



**YD****A YOUSUF DEWAN COMPANY**

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COMPANY INFORMATION

BOARD OF DIRECTORS	:	MR. MUHAMMAD IRFAN ALI	-	CHAIRMAN BOARD OF DIRECTOR
NON-EXECUTIVE DIRECTORS	:	MR. HAFEEZ AHMED MR. MUHAMMAD WAJID MR. AHSAN BILAL		
EXECUTIVE DIRECTORS	:	MR. ZAFAR ASIM MR. SALEEM-UL-HAQUE	-	CHIEF EXECUTIVE OFFICER
INDEPENDENT DIRECTOR	:	MR. ASGHAR IQBAL		
AUDIT COMMITTEE	:	MR. ASGHAR IQBAL MR. MUHAMMAD WAJID MR. HAFEEZ AHMED	- - -	CHAIRMAN MEMBER MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	:	MR. ASGHAR IQBAL MR. ZAFAR ASIM MR. AHSAN BILAL	- - -	CHAIRMAN MEMBER MEMBER
CHIEF FINANCIAL OFFICER	:	MR. SALEEM-UL-HAQUE		
COMPANY SECRETARY	:	MR. MUHAMMAD HANIF GERMAN		
AUDITORS	:	FARUQ ALI & CO. CHARTERED ACCOUNTANTS		
	:	FEROZE SHARIF TARIQ & CO. CHARTERED ACCOUNTANTS		
LEGAL ADVISORS	:	KHALID ANWER & COMPANY – ADVOCATES		
TAX ADVISORS	:	SHARIF & COMPANY – ADVOCATES		
FACTORY OFFICE	:	PLOT NO. 1, DEWAN FAROOQUE INDUSTRIAL PARK, HATTAR, DISTRICT HARIPUR (K.P.K)		
HEAD OFFICE	:	FINANCE & TRADE CENTRE BLOCK-A, 7TH FLOOR, SHAHRAH-E-FAISAL, KARACHI.		
REGISTERED OFFICE	:	PLOT NO. 6, STREET NO. 9, FAYYAZ MARKET, G-8/2, ISLAMABAD, PAKISTAN		
SHARE REGISTRAR / TRANSFER AGENTS	:	BMF CONSULTANTS PAKISTAN (PRIVATE) LIMITED ANUM ESTATE BUILDING, ROOM NO. 310 & 311, 3RD FLOOR, 49, DARUL AMAN SOCIETY, MAIN SHAHRAH-E-FAISAL, ADJACENT TO BALOCH COLONY BRIDGE, KARACHI, PAKISTAN.		
BANKERS	:	AL BARAKA ISLAMIC INVESTMENT BANK LIMITED ALLIED BANK LIMITED ASKARI BANK LIMITED BANK ALFALAH LIMITED BANK OF KHYBER LIMITED BANK OF PUNJAB LIMITED FAYSAL BANK LIMITED HABIB BANK LIMITED HABIB METROPOLITAN BANK LIMITED HONG KONG & SHANGHAI BANKING CORPORATION KASB BANK LIMITED MEEZAN BANK LIMITED SUMMIT BANK LIMITED NATIONAL BANK OF PAKISTAN LIMITED STANDARD CHARTERED BANK LIMITED (PAKISTAN) SILK BANK LIMITED UNITED BANK LIMITED		



THE MISSION STATEMENT

- * “THE MISSION OF DEWAN SALMAN FIBRE LIMITED IS TO BE THE LEADER IN SYNTHETIC FIBRE MANUFACTURING IN PAKISTAN AND BECOME A GLOBAL PLAYER IN THE FIELD.**
- * TO ASSUME LEADERSHIP ROLE IN THE TECHNOLOGICAL ADVANCEMENT OF THE INDUSTRY AND TO ACHIEVE THE HIGHEST LEVEL OF QUALITATIVE AND QUANTITATIVE INDIGENIZATION.**
- * TO BE THE FINEST ORGANIZATION IN ITS INDUSTRY AND TO CONDUCT ITS BUSINESS RESPONSIBILITY AND IN A STRAIGHT FORWARD MANNER.**
- * TO SEEK LONG-TERM AND GOOD RELATIONS WITH OUR SUPPLIERS AND CUSTOMERS WITH FAIR, HONEST AND MUTUALLY PROFITABLE DEALINGS.**
- * TO ACHIEVE THE BASIC AIM OF BENEFITING OUR CUSTOMERS, EMPLOYEES, SHAREHOLDERS, OTHER STAKE HOLDERS AND TO FULLFIL US COMMITMENTS TO OUR SOCIETY.**
- * TO CREATE A WORK ENVIRONMENT HIGHLIGHTING TEAM WORK, WHICH MOTIVATES, RECOGNIZES AND REWARDS ACHIEVEMENTS AT ALL LEVELS OF THE ORGANIZATION, BECAUSE “IN ALLAH WE TRUST AND BELIEVE” AND HUMAN RESOURCE IS OUR CAPITAL AND ASSET.**
- * TO BE HONEST AND BE ABLE TO RESPOND EFFECTIVELY TO CHANGES IN ALL ASPECTS OF LIFE INCLUDING TECHNOLOGY, CULTURE PROACTIVE AND ENVIRONMENT.**
- * TO BE A CONTRIBUTING CORPORATE CITIZEN FOR THE BETTERMENT OF SOCIETY AND TO EXHIBIT A SOCIALLY RESPONSIBLE BEHAVIOR.**
- * TO CONDUCT BUSINESS WITH INTEGRITY AND STRIVE TO BE THE BEST.”**

NOTICE OF THE TWENTY NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty Ninth Annual General Meeting of **Dewan Salman Fibre Limited** (“**DSFL**” or “**the Company**”) will be held on **Friday, October 26, 2018, at 11:00 a.m.** at Plot No. 6, Street No. 9, Fayyaz Market, G-8/2, Islamabad, Pakistan; to transact the following businesses upon recitation from Holy Qur’aan and other religious recitals:

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Tuesday, October 31, 2017;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2018, together with the Directors’ and Auditors’ Reports thereon;
3. To appoint the Statutory Auditors’ of the Company for the ensuing year, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By Order of the Board



Muhammad Hanif German
Company Secretary

Dated: October 01, 2018
Place : Karachi.

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 19, 2018 to October 26, 2018 (both days inclusive).
2. Members are requested to immediately notify change in their addresses, if any, at our Shares Registrar Transfer Agent BMF Consultants Pakistan (Private) Limited, located at Annum Estate Building, Room No. 310 & 311, 3rd Floor, 49 Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi, Pakistan.
3. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company at the above-said address, not less than 48 hours before the meeting.
4. CDC Account holders will further have to observe the following guidelines, as laid down in Circular 01 dated January 20, 2000, issued by the Securities and Exchange Commission of Pakistan:
 - a) **For Attending Meeting:**
 - i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original National Identity Card (CNIC), or original passport at the time of attending the meeting.
 - ii) In case of corporate entity, the Board of Directors’ resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) at the time of meeting.
 - b) **For Appointing Proxies:**
 - i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
 - ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.



- iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) along with the proxy form to the Company.

5. Notice to Shareholders who have not provided CNIC:

CNIC of the shareholders is mandatory in terms of directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(1)/2012 dated July 05, 2012 for the issuance of future dividend warrants etc. and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar without any further delay.

6. Mandate for E-DIVIDENDS for shareholders:

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 5, 2013 had advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

7. Electronic Transmission of Financial Statements Etc.:

SECP through its notification No. SRO 787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility. The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: <http://www.yousufdewan.com/DSFL/index.html>

CHAIRMAN'S REVIEW

I am pleased to present a report on the overall performance of the Board of Directors and effectiveness of the role played by the board in achieving the company's objectives. The board of directors is responsible for the management of the company, which formulates all significant policies and strategies. The board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties are as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities.

An annual self-evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During financial year ended June 30, 2018, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the board and its committee meetings. The non-executive and independent directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.



Muhammad Irfan Ali

Chairman Board of Directors

Dated: September 28, 2018
Place : Karachi.



DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL

IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

Your directors present to you the Twenty Ninth Report of the company together with the Audited Accounts for the year ending June 30, 2018.

OPERATING AND FINANCIAL RESULTS AT A GLANCE

	(Rupees In '000')
SALES (NET)	--
COST OF SALES	(759,429)
GROSS LOSS	(759,429)
OPERATING EXPENSES	(47,007)
OPERATING LOSS	(806,436)
FINANCE COST	(691,511)
OTHER INCOME	498
LOSS BEFORE TAXATION	(1,497,449)
TAXATION	139,573
LOSS AFTER TAXATION	(1,357,876)

During the year under review, your company recorded turnover of Rs. Nil (2017: Nil.) There is gross loss amounting to Rs. 759.429 million. (2017: Rs. 518.909 million).

THE YEAR UNDER REVIEW

Despite of our best efforts, manufacturing operation of the country's largest polyester and only acrylic manufacturing plant in the current financial year could not be started. It is unfortunate that due to closure of Dewan Salman Fibre Limited (DSFL), short fall in the demand of polyester fibre and acrylic fibre is met by import of these commodities. This not only results in spending of huge foreign exchange but also deprives people of the country to earn honorable livings.

Management of your company has made various proposals for the restructuring of the company and all these proposals have been discussed with financial institutions to make it workable but unfortunately positive results have not yet emerged.

Auditors of the company have qualified their report on certain instances, in para (a) of their report they did not agree with the going concern assumption used in preparation of financial statements accordingly they have given their adverse opinion on the financial statements. The management is in process of negotiation with banks and is confident that the outcome will be positive. The justifications regarding preparation of financial statements on going concern assumption are more fully explained in note 2 to the financial statement.

The company has not made provision of mark-up for the year amounting to Rs.1.681 billion (up to 30 June 2018: Rs.19.317 billion) on its mark-up bearing liabilities.

The management has approached its bankers/financial institutions for restructuring of its long-term and short-term obligations. The management is confident that the company's restructuring proposals will be accepted by the bankers/financial institutions. Therefore, the company has not made any provision for mark-up as they will not be payable.

Para (c) of the report relates to valuation and classification of investment in Dewan Petroleum (Pvt.) Ltd. using the equity method as required under International Accounting Standard – 28 ‘Investment in associates’ which the company has classified as held for sale. The auditors are of the view that since the shareholders’ approval sought by the company in extra ordinary general meeting held on June 23, 2008 stands expired during the year therefore the investment should be valued using equity method. Investment has been classified as held for sale upon management’s intention to sell the same within next accounting cycle in the manner to be deemed appropriate, equitable, fit and beneficial to the interests of the company, although the shareholders’ approval has been expired but the management will seek further shareholder’s approval before disposal of the same.

Para (d) of the report relates to Trade debts amounting to Rs. 1.661 billion are stagnant, not being recovered, against which a provision of Rs.0.578 billion has been made so far. Since these trade debts are doubtful of recovery therefore the provision should be made there against. Had provision been made, loss for the period would have been further higher by Rs.1.083 billion.

Management of your company making utmost efforts to recover these debts and we believe that there will be a positive response from debtors in future.

INDUSTRY OVERVIEW

The period under review turned out to be one of the better years as the PSF makers enjoyed substantial amount of profits. Not only their PSF sales during the year remained steady but the prices also kept firm which usually is a rare sight. The capacity utilization of the local PSF makers were noticeably high due to continuous demand. The prices and availability of PTA & MEG (PSF raw materials) also remained viable and showed steady trends internationally during the period under review which played a significant role in keeping the steady PSF business here as well. The anti-dumping duty on Chinese PSF once again played a major role in protecting the local PSF industry from importing of excess Chinese PSF, otherwise, the local PSF makers would further lose some of their market share. The downward spinning industry also enjoyed good and steady margins during the period under review. They did not come across much sales problems while their economics remained viable as the yarn rates were in accordance with the PSF prices. Moreover, uninterrupted gas and LNG supply kept their operations running at optimum levels respectively. All above factors favored the local PSF makers to sell their products without any difficulty. However, the operations of your company remained closed during the period under review, while it seems to be quite difficult to resume the operations in the near future.

PRINCIPAL ACTIVITIES OF THE COMPANY

Dewan Salman Fibre Limited is incorporated in Pakistan as a public limited company and is listed on the Pakistan Stock Exchange. The Company’s principal activity is the manufacturing and sale of Polyester staple fibre (PSF) and Acrylic staple fibre (ACY) and Tow products. Currently the operations of your company are closed.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company consider the following as key risks:

- Significant competition in international PSF market;
- Depreciation of Pak Rupee against US Dollar;
- Non-availability of banking lines.

The Company is endeavoring internally as well as externally to cater with and mitigate the impact of aforesaid risks and uncertainties.

CODE OF CORPORATE GOVERNANCE

- The financial statements for the year ended June 30, 2018, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flow and changes in equity;
- Proper books of accounts of the company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended June 30, 2018 and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS) as applicable in Pakistan, have been followed in preparation of financial statements and departure there from, if any, has been adequately disclosed in the financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;



- There has been no material departure from the best practice of the corporate governance, as detailed in the listing regulations of the stock exchange of Pakistan;
- Summarized key operating and financial data of last six years is enclosed with the report;
- Information about taxes and levies is given in the notes to and forming part of financial results.

BOARD

The composition of board is as follows:

- | | |
|----------------------------|------------------------|
| a. Independent Director | Mr. Asghar Iqbal |
| b. Executive Directors | Mr. Zafar Asim |
| | Mr. Saleem Ul Haque |
| c. Non-Executive Directors | Mr. Hafeez Ahmed |
| | Mr. Muhammad Irfan Ali |
| | Mr. Muhammad Wajid |
| | Mr. Ahsan Bilal |

During the year, no casual vacancy was occurred on the Board of Directors.

