<u>574,923,456</u>	<u>603,715,735</u>
6.1 Opening balance of surplus on revaluation		668,375,265	593,682,912
Add: Surplus arising during the year - net	6.1.1	8,919,244	110,701,498
Less: Incremental depreciation:			
Buildings		<u>1,199,100</u>	<u>4,285,782</u>
Plant & machinery		<u>4,652,608</u>	<u>12,039,397</u>
		<u>5,851,708</u>	<u>16,325,179</u>
Less: Revaluation relating to plant & machinery disposed off		<u>33,903,469</u>	<u>15,423,966</u>
Less: Revaluation decrease in non-current assets classified as held for sale	27	<u>16,800,596</u>	<u>4,260,000</u>
		<u>620,738,736</u>	<u>668,375,265</u>
6.1.1 The revaluation of free - hold land and buildings on free - hold land was carried out by Arch-e-decon (Evaluators, Surveyors, Architects and Engineers) as at Dec 31, 2017. The revaluations resulted in followings:			
		Rupees	
Increase in carrying value of free - hold land		<u>8,225,000</u>	
Increase in carrying value of buildings on free - hold land		<u>694,244</u>	
		<u>8,919,244</u>	
6.1.2 Incremental depreciation represents the difference between actual depreciation on revalued property, plant and equipment and equivalent depreciation based on historical cost of property, plant and equipment.			
6.2 Related deferred tax liability on July 01		64,659,530	69,994,972
Deferred tax liability arising on revaluation		215,216	8,509,964
Tax effect on incremental depreciation & disposal of machinery during the year		(12,324,105)	(10,268,478)
Tax effect on revaluation decrease in non-current assets classified as held for sale		(5,208,185)	(1,320,600)
Effect of change in tax rate		(1,527,176)	(2,256,328)
		<u>45,815,280</u>	<u>64,659,530</u>
Deferred tax asset amounting to Rs. 226.262 million (2017: Rs. 201.101 million) arising on account of temporary differences mainly for property, plant and equipment, gratuity, unused tax losses and unused tax credits has not been accounted for due to uncertainty regarding its recoverability in the foreseeable future.			
7 LONG TERM FINANCING FROM DIRECTORS - Unsecured			
Interest free loans	7.1	165,262,134	150,357,690
Interest bearing loan - 1	7.2	-	136,976,963
Interest bearing loan - 2	7.3	166,262,267	114,253,965
Interest bearing loan - 3	7.4	80,000,000	100,000,000
Interest bearing loan - 4	7.2.5	140,000,000	-
		<u>551,524,401</u>	<u>501,588,618</u>
7.1 Original Loan amounts	7.1.1	321,531,223	321,531,223
Less: Present Value Adjustment	7.1.2	<u>206,132,600</u>	<u>206,132,600</u>
		<u>115,398,623</u>	<u>115,398,623</u>
Add: Interest charged to statement of profit and loss (Unwinding of discount)		<u>49,863,511</u>	<u>34,959,067</u>
		<u>165,262,134</u>	<u>150,357,690</u>
7.1.1 These interest free loans are repayable in lump sum on June 30, 2025 (2017: June 30, 2025).			
7.1.2 These long term interest free loans have been measured at amortized cost by applying weighted average interest rate ranging from 8.06% to 11.64% (2017: 8.06% to 11.64%).			



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
7.2 Original Loan amounts	7.2.1 & 7.2.3	140,000,000	140,000,000
Less: Present Value Adjustment	7.2.4	9,653,031	9,653,031
		130,346,969	130,346,969
Add: Interest charged to statement of profit or loss (Unwinding of discount)		9,653,031	6,629,994
	7.2.3	140,000,000	136,976,963
Less: Amount transferred to interest bearing loans	7.2.5	140,000,000	-
		-	136,976,963
		-	136,976,963
7.2.1	A director of the company had sold, on June 11, 2015, his property amounting to Rs. 140 million to MCB Bank Limited, with a buy back option on the same price along with cost of fund, within a period of three years thereof in accordance with Finance Facilities Settlement Agreement dated May 28, 2015. The sale proceeds had been advanced to the company as long term loan and had been utilized for settlement of finance facilities extended by MCB Bank. The cost of fund would be paid by the Company to MCB Bank on exercise of buy-back option by the director.		
7.2.2	The loan was repayable in lump sum initially by May 28, 2018 which was extended to Dec 2018.		
7.2.3	The mark-up, payable to MCB Bank, was charged equal to cost of funds of MCB Bank for the relevant period upto May 28, 2018 i.e. 4.15% (2017: 5.39% - 6.21%).		
7.2.4	The long term loan has been measured at amortized cost by using weighted average interest rate i.e. 8.06% less cost of fund of the Bank i.e. 5.65% (2017: 5.65%).		
7.2.5	During the year , term of such loan has been extended further upto June 30, 2025. It also carries mark-up @ one month KIBOR plus 2% w.e.f May 28, 2018 (2017: Cost of fund of MCB i.e. @ 5.39% - 6.21%).		
7.3	These loans carry mark-up @ one month KIBOR plus 2% (ranging from 8.26% to 8.92%) and are repayable in lump sum on December 31, 2020.		
7.4	This loan carries mark-up @ one month KIBOR plus 2% (ranging from 8.26% to 8.92%) and is repayable in lump sum on June 30, 2025.		
8 LONG TERM FINANCING FROM COMMERCIAL BANKS - Secured			
MCB Bank Limited	8.1	-	-
Faysal Bank Limited	8.2	-	-
		-	-
		-	-
8.1 MCB Bank Limited			
Running finance facility		-	339,967,656
Demand Finance - 1		-	14,896,104
Cost of Documents - Import Letter of Credit		-	955,664
		-	355,819,424
Less: Repayments up to June 30		-	(355,819,424)
Balance as on June 30		-	-
Less: Present Value Adjustment		-	27,641,477
		-	(27,641,477)
Add: Interest charged to statement of profit or loss (Unwinding of discount)		-	27,641,477
		-	-
Less: Deferred transaction cost (cost of professional services for settlement of finance facilities)			
Deferred transaction cost		-	(2,500,000)
Less: Amortization		-	2,500,000
		-	-
Current portion :			
Not yet due		-	-
Overdue		-	-
		-	-
		-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

- 8.1.1** The loan was obtained from MCB Bank Limited. In accordance with Finance Facilities Settlement Agreement dated May 28, 2015, last instalment of demand finance facility and cost of documents payable under import letter of credit, and running finance facility outstanding as on June 30, 2015 was repayable within three years from the date of the settlement agreement.
- 8.1.2** The facility was secured against joint pari passu charge by way of hypothecation of current assets and second joint pari passu charge on property, plant and equipment of the Company. No mark-up was to be charged by the bank, provided the entire principal liability had been repaid by May 28, 2018. Tentative repayment schedule was as under:

	Rupees
September 2015	20,200,000
December 2015	56,000,000
June 2016	62,000,000
December 2016	61,819,424
	<u>200,019,424</u>

Under this restructuring arrangement, out of total unpaid mark-up amounting to Rs. 48.705 million as on March 31, 2015, agreed payable was fixed at Rs. 10 million while balance was relinquished by MCB Bank Limited subject to the condition that entire principal liability referred above would be paid by Dec 31, 2016. The Company had repaid such entire liability before Dec 2016, and same has been recognized as income in the financial statements for the year ended June 30, 2016.

- 8.1.3** The loan was measured at amortized cost by using weighted average interest rate 8.06% (2017: 8.06%).

	Note	2018 Rupees	2017 Rupees
8.2 Faysal Bank Limited			
Running finance Facility	8.2.1	29,976,829	29,976,829
Short term advances		56,239,000	56,239,000
		86,215,829	86,215,829
Less: Repayments		(86,215,829)	(16,000,000)
		-	70,215,829
Less: Present value Adjustment		8,604,541	8,604,541
Add: Interest charged to statement of profit and loss		8,604,541	3,677,610
		-	65,288,898
Less: Current portion		-	(65,288,898)
		-	-

- 8.2.1** The loan has been obtained from Faysal Bank Limited. In accordance with Finance Facilities Settlement Agreement dated Dec 15, 2016, short term financing outstanding as on Dec 15, 2016 was repayable by May 28, 2018.

The facilities were secured against joint pari passu charge by way of hypothecation of stock in trade & current assets, second joint pari passu charge on property, plant and equipment of the Company & security of an associated company and subordination of directors interest free loans to the extent of Rs.162.712 million. Mark-up for the period from April 01, 2015 to Dec 15, 2016 amounting to Rs. 21.884 million was waived off / (relinquished) and onward no mark-up was to be charged by the Bank, provided the entire principal liability would have been repaid by May 28, 2018. Repayment schedule is as under:

	Rupees
June 30, 2017	16,000,000
May 28, 2018	70,215,829
	<u>86,215,829</u>

Such waiver (relinquishment) by the Bank was recognized as other income in the financial statements for the year ended June 30, 2017.

- 8.2.2** Under this restructuring arrangement, balance mark-up payable amounting to Rs. 4.910 million pertaining to the period up to March 31, 2015, was to be paid in equal quarterly instalments within a period of 18 months, after full payment of principal liability within agreed period of two and a half years.
- 8.2.3** The loan has been measured at amortized cost by using weighted average interest rate of 8.26%. (2017: 8.26%).
- 8.2.4** During the year, the Company has repaid the entire liability of the Bank ahead of schedule i.e. on April 12, 2018 and the Bank has waived off the deferred mark-up amounting to Rs. 4.910 million, which has been accounted for as other income in these financial statements (refer to Note 36.6).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
9 DEFERRED LIABILITIES			
Deferred tax	6.2	45,815,280	64,659,530
Staff retirement benefits - gratuity	9.2	40,072,687	43,218,235
Deferred mark-up	8.2.2 & 8.2.4	-	4,909,730
		<u>85,887,967</u>	<u>112,787,495</u>

9.1 The scheme provides for gratuity benefits for all permanent employees who attain minimum qualifying period of one year. Provision has been made on the basis of latest actuarial valuation made on June 30, 2018 by applying projected unit credit method.

9.2 Changes in Present Value of Defined Benefit Obligations:

Opening liability		43,218,235	72,777,456
Charge for the year	9.3	5,915,335	7,331,227
Remeasurement gain recognised in other comprehensive income (experience adjustment)		(2,464,196)	(3,151,734)
Benefits paid during the year		(6,596,687)	(33,738,714)
Closing liability		<u>40,072,687</u>	<u>43,218,235</u>

9.3 Charge for the year in statement of profit or loss

Current service cost		2,821,543	3,277,890
Interest cost		3,093,792	4,053,337
		<u>5,915,335</u>	<u>7,331,227</u>

9.4 The present value of defined benefit obligation is as follows:

	2018 Rupees	2017 Rupees	2016 Rupees	2015 Rupees	2014 Rupees
Present value of defined benefit obligation as at June 30	<u>40,072,687</u>	43,218,235	72,777,456	69,013,586	61,887,298

9.5 Charge for the year has been allocated as under:

	Note	2018 Rupees	2017 Rupees
Direct Cost	29.1	1,069,560	1,586,057
Distribution Cost	30.1	82,366	262,764
Administrative expenses	31.1	4,763,409	5,482,406
		<u>5,915,335</u>	<u>7,331,227</u>

9.6 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

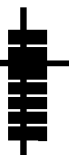
Discount rate + 1%	31,479,716	41,779,908
Discount rate - 1%	32,506,580	44,834,756
Salary increase + 1%	32,516,238	44,868,301
Salary increase - 1%	31,462,035	41,723,477

10 TRADE AND OTHER PAYABLES

Creditors	10,732,180	13,837,337
Due to associated company	188,227	210,867
Accrued liabilities	16,073,404	8,925,688
Payable to employees	-	24,797
Advances from customers	5,796,726	21,334,511
Income tax deducted at source	8,064,999	8,288,291
Sales tax deducted at source	1,253,438	23,141
Final dues payable	22,335,692	24,557,655
Others	27,504,893	27,489,453
	<u>91,949,559</u>	<u>104,691,740</u>

11 SECURITY DEPOSITS

These amounts have been received as security deposits from tenants which have not been kept in a separate bank account due to the fact that these are utilizable as working capital of the company in accordance with written agreements executed with such tenants.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
12 ACCRUED MARKUP			
Accrued mark-up / interest on long term financing from directors		29,228,005	25,923,989
Accrued mark-up / interest on short term borrowings		605,045	-
		<u>29,833,050</u>	<u>25,923,989</u>
13 SHORT TERM BORROWINGS			
Banking companies - unsecured			
Commercial bank- current account (bank overdraft)	13.1	26,763	817,776
Related parties - unsecured			
Associated company- unsecured	13.2	35,784,203	3,514,203
		<u>35,810,966</u>	<u>4,331,979</u>
<p>13.1 The unfavourable balance has arisen due to cheques issued prior to the year end. However, concerned bank statements show favourable balances.</p> <p>13.2 The short term financing has been obtained to meet working capital requirements of the company and to settle bank's financing (note 8.2.4).</p> <p>13.3 Mark-up is charged at the same rates which are being charged by the bank to the associated company ranging from 8.26% to 8.92% (2017: 8.22% to 8.28%) per annum.</p>			
14 CURRENT PORTION OF LONG TERM FINANCING			
Long term financing from commercial banks	8	-	65,288,898
		<u>-</u>	<u>65,288,898</u>

15 CONTINGENCIES AND COMMITMENTS

15.1 CONTINGENCIES

15.1.1 During the year 2011, Assistant Commissioner Inland Revenue issued order u/s 161/205 for tax year 2010 on November 10, 2011 demanding tax liability amounting to Rs. 50,349,214. The Company preferred appeal before the Learned Commissioner Inland Revenue Appeals Lahore. The Learned Commissioner Inland Revenue Appeal Lahore (CIR-A) reduced the demand to Rs. 2,044,547 and remanded back the case in respect of remaining demand. The Company, however, preferred appeal on before the Income Tax Appellate Tribunal Lahore which is pending for adjudication.

At the same time, Assistant Commissioner Inland Revenue finalized the remanded back proceedings u/s 161/205 demanding a tax liability of Rs. 4,460,664 comprising of Rs. 2,115,578 in respect of the above demand u/s 161 and Rs. 2,345,086 in respect of default surcharge u/s 205 on May 04, 2016. The Company has preferred an appeal before the CIR-Appeals on against the said default surcharge of Rs. 2,345,086/-. The same has been heard on 15-12-2017 but the appellate order is still awaited.

However, no provision has been made in these financial statements as the management of the company is confident of favourable outcome of such appeals.

15.1.2 During the year 2015, Deputy Commissioner Inland Revenue (DCIR) issued order u/s 161/205 on April 27, 2010 for tax year 2009 and raised impugned demand of Rs. 1,968,012. The Company preferred appeal on before the Commissioner Inland Revenue Appeals which is pending for adjudication. However, no provision has been made in these financial statements as the management of the company is confident of favourable outcome.

15.1.3 During the year 2016, proceedings u/s 122(5A) were initiated by Additional Commissioner Inland Revenue for tax year 2010 by imposing minimum tax u/s 113 on May 05, 2014 and creating a demand of Rs. 4,187,861. The Company preferred appeal before the Commissioner Inland Revenue Appeals-II (CIR-A) Lahore against the order passed by the Additional Commissioner Inland Revenue in respect of issue of minimum tax which is a legal issue and the same has been heard on 15-12-2017, however, the appellate order is still awaited.

However, no provision has been made in these financial statements as the management of the company is confident of favourable outcome.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

16 PROPERTY PLANT AND EQUIPMENT

DESCRIPTION	Cost or assessed value as on July 01, 2017	Cost of additions / (deletion)	Surplus/deficit on revaluation of assets	Non-current assets classified as held for Sale	Transferred to investment property	Gross book value as on June 30, 2018	DEPRECIATION				Net book value as on June 30, 2018	
							Rate %	As on July 01, 2017	Revaluation/ Transfer adjustments	For the year/ (adjustments on disposals)		As on June 30, 2018
Rupees							Rupees					
Land - freehold	79,900,000	-	8,225,000	-	(88,125,000)	-	-	-	-	-	-	-
Building on freehold lan	45,884,800	-	694,244	-	(45,293,990)	-	3.8 - 10	-	(1,285,054)	1,285,054	-	-
			(1,285,054)				6.2 - 16.7					
Plant and machinery	111,704,868	-	-	(71,467,850)	-	11,020,746	-	-	(4,265,465)	7,434,939	1,739,068	9,281,678
		(29,216,272)								(1,430,406)		
Furniture and fittings	3,107,005	-	-	-	-	3,107,005	10	2,582,847	-	52,416	2,635,263	471,742
Vehicles	3,543,180	-	-	-	-	3,483,880	20	3,036,918	-	101,252	3,081,117	402,763
		(59,300)								(57,053)		
Electrical appliances	2,101,539	-	-	-	-	2,101,539	10	1,459,153	-	64,239	1,523,392	578,147
Office equipment	9,628,505	4,600	-	-	-	9,625,605	10	6,608,215	-	301,853	6,906,103	2,719,502
		(7,500)								(3,965)		
2018 Rupees	255,869,897	4,600	7,634,190	(71,467,850)	(133,418,990)	29,338,775		13,687,133	(5,550,519)	9,239,753	15,884,943	13,453,832
		(29,283,072)								(1,491,424)		

DESCRIPTION	Cost or assessed value as on July 01, 2016	Cost of additions / (deletion)	Surplus/deficit on revaluation of assets	Non-current assets classified as held for Sale	Transferred to investment property	Gross book value as on June 30, 2017	DEPRECIATION				Net book value as on June 30, 2017	
							Rate %	As on July 01, 2016	Revaluation adjustments	For the year/ (adjustments on disposals)		As on June 30, 2017
Rupees							Rupees					
Land - freehold	384,100,000	-	83,250,000	-	(387,450,000)	79,900,000	-	-	-	-	-	79,900,000
Building on freehold land	156,338,719	-	34,685,784	-	(131,724,770)	45,884,800	3.8 - 10	7,816,936	(13,414,933)	5,597,997	-	45,884,800
			(13,414,933)									
Plant and machinery	170,567,772	-	(7,234,286)	-	-	111,704,868	4.8 - 10	32,083,683	(51,418,618)	19,377,007	-	111,704,868
		(210,000)	(51,418,618)							(42,072)		
Furniture and fittings	3,107,005	-	-	-	-	3,107,005	10	2,524,607	-	58,240	2,582,847	524,158
Vehicles	3,543,180	-	-	-	-	3,543,180	20	2,910,352	-	126,566	3,036,918	506,262
Electrical appliances	2,101,539	-	-	-	-	2,101,539	10	1,387,777	-	71,376	1,459,153	642,386
Office equipment	9,086,017	542,488	-	-	-	9,628,505	10	6,278,802	-	329,413	6,608,215	3,020,290
2017 Rupees	728,844,232	542,488	45,867,947	-	(519,174,770)	255,869,897		53,002,157	(64,833,551)	25,560,599	13,687,133	242,182,764
		(210,000)								(42,072)		