During the year four meetings of the Board of Directors were held. Directors' attendance in these meetings is as under:

Names of Directors	No. of meetings Attended
Mr. Zafar Asim	4
Mr. Hafeez Ahmed	4
Mr. Muhammad Irfan Ali	4
Mr. Saleem-ul-Haque	4
Mr. Muhammad Wajid	4
Mr. Asghar Iqbal	4
Mr. Ahsan Bilal	4

AUDIT COMMITTEE

The audit committee comprises of three directors, one of them is an independent director and two are non-executive directors. During the year four meeting were held, members' attendance in these meeting is as under:

Names of Directors	No. of meetings Attended
Mr. Asghar Iqbal	4
Mr. Muhammad Wajid	4
Mr. Hafeez Ahmed	4

HUMAN RESOURCE AND REMUNERATION COMMITTEE

During the year one meeting of the human resource committee was held. Members' attendance in this meeting is as under:

Names of Directors	No. of meetings Attended
Mr. Muhammad Irfan Ali	1
Mr. Zafar Asim	1
Mr. Ahsan Bilal	1

EARNINGS PER SHARE

Loss per share during the period under report worked out to Rs. (3.23) [2017: Rs. (1.77)].

PATTERN OF SHARE HOLDING

The pattern of shareholdings of the company is attached to this report.

VOTE OF THANKS

The Board places on record its gratitude to its valued shareholders, Federal and Provincial Government functionaries, banks, financial institutions and customers of Salsbil, whose cooperation, continued support and patronage have enabled the company to achieve the desired results.

The Board also expresses its appreciation for the valuable services, loyalty and laudable efforts continuously rendered by the executives, staff members and workers of the company; it recognizes that they are most valuable assets of the Company.

AUDITORS

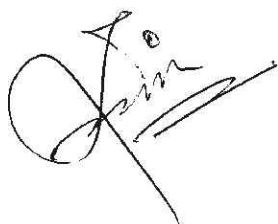
The Auditors of the Company, M/S Faruq Ali & Company Chartered Accountants and M/S Feroze Sharif Tariq & Company, Chartered Accountants, retire and being eligible, offer themselves for re-appointment under the terms of the code of corporate governance, they have been recommended by the audit committee for re-appointment as auditors until the conclusion of the next annual general meeting.

CONCLUSION

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Raheem, in the name of our beloved prophet. Muhammad (Peace Be Upon Him), for continued showering of His blessings, Guidance, Strength, Health and Prosperity on our Nation, Country and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to the whole of Muslim Ummah, Aameen, Summa Aameen.

LO-MY LORD IS INDEED HEARER OF PRAYER **(HOLY QURAN)**

By and under Authority of the Board of Directors



Zafar Asim
Chief Executive



Muhammad Irfan Ali
Chairman Board of Directors

Date: September 28, 2018

Place: Karachi



FINANCIAL HIGHLIGHTS

	Rupees in million					
	2013	2014	2015	2016	2017	2018
Turnover	-	-	-	-	-	-
Less: Govt. Levy & Commission	-	-	-	-	-	-
Sales (Net)	-	-	-	-	-	-
Gross Profit/(Loss)	(779)	(693)	(632)	(567)	(519)	(759)
Profit (loss) before Tax	(1,257)	(1,130)	(1,042)	(868)	(709)	(1,322)
Profit (loss) after Tax	(1,151)	(1,006)	(939)	(777)	(650)	(1,183)
Gross Assets Employed	11,341	10,208	9,222	8,400	10,974	10,023
Return on Equity	-14.34%	-11.15%	-9.42%	-7.23%	-7.20%	-11.64%
Current assets	3,641	3,175	2,792	2,500	2,322	2,095
Shareholders Equity	(8,026)	(9,023)	(9,968)	(10,742)	(9,029)	(10,165)
Long Term Debts & Deferred Liabilities	1,283	1,111	1,015	937	1,784	1,617
Current Liabilities	18,084	18,120	18,175	18,204	18,218	18,571
Gross Profit / Loss Ratio	-	-	-	-	-	-
Net Profit Ratio	-	-	-	-	-	-
Debt/Equity Ratio	(0.16)	(0.12)	(0.10)	(0.09)	(0.20)	(0.16)
Current Ratio	0.20	0.18	0.15	0.14	0.13	0.11
Loss per Share	(3.14)	(2.75)	(2.56)	(2.12)	(1.72)	(3.23)
Divided (Percentage)	-	-	-	-	-	-
-Cash	-	-	-	-	-	-
-Stock	-	-	-	-	-	-
Production Volume(Tons)	-	-	-	-	-	-

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2018

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: 7
 - b. Female: -
2. The composition of board is as follows:

Category	Names
a. Independent Director	Mr. Asghar Iqbal
b. Non-executive Directors	Mr. Hafeez Ahmed Mr. Muhammad Irfan Ali Mr. Muhammad Wajid Mr. Ahsan Bilal
c. Executive Directors	Mr. Zafar Asim Mr. Saleem Ul Haque

3. All Directors have confirmed that they are not serving as director in more than five listed Companies including this Company.
4. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
5. 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.
6. 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.
7. All the powers of the board have been duly exercised and decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors have been taken by the board/shareholders.
8. 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 requirements of the Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
9. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
10. One director of the Company is trained under Directors Training Program and rest are yet to be trained for which we will arrange Directors Training Program in the coming sessions.
11. The Board has approved appointments of CFO, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.



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

- | | |
|----------------------------------|---|
| a. Audit Committee | Asghar Iqbal - Chairman
Muhammad Wajid – Member
Hafeez Ahmed - Member |
| b. HR and Remuneration Committee | Muhammad Irfan Ali – Chairman*
Zafar Asim–Member
Ahsan Bilal – Member |

*Subsequent to 30th June 2018 the Chairman of the HR & Remuneration Committee has been changed.

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

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

- | | |
|----------------------------------|--|
| a. Audit Committee | 4 quarterly meetings during the financial year
ended June 30, 2018 |
| b. HR and Remuneration Committee | 1 annual meeting held during the financial year
ended June 30, 2018 |

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

17. 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, 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 Accountants (IFAC) guidelines on code of ethics are adopted by the ICAP.

18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

19. We confirm that all the other material principles enshrined in the CCG have been complied with.

Zafar Asim
Chief Executive

Muhammad Irfan Ali
Chairman Board of Directors

Dated: September 28, 2018
Place : Karachi.

Feroze Sharif Tariq & Co.**CHARTERED ACCOUNTANTS**4 / N / 4, BLOCK-6, P.E.C.H. SOCIETY
KARACHI-75400**FARUQ ALI & CO.****CHARTERED ACCOUNTANTS**C-88, Ground Floor, KDA Scheme No.1,
Main Karsaz Road, Opp. Maritime
Museum, Karachi.**INDEPENDENT AUDITOR'S MODIFIED REVIEW REPORT
TO THE MEMBERS OF DEWAN SALMAN FIBRE LIMITED****REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE CONTAINED
IN LISTED COMPANIES (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 Dewan Salman Fibre 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.

Following instance of non-compliance with the requirements of the Code was observed which is not stated in the Statement of Compliance:

Chairman of the Board shall be elected from non-executive directors and chairman and Chief Executive Officer shall not be the same person, however Mr. Zafar Asim, an executive director, holds the position of Chairman as well as Chief Executive Officer of the Company.

Based on our review, except for the above instance of non-compliance, 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 Regulation as applicable to the Company for the year ended 30 June 2018.

Further, we highlight the status of compliance as mentioned in the paragraph 12 of the Statement of Compliance, which has been complied with subsequent to the year-end.



**Chartered Accountants
(Muhammad Ghalib)**



**Chartered Accountants
(Fasih-uz-Zaman)**

Karachi: September 28, 2018

**YD**

A YOUSUF DEWAN COMPANY

Feroze Sharif Tariq & Co.**CHARTERED ACCOUNTANTS**4 / N / 4, BLOCK-6, P.E.C.H. SOCIETY
KARACHI-75400***FARUQ ALI & CO.*****CHARTERED ACCOUNTANTS**C-88, Ground Floor, KDA Scheme No.1,
Main Karsaz Road, Opp. Maritime
Museum, Karachi.**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DEWAN SALMAN FIBRE LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****Adverse Opinion**

We have audited the annexed financial statements of Dewan Salman Fibre Limited ('the Company'), which comprise the statement of financial position as at 30 June 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, 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, because of the significance of matters discussed in basis for adverse opinion paragraph, 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 do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse 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 as adopted by the Institute of Chartered Accountants of Pakistan ('the Code') 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 adverse opinion.

- a) The financial statements of the Company for the year ended 30 June 2018 reflect loss after taxation of Rs.1.183 billion and as of that date it has accumulated losses of Rs.17.978 billion which resulted in net capital deficiency of Rs.10.165 billion and its current liabilities exceeded its current assets by Rs.16.476 billion and total assets by Rs.8.547 billion. The operations of the Company are closed since December 2008 due to working capital constraints. Furthermore, the Company has been unable to ensure timely repayment of debts owing to financial institutions due to liquidity problems and short-term finance facilities have expired and not been renewed by banks. Following course, certain lenders have gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and certain lenders have also filed winding up petitions. These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realizable and settlement amounts respectively.
- b) The Company has not made provision of markup for the year amounting to Rs.1.681 billion (up to 30 June 2018: Rs.19.317 billion) (refer note 29.1) on account of restructuring proposal offered to the lenders as described in note 2 to the financial statements. Non-provisioning of markup is based on management's hope that the restructuring proposal will be accepted by lenders in the proposed manner. In our opinion, since the proposal has not been accepted by the lenders so far and the lenders, instead of accepting the restructuring proposal, have preferred filing suits against the Company, therefore the provision of markup should be made in these financial statements. Had the provision of markup been made in the financial statements, the loss after taxation for the year would have been higher by Rs.1.681 billion and markup payable would have been higher and shareholders' equity would have been lower by Rs.19.317 billion.

- c) Investment in associate company 'Dewan Petroleum (Private) Limited' is disclosed as non-current assets held for sale (refer note 24 to the financial statements) although the resolution for the permission to sale the same has been expired during the financial year 2009, which is non-compliance of IFRS 5 Non-current assets held for sale. This investment is required to be accounted for at equity method as prescribed in International Accounting Standard – 28 'Investment in associates'. We are unable to quantify the effect of the same as latest audited accounts of Dewan Petroleum (Private) Limited were not made available;
- d) Trade debts amounting to Rs.1.661 billion are stagnant, not being recovered, against which a provision of Rs.0.578 billion has been made so far. Since these trade debts are doubtful for recovery therefore the provision should be made there against. Had the provision been made, loss for the year would have been further higher by Rs.1.083 billion;
- e) We did not observe counting of physical inventories as at 30 June 2018 as the management did not carry out the same. We are unable to satisfy ourselves by alternative means concerning the inventory quantities held at 30 June 2018 which are stated in the balance sheet at net value of Rs.0.748 billion;

Key Audit Matter(s)

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. In addition to the matter described in the Basis for Adverse Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matters	How the matter was addressed in our audit
1.	First time adoption of the third and fourth schedules to the Companies Act, 2017	
	<p>As referred to in note 4.3.2 to the accompanying financial statements, the third and fourth schedules to the Companies Act, 2017 became applicable for the first time for the preparation of the Company's annual financial statements for the year ended 30 June 2018.</p> <p>The Companies Act, 2017 (including third and fourth schedules) 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. In the case of the Company, specific additional disclosures and changes to the existing disclosures have been included in the financial statements as referred to note 4.3.2 to the accompanying financial statements.</p> <p>The aforementioned changes and enhancement in the financial statements are considered important 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 Companies Act, 2017.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Considering the management's process to identify the necessary amendments required in the Company's financial statements. Evaluating the results of management's analysis and key decisions taken in respect of the transition, using our knowledge of the relevant requirements of the third and fourth schedules to the Companies Act, 2017 and our understanding of the Company's operations and business. Assessing the adequacy and appropriateness of the additional disclosures and changes to the previous disclosures made in the accompanying financial statements based on the new requirements.

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

Management is responsible for the other information. The other information comprises the information in the annual report including, in particular, the Chairman's Review, Director's Report, Financial and Business Highlights, Graphical Representation and Horizontal and Vertical Analysis of Financial Statements, 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(XIX of 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.
- 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 (XIX of 2017);
- b) Because of the matters described in Basis for Adverse Opinion section, the statement of financial position, the 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 thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) however, the same 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 Mr. Fasih-uz-Zaman of Faruq Ali & Co., and Mr. Muhammad Ghalib of Feroze Sharif Tariq & Co.