16.1 Depreciation for the year has been allocated as under :

	Note	2018 Rupees	2017 Rupees
Direct cost	29	8,719,993	24,975,004
Administrative expenses	31	519,760	585,595
		9,239,753	25,560,599

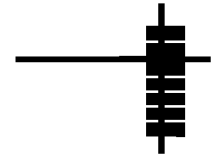
16.2 Disposal of fixed assets & assets held for sale

The following are details of disposals during the year:

Particulars	Cost / Revalued amount Rs.	Book value Rs.	Sale proceeds Rs.	Gain/(loss) on disposal Rs.	Mode of disposal	Name and address
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Operating Fixed Assets:

4 Sulzer looms with accessories	4,455,335	4,351,581	6,745,670	2,394,089	By Negotiation	Ahsan Rizwan Trading FZC/SM Office 11, Off No. 232 D AR Ajman Free Zone, UAE.
20 Sulzer looms with accessories	22,279,468	21,017,982	29,000,000	7,982,018	By Negotiation	Umer Textiles 30, 2C-1, Ghosia Chowk, College Road, Lahore.
Caterpillar 910 KVA, Prime	1,560,000	1,527,233	1,100,000	(427,233)	By Negotiation	A & A Genetech 1-Km Raiwind Road, Lahore.
5 Compressors	921,469	889,070	378,150	(510,920)	By Negotiation	Mr. Sulman Saeed Lakshami Chowk, 2 Royal Park, Lahore.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

Particulars	Cost / Revalued amount Rs.	Book value Rs.	Sale proceeds Rs.	Gain/(loss) on disposal Rs.	Mode of disposal	Name and address
Laser printer HP 4100	7,500	3,535	1,500	(2,035)	By Negotiation	I.A. Enterprises 1-Main Meer Road, Upper Mall, Lahore.
Honda CD70 motor cycle (LZD - 5029)	59,300	2,247	12,000	9,753	By Negotiation	Muhammad Rais - Ex-Employee 16 Ahmad Town, Droghawala, Lahore.
Non-current assets classified as held for sale						
2 Sulzer looms with accessories	6,931,417	4,880,477	3,200,000	(1,680,477)	By Negotiation	Bismillah Textiles A/25, J-1, S.I.T.E. Karachi.
14 Sulzer looms with accessories	47,142,447	33,193,450	23,456,345	(9,737,105)	By Negotiation	Gulf Tex Machine FZCO. Jebel Ali Free Zone, Dubai, UAE.
4 Air-jet Looms with accessories	10,450,000	10,450,000	10,465,603	15,603	By Negotiation	International Heavy Equipment Suit No. 9-10, Plot No. 153-154, New Saniya Industrial Area, Ajman, UAE.
2018 Rupees	93,806,936	76,315,575	74,359,268	(1,956,307)		
2017 Rupees	125,861,071	125,818,998	125,736,226	(82,772)		

The Company does not have any direct or indirect relation with the buyers.

- 16.3** At the time of transfer of Land and Building to Investment property on December 31, 2017, Free - hold land and buildings on free - hold land were revalued by an independent valuer, Arch-e-decon (Evaluators, Surveyors, Architects and Engineers), resulting in surplus of Rs. 8.919 million and incorporated in the financial statements for the year ended June 30, 2018. Previously, five revaluations had been carried out by Arch-e-decon, an independent valuer. First revaluation was carried out during 2006, second during 2009, third during 2012, fourth during 2015 and fifth during 2017. The basis used for revaluation of property, plant and equipment are as follows:

Free - hold land :	Value of free - hold land ascertained according to the local market value;
Buildings on free - hold land :	Present day construction rates for different types of building structure depreciated to account for the age and condition of the building;
Plant and machinery :	Value has been determined with reference to prevailing prices of similar plants and machinery depreciated to account for the age, usage and physical condition.

- 16.4** Free - hold land, buildings on free - hold land and plant and machinery represent values subsequent to revaluations. Had there been no revaluation, carrying amount of the revalued assets would have been as follows:

Note	2018 Rupees	2017 Rupees
Free - hold land	-	1,062,969
Buildings on free - hold land	-	3,069,219
Plant and machinery	1,653,082	45,927,238
	1,653,082	50,059,426

- 16.5** Forced sale value of revalued assets amounts to Rs. 6,961,259 (2017: Rs. 190,695,731).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
17 INVESTMENT PROPERTIES			
Fair values as at July 01			
Free hold land		487,900,000	-
Buildings on freehold land		132,449,770	-
		620,349,770	-
Transferred from property, plant and equipment during the year			
Free hold land	16	88,125,000	387,450,000
Buildings on freehold land	16	45,293,990	131,724,770
		133,418,990	519,174,770
Additions in buildings during the year		-	722,190
Carrying value before revaluation as at June 30			
Free hold land		576,025,000	387,450,000
Buildings on freehold land		177,743,760	132,446,960
		753,768,760	519,896,960
Changes in fair values during the year:			
Free hold land		91,975,000	100,450,000
Buildings on freehold land		(1,723,875)	2,810
		90,251,125	100,452,810
Fair values as at June 30			
Free hold land		668,000,000	487,900,000
Buildings on freehold land		176,019,885	132,449,770
		844,019,885	620,349,770

17.1 As of reporting date, investment properties comprise of freehold land and buildings on free hold land transferred from property, plant and equipment on January 31, 2017 and December 31, 2017.

17.2 Latest valuation of these properties has been carried out on June 30, 2018 by an independent valuer, M/s Arch-e' Decon.

17.3 The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1],
- Inputs other than quoted prices included with level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (i.e. derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

Recurring fair value measurements

There are no level 1 and level 3 assets or transfers between levels 1, 2 and 3 during 2017.

Valuation techniques used to derive level 2 fair values:

At the end of each financial year, the management updates its assessment of the fair value of the investment properties, taking into account the most recent independent valuation. The management determines the properties' value within a range of reasonable fair value Estimates. Level 2 fair value of investment properties has been derived using a sales comparison approach. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per square feet.

17.4 Particulars of immovable investment property (i.e. land & building) are as follows:

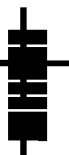
The investment properties comprise of 167 Knanal land and civil structure thereon having 250,720 Sq. feet covered area situated at 32 K.m Multan Road, Sunder, Lahore.

17.5 Forced sale value of such free hold land and buildings on free hold land on June 30, 2018 was Rs.567,800,000 and Rs.149,616,902 respectively.

18 LONG TERM LOANS AND ADVANCES

Advances - secured and considered good	18.1	58,000	209,000
18.1 Advances to:			
Employees		80,000	281,000
Less: Current portion		(22,000)	(72,000)
		58,000	209,000

18.2 Loans to employees are secured against retirement benefits. Maximum aggregate amount in respect of loan extended to employees is at the discretion of the Board of Directors.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

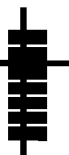
	Note	2018 Rupees	2017 Rupees
19 LONG TERM DEPOSITS			
Security deposits	19.1	<u>1,629,034</u>	<u>1,629,034</u>
		<u>1,629,034</u>	<u>1,629,034</u>
19.1 Security deposits mainly include security deposits for electricity connection.			
20 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		5,723,739	5,683,849
Spare parts		8,772,329	8,684,466
Packing materials		64,708	64,395
Loose tools		1,319,887	1,368,462
		<u>15,880,663</u>	<u>15,801,172</u>
21 STOCK IN TRADE			
Raw materials		-	204,332
Work in process		-	68,500
Finished goods		734,477	734,477
Scrap / waste		-	28,458
		<u>734,477</u>	<u>1,035,767</u>
22 TRADE DEBTS - Considered good			
Local - Unsecured		-	127,448
		<u>-</u>	<u>127,448</u>
23 LOANS AND ADVANCES			
Advances - unsecured but considered good:			
to executives - against salaries and expenses	23.1	141,622	26,205
to employees - against salaries and expenses		402,307	235,638
to suppliers		190,736	168,064
		<u>734,665</u>	<u>429,907</u>
		<u>734,665</u>	<u>429,907</u>
23.1 The maximum aggregate amount due from executives at the end of any month was Rs. 141,622 (2017: Rs. 26,205).			
24 SHORT TERM PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments		824,090	777,338
Export rebate receivable		568,331	568,331
		<u>1,392,421</u>	<u>1,345,669</u>
25 TAX REFUNDS DUE FROM GOVERNMENT			
Income tax refundable - net		27,763,852	29,585,351
Sales tax refundable		9,881,804	10,415,475
		<u>37,645,656</u>	<u>40,000,826</u>
26 CASH AND BANK BALANCES			
Cash in hand		24,357	58,959
Cash at banks:			
Current accounts		1,335,052	393,128
Deposit accounts	26.1	2,901	3,120
		<u>1,337,953</u>	<u>396,248</u>
		<u>1,362,310</u>	<u>455,207</u>
26.1 Deposit accounts carry interest @ 4% (2017: 7%) per annum.			
27 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE			

These represent realizable value of following assets pertaining to discontinued operations of textile segment (refer note 42) classified as held for sale. The proceeds will be utilized as working capital and to reduce debt burden in order to reduce finance cost of the company, as per plan approved by Board of Directors. (mentioned in note 1.2):



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Plant and equipment:			
Sulzer looms related equipment, warping and sizing machine	27.1	18,567,862	6,240,000
Air-jet looms with back process and allied equipment	27.2	-	10,450,000
		<u>18,567,862</u>	<u>16,690,000</u>
27.1 Sulzer Looms, warping and sizing machine			
Opening balance (23 looms & warping and sizing machine)		6,240,000	31,409,070
Carrying value transferred from property, plant and equipment		67,202,385	-
Carrying amount of assets disposed off during the year	16.2	(38,073,927)	(20,909,070)
Decrease in revaluation surplus		(16,800,596)	(4,260,000)
Closing balance		<u>18,567,862</u>	6,240,000
27.2 Air-jet Looms with back process and allied equipment			
Opening balance - 4 looms (2017: 78 looms)		10,450,000	115,192,001
Carrying amount of assets disposed off during the year	16.2	(10,450,000)	(104,742,001)
Closing balance		<u>-</u>	<u>10,450,000</u>
27.3 The management expects sale of these assets within 12 months of reporting date.			
28 REVENUE			
Rental income		<u>15,363,305</u>	9,909,550
		<u>15,363,305</u>	<u>9,909,550</u>
28.1 Rental income pertains to investment properties (refer note 17).			
29 DIRECT COST			
Salaries, wages and other benefits	29.1	6,501,350	-
Fuel and power		1,763,475	-
Insurance		116,798	-
Repairs and maintenance		2,036,623	-
Depreciation on property, plant and equipment	16.1	1,739,068	-
		<u>12,157,314</u>	<u>-</u>
29.1 Salaries, wages and other benefits include post retirement benefits amounting to Rs. 1,069,560 (2017: Rs. 1,586,057 regrouped in discontinued operations)			
30 DISTRIBUTION COST			
Salaries and other benefits	30.1	310,675	-
Vehicles running and maintenance		27,898	-
Communication		13,764	-
Other expenses		16,864	-
		<u>369,201</u>	<u>-</u>
30.1 Salaries and other benefits include post retirement benefits amounting to Rs. 82,366 (2017: Rs. 262,764 regrouped in discontinued operations)			
31 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	31.1	17,967,170	594,573
Travelling and conveyance		110,989	-
Rent, rates and taxes		1,249,930	-
Printing and stationery		313,996	-
Communication		628,878	-
Vehicles running and maintenance		1,853,250	-
Entertainment		650,162	-
Repairs and maintenance		236,510	-
Utility expenses		529,662	-
Legal and professional		1,027,300	-
Subscription		237,768	-
Insurance		310,760	-
Advertisement		180,302	-
Depreciation on property, plant and equipment	16.1	519,760	-
		<u>25,816,437</u>	<u>594,573</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

31.1 Salaries and other benefits include post retirement benefits amounting to Rs. 4,763,409 (2017: Rs. 5,482,406 regrouped in discontinued operations).

	Note	2018 Rupees	2017 Rupees
32 OTHER EXPENSES			
Auditors' remuneration	32.1	746,191	-
Others		120,717	-
		<u>866,908</u>	<u>-</u>
32.1 Auditors' remuneration			
Audit fee		500,000	-
Half yearly review		50,000	-
Code of Corporate Governance review		25,000	-
Tax representation and consultancy fee		151,691	-
Out of pocket expenses		19,500	-
		<u>746,191</u>	<u>-</u>
33 OTHER INCOME			
Income on financial assets			
Interest on deposit accounts		2,752	-
Income on assets other than financial assets			
Others		300	-
		<u>3,052</u>	<u>-</u>
34 FINANCE COST			
Mark-up on:			
- Financing from directors		25,622,318	7,165,206
- Financing from associated company		900,184	126,328
- Short term borrowings		-	2,111,554
Unwinding of discount		22,854,412	11,354,270
Amortization of transaction cost		-	297,619
Bank charges		261,438	97,076
		<u>49,638,352</u>	<u>21,152,053</u>
35 TAXATION			
Provision for taxation:			
Current tax expense	35.1	3,410,654	2,273,251
Deferred tax income	6.2	(462,828)	-
		<u>2,947,826</u>	<u>2,273,251</u>

35.1 Provision for rental income has been made at the current rate of corporate tax after taking into account allowable deductions / exemptions available under the Income Tax Ordinance, 2001.

35.2 As per the management's assessment, sufficient tax provision has been made in the Company's financial statements. The comparison of tax provision as per the financial statements viz-a-viz tax assessment for last three years is as follows:

	2017 Rupees	2016 Rupees	2015 Rupees
Tax provision as per financial statements	2,931,579	389,776	1,638,893
Tax assessment	<u>2,928,991</u>	<u>662,451</u>	<u>1,314,584</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

36 PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATIONS

	Note	2018 Rupees	2017 Rupees
Revenue	36.1	191,412	21,973,641
Direct cost	36.2	(12,561,244)	(88,644,926)
Gross loss		(12,369,832)	(66,671,285)
Operating Expenses:			
Distribution cost	36.3	-	(2,529,582)
Administrative expenses	36.4	-	(30,801,290)
Other expenses	36.5	(2,112,972)	(1,689,395)
		(2,112,972)	(35,020,267)
		(14,482,804)	(101,691,552)
Other income	36.6	5,765,120	40,090,301
Operating loss before finance cost		(8,717,684)	(61,601,251)
Finance cost	36.7	-	(29,612,874)
Loss before taxation		(8,717,684)	(91,214,125)
Taxation:			
- Current tax expense	36.8	(303,935)	(217,606)
- Prior years tax expense		(627,507)	(440,722)
- Deferred tax income	6.2	11,861,277	10,268,478
		10,929,835	9,610,150
Profit / (loss) after taxation - discontinued operations		2,212,151	(81,603,975)

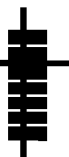
36.1 Revenue - sale of cloth

- Export	-	2,821,869
- Local	-	12,943,892
- Claim in respect of local sales	-	2,370,450
	-	18,136,211
Waste	191,412	2,865,672
Processing income	-	3,127,766
	191,412	24,129,649
Commission	-	(2,156,008)
	191,412	21,973,641

36.1.1 Sales are exclusive of sales tax amounting to Rs. 6,233 (2017: Rs. 84,593)

36.2 Direct cost

Raw materials consumed	36.2.1	-	3,321,990
Salaries, wages and other benefits		4,871,784	24,653,095
Fuel and power		-	4,930,999
Stores and spares consumed		189,147	11,330,264
Processing charges		-	419,616
Insurance		-	450,050
Repairs and maintenance		251,430	2,449,852
Depreciation on property, plant and equipment		6,980,925	24,975,004
Others		171,000	2,714,362
Adjustment of work-in-process		12,464,286	75,245,232
Opening stock		68,500	4,880,817
Closing stock		-	(68,500)
		68,500	4,812,317
Adjustment of finished goods and waste			
Opening stock		762,935	8,489,330
Purchases		-	860,982
Closing stock		(734,477)	(762,935)
		28,458	8,587,377
		12,561,244	88,644,926


NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
36.2.1 Raw materials consumed			
Opening stock		204,332	1,181,799
Purchases		-	2,195,025
Freight and octroi		-	149,498
		-	2,344,523
Sale		(204,332)	-
Closing stock		-	(204,332)
		<u>-</u>	<u>3,321,990</u>
36.3 Distribution cost			
Salaries and other benefits		-	1,892,964
Vehicles running and maintenance		-	131,939
Communication		-	104,575
Freight, shipment and others		-	353,346
Other expenses		-	46,758
		<u>-</u>	<u>2,529,582</u>
36.4 Administration expenses			
Salaries and other benefits		-	19,287,499
Travelling and conveyance		-	1,095,628
Rent, rates and taxes		-	3,066,720
Printing and stationery		-	583,205
Communication		-	689,317
Vehicles running and maintenance		-	1,804,439
Entertainment		-	885,708
Repairs and maintenance		-	364,665
Utility expenses		-	875,535
Legal and professional		-	1,068,200
Subscription		-	247,800
Insurance		-	158,279
Advertisement		-	88,700
Depreciation on property, plant and equipment		-	585,595
		<u>-</u>	<u>30,801,290</u>
36.5 Other expenses			
Auditors' remuneration	36.5.1	-	744,901
Loss on sale of property, plant and equipment & non-current assets classified as held for sale		1,956,307	82,772
Loss on sale of raw materials		63,282	-
Debtors written off		93,383	792,938
Others		-	68,784
		<u>2,112,972</u>	<u>1,689,395</u>
36.5.1 Auditors' remuneration			
Audit fee		-	500,000
Half yearly review		-	50,000
Code of Corporate Governance review		-	26,250
Tax representation and consultancy fee		-	145,781
Out of pocket expenses		-	22,870
		<u>-</u>	<u>744,901</u>
36.6 Other income			
Income on financial assets			
Interest on deposit accounts		-	18
Income on assets other than financial assets			
Mark-up waived off	8.2.2	4,909,730	21,884,404
Trade creditors written back		755,390	9,597,838
Amortization of commercial bank interest free loans		-	8,604,541
Others		100,000	3,500
		<u>5,765,120</u>	<u>40,090,301</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
36.7 Finance cost			
Mark-up on:			
- Financing from directors		-	10,031,288
- Financing from associated company		-	176,859
- Short term borrowings		-	2,956,176
Unwinding of discount		-	15,895,979
Amortization of transaction cost		-	416,667
Bank charges		-	135,906
			<u>29,612,874</u>

36.8 Taxation

36.8.1 Provision for income tax has been made in the accounts for tax on export proceeds @ 1% under final tax regime u/s 154 plus 1% of local sales under minimum tax regime u/s 113 of the Income Tax Ordinance, 2001.

36.8.2 As the Company's taxable income fall under final tax regime and there are carry forward business losses, the reconciliation of applicable and effective tax rate is not meaningful.