*Chartered Accountants
(Muhammad Ghalib)*



*Chartered Accountants
(Fasih-uz-Zaman)*

Karachi: September 28, 2018



STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

		2018	2017	1 July 2016
			(Restated)	2016 (Restated)
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital	Notes	----- (Rupees in '000) -----		
630,000,000 (2017: 630,000,000) Ordinary shares of Rs. 10/- each		6,300,000	6,300,000	6,300,000
90,000,000 (2017: 90,000,000) Preference shares of Rs. 10/- each		900,000	900,000	900,000
		7,200,000	7,200,000	7,200,000
Issued, subscribed and paid-up share capital	6	3,663,211	3,663,211	3,663,211
Revenue reserves	7	(17,628,165)	(16,771,229)	(16,254,101)
Capital reserves				
Unrealized gain due to changes in fair value of investments		--	--	2,336
Surplus on revaluation of property, plant and equipment	8	3,800,321	4,079,468	1,846,806
		(10,164,633)	(9,028,550)	(10,741,748)
NON-CURRENT LIABILITIES				
Long term loans	9	201,120	180,911	162,734
Deferred liabilities	10	1,416,235	1,603,141	774,896
CURRENT LIABILITIES				
Trade and other payables	11	938,597	934,609	927,402
Short term borrowings	12	13,794,714	13,794,714	13,794,714
Overdue portion of long term liabilities	13	3,675,769	3,327,169	3,320,869
Provision for taxation		161,769	161,769	160,864
		18,570,849	18,218,261	18,203,849
CONTINGENCIES AND COMMITMENTS		14	--	--
		10,023,571	10,973,763	8,399,731
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	15	7,583,047	8,305,995	5,529,604
Long term investments	16	25,205	25,205	49,581
CURRENT ASSETS				
Stores and spares	17	748,482	813,589	867,845
Stock in trade	18	--	--	--
Trade debts - Unsecured	19	1,083,005	1,250,625	1,377,334
Advances	20	12,199	8,522	9,385
Short term deposits	21	160,553	160,553	160,553
Other receivables - Considered good	22	78,208	77,943	76,733
Cash and bank balances	23	12,872	11,331	8,696
		2,095,319	2,322,563	2,500,546
Non-current asset held for sale	24	320,000	320,000	320,000
		10,023,571	10,973,763	8,399,731

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

Zafar Asim
Chief Executive

Saleem-ul-Haque
Chief Financial Officer

Muhammad Irfan Ali
Chairman Board of Directors

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017 (Restated)
	Notes	----- (Rupees in '000) -----	
Sales	25	--	--
Cost of sales	26	(759,429)	(518,909)
Gross loss		(759,429)	(518,909)
Operating expenses			
Distribution cost	27	(1,913)	(1,657)
Administrative expenses	28	(45,094)	(35,580)
		(47,007)	(37,237)
Operating loss		(806,436)	(556,146)
Finance cost	29	(367,744)	(24,467)
Other charges	30	(148,498)	(142,223)
Other income	31	498	13,996
		(515,744)	(152,694)
Loss before taxation		(1,322,180)	(708,840)
Taxation - Net	32	139,573	58,806
Loss after taxation		(1,182,607)	(650,034)
Loss per share - Basic and diluted	33	(3.23)	(1.77)

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



Zafar Asim
Chief Executive



Saleem-ul-Haque
Chief Financial Officer



Muhammad Irfan Ali
Chairman Board of Directors



STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	Notes	2018 ----- (Rupees in '000) -----	2017 (Restated) -----
Net loss after taxation		(1,182,607)	(650,034)
Other comprehensive (loss) / income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain realized on sale of investments now reclassified to profit or loss		--	(2,336)
<i>Items that will not be subsequently reclassified to profit or loss:</i>			
Remeasurement of defined benefit liability		--	1,514
Deferred tax on remeasurement of defined benefit liability		--	(469)
		--	1,045
Revaluation during the year		--	3,254,496
Related deferred tax		--	(909,083)
		--	2,345,413
Impact of change in tax rate	8	46,524	19,110
Total comprehensive (loss) / income for the year		(1,136,083)	1,713,198

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

Zafar Asim
Chief Executive

Saleem-ul-Haque
Chief Financial Officer

Muhammad Irfan Ali
Chairman Board of Directors

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

		2018	2017 (Restated)
	Notes	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(1,322,180)	(708,840)
<i>Adjustments for non-cash and other items:</i>			
Depreciation	15.1	723,009	477,780
Unwinding of discount	29	20,209	18,177
Gain on sale of fixed assets	31	(498)	(1,891)
Gain on sale of investments	31	--	(9,769)
Gain realized on sale of investments	31	--	(2,336)
Provision for gratuity	10.1.8	3,678	3,498
Provision for doubtful debts / advances / receivables	30	83,391	87,967
Provision for obsolescence and slow moving stocks and stores	30	65,107	54,256
Finance cost	29	348,606	6,307
Cash outflows before working capital changes		(78,678)	(74,851)
<i>Movement in working capital</i>			
<i>(Increase) / decrease in current assets</i>			
Trade debts - Unsecured		84,567	39,665
Advances		(3,677)	313
Other receivables		(338)	(373)
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		3,986	4,838
		84,538	44,443
Cash generated from / (used in) from operations		5,860	(30,408)
<i>Payments for:</i>			
Staff gratuity	10.1.4	(4,486)	(2,099)
Finance cost		(6)	(9)
Taxation		(265)	(324)
		(4,757)	(2,432)
Net cash inflows / (outflows) from operating activities		1,103	(32,840)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(137)	--
Sale proceeds of fixed assets		575	2,216
Sale proceeds of long term investment		--	33,259
Net cash inflows from investing activities		438	35,475
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase in cash and cash equivalents		1,541	2,635
Cash and cash equivalents at beginning of the year		(2,961,564)	(2,964,199)
Cash and cash equivalents at end of the year	34	(2,960,023)	(2,961,564)

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



Zafar Asim
Chief Executive



Saleem-ul-Haque
Chief Financial Officer



Muhammad Irfan Ali
Chairman Board of Directors



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

Issued, subscribed and paid-up share capital	Revenue Reserves			Capital Reserves			Total equity
	General Reserve	Accumulated Loss	Total revenue reserves	Unrealized gain due to change in fair value of investment	Surplus on revaluation of property, plant and equipment	Total capital reserves	

----- (Rupees) -----

Balance as on 1 July 2016 - <i>As reported</i>	3,663,211	350,000	(16,533,060)	(16,183,060)	2,336	--	2,336	(12,517,513)
Impact of change in accounting policy - Net of tax (Note 5.19)	--	--	(71,041)	(71,041)	--	1,846,806	1,846,806	1,775,765
Balance as on 1 July 2016 - <i>As restated</i>	3,663,211	350,000	(16,604,101)	(16,254,101)	2,336	1,846,806	1,849,142	(10,741,748)
Loss for the year ended 30 June 2017	--	--	(650,034)	(650,034)	--	--	--	(650,034)
Other comprehensive income	--	--	1,045	1,045	(2,336)	2,364,523	2,362,187	2,363,232
Total comprehensive income for the year - <i>As restated</i>	--	--	(648,989)	(648,989)	(2,336)	2,364,523	2,362,187	1,713,198
Transfer to accumulated losses on account of incremental depreciation - Net of tax	--	--	131,861	131,861	--	(131,861)	(131,861)	--
Balance as at 30 June 2017 - <i>As restated</i>	3,663,211	350,000	(17,121,229)	(16,771,229)	--	4,079,468	4,079,468	(9,028,550)
Loss for the year ended 30 June 2018	--	--	(1,182,607)	(1,182,607)	--	--	--	(1,182,607)
Other comprehensive income	--	--	--	--	--	46,524	46,524	46,524
Total comprehensive loss for the year	--	--	(1,182,607)	(1,182,607)	--	46,524	46,524	(1,136,083)
Transfer to accumulated losses on account of incremental depreciation - Net of tax	--	--	325,671	325,671	--	(325,671)	(325,671)	--
Balance as at 30 June 2018	3,663,211	350,000	(17,978,165)	(17,628,165)	--	3,800,321	3,800,321	(10,164,633)

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

Zafar Asim
Chief Executive

Saleem-ul-Haque
Chief Financial Officer

Muhammad Irfan Ali
Chairman Board of Directors

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

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan on 4 October 1989 and its shares are listed on Pakistan Stock Exchange. It is engaged in manufacturing and sale of polyester, acrylic fibre and tow products. However, the operations of the Company are closed since December 2008.

The geographical location and address of Company's business units including plant is as under:

- The registered office of the Company is situated at Plot No. 6, street no. 9, Fayyaz market, G-8/2, Islamabad, Pakistan.
- The factory office of the Company is situated at Plot No. 1, Dewan Farooque Industrial Park, Hattar, District Haripur (K.P.K), Pakistan.
- The head office of the Company is situated at Finance and Trade Centre, Block-A, 7th Floor, Shahrah-e-Faisal, Karachi, Pakistan.

2 GOING CONCERN ASSUMPTION

The financial statements for the year ended 30 June 2018 reflect loss after taxation of Rs. 1.183 billion (2017: Rs.0.650 billion) and as of that date it has accumulated losses of Rs. 17.978 billion (2017: Rs.17.121 billion) which have resulted in net capital deficiency of Rs. 10.165 billion (2017: Rs.9.029 billion) and its current liabilities exceeded its current assets by Rs. 16.476 billion (2017: Rs.15.896 billion) and total assets by Rs. 8.547 billion (2017: Rs.7.244 billion). The operations of the Company are closed since December 2008 due to working capital constraints. Further, the Company has been unable to ensure timely repayments of debts owing to financial institutions due to liquidity problems and short term finance facilities have not been renewed by banks. Following course most of the lenders have gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and certain lenders have also filed winding up petitions. These conditions indicate the existence of material uncertainty, which may cast significant doubt about Company's ability to continue as going concern.

These financial statements have been prepared on going concern assumption because the above conditions are temporary and would reverse. The management is confident that the outcome will be positive as the Company is negotiating re-profiling of the debt with all the lenders and is expected to be closed in near future. Accordingly the Company has approached its lenders for the restructuring of its entire debt in the following manner:

- a) All the debt obligations of the Company be converted into interest bearing long term loan in proportion to their respective current exposures;
- b) Principal to be repaid in 12 years in equal quarterly installments commencing from the 28th month of the restructuring date;
- c) Mark-up payable as on December 31, 2008 to be freezed and paid quarterly over a period of three years commencing after 3 months from the restructuring date;

The management believes that the restructuring proposal presented is workable and would enable the Company to service its debts. Therefore, the management is confident that the proposal will be accepted by its lenders. Accordingly, these financial statements have been prepared on a going concern basis.

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

All significant transactions and events that have affected the Company's statement of financial position and performance during the year have been adequately disclosed in the notes to these financial statements. For a detailed discussion about these significant transactions and events please refer to the Directors' report.

4 BASIS OF PREPARATION

4.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 29.1 to the financial statements, for which the management concludes that provisioning of mark up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:



- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except the obligation in respect of gratuity fund which is measured at present value and certain property, plant and equipment which are carried at revalued amounts.

4.3 Standards, interpretations and amendments applicable to financial statements

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as describe below:

4.3.1 New standards, interpretations and amendments

The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

- IAS 7 - Statement of Cash Flows- Disclosure Initiative - (Amendment)
- IAS 12 Income Taxes- Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

The adoption of the above amendments to accounting standards did not have any effect on the financial statements.

4.3.2 Amendments to approved accounting standards and interpretations which are effective during the year ended 30 June 2018

The third and 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 third and 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. Additional disclosures include but are not limited to, particulars of immovable assets of the Company (note 15.7), treatment of surplus on revaluation of fixed assets (note 8), management's assessment of sufficiency of tax provision in the financial statements (note 32.2), change in threshold for identification of executives (note 36), additional disclosure requirements for related parties (note 37).

The other amendments to published standards and interpretations that were mandatory for the Company's financial year ended 30 June 2018 are considered not to be relevant or to have any significant effect on the Company's financial reporting and therefore not disclosed in these financial statements.

4.3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

Standard or interpretation	Effective date (annual periods beginning on or after)
IFRS 2 - Share Based Payments- Classification and Measurement of Share Based Payment Transactions (Amendments)	1 January 2018
IFRS 9- Financial Instruments	1 July 2018

IFRS 9- Prepayment Features with Negative Compensation- (Amendments)	1 January 2018
IFRS 10- Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 15- Revenue from Contracts with Customers	1 July 2018
IFRS 16- Leases	1 January 2019
IFRS 4- Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts- (Amendments)	1 January 2018
IAS 40- Investment Property: Transfers of Investment Property (Amendments)	1 January 2018
IAS 19- Plan Amendment, Curtailment or Settlement (Amendments)	1 January 2019
IAS 28- Long-term Interests in Associates and Joint Ventures - (Amendments)	1 January 2019
IFRIC 22- Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRIC 23- Uncertainty over Income Tax Treatments	1 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application except for IFRS 15 - Revenue from contracts with customers. The Company is currently evaluating the impact of the said standard.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 14- Regulatory Deferral Accounts	1 January 2016
IFRS 17- Insurance Contracts	1 January 2021



4.4 Use of estimates and judgements

The preparation of the financial statements in conformity with approved accounting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant affect on the amounts recognised in the financial statements are as follows:

4.4.1 Operating fixed assets, revaluation and depreciation

The Company reviews appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation. The estimates of revalued amounts of revalued assets are based on valuations carried out by a professional valuer. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

4.4.2 Trade debts and amount due from related parties

The Company reviews its doubtful debts at each reporting dates to access whether provision should be recorded in the statement of profit or loss. In particular, judgment by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

4.4.3 Income tax

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

4.4.4 Stores and spares

The Company reviews the net realizable value (NRV) and impairment of stores and spare parts to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of provision involves the use of estimates with regards to future estimated use and past consumption along with stores and spares holding period.

4.4.5 Staff retirement benefits

Certain actuarial assumptions have been used as disclosed in these financial statements (note 10.1.2) for the actuarial valuation of unfunded gratuity scheme. Changes in these assumptions in future years may effect the liability under this scheme in those years.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Property, plant and equipment and depreciation

Owned:

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment, which qualifies for recognition as an asset, is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent to initial recognition items of property, plant and equipment are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair value at the balance sheet date.

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income and presented as a separate component of equity as “Revaluation surplus on property, plant and equipment”, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company’s shareholders. The surplus on revalued assets to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

During the year the Company changed its accounting policy in respect of the accounting and presentation of revaluation surplus on property, plant and equipment. Previously, the Company’s accounting policy was in accordance with the provisions of repealed Companies Ordinance, 1984. Those provisions and resultant previous policy of the company was not in alignment with the accounting treatment and presentation of revaluation surplus as prescribed in the IFRS. However, the Companies Act, 2017 has not specified any accounting treatment for revaluation surplus, accordingly the Company has changed the accounting policy and is now following the IFRS prescribed accounting treatment and presentation of revaluation surplus. The detailed information and impact of this change in policy is provided in note 5.19 below.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Capital work in process is stated at cost, less any recognized impairment loss. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold and freehold land and capital work-in-process, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in note 15. Depreciation on additions is charged from the month of acquisition or transfer of assets from capital work in progress on proportionate basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income statement.

Leased:

Assets subject to finance lease are initially recorded at lower of the present value of minimum lease payments under the lease agreements and the fair value of leased assets. The related obligation under the finance lease less financial charges allocated to future periods are shown as liability.

Depreciation charge is based on the reducing balance method at the rates specified in Note 15. Depreciation on additions is charged from the month of acquisition or transfer of assets from capital work in progress on proportionate basis.

Maintenance and normal repairs are charged to income as and when incurred; major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income statement.

5.2 Staff retirement benefits

The Company operates an unfunded Gratuity Scheme (the Plan) for eligible employees of the Company. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.



The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognized in statement of profit or loss. The latest actuarial valuation was conducted by a qualified professional firm of actuaries as of 31 July 2017 using the "Projected Unit Credit Method".

5.3 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account tax credits and rebates available, if any.

Deferred

Deferred tax is recognized on all major timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

5.4 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

5.5 Borrowing costs

Borrowings costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of the relevant asset.