37 EARNING/ (LOSS) PER SHARE - BASIC AND DILUTED

Earning/(Loss) per share is calculated by dividing profit /(loss) after tax for the period by weighted average number of shares outstanding during the year as follows:

Profit attributable to ordinary shareholders from continued operations (amount in rupees)	16,033,595	4,738,508
Profit attributable to ordinary shareholders from discontinued operations (amount in rupees)	2,212,151	(81,603,975)
Weighted average number of ordinary shares	30,001,120	30,001,120
Earning/(loss) per share - Basic and diluted		
- From Continuing Operations	<u>0.46</u>	<u>2.88</u>
- From Discontinued Operations	<u>0.07</u>	<u>(2.72)</u>
- Total	<u>0.53</u>	<u>0.16</u>

37.1 No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

38 FINANCIAL ASSETS AND LIABILITIES

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

38.1 Credit risk and concentration of credit risk

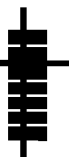
Credit risk represents the financial loss that would be recognized at the reporting date if the counter parties fail completely to perform as contracted.

Credit risk arises principally from loans and advances, trade debts, deposits, other receivables and bank balances. Out of total financial assets of Rs. 3.593 million (2017: Rs. 2.683 million), the financial assets that are subject to credit risk amounted to Rs. 3.569 million (2017: Rs. 2.624 million).

The Company monitors the credit quality of the financial assets with reference to the historical performance of such assets and available external credit ratings.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate. The table below shows the bank balances and investment held with some major counterparties at the date of statement of financial position.

Banks	Rating		Agency	June 2018 (Rupees)	June 2017 (Rupees)
	Short term	Long term			
Allied Bank Limited	A 1+	AAA	PACRA	1,953	6,351
MCB Bank Limited	A 1+	AAA	PACRA	63,352	59,196
Habib Metropolitan Bank Limited	A 1+	AA+	PACRA	8,359	14,421
National Bank of Pakistan	A 1+	AAA	PACRA	2,922	3,854
United Bank Limited	A - 1+	AAA	JCR-VIS	728	290,345
Faysal Bank Limited	A 1+	AA	PACRA	7,780	-
Bank Al Habib Limited	A 1+	AA+	PACRA	1,252,859	22,081
Total				1,337,953	396,248



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

The aging of trade receivables at the reporting date is:

	2018 (Rupees)	2017 (Rupees)
Past due 1-30 days	-	34,075
Past due 31-150 days	-	9,211
Past due over 150 days	-	84,162
	-	127,448

38.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation.

The following are the contractual maturities of financial liabilities as at 30 June 2018:

	Carrying amount (Rupees)	Less than one year (Rupees)	One to five years (Rupees)	More than five years (Rupees)
Long term financing from directors	551,524,401	-	246,262,267	305,262,134
Long term financing from commercial banks	-	-	-	-
Trade and other payables	91,949,559	91,949,559	-	-
Accrued markup	29,833,050	29,833,050	-	-
Short term borrowings	35,810,966	35,810,966	-	-
Total	709,117,976	157,593,575	246,262,267	305,262,134

The following are the contractual maturities of financial liabilities as at 30 June 2017:

	Carrying amount (Rupees)	Less than one year (Rupees)	One to five years (Rupees)	More than five years (Rupees)
Long term financing from directors	501,588,618	136,976,963	214,253,965	150,357,690
Long term financing from commercial banks	65,288,898	65,288,898	-	-
Trade and other payables	104,691,740	104,691,740	-	-
Accrued markup	25,923,989	25,923,989	-	-
Short term borrowings	4,331,979	4,331,979	-	-
Deferred mark-up	4,909,730	4,909,730	-	-
Total	706,734,954	342,123,299	214,253,965	150,357,690

38.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's value of its financial instruments.

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Company is not materially exposed to any currency risk.

b) Interest risk

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the variable interest rate profile of the Company's significant interest bearing financial instruments was as follows:

Variable rate instruments	2018 Effective rate of interest	2017 Effective rate of interest	June 2018 Carrying value in Rupees	June 2017 Carrying value in Rupees
Financial liabilities				
Long term financing from directors	4.15% - 8.86%	5.39% - 8.29%	386,262,267	351,230,928
Short term borrowings	8.26% to 8.92%	8.22% to 12.26%	35,810,966	4,331,979
Total			422,073,233	355,562,907
Financial assets				
Cash at bank - deposit accounts	4%	7%	2,901	3,120
Total			2,901	3,120



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) loss for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2017.

	Profit or loss 100 basis points	
	Increase Rupees	Decrease Rupees
As at 30 June 2018		
Cash flow sensitivity-Variable rate financial liabilities	4,220,732	(4,220,732)
As at 30 June 2017		
Cash flow sensitivity-Variable rate financial liabilities	3,585,859	(3,585,859)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

c) Equity price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as the Company does not hold investments whose fair value or future cash flows will fluctuate because of changes in fair value.

38.4 Financial instruments by categories

	Available for sale		Loans and receivables		Total	
	June 2018	June 2017	June 2018	June 2017	June 2018	June 2017
	Rupees					
Financial assets						
Loans and advances	-	-	601,929	470,843	601,929	470,843
Deposits	-	-	1,629,034	1,629,034	1,629,034	1,629,034
Trade debts	-	-	-	127,448	-	127,448
Cash and bank balances	-	-	1,362,310	455,207	1,362,310	455,207
Total	-	-	3,593,273	2,682,532	3,593,273	2,682,532
			Financial liabilities at amortised cost			
			June 2018	June 2017	(Rupees)	(Rupees)
Financial liabilities						
Long term financing from directors			551,524,401	501,588,618		
Long term financing from commercial banks			-	65,288,898		
Trade and other payables			91,949,559	104,691,740		
Accrued markup/interest			29,833,050	25,923,989		
Security deposits			5,546,163	7,853,730		
Unclaimed dividend			1,662,656	1,662,656		
Short term borrowings			35,810,966	4,331,979		
Total			716,326,795	711,341,610		

38.5 Fair values of financial assets and liabilities

The carrying values of financial assets and financial liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

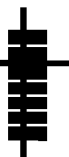
38.6 Fair Value

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair value Measurements' requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

The following table shows the categories as well as carrying amounts and fair values of financial assets according to their respective category, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets not measured at fair value if the carrying amount is reasonable approximation of fair value:

Rupees in thousand	Carrying amount					Fair Value			
	Cash and cash equivalents	Loans and receivables	Available for sale instruments	Fair value through profit or loss	Total	Level 1	Level 2	Level 3	Total
----- Rupees -----									
June 30, 2018									
Financial assets measured at fair value	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Non-current assets									
Long term deposits	-	1,629,034	-	-	1,629,034	-	-	-	-
Current assets									
Trade debts-unsecured	-	-	-	-	-	-	-	-	-
Loans and advances	-	543,929	-	-	543,929	-	-	-	-
Cash and bank balances	1,362,310	-	-	-	1,362,310	-	-	-	-
	1,362,310	2,172,963	-	-	3,535,273	-	-	-	-
June 30, 2017									
Financial assets measured at fair value	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Non-current assets									
Long term deposits	-	1,629,034	-	-	1,629,034	-	-	-	-
Current assets									
Trade debts-unsecured	-	127,448	-	-	127,448	-	-	-	-
Loans and advances	-	261,843	-	-	261,843	-	-	-	-
Cash and bank balances	455,207	-	-	-	455,207	-	-	-	-
	455,207	2,018,325	-	-	2,473,532	-	-	-	-

The company does not hold any financial liability at fair value.

38.7 Capital risk management

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide adequate returns for shareholders and benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, appropriation of amounts to capital reserves or/and issue new shares.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectations of the shareholders. Debt is calculated as total borrowings ("long term financing" and "short term borrowings" as shown in the balance sheet). Total capital comprises shareholders' equity as shown in the balance sheet under "share capital, reserves and surplus on revaluation and net debt".

The salient information relating to capital risk management of the Company at year end were as follows:

	2018 Rupees	2017 Rupees
Total borrowings	587,335,367	571,209,495
Less: Cash and cash equivalents	1,362,310	455,207
Net debt	585,973,057	570,754,288
Total equity (including surplus on revaluation)	133,264,043	116,127,459
Total capital	719,237,100	686,881,747
Gearing ratio	81.47	83.09

39 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of associated companies, directors and their close family members, executives and major shareholders of the Company. Remuneration and benefits to executives of the Company are in accordance with the terms of their employment. Outstanding balances with related parties at reporting dates are disclosed in relevant notes. Transactions with related parties during the year, other than those disclosed elsewhere in the financial statements, are as follows:



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

	2018 Rupees	2017 Rupees
Long term borrowing obtained from directors - interest bearing	32,008,302	214,253,965
Short term borrowing obtained from ICC (Private) Limited - interest bearing	32,270,000	333,800
Interest on loan debited by ICC (Private) Limited	900,184	126,328
Reimbursable expenses incurred on behalf of ICC (Private) Limited	13,373,566	2,810,878
Reimbursable expenses incurred by ICC (Private) Limited	17,117	2,384,759
Unwinding of discount on loans from directors	17,927,481	16,764,244
Interest on loan obtained from directors	25,622,318	7,165,206
Remuneration payable to Chief Executive Officer	10,542,090	2,108,418

39.1 Interest on interest bearing long term financing and short term borrowing is charged at the same rates which are charged by the banks to the associated company/director.

39.2 ICC (Private) Limited is associated due to common directorship.

40 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Description	2018			2017		
	Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
	----- Rupees -----					
Managerial remuneration	5,816,328	-	-	1,454,082	-	-
House rent allowance	2,617,344	-	-	654,336	-	-
Rupees	8,433,672	-	-	2,108,418	-	-
No. of person(s)	1	6	-	1	6	-

40.1 Chief executive is provided with Company maintained car as per rules of the Company.

40.2 No meeting fee was paid to the directors for attending meetings of the Board.

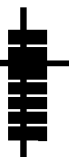
40.3 Other directors of the Company have opted not to take any remuneration from the Company voluntarily.

40.4 Companies Act, 2017 has changed the definition of executives. Accordingly, prior year figures has been restated.

July 2017 - June 2018		July 2016 - June 2017	
Continuing Operations Rupees	Discontinued Operations Rupees	Continuing Operations Rupees	Discontinued Operations Rupees

41 CASH FLOWS FROM OPERATING ACTIVITIES

Profit / (loss) for the year before taxation	16,769,270	(8,717,684)	88,615,734	(91,214,125)
Adjustments for non cash income and expenses:				
Depreciation on property, plant and equipment	2,258,828	6,980,925	-	25,560,599
Loss on disposal of property, plant and equipment & non-current assets classified as held for sale	-	1,956,307	-	82,772
Amortization of interest free loan	-	-	(8,604,541)	-
Unwinding of discount	22,854,412	-	27,250,249	-
Amortization of transaction cost	-	-	714,286	-
Changes in fair value of investment properties	(90,251,125)	-	(100,452,810)	-
Gratuity	5,915,335	-	-	7,331,227
Finance cost	26,783,940	-	9,500,163	13,300,229
	(32,438,610)	8,937,232	(71,592,653)	46,274,827
Change in working capital:	(15,669,340)	219,548	17,023,081	(44,939,298)
Increase / (decrease) in Current assets:				
Stores, spare parts and loose tools	-	79,491	-	9,322,728
Stock in trade	-	(301,290)	-	13,516,179
Trade debts	-	(127,448)	-	9,449,175
Loans and advances	304,758	-	-	3,173,427
Short term prepayments and other receivables	46,752	-	-	314,165
Sales tax refundable	-	(533,671)	-	34,365
	351,510	(882,918)	-	35,810,039
Increase / (decrease) in Current liabilities:				
Trade and other payables	-	(12,742,181)	-	(54,651,993)
Security deposits	(2,307,567)	-	7,853,730	-
	(2,307,567)	(12,742,181)	7,853,730	(54,651,993)
Increase / (Decrease) in working capital	(2,659,077)	(11,859,263)	7,853,730	(90,462,032)
Net cash (used in) / from operations	(18,328,417)	(11,639,715)	24,876,811	(63,781,252)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

42 REPORTABLE SEGMENT

The Company has following two strategic divisions, which are reportable segments.

REPORTABLE SEGMENTS NATURE OF OPERATIONS:

1. **TEXTILES UNIT** Manufacturing and sale of greige fabric
2. **REAL ESTATE SEGMENT** Renting out of Factory buildings and / or open area plus appreciation in investment properties

The management reviews internal management of each division.

42.1 INFORMATION ABOUT REPORTING SEGMENTS

Information to each reportable segment is given below:

42.1.1: SEGMENT PROFIT AND LOSS ACCOUNTS

	2018			2017		
	Textiles	Real Estate	Total	Textiles	Real Estate	Total
	-----Rupees-----			-----Rupees-----		
Sales	191,412	15,363,305	15,554,717	21,973,641	9,909,550	31,883,191
Direct cost	(12,561,244)	(12,157,314)	(24,718,558)	(88,644,926)	-	(88,644,926)
Gross loss	(12,369,832)	3,205,991	(9,163,841)	(66,671,285)	9,909,550	(56,761,735)
Distribution cost	-	(369,201)	(369,201)	(2,529,582)	-	(2,529,582)
Administrative expenses	-	(25,816,437)	(25,816,437)	(30,801,290)	(594,573)	(31,395,863)
Other expenses	(2,112,972)	(866,908)	(2,979,880)	(1,689,395)	-	(1,689,395)
Other income	5,765,120	3,052	5,768,172	40,090,301	-	40,090,301
Operating loss	(8,717,684)	(23,843,503)	(32,561,187)	(61,601,251)	9,314,977	(52,286,274)
Finance cost	-	(49,638,352)	(49,638,352)	(29,612,874)	(21,152,053)	(50,764,927)
Change in fair value of investment property	-	90,251,125	90,251,125	-	100,452,810	100,452,810
Loss before taxation	(8,717,684)	16,769,270	8,051,586	(91,214,125)	88,615,734	(2,598,391)
Taxation	10,929,835	(2,947,826)	7,982,009	9,610,150	(2,273,251)	7,336,899
Profit/ (Loss) after taxation	2,212,151	13,821,444	16,033,595	(81,603,975)	86,342,483	4,738,508

42.1.2: SEGMENT ASSETS AND LIABILITIES

	2018			2017		
	Textiles	Real Estate	Total	Textiles	Real Estate	Total
	-----Rupees-----			-----Rupees-----		
Segment assets for reportable segment	35,183,002	859,160,751	894,343,753	319,906,794	620,349,770	940,256,564
Unallocated corporate assets	-	-	41,135,052	-	-	-
Total assets as per statement of financial position			935,478,805			940,256,564
Segment liabilities for reportable segment	-	7,772,911	7,772,911	-	13,617,660	13,617,660
Unallocated corporate liabilities	-	-	927,705,894	-	-	926,638,904
Total liabilities as per statement of financial position			935,478,805			940,256,564

43 NUMBER OF EMPLOYEES

	2018	2017
Number of employees at the end of the year	49	81
Average number of employees during the year	65	266
Number of employees at the end of the year - Factory	29	52
Average number of employees during the year - Factory	41	215

44 CAPACITY INSTALLED AND ACTUAL PRODUCTION

	2018	2017
No. of looms (including held for sale)	-	44
No. of looms worked	-	40
Shifts per day	-	2
No. of days actually worked	-	62
Rated capacity (Square Meters in millions)	-	7.40
Actual production (Square Meters in millions)		
- Production - own	-	0.11
- Production - conversion basis	-	0.18
- Total Production	-	0.29

It is difficult to determine precisely the production / rated capacity in textile weaving mills since it fluctuates widely depending on various factors such as speed, width and construction of cloth woven etc.

Production was suspended through out the year as the Company has disposed off its all looms.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

45 FIGURES

- Figures in these financial statements have been rounded off to the nearest rupee.
- Corresponding figures have been re-arranged and / or reclassified, where ever considered necessary, for the purpose of better presentation of the financial statements. However, no significant reclassification has been made in these financial statements except for reclassification of surplus on revaluation of property, plant and equipment as equity (refer Note 4.19), disclosure of discontinuing operations and consolidation of profit or loss account and statement of other comprehensive income into a statement of profit or loss and other comprehensive income.

46 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved by the Board of Directors of the Company and authorized for issue on November 06, 2018.

Statement under section 232 of the Companies Act, 2017

The Chief Executive is currently out of country. Therefore, the Board of Directors of the company has authorised two Directors and Chief Financial Officer to sign these financial statements.

Sd-
Director

Sd-
Director

Sd-
Chief Financial Officer

**FORM 34**

**THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING OF THE SHARES
HELD BY THE SHAREHOLDERS AS ON JUNE 30, 2018**

No. of Shareholders	From	Shareholding To	Total Shares Held
165	1	100	12,429
982	101	500	458,685
116	501	1,000	114,047
139	1,001	5,000	412,529
46	5,001	10,000	372,839
22	10,001	15,000	273,198
10	15,001	20,000	173,073
9	20,001	25,000	201,600
3	25,001	30,000	81,500
4	35,001	40,000	146,000
2	45,001	50,000	100,000
1	90,001	95,000	92,000
1	95,001	100,000	99,500
1	105,001	110,000	110,000
1	115,001	120,000	119,500
1	120,001	125,000	125,000
5	125,001	130,000	633,612
1	130,001	135,000	130,500
1	135,001	140,000	139,900
1	155,001	160,000	158,900
1	165,001	170,000	168,950
2	175,001	180,000	354,720
1	190,001	195,000	194,500
1	195,001	200,000	200,000
1	230,001	235,000	235,000
2	235,001	240,000	473,000
1	270,001	275,000	271,120
1	2,190,001	2,195,000	2,194,788
1	4,455,001	4,460,000	4,457,918
1	7,710,001	7,715,000	7,714,933
1	9,780,001	9,785,000	9,781,379
1,524			30,001,120



**PATTERN OF SHAREHOLDING
FORM-34 AS ON JUNE 30, 2018**

Categories of Shareholders

	<u>Shares held</u>	<u>Percentage</u>
1 Directors, Chief Executive Officer and their spouse and minor children		
Mr. Javaid Shafiq Siddiqi	4,457,918	14.86
Mr. Javaid Shafiq Siddiqi (CDC)	9,781,379	32.60
Mr. Pervaiz Shafiq Siddiqi (CDC)	7,714,933	25.72
Mrs. Fauzia Javaid	179,300	0.60
Mrs. Fauzia Javaid (CDC)	2,194,788	7.32
Mr. Salman Javaid Siddiqi (CDC)	1,000	0.00
Mr. Asim Pervaiz Siddiqi (CDC)	1,000	0.00
Mr. Adnan Javaid Siddiqi	1,000	0.00
Mr. Arsalan Javaid Siddiqi	500	0.00
	24,331,818	81.10