5.6 Investment in associates

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognised in the Company's statement of profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognised in the associate's profit or loss. The Company's share of those changes is recognised in other comprehensive income of the Company. The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognised in profit or loss. If the Company's share of losses of an associate equals or exceeds its interest in the associate, the Company discontinues recognising its share of further losses. If the associate subsequently reports profits, the investor or joint venturer resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

5.7 Stores and spares

These are valued at average cost except for those in transit, which are valued at cost. Provision for obsolete items is based on their condition as at the financial position date depending upon the management's judgement.

5.8 Stock in trade

Raw and packing materials except for those in transit are valued at lower of average cost and net realizable value.

Work-in-process is valued at material cost only. Conversion costs are not included as these are not significant.

Finished goods are valued at lower of cost, which includes prime cost and appropriate portion of production overheads, and net realizable value.

Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

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

5.9 Trade debts

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method, if applicable, less provision for impairment, if any. A provision for impairment is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts and receivables are written off when considered irrecoverable.

5.10 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the balance sheet if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.11 Foreign currency translation

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gains and losses on translation are taken to statement of profit or loss.

5.12 Transactions with related parties

All transactions with related parties are priced on an arm's length basis using Comparable Uncontrolled Price Method.

5.13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities, excluding discounts, sales tax or duty. Revenue is recognized as follows:

- Sales are recorded on dispatch of goods to customers.
- Return on bank deposits and investments are recognised on accrual basis.
- Dividend income is recognised when the Company's right to receive the dividend is established.

5.14 Provisions

Provisions are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, 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 of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

5.15 Cash and cash equivalent

Cash and cash equivalents comprise cash and cheques in hand, balances with banks, term deposits with original maturity period of three months or less, short term running finances and temporary book overdrawn balances.

5.16 Financial instruments

The Company recognises financial asset or a financial liability when it becomes a party to the contractual provision of the instrument. Financial assets and liabilities are recognised initially at cost, which respectively is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost, as the case may be.

Financial assets are derecognised when the contractual right to cash flows from the asset expire, or when substantially all the risks and reward of ownership of the financial asset are transferred. Financial liability is derecognised when its contractual obligations are discharged, cancelled or expired.

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of the asset.

**5.17 Non-current assets held for sale**

Non-current assets classified as held for sale are measured at the lower of their carrying amounts and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

5.18 Impairment**Financial assets**

A financial asset is assessed at each balance sheet date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that the financial asset is impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on the terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated cash flows discounted at the original effective interest rate. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in statement of profit or loss.

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is assessed through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.19 Change in accounting policy

The Companies Act, 2017 has introduced changes to the accounting and reporting standards applicable to the listed companies, which have been applied for the first time in these financial statements. The changes in the accounting and reporting 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 have been changed and applied retrospectively in these financial statements as per the requirements of IAS 8 'Accounting policies, estimates and errors', to comply with the accounting and reporting standards applicable to the Company. The changes in accounting policy had a net impact of Rs.1,775.765 million in total equity, as at 1 July 2016. The resulted impact of change in accounting policy is further explained below:

On 01 July 2017 the Company changed its accounting policy for the revaluation surplus on property, plant and equipment, in accordance with requirements of the accounting and reporting standards as applicable in Pakistan under the Companies Act, 2017. Previously, the Company's accounting policy for surplus on revaluation of property, plant and equipment was in accordance with the provisions of section 235 of the repealed Companies Ordinance, 1984. Further, the revaluation surplus on property, plant and equipment was shown as a separate item below equity, in accordance with the presentation requirement of the repealed Companies Ordinance, 1984.

The Companies Act, 2017 has not retained the above mentioned specific accounting and presentation requirements of revaluation surplus on property, plant and equipment. Consequently, this impacted the Company's accounting policy for revaluation surplus on property, plant and equipment, and now the related accounting and presentation requirements set out in International Accounting Standard 16 - Property, Plant and Equipment are being followed by the Company. The new accounting policy is explained under note 5.1, above. Due to the change, the revaluation surplus on property, plant and equipment is now presented in the statement of financial position and statement of changes in equity as a capital reserve i.e. part of equity.

Statement of financial position

	As at 1 July 2016			As at 30 June 2017		
	As previously reported on 30 June 2016	Adjustments Increase / (Decrease)	As restated on 1 July 2016	As previously reported on 30 June 2017	Adjustments Increase / (Decrease)	As restated on 30 June 2017
----- (Rupees in '000) -----						
Surplus on revaluation of property plant and equipment (withing the equity)	--	1,846,806	1,846,806	--	4,079,468	4,079,468
Accumulated losses	(16,533,060)	(71,041)	(16,604,101)	(17,031,079)	(90,150)	(17,121,229)
Not impact on equity	(16,533,060)	1,775,765	(14,757,295)	(17,031,079)	3,989,318	(13,041,761)
Surplus on revaluation of property plant and equipment (below equity)	1,775,765	(1,775,765)	--	3,989,317	(3,989,317)	--
	<u>1,775,765</u>	<u>(1,775,765)</u>	<u>--</u>	<u>3,989,317</u>	<u>(3,989,317)</u>	<u>--</u>

Impact of change in accounting policy - 30 June 2018

(Rupees in '000)

Surplus on revaluation of property, plant and equipment (within equity)	3,800,321
Surplus on revaluation of property plant, and equipment (below equity)	(3,800,321)
	<u>--</u>

Statement of profit or loss

For the year ended 30 June 2017

	Impact of change in accounting policy		
	As previously reported	Adjustments (decrease) in profit	2017 (Restated) Rupees
----- (Rupees in '000) -----			
Deferred tax expense	77,916	(19,110)	58,806
Profit for the year	<u>77,916</u>	<u>(19,110)</u>	<u>58,806</u>

Statement of comprehensive income

For the year ended 30 June 2017

	Impact of change in accounting policy		
	As previously reported	Adjustments (decrease) in profit	2017 (Restated) Rupees
----- (Rupees in '000) -----			
Other comprehensive income (net of tax)	130,569	2,232,663	2,363,232
Total comprehensive income for the year (net of tax)	<u>130,569</u>	<u>2,232,663</u>	<u>2,363,232</u>

**Statement of profit or loss****For the year ended 30 June 2018****(Rupees in '000)**

Decrease in deferred tax expense	46,524
Increase in profit for the year	46,524

Statement of comprehensive income**For the year ended 30 June 2018****(Rupees in '000)**

Decrease in other comprehensive income - Net of tax	(325,671)
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6 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2018	2017		2018	2017
----- (Number of shares) -----			----- (Rupees in '000) -----	
65,000,000	65,000,000	Ordinary shares of Rs. 10/- each fully paid in cash	650,000	650,000
267,849,938	267,849,938	Ordinary shares of Rs. 10/- each issued as bonus shares	2,678,499	2,678,499
1,215,345	1,215,345	Ordinary shares of Rs. 10/- each issued	12,154	12,154
		Ordinary shares of Rs. 10/- each issued in exchange for		
32,255,800	32,255,800	96,767,400 shares of Rs.10/- each of Dhan Fibres Limited	322,558	322,558
366,321,083	366,321,083		3,663,211	3,663,211

6.1 At reporting date, 156,433,140 shares (2017: 156,433,140 shares) were held by associated companies.

	2018	2017 (Restated)
	----- (Rupees in '000) -----	
7 REVENUE RESERVES		
General reserves	350,000	350,000
Accumulated losses	(17,978,165)	(17,121,229)
	(17,628,165)	(16,771,229)

8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The surplus on revaluation of property, plant and equipment is restated and now presented as a separate capital reserve in these financial statements (Note 5.19).

Surplus on revaluation of property, plant and equipment - Opening	4,079,468	1,846,806
Surplus arising on revaluation during the year - net of tax	--	2,345,413
Impact of change in tax rate	46,524	19,110
Transfer to accumulated losses on account		
of incremental depreciation - Net of tax	(325,671)	(131,861)
Surplus on revaluation of property, plant and equipment - Closing	3,800,321	4,079,468

8.1 This represents surplus on revaluation of freehold land, leasehold land, non-factory building, factory building and plant and machinery. The basis of revaluation are stated below:

Land

Valuation of land is determined by obtaining key market data from property brokers, dealers and estate agents to ascertain the asking and selling prices of the property of the same nature in the immediate neighborhood and adjoining areas.

Building

Revalued amount of building has been determined by reference to present depreciated replacement values after taking into consideration covered area and type of construction, age of civil and ancillary structures, physical conditions and level of preventive maintenance carried out by the Company.

Plant and machinery

Revalued amount of plant and machinery has been determined by reference to present depreciated replacement values after taking into consideration the existence, level of maintenance and assessment of value of the machinery on the basis of its present conditions. Since the plant is not operational therefore assessment is carefully made to establish if the machinery can be put into operation after routine maintenance. New price is calculated according to the market values, applied suitable depreciation as per their condition, usage, life and maintenance and determined its Current Market Values. The latest revaluation has been carried out at 30 June 2017 by an independent valuer M/s. Anderson Consulting (Private) Limited.

- 8.2** The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

9 LONG TERM LOANS

		2018 ------(Rupees in '000)-----	2017
From bank and financial institutions - Secured	9.1	3,621,624	3,273,024
Overdue portion - Shown under current liabilities	13	(3,621,624)	(3,273,024)
		--	--
From related parties - Director - Unsecured, interest free			
Original loan amount	9.2	379,645	379,645
Effects of fair value adjustments			
Opening balance		(198,734)	(216,911)
Unwinding of interest / discount for the year	29	20,209	18,177
Shareholder's contribution included in equity		(178,525)	(198,734)
Shareholders' loan / fair value of the loan		201,120	180,911
		201,120	180,911

9.1 From bank and financial institutions - Secured

Financier	Installments payable	Repayment period	Mark-up rate	Notes	2018 ------(Rupees in '000)-----	2017
Syndicate of banks	Half yearly	2003-2008	3.75% over 6 months T-bill rate	9.1.1	58,333	58,333
International Finance Corporation (IFC) FCY-LOAN	Half yearly	2005-2011	6.9% p.a.	9.1.2	2,067,200	1,785,000
International Finance Corporation (IFC) FCY-LOAN	Annual	2010	5% p.a.	9.1.3	486,400	420,000
Saudi Pak Industrial & Agricultural Investment Co. (Pvt.) Ltd.	Quarterly	2009	3% over six months KIBOR	9.1.4	49,000	49,000
National Bank of Pakistan	Quarterly	2011	2% over three months KIBOR	9.1.5	500,000	500,000
Allied Bank Limited	Monthly	2010	3.25% over three months KIBOR	9.1.6	460,691	460,691
					3,621,624	3,273,024



9.1.1 These represents term loans obtained from syndicate of commercial banks and are secured by way of first pari passu hypothecation charge on all the present and future property, plant and equipment of the Company.

9.1.2 This represents US Dollars 30 million term loan obtained from IFC to finance the setting up specialty fibre project and repayment of high cost loans. This is secured by way of hypothecation charge on all the present and future property, plant and equipment of the Company.

9.1.3 This represents the financing of US Dollars 4 million obtained under the "Convertible C Loan Agreement" dated 16 June 2003 from IFC to finance the setting up specialty fibre project and repayment of high cost loans. This is secured by way of first ranking security interests in all assets subject to the security documents.

A commitment fee shall be paid to IFC @ 0.5 % per annum beginning on the date of this agreement until the date of disbursement on the basis of a 360-days year and the actual number of days in the relevant period.

This loan shall repay the entire outstanding amount of the C Loan on the fourteenth interest payment date @ 5% per annum from the date of execution of this agreement i.e., February 24, 2004 unless prior to the fourteenth interest payment date, subject to any prior conversion of all or part of the C Loan pursuant to the conversion option. "The conversion option may be exercised by IFC one or several times, each time by delivering a notice of conversion. IFC shall subscribe for the conversion shares at the conversion price and shall pay by setting off with the C Loan. The conversion period commencing on the second anniversary of the date of this agreement and ending on the date when all amounts of whatsoever nature, outstanding has been paid to the entire satisfaction of IFC.

According to agreement the basic conversion price is Rs.20/- per share. The conversion price per share obtained by applying the formula "to multiply the basic conversion price with initial number of share divided by number of issued, subscribed, paid up shares as of the settlement date." and the conversion shares calculated by applying the formula "the part of the C Loan to be converted into US / Pak Rs official rate as of the settlement date divided by conversion price per share".

There is further extension of convertible C Loan agreement with the acceptance of US Dollar 1 million dated 14 May 2004 with all the terms and conditions of the said agreement remains unchanged.

9.1.4 This represents loan for the purpose of working capital requirements and is secured by way of first pari passu hypothecation charge over fixed assets with 25% margin.

9.1.5 This represents term finance facility for the purpose of restructuring of the balance sheet of the Company and is secured by way of ranking charge over fixed assets with 25% margin and first pari passu hypothecation charge over all future stocks and receivables.

9.1.6 This represents term finance facility for the purpose of retiring present running finance & FADB outstanding and is secured by way of first pari passu charge over fixed assets with 25% margin.

9.2 This represents interest free loan and is repayable in lump sum on 30 June 2024. The loan from director has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of 11.17% per annum.

10 DEFERRED LIABILITIES

Staff gratuity payable

Deferred tax liability - Net

	2018	2017
	----- (Rupees in '000) -----	
10.1	160,075	160,883
10.2	1,256,160	1,442,258
	<u>1,416,235</u>	<u>1,603,141</u>

10.1 Staff gratuity payable

The Company operates unfunded gratuity scheme for its permanent eligible employees. Gratuity benefit is payable under the scheme to employees on cessation of employment due to death, retirement and resignation.

The gratuity is payable based on the last drawn gross pay and the number of years of services.

	2018	2017
10.1.1 Number of employees under the scheme	55	55

10.1.2 Principal actuarial assumptions

The latest actuarial valuations of the above gratuity scheme were carried out as at 31 July 2017 under the Project Unit Credit Method. Principal actuarial assumptions used in the valuation of the scheme is as follows:

<i>Financial assumptions</i>	2018	2017
Expected rate of increase in salaries	6.25% p.a.	6.25% p.a.
Discount rate	7.25% p.a.	7.25% p.a.
Average expected remaining working life times of employees	7 years	8 years

Mortality rate is based on adjusted SL1C 2001-2005 with one year age set back mortality table.

	2018	2017
	------(Rupees in '000)-----	
10.1.3 Present value of defined benefit obligations	160,075	160,883
10.1.4 Movement in present value of defined benefit obligations		
Net defined benefit liability - Opening	160,883	163,368
Expense chargeable to profit and loss account 10.1.5	3,678	3,498
Remeasurement gain transferred to OCI	--	(1,514)
Transfer to final settlement payable	(4,486)	(2,370)
Payments during the year	--	(2,099)
	160,075	160,883
10.1.5 Expense chargeable to profit and loss account		
Service cost 10.1.6	1,758	1,678
Net interest on net defined benefit liability	1,920	1,820
	3,678	3,498
10.1.6 Service cost		
Current service cost	1,758	1,768
Curtailment or settlements (gain) 10.1.7	--	(90)
	1,758	1,678
10.1.7 The Company has made gratuity settlements for number of members during the year based on their gratuity benefits accrued up to the date of going on leave, which resulted in settlement gain because of the release of liability held against those employees for the period after the date of going on leave. The said gain has been recognized immediately during the year as per requirements of IAS - 19.		
10.1.8 Allocation of charge for the year		
Cost of sales 26	2,683	2,551
Administrative expenses 28	995	947
	3,678	3,498



	2018	2017
	------(Rupees in '000)-----	
10.1.9 Balance sheet reconciliation		
Present value of defined benefit obligations	25,682	26,490
Frozen gratuity / payable to outgoing members	134,393	134,393
	<u>160,075</u>	<u>160,883</u>
10.1.10 Sensitivity analysis		
Sensitivity analysis has been performed by varying on assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations under the gratuity scheme. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarized below:		
<i>Present value of defined benefit obligation</i>		
Discount rate + 1%	23,395	24,131
Discount rate - 1%	28,320	29,211
Salary increase + 1%	28,320	29,211
Salary increase - 1%	23,363	24,098
10.2 Deferred tax liabilities - Net		
Deferred taxation comprises temporary difference relating to:		
Accelerated tax depreciation	343,621	379,728
Surplus on revaluation of fixed assets	1,256,160	1,442,258
Finance lease transactions	25,497	28,165
Provisions and others	(560,294)	(533,184)
Accumulated tax losses	(3,510,283)	(3,587,761)
Deferred tax (asset)	(2,445,299)	(2,270,794)
Deferred tax asset not recognized	3,701,459	3,713,052
Deferred tax liability in respect of revaluation surplus	<u>1,256,160</u>	<u>1,442,258</u>
11 TRADE AND OTHER PAYABLES		
Trade creditors	642,136	646,081
Accrued expenses	289,179	281,893
Withholding income tax payable	4,031	3,384
Unclaimed TFCs redemption warrants	2,228	2,228
Others	1,023	1,023
	<u>938,597</u>	<u>934,609</u>
12 SHORT TERM BORROWINGS		
From banks and financial institutions - Secured		
- Morabaha finance	621,530	621,530
- Short term loans	4,242,259	4,242,259
Short term running finance - Secured	2,970,019	2,970,019
Overdue letter of credits	5,958,030	5,958,030
Temporary book overdraft - Unsecured	2,876	2,876
	<u>13,794,714</u>	<u>13,794,714</u>
12.1	The facilities for various loans and finances under mark-up arrangements available from various banks amount to Rs.8.766 billion (2017: Rs.8.766 billion) and carry mark up ranging from 1% to 4% (2017: 1% to 4%) over one to six months KIBOR. These facilities are secured by hypothecation of the Company's stock-in-trade and book debts and are generally for a period of one year renewable at the end of the period. These facilities have not been renewed by the banks, however, the renewal would take place at the finalization of the financial restructuring process. The lenders listed above are in litigation with the Company as more fully explained in note 14.1(a) to the financial statements.	

		2018	2017
		----- (Rupees in '000) -----	
13 OVERDUE PORTION OF LONG TERM LIABILITIES			
Overdue portion of long term loans	9	3,621,624	3,273,024
Overdue portion of lease liabilities	13.1	54,145	54,145
		3,675,769	3,327,169

- 13.1** The Company entered into lease agreements with various leasing companies to acquire gas generators to reduce the power costs. The rentals under these lease agreements are payable quarterly up to the period ended June 2011. Mark up rate ranging from 13.71% to 14.38% (2017: 13.71% to 14.38%) per annum have been used as discounting factors. The cost of operating and maintaining the leased assets will be borne by the Company. The Company intends to exercise its option to purchase the leased assets at its aggregate residual value of Rs.8.498 upon the completion / settlement of the respective lease. The lenders are in litigation with the Company as more fully explained in note 14.1(a) to the financial statements.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

- (a) In respect of liabilities towards banks / financial institutions disclosed in note 9, 11, 12 and 13 to the financial statements, most of banks / financial institutions have filed suits in Honorable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate suits amount is Rs. 22.297 billion, out of total suits amount four of the banks having suit to the extent of Rs. 2.435 billion has also filed winding up petition u/s 305 of the repealed Companies Ordinance, 1984. Since the Company is in dispute with banks / financial institutions therefore the estimated financial effect of litigations is not being disclosed, as it may have adverse affect on Company's position in the suits.

The management has disputed the claim and is strongly contesting the cases. The management has filed counter claims alleging that the banks claims are highly exaggerated as they have charged mark-up on mark-up and other levies higher than the rate of mark-up agreed and other charges in violation of State Bank of Pakistan rules and all other applicable laws of Pakistan. The management is hopeful that the decision will be in favour of the Company and the base less suits shall be rejected by the concerned courts. Since all the cases are pending before Honorable Courts therefore the ultimate outcome cannot be established at this stage. Since the banks / financial institutions are in litigation with the Company, therefore balance confirmations have not been received there from.

- (b) The Company is defendant in a legal proceeding initiated by certain transporters for an aggregate amount of Rs.31.127 million (being pending bill of Rs.27.127 million and Rs.4 million as delayed payment charges) which is pending before Hon'able Lahore High Court (Rawalpindi Bench), the outcome of which cannot be established at this stage. The management, based on the strength of its case and the advice of its lawyers, believes that no additional liability will arise out of these proceedings; hence no provision for delayed payment charges has been made in these financial statements.
- (c) Guarantees given by the commercial banks on behalf of the company amounted to Rs.78.30 million (2017: Rs.78.30 million).

15 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets - At cost less accumulated depreciation	15.1	7,440,234	8,163,182
Capital work in progress	15.4	142,813	142,813
		7,583,047	8,305,995



15.1 Operating fixed assets - At cost less accumulated depreciation

2018										Rate %	
PARTICULARS	COST / REVALUATION				Accumulated depreciation				Carrying value as at 30 June 2018		
	As at 1 July 2017	Additions during the year	Disposals during the year	As at 30 June 2018	As at 1 July 2017	(On disposal)	Charge for the year	As at 30 June 2018			
	(Rupees)										
PSF - Units - Owned											
Freehold land	155,000	--	--	155,000	--	--	--	--	155,000	-	
Leasehold land	787,200	--	--	787,200	--	--	--	--	787,200	-	
Factory building	2,537,807	--	--	2,537,807	1,370,201	--	116,761	1,486,962	1,050,845	10	
Non-factory building	1,046,985	--	--	1,046,985	885,447	--	16,153	901,600	145,385	10	
Tank terminal	16,453	--	--	16,453	15,229	--	122	15,351	1,102	10	
Plant and machinery	16,307,085	--	--	16,307,085	12,192,310	--	411,478	12,603,788	3,703,297	10	
Vehicles	159,927	48	(899)	159,076	150,745	(823)	1,823	151,745	7,331	20	
Furniture and fixtures	80,027	--	--	80,027	66,991	--	1,304	68,295	11,732	10	
Office equipment	136,542	89	--	136,631	113,489	--	2,302	115,791	20,840	10	
Leased assets											
Plant and machinery (Generator)	178,517	--	--	178,517	119,902	--	5,862	125,764	52,753	10	
Sub total	21,405,543	137	(899)	21,404,781	14,914,314	(823)	555,805	15,469,296	5,935,485		
Acrylic Unit											
Factory building	812,171	--	--	812,171	474,910	--	33,726	508,636	303,535	10	
Non-factory building	32,871	--	--	32,871	4,693	--	2,818	7,511	25,360	10	
Plant and machinery	4,665,576	--	--	4,665,576	3,359,536	--	130,604	3,490,140	1,175,436	10	
Vehicles	3,604	--	--	3,604	3,523	--	16	3,539	65	20	
Furniture and fixtures	890	--	--	890	735	--	16	751	139	10	
Office equipment	1,370	--	--	1,370	1,132	--	24	1,156	214	10	
Sub total	5,516,482	--	--	5,516,482	3,844,529	--	167,204	4,011,733	1,504,749		
GRAND TOTAL	26,922,025	137	(899)	26,921,263	18,758,843	(823)	723,009	19,481,029	7,440,234		

2017										Rate %
PARTICULARS	COST / REVALUATION				Accumulated depreciation				Carrying value as at 30 June 2017	
	As at	Additions (disposal) during the year	Revaluation	As at	As at	(On disposal)	Charge for the year	As at		
	1 July 2016			30 June 2017	1 July 2016			30 June 2017		
	(Rupees)									
PSF - Units - Owned										
Freehold land	95,429	--	59,571	155,000	--	--	--	--	155,000	-
Leasehold land	524,800	--	262,400	787,200	--	--	--	--	787,200	-
Factory building	1,800,324	--	737,483	2,537,807	1,322,410	--	47,791	1,370,201	1,167,606	10
Non-factory building	1,113,412	--	(66,427)	1,046,985	860,118	--	25,329	885,447	161,538	10
Tank terminal	16,453	--	--	16,453	15,093	--	136	15,229	1,224	10
Plant and machinery	14,750,117	--	1,556,968	16,307,085	11,908,109	--	284,201	12,192,310	4,114,775	10
Vehicles	162,585	(2,658)	--	159,927	150,783	(2,333)	2,295	150,745	9,182	20
Furniture and fixtures	80,027	--	--	80,027	65,543	--	1,448	66,991	13,036	10
Office equipment	136,542	--	--	136,542	110,928	--	2,561	113,489	23,053	10
Leased assets										
Plant and machinery (Generator)	178,517	--	--	178,517	113,389	--	6,513	119,902	58,615	10
Sub total	18,858,206	(2,658)	2,549,995	21,405,543	14,546,373	(2,333)	370,274	14,914,314	6,491,229	
Acrylic Unit										
Factory building	641,196	--	170,975	812,171	456,434	--	18,476	474,910	337,261	10
Non-factory building	6,171	--	26,700	32,871	4,529	--	164	4,693	28,178	10
Plant and machinery	4,158,750	--	506,826	4,665,576	3,270,734	--	88,802	3,359,536	1,306,040	10
Vehicles	3,604	--	--	3,604	3,503	--	20	3,523	81	20
Furniture and fixtures	890	--	--	890	718	--	17	735	155	10
Office equipment	1,370	--	--	1,370	1,105	--	27	1,132	238	10
Sub total	4,811,981	--	704,501	5,516,482	3,737,023	--	107,506	3,844,529	1,671,953	
GRAND TOTAL	23,670,187	(2,658)	3,254,496	26,922,025	18,283,396	(2,333)	477,780	18,758,843	8,163,182	

15.2 The depreciation charge for the year has been allocated as follows :

	2018			2017		
	PSF - Units	Acrylic Unit	Total	PSF - Units	Acrylic Unit	Total
	(Rupees in '000)			(Rupees in '000)		
Cost of sales	553,026	166,368	719,394	368,423	106,968	475,391
Administrative expenses	2,779	836	3,615	1,851	538	2,389
	555,805	167,204	723,009	370,274	107,506	477,780

15.3 Detail of assets disposed off during the year:

Particulars	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain on disposal	Mode of Disposal	Particulars of buyers
(Rupees in '000)							

Vehicles:

Mitsubishi Lancer KS-481	899	822	77	575	498	Company's policy	Syed M. Adil Zaki - employee
--------------------------	-----	-----	----	-----	-----	------------------	------------------------------

30 June 2018	899	822	77	575	498
30 June 2017	2,658	2,333	325	2,216	1,891

15.4 Capital work in progress

	2018	2017
	(Rupees in '000)	
Plant and machinery - Owned	56,429	56,429
Plant and machinery - Leased	86,384	86,384
	142,813	142,813

15.5 Had there been no revaluation the carrying value of revalued assets as at 30 June, would have been as follows:

PSF-Units

Freehold land	70,652	70,652
Leasehold land	2,269	2,269
Factory building	260,897	289,887
Non-factory building	68,158	49,385
Plant and machinery	1,298,253	1,442,504

Acrylic Unit

Factory building	54,016	60,018
Non-factory building	569	633
Plant and machinery	534,763	594,182
	2,289,577	2,509,530

15.6 Particulars of immovable properties in the name of the Company are as follows:

Location	Usage of immovable property	Total area
Plot Number 1, Dewan Farooque Industrial Park, Hattar District	Production plant	2624 canals
Phase IV, Hattar Industrial Estate, District Haripur, KPK	Production plant	443 canals



15.7 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs.6,450.704 million.

16 LONG TERM INVESTMENTS

Global Securities Pakistan Limited

(495,000 shares (2017: 495,000 shares)

of Rs.10/- each at a premium of Rs.40.92/- per share

2018 **2017**
-----**(Rupees in '000)**-----

25,205

25,205

25,205

25,205

17 STORES AND SPARES

Consumable stores

1,009,218

1,009,218

Packing material

12,501

12,501

Chemicals

51,107

51,107

Fuel, oil and lubricants

12,288

12,288

1,085,114

1,085,114

Provision for obsolescence and slow moving items

17.1

(336,632)

(271,525)

748,482

813,589

17.1 Movement in provision for obsolescence and slow moving items

Opening balance

271,525

217,269

Provision during the year

65,107

54,256

Closing balance

336,632

271,525

18 STOCK IN TRADE

Raw materials

308,497

308,497

Work-in-process

103,879

103,879

Stock in transit

194,940

194,940

Waste

19,086

19,086

626,402

626,402

Provision for obsolescence and slow moving stocks

(626,402)

(626,402)

--

--

19 TRADE DEBTS - Unsecured

Considered good

1,083,005

1,250,625

Considered doubtful

578,059

495,006

1,661,064

1,745,631

Provision for doubtful debts

19.3

(578,059)

(495,006)

1,083,005

1,250,625

19.1 Trade debts include Rs.121.074 million (2017: Rs.122.499 million) due from Dewan Khalid Textile Mills Limited (associated company).