2 Associated Companies, undertakings and related parties

- -

3 NIT & ICP

Investment Corp. of Pakistan 1,400 0.00

Public Sector Companies and Corporations

4 Banks, Development Financial Institutions and Non Banking Financial Institutions

5,092 0.02

5 Insurance Companies

158,900 0.53

6 Modaraba and Mutual Funds

0 0.00

Total 163,992 0.55

7 General Public

a. Local 5,476,207 18.25
b. Foreign - -

8 Other (to be specified)

Joint Stock Companies 12,101 0.04
Pension Funds 15,073 0.05
Others 529 0.00

Total 27,703 0.09

Grand Total 30,001,120 100.00

9 Shareholders holding 10% or more voting interest

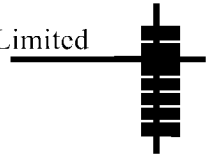
Mr. Javaid Shafiq Siddiqi 14,239,297 47.46
Mr. Pervaiz Shafiq Siddiqi 7,714,933 25.72

Total 21,954,230 73.18

10 Shareholders holding 5% or more voting interest

Mr. Javaid Shafiq Siddiqi 14,239,297 47.46
Mr. Pervaiz Shafiq Siddiqi 7,714,933 25.72
Mrs. Fauzia Javaid 2,374,088 7.91

Total 24,328,318 81.09



FORM OF PROXY

The Company Secretary
 ICC Textiles Ltd.
 242-A, Anand Road
 Upper Mall, Lahore

I/We _____

of _____ being a member of ICC TEXTILES

LIMITED and holder of _____ Ordinary Shares as per share

Register Folio No. _____ and/or CDC Participant ID No. _____ and Sub Account No. _____

Hereby appoint _____

of _____

or failing him _____

of _____

as my/our proxy to vote for me/us and my/our behalf at the Annual General Meeting of the Company to be held at its Registered Office 242-A, Anand Road, Upper Mall, Lahore on Tuesday, the November 27, 2018 at 10:30 a.m. and at every adjournment thereof.

Signed this _____ Day of **November** **2018**.

WITNESSES

1 Signature:

Name: _____
 Address: _____

 CNIC or
 Passport
 No. _____

Signature

2 Signature:

Name: _____
 Address: _____

 CNIC or
 Passport
 No. _____

Note : Proxies, in order to be effective must be received by the Company not less than 48 hours before the meeting, duly completed in all respects

CDC shareholders and their Proxies are requested to attach an attested photocopy of their National Identity Card or Passport with the proxy form before submission to the Company.



پراکسی فارم

سیکرٹری

آئی سی سی ٹیکسٹائلز لمیٹڈ

242-A آئندروڈ، اپر مال، لاہور

میں رہم _____ ساکن _____

ساکن _____

.....

.....

.....

ضلع _____ بحیثیت ممبر آئی سی سی ٹیکسٹائلز لمیٹڈ (سی ڈی سی ریفولیو نمبر _____ ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا ہوں، تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے 30 ویں سالانہ عام اجلاس جو بتاریخ 27 نومبر 2018 بروز منگل 10:30 بجے کمپنی کے رجسٹرڈ آفس آئی سی سی ٹیکسٹائلز لمیٹڈ، 242-A، آئندروڈ، اپر مال، لاہور میں منعقدہ ہو رہا ہے میں یا اس کے کسی ملتموی ہونے والے عام اجلاس میں ووٹ ڈالے۔

یہ پراکسی فارم آج مورخہ _____ کو درج ذیل گواہان کی موجودگی میں دستخط ہوا۔

دستخط شیئر ہولڈر:

برائے مہربانی ۱۰ روپے مالیت کی

ریونیوسٹپ چسپاں کریں۔

گواہان

_____	-1	_____	-2
_____	دستخط	_____	دستخط
_____	نام	_____	نام
_____	پتہ	_____	پتہ

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____ کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____

یا

پاسپورٹ نمبر _____ پاسپورٹ نمبر _____

نوٹ:

- 1- پراکسی (نمائندے) کو فعال بنانے کے لیے نامزدگی کا فارم (پراکسی) مینٹنگ سے کم از کم 48 گھنٹے قبل کمپنی کو وصول ہو جانا چاہیے، کوئی بھی شخص پراکسی (نمائندہ) مقرر نہیں کیا جاسکتا اور نہ ووٹ دینے کا اہل ہو سکتا ہے جو کمپنی کا ممبر نہ ہو، ماسوائے کہ کمپنی رکالوریشن ایسے شخص کو عام اجلاس میں شرکت اور ووٹ دینے کے لئے نامزد کر سکتی ہے جو ممبر نہ ہو۔
- 2- سی ڈی سی اکاؤنٹ ہولڈر اور ان کے نمائندوں سے درخواست ہے کہ وہ پراکسی فارم کے ہمراہ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول جمع کروائیں۔



سٹاف ریٹائرمنٹ بینیفٹ

گرپو کمپنی کی حقیقی قدر سال کے اختتام پر 40.073 ملین روپے ہے جو کہ 2017 کے اختتام پر 43.218 ملین روپے تھی۔

بورڈ اور کمیٹی کے اجلاس

سال جولائی 2017 سے جون 2018 کے دوران بورڈ آف ڈائریکٹرز کے آٹھ اجلاس منعقد ہوئے، آڈٹ کمیٹی کے سات اور ایچ آرایینڈ آر کمیٹی کا ایک اجلاس منعقد ہوا جن کی حاضری حسب ذیل تھی۔

حاضری	ڈائریکٹرز کے نام
	بورڈ آف ڈائریکٹرز
7 عدد	1- جاوید شفیق صدیقی
6 عدد	2- پرویز شفیق صدیقی
7 عدد	3- فوزیہ جاوید
8 عدد	4- سلمان جاوید صدیقی
8 عدد	5- عاصم پرویز صدیقی
3 عدد	6- عدنان جاوید صدیقی
6 عدد	7- ارسلان جاوید صدیقی

آڈٹ کمیٹی

7 عدد	1- سلمان جاوید صدیقی
7 عدد	2- پرویز شفیق صدیقی
7 عدد	3- فوزیہ جاوید

حاضری	ڈائریکٹرز کے نام
	ایچ آرایینڈ آر کمیٹی

1 عدد	1- پرویز شفیق صدیقی
1 عدد	2- جاوید شفیق صدیقی
1 عدد	3- عاصم پرویز صدیقی

پیٹرن آف شیئر ہولڈنگ

کوڈ آف کارپوریٹ گورننس کے تحت پیٹرن آف شیئر ہولڈنگز رپورٹ شملک ہے۔

ادارے کے شیئرز کی خرید و فروخت

مالی سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، کمیٹی سیکریٹری، چیف فنانس افسر اور دیگر افسران (مجمع اہل و عیال) نے ادارے کے شیئرز کی کوئی خرید و فروخت نہیں کی ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی تین ممبران پر مشتمل ہے اور سب نان ایگزیکٹو ڈائریکٹر ہیں۔

ایچ آرایینڈ آر کمیٹی

ایچ آرایینڈ آر کمیٹی تین ممبران پر مشتمل ہے اور دونوں ایگزیکٹو ڈائریکٹر ہیں۔

آڈیٹرز

آڈٹ کمیٹی کی تجویز پر، ادارے کے بورڈ آف ڈائریکٹرز نے 30 جون 2019 کو ختم ہونے والے سال کے لئے ادارے کے موجودہ آڈیٹرز کی دوبارہ تقرری کی تجویز دی ہے۔

ڈیویڈنڈ

سالانہ مالیاتی نتائج اور cash flows کو مد نظر رکھتے ہوئے بورڈ آف ڈائریکٹرز نے 30 جون 2018 کو ختم ہونے والے سال کے لئے کسی ڈیویڈنڈ کی تجویز نہیں دی ہے۔

اتھارٹائزیشن

آخر میں ادارے کے ڈائریکٹرز اپنے ملازمین کو ان کی گن اور سخت محنت کی تعریف کرتے ہوئے خراج تحسین پیش کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

لاہور
نومبر 06 2018

جاوید شفیق صدیقی
چیف ایگزیکٹو آفیسر

پرویز شفیق صدیقی
ڈائریکٹر



ہفتا قانونی واجبات

کوئی ٹیکس، ڈیوٹی، لیویز اور چارجز کی مد میں قانونی ادائیگیاں نہیں ہیں جو 30 جون 2018 کو بقایا ہوں سوائے جن کا ذکر مالی حسابات میں کیا گیا ہے۔

تنظیمی-سامتی ذمہ داری

آپکا ادارہ معاشرے، ملازم اور ماحول کے بارے میں اپنی تنظیمی ذمہ داری سے مکمل طور پر آگاہ ہے۔

کارپوریٹ اور مالی رپورٹنگ

کوڈ آف کارپوریٹ گورننس کی تعمیل کے بارے میں مندرجہ ذیل بیانات دیئے جا رہے ہیں۔

مالی حسابات کی اشاعت

ادارے کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کیا گیا ہے۔

کھاتہ جات

ادارے کے کھاتہ جات مناسب طور پر بنائے گئے ہیں۔

کھاتہ جات کی حکمت عملی

مالی حسابات کی تیاری میں مناسب حکمت عملی کو تسلسل کے ساتھ لاگو کیا گیا ہے، مساوی حساب کتاب کی پالیسی میں تبدیلی (note-4.19)، اور کھاتوں کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

بین الاقوامی مالی رپورٹنگ معیار (IFRS)

مالی حسابات پاکستان میں لاگو بین الاقوامی مالی رپورٹنگ کے معیار کے مطابق بنائے گئے ہیں۔