19.2 Trade debts also include a sum of Rs.21.673 million (2017: Rs.21.673 million) receivable from Nazir of High Court of Sindh representing receivable against sales made on account of auction of the Company's stock as per order of court. All the sale proceeds are being deposited by the successful bidder directly with Nazir of High Court. The said amount will be adjusted against liability of bank under litigation upon lifting of all pledged stock.

19.3 Movement in provision for doubtful debts

Opening balance

495,006

407,962

Provision during the year

30

83,053

87,044

Closing balance

578,059

495,006

		2018	2017
		----- (Rupees in '000) -----	
20	ADVANCES		
	<i>Against expenses / employees</i>		
	Considered good	12,199	8,521
	Considered doubtful	80,126	80,127
		92,325	88,648
	Provision for doubtful advances	(80,126)	(80,126)
		12,199	8,522
	20.1 Movement in provision for doubtful advances		
	Opening balance	80,126	79,576
	Provision during the year	--	550
	Closing balance	80,126	80,126
21	SHORT TERM DEPOSITS		
	Deposits	10,258	10,258
	Margin	150,295	150,295
		160,553	160,553
22	OTHER RECEIVABLES - Considered good		
	Sales tax	66,924	66,586
	Duty drawback receivable	73,872	73,872
	Duties refundable	4,691	4,691
	Insurance claim receivable	14,730	14,730
	Advance income tax	4,336	4,071
		164,553	163,950
	Less: Provision for doubtful receivable	(86,345)	(86,007)
		78,208	77,943
	22.1 Movement in provision for other receivable		
	Opening balance	86,007	85,634
	Provision during the year	338	373
	Closing balance	86,345	86,007
23	CASH AND BANK BALANCES		
	Cash in hand	437	600
	Cash at banks		
	- Current accounts	4,668	4,035
	- Foreign currency accounts	7,767	6,696
		12,872	11,331
24	NON-CURRENT ASSET HELD FOR SALE		
	Investment in Dewan Petroleum (Pvt) Limited		
	12,600,000 shares (2017: 12,600,000 shares)		
	of Rs.10/- each at a premium of Rs.15.397/- per share	320,000	320,000
		320,000	320,000

24.1 Rally Energy Pakistan Limited (REPL) has transferred its entire 40% working interest in Safed Koh Block to Dewan Petroleum (Private) Limited (DPL) (an associated company of DSFL). By virtue of the Company's ownership of 49% of 40% indirect working interest in Safed Koh Block through REPL, the Company has acquired 12 million ordinary shares of Rs.10/- each of the DPL (33.33% of DPL equity) in lieu of its equity investment and advance against cash calls under authority of the special resolution passed under section 208 of the Companies Ordinance, 1984 in Extra Ordinary General Meeting held on 30 August 2006.



24.2 The investment has been classified as held for sale upon management intention to sell the same within next accounting cycle in the manner to be deemed appropriate, equitable, fit and beneficial to the interests of the Company. For this purpose special resolution was passed by the shareholders in the Extra Ordinary General Meeting of the Company held on June 23, 2008, which was expired during the financial year 2009, however the management will seek further shareholders' approval before disposal of the same.

24.3 The investment is made in accordance with the requirements of Companies Act, 2017.

25 OPERATING RESULTS

Notes	2018			2017			
	PSF	Acrylic	Total	PSF	Acrylic	Total	
	Unit	Unit		Unit	Unit		
	(Rupees in '000)			(Rupees in '000)			
Sales		--	--	--	--	--	
Cost of sales	26	(589,193)	(170,236)	(759,429)	(407,738)	(111,171)	(518,909)
Gross loss		(589,193)	(170,236)	(759,429)	(407,738)	(111,171)	(518,909)
Distribution cost	27	(1,728)	(185)	(1,913)	(1,497)	(160)	(1,657)
Administrative expenses	28	(40,251)	(4,843)	(45,094)	(31,838)	(3,742)	(35,580)
		(41,979)	(5,028)	(47,007)	(33,335)	(3,902)	(37,237)
Operating loss		(631,172)	(175,264)	(806,436)	(441,073)	(115,073)	(556,146)
Finance cost	29	(367,744)	--	(367,744)	(24,462)	(5)	(24,467)
Other charges	30	(148,498)	--	(148,498)	(142,223)	--	(142,223)
Other income	31	498	--	498	13,996	--	13,996
		(515,744)	--	(515,744)	(152,689)	(5)	(152,694)
Loss before taxation		(1,146,916)	(175,264)	(1,322,180)	(593,762)	(115,078)	(708,840)

26 COST OF SALES

COST OF SALES				2018			2017		
Notes	PSF	Acrylic	Total	PSF	Acrylic	Total			
	Unit	Unit		Unit	Unit				
	(Rupees in '000)			(Rupees in '000)					
Raw material consumed									
Opening stock	98,766	209,731	308,497	98,766	209,731	308,497			
Closing stock	(98,766)	(209,731)	(308,497)	(98,766)	(209,731)	(308,497)			
Raw material consumed	--	--	--	--	--	--			
Salaries, wages and other benefits	26,017	2,782	28,799	27,517	2,942	30,459			
Electricity, fuel and power	8,636	924	9,560	9,038	966	10,004			
Depreciation	553,026	166,368	719,394	368,423	106,968	475,391			
Repairs and maintenance	--	9	94	632	--	700			
Vehicle running expenses	847	91	938	1,010	108	1,118			
Travelling expenses	--	3	34	153	--	169			
General expenses	551	59	610	965	103	1,068			
Opening stock of work-in-process	63,011	40,868	103,879	63,011	40,868	103,879			
Closing stock of work-in-process	(63,011)	(40,868)	(103,879)	(63,011)	(40,868)	(103,879)			
Cost of goods manufactured	589,193	170,236	759,429	407,738	111,171	518,909			
Opening stock of finished goods and waste	19,086	--	19,086	19,086	--	19,086			
Closing stock of finished goods and waste	(19,086)	--	(19,086)	(19,086)	--	(19,086)			
	589,193	170,236	759,429	407,738	111,171	518,909			

27 DISTRIBUTION COST

	2018			2017		
	PSF	Acrylic	Total	PSF	Acrylic	Total
	Unit	Unit		Unit	Unit	
	(Rupees in '000)			(Rupees in '000)		
Salaries and other benefits	1,728	185	1,913	1,497	160	1,657

28 ADMINISTRATIVE EXPENSES

Notes	2018			2017		
	PSF	Acrylic	Total	PSF	Acrylic	Total
	Unit	Unit		Unit	Unit	
	(Rupees in '000)			(Rupees in '000)		
Salaries and other benefits	21,780	2,329	24,109	20,706	2,214	22,920
Entertainment	58	6	64	23	2	25
Communication	317	34	351	208	22	230
Depreciation	2,779	836	3,615	1,851	538	2,389
Vehicle running expenses	968	104	1,072	684	73	757
Legal and professional charges	6,970	745	7,715	1,752	187	1,939
Printing and stationery	890	95	985	645	69	714
Repair and maintenance	753	80	833	805	86	891
Rent, rates and taxes	3,624	388	4,012	2,847	304	3,151
Travelling expenses	177	19	196	300	32	332
Auditors' remuneration	1,220	130	1,350	1,220	130	1,350
General expenses	715	77	792	797	85	882
	40,251	4,843	45,094	31,838	3,742	35,580

28.1 Auditors' remuneration

	2018			2017		
	Feroze Sharif	Faruq Ali	Total	Feroze Sharif	Faruq Ali	Total
	Tariq & Co.	& Co.		Tariq & Co.	& Co.	
	(Rupees in '000)			(Rupees in '000)		
Annual audit fee	500	500	1,000	500	500	1,000
Fee for half yearly review	100	100	200	100	100	200
Other certifications	50	50	100	50	50	100
Out of pocket	25	25	50	25	25	50
	675	675	1,350	675	675	1,350

29 FINANCE COST

	2018			2017		
	PSF	Acrylic	Total	PSF	Acrylic	Total
	Unit	Unit		Unit	Unit	
	(Rupees in '000)			(Rupees in '000)		
Bank charges	6	--	6	4	5	9
Unwinding of discount	20,209	--	20,209	18,177	--	18,177
Exchange loss - Net	347,529	--	347,529	6,281	--	6,281
	367,744	--	367,744	24,462	5	24,467

29.1 The Company has not made the provision of mark-up amounting to Rs.1.681 billion (Upto 30 June 2018: Rs.19.317 billion) keeping in view of the financial restructuring proposed to the lenders as disclosed in note 2. Management is hopeful that the restructuring proposal will be accepted by the lenders. Had the provision been made the loss for the year would have been increased by Rs.1.681 billion and accrued mark-up would have been increased and shareholders' equity would have been decreased by Rs.19.317 billion. The said non-provisioning is departure from the requirements of IAS-23 'Borrowing Costs'.



	2018	2017
	----- (Rupees in '000) -----	
30 OTHER CHARGES		
Provision for doubtful debts / advances / receivables	83,391	87,967
Provision for obsolescence and slow moving stores and spares 17.1	65,107	54,256
	<u>148,498</u>	<u>142,223</u>
31 OTHER INCOME		
<i>Income from financial assets</i>		
Gain on sale of investments	--	9,769
Gain realized on sale of investments	--	2,336
<i>Income from non financial assets</i>		
Gain on sale of fixed vehicle 15.3	498	1,891
	<u>498</u>	<u>13,996</u>
32 TAXATION - Net		
Current year tax	--	905
Deferred tax	(139,573)	(59,711)
	<u>(139,573)</u>	<u>(58,806)</u>

32.1 Relationship between income tax expense and accounting loss
Numerical reconciliation between the average tax rate and the applicable tax rate has not been given as the Company is subject to the provisions of minimum tax under Section 113 of the Income Tax Ordinance, 2001.

32.2 As per the management's assessment, sufficient tax provision has been made in the Company's financial statements. However, on account of closure of operation, no tax provision has been made in these financial statements. The comparison of tax provision as per the financial statements viz-a-viz tax assessment for last three years is as follow:

	Deemed assessment	Provision
2017	--	--
2016	--	905
2015	--	--

32.3 The income tax assessments of the Company deemed to have been finalized up to tax year 2017.

33 LOSS PER SHARE - Basic and diluted

33.1 Basic loss per share

Loss after taxation attributable to ordinary shareholders	(1,182,607)	(650,034)
Weighted average number of ordinary shares outstanding during the year	----- (Numbers of shares) ----- 366,321,083	366,321,083
Loss per share - Basic	----- (Rupees in '000) ----- (3.23)	(1.77)

33.2 Diluted loss per share

Effect of convertible C loan shares is not included in diluted earnings per share calculation since the effect is anti-dilutive, resulting in a decrease in diluted loss per share.

		2018	2017
		----- (Rupees in '000) -----	
34 CASH AND CASH EQUIVALENTS			
Cash and bank balances	23	12,872	11,331
Short term finances:			
Short term running finances	12	(2,970,019)	(2,970,019)
Book overdraft	12	(2,876)	(2,876)
		(2,972,895)	(2,972,895)
		(2,960,023)	(2,961,564)

35 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

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

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

35.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

In summary, the maximum exposure to credit risk as at 30 June 2018 and 30 June 2017 was as follows:

	2018		2017	
	Financial assets	Maximum exposure	Financial assets	Maximum exposure
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
Long term investments	25,205	25,205	25,205	25,205
Trade debts	1,083,005	1,083,005	1,250,625	1,250,625
Short term deposits	160,553	160,553	160,553	160,553
Advances	12,199	12,199	8,522	8,522
Other receivables	78,208	78,208	77,943	77,943
Cash at banks	12,435	12,435	10,731	10,731
	1,371,605	1,371,605	1,533,579	1,533,579



The Company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers. The Company believes that it is not exposed to any major concentration of credit risk as its customers are credit worthy and dealing banks possess good credit ratings.

35.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities by continuous monitoring of forecast and actual cash outflows. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees in '000)					
2018						
<i>Non-derivative financial liabilities</i>						
Long term loans	3,822,744	4,001,269	3,621,624	--	--	379,645
Trade and other payables	934,566	934,566	934,566	--	--	--
Short term borrowings	13,794,714	7,153,055	7,153,055	--	--	--
	18,552,024	12,088,890	11,709,245	--	--	379,645
	Carrying amounts	Contractual cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees in '000)					
2017						
<i>Non-derivative financial liabilities</i>						
Long term loans	3,453,935	3,652,669	3,273,024	--	--	379,645
Trade and other payables	652,716	7,294,375	7,294,375	--	--	--
Short term borrowings	13,794,714	7,153,055	7,153,055	--	--	--
	17,901,365	18,100,099	17,720,454	--	--	379,645

All the financial liabilities of the Company are non derivative financial liabilities. The contractual cash flow relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at 30 June.

35.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

35.3.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Company is exposed to foreign currency risk primarily with respect to loans and bank balances denominated in US Dollars (USD).

Exposure to currency risk

The summary of the quantitative data about the Company's exposure to foreign currency risk is as follows:

	2018	2017
<i>Assets / (liabilities)</i>	----- <i>(Rupees in '000)</i> -----	
Loans	(2,553,600)	(2,205,000)
Bank balances	7,767	6,696
	<u>(2,545,833)</u>	<u>(2,198,304)</u>
The following significant exchange rate has been applied:		
USD to PKR (Reporting date rate in Rupees)	121.60	105.00
USD to PKR (Average rate in Rupees)	113.20	103.54

Sensitivity analysis

At reporting date if PKR against US Dollar had strengthened by 10% against the US Dollar with all other variables held constant loss / profit for the year would have been lower / higher by the amounts shown below, mainly as a result of foreign exchange loss on translation of foreign currency liabilities.

Effect on loss	254,583	219,830
----------------	---------	---------

The 10% weakening of the PKR against US Dollar would have had an equal but opposite impact on the loss for the year on the basis that all other variables remain constant.

35.3.2 Interest rate risk

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

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

Fixed rate instruments at carrying amounts:

Financial assets		
Balance with banks	7,767	6,696
Financial liabilities		
Long term loans	2,553,600	2,205,000

Variable rate instruments at carrying amounts:

Financial liabilities		
Loans	1,068,024	1,068,024
Short term borrowings	13,791,838	13,791,838
	14,859,862	14,859,862

Fair value sensitivity analysis for fixed rate instruments:

The company does not account for any fixed rate financial assets at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flows sensitivity analysis for variable rate instruments:

Since the company has not made provision for mark-up on its variable rate instruments therefore cash flow sensitivity analysis is not being given.

**35.4 Fair value of the financial instruments**

The carrying amounts of financial assets and financial liabilities approximate their fair value as assets and liabilities are either short term or are repriced frequently. The fair value is determined on the basis of non observable market data. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The Company does not have any investments to be carried at fair value.

35.5 Capital risk management

The Company's prime objective when managing capital is to safe guard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

36 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits, to the Chief Executive, Director and Executives of the Company was as follows:

	Chief Executive		Director		Executive		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	----- (Rupees in '000) -----							
Managerial remuneration	3,926	3,511	660	590	1,183	1,066	5,769	5,167
Retirement benefits	1,192	1,062	109	93	272	239	1,573	1,394
House rent allowance	1,767	1,580	297	266	532	480	2,596	2,326
Utilities	393	351	66	59	118	107	577	517
Conveyance	4	4	4	4	4	4	12	12
	7,282	6,508	1,136	1,012	2,109	1,896	10,527	9,416
Number of persons	1	1	1	1	1	1	3	3

Executive means an employee whose basic salary exceeds Rs. 1.2 million (2017: Rs. 1.2 million) during the year. Comparative figures of remuneration to executives have been amended to reflect changes in the definition of executive as per the Companies Act, 2017.

The Chief Executive, Director and Executive are provided with free use of Company cars.

37 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated undertakings, directors, key management personnel, entities with common directorships, and employee retirement funds. Balances with related parties are shown in trade debts (note 19.1), and Non-current asset held for sale (note 24) to the financial statements. During the year, no transaction with related parties except as disclosed in note 36, Remuneration to chief executive, director and executive of the Company.

38 INFORMATION ABOUT BUSINESS SEGMENTS

- 38.1** For management purposes, the activities of the Company are organized into business segments based on their products and has two reportable operating segments. The PSF segment mainly relates to production and sale of Polyester Staple Fibre. ASF segment includes production and sale of Acrylic Staple Fibre. The operations of the Company are closed since December 2008.
- 38.2** The transaction relating to sales and collection of sales are recorded on the basis of actual sale of PSF and ASF. Conversion costs, distribution cost and administrative expenses are allocated on the basis of production capacity of PSF And ASF Unit respectively.
- 38.3** All non-current assets of the Company as of 30 June 2018 are located in Pakistan.

39 PLANT CAPACITY AND PRODUCTION

	----- 2018 -----		----- 2017 -----	
	Annual (tons)	Production (tons)	Annual (tons)	Production (tons)
PSF Units	240,900	--	240,900	--
Acrylic Unit	25,760	--	25,760	--
	266,660	--	266,660	--

The operation of the Company are closed since December 2008 due to working capital constraints.

40 NUMBER OF EMPLOYEES

	2018	2017
	----- (Rupees in '000) -----	
Number of employees at 30 June		
Regular	55	58
Contractual	80	81
Average number of employees during the year		
Regular	60	62
Contractual	70	75
Number of factory employees as at 30 June	122	122
Average number of factory employees during the year	117	117


41 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, significant restatements are disclosed in note 5.19 to the financial statements. The significant reclassification comprise of presentation of overdue letter of credits and related liabilities reclassified from trade and other payable to short term borrowing amounting to Rs.6,641.659 million for better presentation.

During the financial year ended 30 June 2014, share application money of Rs. 97.746 million given to Dewan Petroleum Limited for equity investment and the 600,000 ordinary shares have been issued against share application money. However, the same was remained unrecorded erroneously, which has now been corrected retrospectively by restating the comparatives and beginning of the earliest comparative period. There is no impact on profit after taxation, earnings per shares for the year ended 30 June 2018 and shareholders' equity as of that date due to aforementioned reclassification / restatement of conversion of share application money.

42 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on September 28, 2018 in accordance with the resolution by the Board of Directors of the Company.



Zafar Asim
Chief Executive



Saleem-ul-Haque
Chief Financial Officer



Muhammad Irfan Ali
Chairman Board of Directors



PATTERN OF SHAREHOLDING THE CODE OF CORPORATE GOVERNANCE AS AT JUNE 30, 2018

Srl #	Categories of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
1.	Associated Companies	3	156,433,140	42.70%
2.	NIT and ICP	6	550,691	0.15%
3.	Directors, CEO, their Spouses & Minor Children	7	3,500	0.00%
4.	Executives	-	-	0.00%
5.	Public Sector Companies & Corporations	107	42,506,143	11.60%
6.	Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Modarbas & Mutual Funds	85	2,964,979	0.81%
7.	Individuals	20,873	163,862,630	44.73%
	TOTAL	21,081	366,321,083	100.00%

DETAILS OF CATAGORIES OF SHAREHOLDERS				
Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1.	<u>Associated Companies</u>			
1.1	Dewan Textile Mills Limited	1	104,288,773	28.47%
1.2	Dewan Khalid Textile Mills Limited	1	32,279,849	8.81%
1.3	Dewan Mushtaq Textile Mills Limited	1	19,864,518	5.42%
		3	156,433,140	42.70%
2.	<u>NIT and ICP</u>			
2.1	Investment Corporation of Pakistan	1	100	0.00%
2.2	National Bank of Pakistan, Trustee Department	1	1,111	0.00%
2.3	NATIONAL BANK OF PAKISTAN TRUSTEE WING	1	500	0.00%
2.4	National Bank of Pakistan	1	3,238	0.00%
2.5	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	1	18,501	0.01%
2.6	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	1	527,241	0.14%
		6	550,691	0.15%
3.	<u>Directors, CEO, their Spouses & Minor Children</u>			
	<u>Directors and CEO</u>			
3.1	Mr. Zafar Asim	1	500	0.00%
3.2	Mr. Muhammad Irfan Ali	1	500	0.00%
3.3	Mr. Muhammad Wajid	1	500	0.00%
3.4	Mr. Saleem-Ul-Haque	1	500	0.00%
3.5	Mr. Asghar Iqbal	1	500	0.00%
3.6	Mr. Hafeez Ahmed	1	500	0.00%
3.7	Mr. Ahsan Bilal	1	500	0.00%
		7	3,500	0.00%
	<u>Spouses of Directors and CEO</u>			
		-	-	0.00%
		-	-	0.00%
	<u>Minor Children of Directors and CEO</u>			
		-	-	0.00%
		-	-	0.00%

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/ INTERESTS IN THE COMPANY				
Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1	M/s Dewan Textile Mills Limited	1	104,288,773	28.47%
2	Mitsubishi Corporation	1	40,349,814	11.01%
3	Dewan Khalid Textile Mills Limited	1	32,279,849	8.81%
4	Dewan Mushtaq Textile Mills Limited	1	19,864,518	5.42%

DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN				
---	--	--	--	--

During the year under review, none of the CEO, CFO, Directors, Company Secretary, their spouses and minor children have traded in the shares of the Company.

**YD****A YOUSUF DEWAN COMPANY**

THE COMPANIES ORDINANCE, 1984
(Section 236(1) and 464)

FORM 34**PATTERN OF SHAREHOLDING**

1. Incorporation Number **0020315**
2. Name of the Company **DEWAN SALMAN FIBRE LIMITED**

3. Pattern of holding of the shares held by the Shareholders as at
- 3**

0

0

6

2

0

1

8

4.	Number of Shareholders	Shareholdings				Total Shares held
	5792	1	-	100	Shares	150,716
	7688	101	-	500	Shares	1,831,882
	1563	501	-	1,000	Shares	1,364,089
	2998	1,001	-	5,000	Shares	8,549,694
	1066	5,001	-	10,000	Shares	8,592,564
	791	10,001	-	20,000	Shares	12,227,720
	339	20,001	-	30,000	Shares	8,586,361
	154	30,001	-	40,000	Shares	5,539,178
	160	40,001	-	50,000	Shares	7,620,681
	65	50,001	-	60,000	Shares	3,606,566
	48	60,001	-	70,000	Shares	3,136,388
	48	70,001	-	80,000	Shares	3,647,315
	37	80,001	-	90,000	Shares	3,170,074
	79	90,001	-	100,000	Shares	7,819,188
	43	100,001	-	120,000	Shares	4,684,111
	23	120,001	-	140,000	Shares	2,957,024
	34	140,001	-	160,000	Shares	5,141,323
	16	160,001	-	180,000	Shares	2,765,500
	25	180,001	-	200,000	Shares	4,923,024
	25	200,001	-	250,000	Shares	5,703,348
	26	250,001	-	300,000	Shares	7,324,535
	13	300,001	-	350,000	Shares	4,275,593
	6	350,001	-	400,000	Shares	2,265,903
	3	400,001	-	450,000	Shares	1,313,000
	9	450,001	-	500,000	Shares	4,370,001
	5	500,001	-	550,000	Shares	2,634,741
	2	550,001	-	600,000	Shares	1,159,629
	1	600,001	-	650,000	Shares	645,481
	2	650,001	-	700,000	Shares	1,360,000
	2	700,001	-	750,000	Shares	1,462,000
	2	750,001	-	800,000	Shares	1,579,000
	1	800,001	-	850,000	Shares	829,000
	4	850,001	-	1,000,000	Shares	3,888,388
	1	1,000,001	-	2,000,000	Shares	2,000,000
	1	2,000,001	-	2,200,000	Shares	2,109,634
	1	2,200,001	-	2,400,000	Shares	2,400,000
	1	2,400,001	-	2,600,000	Shares	2,585,699
	1	2,600,001	-	5,000,000	Shares	4,200,000
	1	5,000,001	-	9,000,000	Shares	8,594,963
	1	9,000,001	-	13,000,000	Shares	12,523,816
	1	13,000,001	-	20,000,000	Shares	19,864,518
	1	20,000,001	-	35,000,000	Shares	32,279,849
	1	35,000,001	-	45,000,000	Shares	40,349,814
	1	45,000,001	-	104,500,000	Shares	104,288,773
	21,081	TOTAL				366,321,083

5.	Categories of Shareholders	Shares held	Percentage
5.1	Directors, Chief Executive Officer, their spouses and minor children	3,500	0.00%
5.2	Associated Companies, undertakings and related parties	156,433,140	42.70%
5.3	NIT and ICP	550,691	0.15%
5.4	Banks, Development Financial Institutions, Non-Banking Finance Companies	796,993	0.22%
5.5	Insurance Companies	2,109,634	0.58%
5.6	Modarabas and Mutual Funds	58,352	0.02%
5.7	Shareholders holding 5%	196,782,954	53.72%
5.8	<u>General Public</u>		
	a. Local	163,543,412	44.64%
	b. Foreign	319,218	0.09%
5.9	Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	42,506,143	11.60%

**YD****A YOUSUF DEWAN COMPANY**

ہیومن ریسورسز اور ریکریویشن کمیٹی
دوران مدت ہیومن ریسورسز کا ایک اجلاس منعقد ہوا، تفصیلات درج ذیل ہیں:

ڈائریکٹرز کے نام	حاضری کی تفصیلات
جناب محمد عرفان	1
جناب ظفر عاصم	1
جناب احسن بلال	1

حصص کی آمدنی

زیر جائزہ مدت کے دوران حصص کا خسارہ منفی 3.23 روپوٹ ہوا جبکہ گزشتہ سال 2017 میں یہ خسارہ منفی 1.77 روپوٹ ہوا تھا۔

حصص یافتگی:

حصص کی حصول کی درخواست، سالانہ روپوٹ کے ساتھ منسلک ہے۔

اظہار تشکر:

بورڈ کمپنی کو اپنے قابل قدر حصص یافتگان، وفاقی اور صوبائی حکومت کے کارکنوں، بینکوں اور مالیاتی اداروں اور سلسلے کے گاہکوں سے امید ہے کہ، ماضی کی طرح ان کا تعاون، حمایت اور سرپرستی جاری رہے گی۔

بورڈ اپنی کمپنی کے ایگزیکٹوز، عملے کے ارکان کی طرف سے پیش کی گئی گراں قدر خدمات، وفاداری اور قابل ستائش کوششوں کو نہ صرف سراہتا ہے بلکہ وہ انہیں کمپنی کا سب سے قیمتی اثاثہ سمجھتا ہے۔

آڈیٹرز:

کمپنی کے موجودہ آڈیٹرز میسرز فاروق علی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹ اور میسرز فیروز شریف طارق اینڈ کمپنی چارٹرڈ اکاؤنٹنٹ نے اس سال اپنی خدمات کی مدت مکمل کر لی اور کارپوریٹ گورننس کے کوڈ کے مطابق دوبارہ اپنی خدمات مہیا کرنے کی خواہش ظاہر کی ہے۔ آڈٹ کمیٹی نے بھی اگلے سال کی عمومی اور سالانہ اجلاس تک کے لیے انکی دوبارہ تقرری کی سفارش کی ہے۔

اختتام:

آخر میں ہم؟؟ کے حضور یہ دعا مانگتے ہیں کہ رسول؟ حضرت محمد صلی اللہ علیہ وسلم کے صدقے میں اپنے رحم و کرم اور برکتیں ہم پر نازل فرما۔ ہمیں صراطِ مستقیم عطا فرما۔ ہماری قوم اور ملک میں خوشحالی، امن، ہم آہنگی، تمام امت مسلمہ میں حقیقی اسلامی روح، بھائی چارگی اور اتحاد عطا فرما۔