داخلی کنٹرول کا نظام

داخلی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے۔

ادارے کا کاروباری تسلسل

ادارے کے آڈیٹرز نے اپنی رپورٹ میں، اپنی رائے کو مشروط کئے بغیر، آپکی توجیہ سالانہ مالی حسابات کی رپورٹ کے 1.2 نوٹ کی طرف مبذول کرائی ہے جس کے مطابق کمپنی کے موجودہ واجبات اس کے موجودہ اثاثوں سے 107.052 ملین روپے زیادہ ہیں اور ادارے کا موجودہ مجموعی خسارہ 741.67 ملین روپے ہے۔ یہ غیر یقینی حالات ادارے کے جاری رہنے کی صلاحیت بارے قابل ذکر شکوک و شبہات کی جانب اشارہ کرتے ہیں۔

یہ مالی رپورٹ ایک جاری رہنے والے کاروباری ادارے کی بنیاد پر تیار کی گئی ہے کیونکہ ادارہ مستقبل میں تسلی بخش منافع کمانے کی صلاحیت رکھتا ہے جس کا دارو مدارڈائریکٹرز کے اس منصوبے پر ہے کہ قرضہ جات اور ذمہ داریوں کو قابل عمل حد تک کم کریں اورڈائریکٹرز کی جانب سے کاروباری سرمایہ فراہم کیا جائے۔ اس مقصد کے لئے، اس مشکل وقت کو گذارنے کے لئے، ڈائریکٹرز نے ادارے کے وسائل کو جمع کرتے ہوئے اور بینک کے واجبات کو مکمل طور پر ادا کرنے کے لئے نوٹ نمبر 1.2 میں دیئے گئے

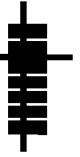
اقدامات کئے ہیں۔ کمپنی کا اپنے وسائل جمع کرنے کا منصوبہ تقریباً مکمل ہو چکا ہے۔ کمپنی اپنے تمام بینک واجبات اپریل 2018 میں ادا کر چکی ہے۔ اور اپنی فیکٹری کی عمارت کا خاصا حصہ کرایہ پر دے چکی ہے۔ لومز کی آخری فروخت مارچ 2018 میں ہوئی اور اب مزید عمارت کرائے پر دینے کے لئے دستیاب ہیں اور اس طرح کمپنی کی آمدن میں اضافہ متوقع ہے۔

کارپوریٹ گورننس

ادارے کے آڈیٹرز نے اپنے جائزہ برائے ممبران میں کہا ہے کہ کوڈ آف کارپوریٹ گورننس کے تحت آزاد ڈائریکٹرز کا تقرر نہیں کیا گیا۔ اس بارے میں ادارہ مسلسل کوشش کر رہا ہے اور عنقریب یہ مسئلہ حل کر لیا جائے گا۔ اس کے علاوہ اسٹاک ایکچینج کے فہرستی قواعد و ضوابط میں شامل کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں کیا گیا۔

گذشتہ چھ سالوں کا اہم مالی جدول (ملین روپے)

2018	2017	2016	2015	2014	2013	تفصیل
0.191	21.974	443.604	540.948	1,234.768	1,728.459	روپے کی فروخت
15.363	9.910	-	-	-	-	روپے آمدن کرایہ
16.034	4.739	(211.063)	(63.965)	(73.401)	2.984	خالص منافع (نقصان) بعد از ٹیکس
13.454	242.183	675.842	928.706	933.611	979.040	روپے جلد اثاثے
844.020	620.350	-	-	-	-	روپے جائیداد برائے سرمایہ کاری
(741.671)	(787.600)	(816.970)	(625.212)	(592.182)	(535.519)	روپے مجموعی خسارہ
103.08%	14.86%	(47.6%)	(11.8%)	(5.9%)	0.2%	خالص منافع ریٹ
0.35:1	0.28:1	0.21:1	0.34:1	0.28:1	0.35:1	موجودہ تناسب
4.44	3.87	(17.23)	(10.84)	(9.74)	(7.85)	روپے شیئرز بریک اپ ویلیو
0.53	0.16	(7.04)	(2.13)	(2.45)	0.10	روپے آمدن فی شیئر
Nil	Nil	Nil	Nil	Nil	Nil	روپے ڈیویڈنڈ کی ادائیگی



آئی سی ٹیکسٹائلز لمیٹڈ

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 جون 2018 کو ختم ہونے والے مالی سال کی 30 ویں سالانہ آڈٹ شدہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی کارکردگی

ادارے کی مجموعی فروخت 15,363 ملین روپے رہی اور بعد از ٹیکس منافع 16,034 ملین روپے رہا جبکہ گزشتہ سال مجموعی فروخت 31,784 ملین روپے اور بعد از ٹیکس منافع 4,739 ملین روپے تھا۔

مجموعی فروخت	15,363,305 روپے
مجموعی فائدہ	3,205,991 روپے
عملی خسارہ	23,843,503 روپے
مالیاتی لاگت	49,638,352 روپے
انوشنٹ پراپرٹی کی فیکٹریوں میں تبدیلی	90,251,125 روپے
منافع بعد از ٹیکس۔ جاری کاروبار	13,821,444 روپے
منافع بعد از ٹیکس۔ معطل کاروبار	2,212,151 روپے
منافع بعد از ٹیکس۔ نوٹس	16,033,595 روپے
موجودہ مجموعی خسارہ	741,670,613 روپے
منافع فی حصہ شیئر	0.53 روپے

زیر جائزہ مدت

کپنی کے وسائل کو جمع کرنے کے ہمارے منصوبے، یعنی پرائی اور فرسودہ مشینری کو فروخت کر کے پیسوں کے قرضے ادا کیے جائیں اور اپنے اخراجات اور بقایا جات کو کم سے کم سطح پر لایا جائے، پر عملدرآمد تقریباً مکمل ہو چکا ہے۔ کپنی کے حصہ داران نے ٹیکسٹائل کے منفی حالات، عوامل اور پیڑے کی مانگ میں کمی اور کاروباری اخراجات میں اضافے کے مد نظر اپنے غیر معمولی اجلاس منعقدہ دسمبر 2017 میں فیصلہ کیا تھا کہ بقایا لومز اور متعلقہ مشینری کے استعمال منافع بخش نہیں، کو فروخت کر دیا جائے۔ یہ بھی فیصلہ کیا گیا کہ اپنی توجہ فیکٹری کی خالی عمارت کو کرایہ پر دینے پر مرکوز رکھی جائے۔ لہذا مزید جائیداد کو انوشنٹ پراپرٹی میں شامل کیا گیا ہے۔

اس مالی سال کے دوران ادارے کی کارکردگی اور مالی حالت پر مندرجہ ذیل عوامل اثر انداز ہوئے:

- پیڑے کی کوئی فروخت نہیں ہوئی کیونکہ تمام لومز فروخت کی جا چکی ہیں۔
- کپنی کی کرایہ داری کی مدتیں آمدنی 15,363 ملین روپے رہی جو کہ 2017 میں 9,910 ملین روپے تھی۔
- کپنی نے اپنی مزید جائیداد "انوشنٹ پراپرٹی" میں شامل کی ہے اور جائیداد کی مالیت میں اس سال 90,251 ملین روپے کا اضافہ ہوا ہے جو کہ 2017 میں 100,453 ملین روپے تھا۔
- دیگر آمدن میں ایک بینک کی جانب سے معاف کیا گیا 4,910 ملین روپے سود بھی شامل ہے۔
- سال کے دوران کپنی کے ڈائریکٹران نے 32,008 ملین روپے مزید قرض دیا ہے۔
- معطل شدہ ٹیکسٹائل کے کاروبار سے، دیگر آمدن 5,765 ملین روپے رہی۔
- کپنی نے 76,316 ملین روپے مالیت کی مشینری فروخت کی ہے۔
- ایک ڈائریکٹر سے لئے گئے قرض کی شرائط میں ردوبدل کیا گیا ہے۔
- کپنی ایکٹ 2017 کے مفاد کے مطابق کچھ مزید انفارمیشن دی گئی ہے اور حساب کتاب کی پالیسی میں بھی تبدیلی کی گئی ہے۔

مستقبل کی حکمت عملی اور امکانات

اپنی توجہ فیکٹری کی عمارت کے مزید حصے کو کرایہ پر دینے پر مرکوز رکھتے ہوئے ہم ٹیکسٹائل کی صنعت کے مجموعی حالات پر نظر رکھتے ہوئے ہیں۔ اس ضمن میں ہم موجودہ حکومت کے ٹیکسٹائل کی صنعت کی از سر نو بحالی، برآمدات میں اضافے اور روپے کی قدر میں کمی جیسے اقدامات کا جائزہ بھی لے رہے ہیں۔ RLNG جو کہ اب قدرتی گیس کے متبادل کے طور پر ملک میں دستیاب ہے، کی قیمت بڑی تیزی سے بڑھی ہے جسکی وجہ خام تیل کی قیمت میں اضافہ اور پاکستانی روپے کی قدر میں کمی ہے۔ جیسا کہ ہمارا ٹیکسٹائل کا وسیع انفراسٹرکچر موجود ہے، ہم مستقبل میں ٹیکسٹائل میں پھر انوشنٹ کا تجزیہ کرنے کے بارے میں سوچ سکتے ہیں۔

مزید یہ کہ بقایا ٹیکسٹائل مشینری کے بارے میں خریداری میں دلچسپی رکھنے والے حضرات سے ہماری بات چیت جاری ہے۔

امکانات اور یقین دہانی

مالی سال کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کپنی کے مالی حالات پر اثر انداز ہونے والی کوئی بڑی مادی تبدیلیاں اور وعدے وقوع پر نہیں ہوئے جو اس پبلٹس شیٹ سے متعلقہ ہوں۔ سوائے جن کا ذکر مالی حسابات میں کیا گیا ہے۔