منجانب بورڈ

آمین، شہ آمین۔

ظفر عاصم

چیف ایگزیکٹو

محمد عرفان علی

چیئر مین بورڈ آف ڈائریکٹرز

کراچی

تاریخ: ۲۸ ستمبر ۲۰۱۸

کارپوریٹ گورننس کا کوڈ

(ا) کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے اس کے معاملات، اس کے کاروباری سرگرمیوں کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
(ب) کمپنی اپنے اکاؤنٹس کے کھاتے درست طریقے سے سنبھال رہی ہے۔

(ج) 30 جون، 2018 کو ختم ہونے والے مالیاتی سال کے لئے گوشواروں کی تیاری میں مسلسل اکاؤنٹنگ کی پالیسیوں کو مدنظر رکھا گیا ہے اور شریاتی تخمینہ معقول اور پراعتماد فیصلے پر مبنی ہے۔
(د) مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے وہ تمام بین الاقوامی معیار، جو کہ پاکستان میں قابل اطلاق ہیں، مدنظر رکھے گئے ہیں۔
(ه) انٹرنل کنٹرول کا نظام مستحکم اور مؤثر طور پر لاگو ہے اور اسکی مستعدگرانی ہوتی ہے۔

(و) پاکستان کے اسٹاک ایکسچینج کی لسٹنگ کے قواعد و ضوابط میں دی گئیں تفصیلات کے عین مطابق، کارپوریٹ گورننس کی حکمت عملی میں کوئی ظاہری تبدیلی نہیں کی گئی ہے۔
(ز) گزشتہ چھ سالوں کے کلیدی آپرینٹنگ اور مالیاتی اعداد و شمار کا خلاصہ اس سال کی رپورٹ سے منسلک ہے۔
(ح) ٹیکسوں اور محصولات کے بارے میں معلومات نوٹس میں دی گئیں ہیں اور مالیاتی گوشوارے کا حصہ ہیں۔

بورڈ

بورڈ کی تفصیلات درج ذیل ہیں:

(ا) خود مختار ڈائریکٹر	جناب اصغر اقبال
(ب) ایگزیکٹو ڈائریکٹر	جناب ظفر عاصم جناب سلیم الحق جناب حفیظ احمد جناب محمد عرفان علی جناب محمد واجد
(ج) نان-ایگزیکٹو ڈائریکٹر	جناب احسن بلال

زیر جائزہ سال کے دوران کسی ڈائریکٹر کی نشست خالی نہیں ہوئی۔ ڈائریکٹرز کے اجلاس اور حاضری کی تفصیلات درج ذیل ہیں

ڈائریکٹرز کے نام	حاضری کی تفصیلات
جناب ظفر عاصم	4
جناب حفیظ احمد	4
جناب محمد عرفان علی	4
جناب سلیم الحق	4
جناب محمد واجد	4
جناب اصغر اقبال	4
جناب احسن بلال	4

آڈٹ کمیٹی

آڈٹ کمیٹی تین ڈائریکٹرز پر مشتمل ہوتی ہے جن میں سے ایک خود مختار جبکہ دو نان ایگزیکٹو ڈائریکٹرز ہوتے ہیں۔ دوران مدت آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے جن کی تفصیلات درج ذیل ہیں:

ڈائریکٹرز کے نام	حاضری کی تفصیلات
جناب اصغر اقبال	4
جناب محمد واجد	4
جناب حفیظ احمد	4

**YD****A YOUSUF DEWAN COMPANY**

آڈٹ رپورٹ یہ بھی واضح کرتی ہے۔ کہ تجارتی قرض 1.661 بلین روپے جس پر 0.578 بلین روپے کے سود کا تخمینہ لگایا گیا ہے ابھی تک واپس نہیں لیے گئے اور مجموعہ کا شمار ہیں۔ چونکہ ان قرضوں کی واپسی مشکوک ہے اس لیے نقصان کا تخمینہ لگانا ضروری ہے۔ اس بات کو مد نظر رکھتے ہوئے کمپنی نے مزید 1.083 بلین روپے نقصان کا تخمینہ لگایا ہے۔

آپ کی کمپنی کی انتظامیہ ان قرضوں کی وصولی کے لیے اپنی انتہائی کوشش کر رہی ہے۔ ہمیں قرضداروں سے مثبت رویے اور جلد از جلد قرضوں کی وصولی کی امید ہے۔

صنعت کا مجموعی جائزہ

زیر جائزہ مدت پی ایس ایف کے صنعت کاروں کے لیے ایک بہتر سال ثابت ہوا اور انہوں نے بہتر منافع حاصل کیا۔ نہ صرف فروخت بلند رہی بلکہ پی ایس ایف کے نرخ بھی متناسب رہے جو کہ عمومی طور پر کم نظر آتا ہے۔ یہ بھی دیکھنے میں آیا کہ بازار میں مستقل بنیادوں پر طلب کی وجہ سے پیداواری صلاحیتوں کا بھی بھرپور استعمال کیا گیا۔

زیر جائزہ مدت کے دوران بین الاقوامی بازاری میں بھی پی ٹی اے اور ایم ای جی (پی ایس ایف کے خام مال) کے نرخ اور رسد بھی مستحکم رہے۔ جس نے مقامی مارکیٹوں میں بھی کاروبار میں اپنا کردار بخوبی ادا کیا۔

چینی پی ایس ایف پرائیویٹ ڈیمنگ ڈیوٹی نے مقامی صنعت کاروں کو اضافی پی ایس ایف درآمد کرنے سے روکنے میں ایک بار پھر اہم کردار ادا کیا، دوسری صورت میں، مقامی پی ایس ایف ساز مارکیٹ کی تیزی میں اپنا حصہ نہ لے پاتے۔

اس مدت کے دوران سوت کا تنے کی صنعت بھی مستحکم رہی اور اچھا منافع کمایا۔ انکی معیشت میں استحکام رہا اور اس وجہ سے فروخت میں زیادہ مسائل کا سامنا نہیں کرنا پڑا۔ مزید برآں، گیس اور ایل پی جی کی باقاعدگی فراہمی کی بدولت انکی پیداوار بھی بالترتیب اپنی بلند یوں کی سطح کو چھوتی رہی۔ اوپر دیے گئے تمام عوامل پی ایس ایف کے صنعت کاروں کو اپنی مصنوعات فروخت کرنے میں بغیر کسی دقت کے معاون ثابت ہوئے۔

چونکہ آپ کی کمپنی کے آپریشنز بند ہیں۔ اور مستقبل قریب میں بھی اسکی بحالی کے امکانات نہایت تاریک ہیں۔

تاہم، زیر جائزہ مدت کے دوران آپ کی کمپنی کی پیداوار معطل رہی۔ اور مستقبل میں بھی پیداوار بحال کرنا مشکل ہے۔

کمپنی کی بنیادی سرگرمیاں

دیوان سلمان فائبر لمیٹڈ ایک پبلک لمیٹڈ کمپنی ہے اور پاکستان اسٹاک ایکسچینج میں ایک لسٹڈ کمپنی کے طور پر درج ہے۔ کمپنی کی بنیادی سرگرمی پالینسٹر اسٹینپل فائبر، آکرائلک اسٹینپل فائبر اور ٹاؤ کی صنعت کاری اور فروخت ہے۔ تاحال آپ کی کمپنی کی پیداواری سرگرمیاں معطل ہیں۔

بنیادی خطرات اور تحفظات

کمپنی مندرجہ ذیل نکات کو اہم خطرات تصور کرتی ہے:

بین الاقوامی پی ایس ایف مارکیٹ میں مقابلہ بازی

امریکی ڈالر کے خلاف پاک روپیہ کی استحکام

بینکنگ لائسنس کی غیر دستیابی

کمپنی اندرونی اور بیرونی خطرے اور غیر یقینی صورتحال کے اثرات کو کم کرنے کے لیے کوشاں ہے۔

ڈائریکٹرز کا جائزہ

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے مالی سال 2017-2018 کی سالانہ یعنی 30 جون 2018 کے لیے انٹیموٹس آڈٹ شدہ مالیاتی گوشوارے حاضر خدمت ہیں۔
مالیاتی صورتحال کا جائزہ

(’000 روپے)	
(صفر)	مجموعی فروخت
(759,429)	فروخت اور ترسیل کے اخراجات
(759,429)	مجموعی نقصان
(47,007)	انتظامی اخراجات
(806,436)	انتظامی نقصان
(691,511)	مالیاتی نقصان
498	دیگر آمدنی
(1,497,449)	قبل از ٹیکس نقصان
139,573	ٹیکس
(1,357,876)	بعد از ٹیکس نقصان

زیر جائزہ مدت کے دوران کمپنی کی مجموعی فروخت صفر رہی (2017: صفر)، کمپنی کا مجموعی نقصان 759.429 ملین روپے (2017: 518.909 ملین روپے) رہا۔

زیر جائزہ مالیاتی سال

باوجود انتھک محنت اور کوششوں کے آپ کی کمپنی جو کہ ملک کے سب سے بڑے پالیسٹر اور ملک کے واحد کرائٹلک کی پیداوار کا باعث تھی۔ اس سال بھی اپنے آپریشن شروع کرنے میں ناکام رہی ہے۔ اسکی بنیادی وجہ آپ کی کمپنی کا مسلسل آٹھ سال سے بند رہنا، بین الاقوامی اور مقامی مارکیٹوں میں پالیسٹر اور آکرائٹلک کی طلب میں نمایاں کمی ہیں۔ جسکی وجہ سے کمپنی کو زرمبادلہ کی مدد میں بھاری نقصان تو اٹھانا پڑی رہا ہے ساتھ ساتھ کمپنی سے منسلک ملازمین کی بنیادی ضروریات زندگی بھی متاثر ہو رہی ہیں۔

آپ کی کمپنی کے انتظامیہ نے کمپنی کی بحالی کے لئے مختلف تجاویز پیش کی ہیں اور ان تمام تجاویز کو مالیاتی اداروں کے ساتھ قابل عمل بنانے کے بارے میں تبادلہ خیال کیا گیا ہے لیکن بد قسمتی سے مثبت نتائج ابھی تک ابھرتے نظر نہیں آئے ہیں۔

آپ کی کمپنی کے آڈیٹرز نے اپنی رپورٹ میں کچھ مشاہدات کی نشاندہی کی ہے۔ جیسے کہ پیرا (i) میں رپورٹ کرتے ہیں کہ وہ گونینگ کنسرن کے مفروضے پر مالیاتی رپورٹس کی تیاری پر راضی نہیں، اور اپنی منفی رائے رکھتے ہیں۔ جبکہ کمپنی کے مطابق مینجمنٹ بینکاروں سے مسلسل مذاکرات کے عمل میں ہیں اور پرامید ہیں کہ نتیجہ مثبت ہوگا۔ مالیاتی رپورٹس کی گونینگ کنسرن کے مفروضے پر تیاری کی مزید تاویلات اگلے پیرا میں دیکھی جاسکتی ہے۔

زیر جائزہ مدت میں کمپنی نے بینکوں کو واجب الادا رقم پر سود جو کہ 1.681 ملین روپے (جون 2018 تک 19.317 ملین روپے) بنتا ہے پر سود کا تخمینہ نہیں لگایا۔ کمپنی کی انتظامیہ بینکوں/مالیاتی اداروں سے رابطے میں ہے تاکہ قرضوں کی واپسی کی نئی شرائط پر غور کیا جاسکے۔ انتظامیہ کو یقین ہے کمپنی کی قرضوں سے متعلق گزارشات کو مالیاتی اداروں کی طرف سے قبول کیا جائے گا، لہذا کمپنی نے سود کے حوالے سے کوئی تخمینہ نہیں لگایا ہے۔

پیرا (ج) رپورٹ کے مطابق کمپنی نے دیوان چرولم میں سرمایہ کاری کی درجہ بندی انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈ کی شق 28 کے مطابق تعلق داروں کے ساتھ سرمایہ کاری میں کی ہے جبکہ یہ سرمایہ کاری فروخت کے لیے رکھ چھوڑے اثاثہ جات کے خانے میں موجود ہے۔ کمپنی اس سرمایہ کاری کو اگلے مالیاتی سال میں فروخت کرنے کا ارادہ رکھتی ہے تاکہ حاصل ہونے والی رقم کمپنی کی پیداواری سرگرمیاں دوبارہ شروع کرنے میں مددگار ثابت ہو۔ اس مقصد کے لیے 2008 میں ایک خصوصی قرارداد منظور کی گئی تھی جو کہ مذکورہ سال میں ہی اپنی معیاد پوری کر چکی۔ چنانچہ اس سرمایہ کاری کو فروخت کرنے کے لیے حصص یافتگان سے دوبارہ منظوری لی جائے گی۔

**YD****A YOUSUF DEWAN COMPANY**

5- تاحال سی این آئی سی فراہم نہ کرنے والے شیئرز ہولڈرز کو نوٹس

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ایس آر او 831(1) / 2012 مورخہ 5 جولائی 2012ء میں درج ذیل ہدایات کے مطابق شیئرز ہولڈرز کو ڈیویڈنڈ وارنٹس وغیرہ کے اجرا کے لیے سی این آئی سی لازمی ہے جس کی عدم موجودگی میں ڈیویڈنڈ کی ادائیگی ایس ای سی پی کی مندرجہ بالا ہدایات کے مطابق روکی جاسکتی ہے لہذا جن حصص یافتگان نے تاحال اپنے سی این آئی سی فراہم نہیں کیے ہیں ان کو ایک بار پھر ہدایت کی جاتی ہے کہ اپنے سی این آئی سی کی تصدیق شدہ کاپی بلا تاخیر براہ راست ہمارے شیئرز رجسٹرار کو فراہم کر دیں۔

6- شیئرز ہولڈرز کے لیے ای ڈیویڈنڈ مینڈیٹ

نقد منافع منقسمہ کی ادائیگی کو مزید بہتر بنانے کے لیے ای ڈیویڈنڈ میکنزم متعارف کرایا گیا ہے جس کے تحت حصص یافتگان ڈیویڈنڈ کی رقم فوری طور پر اپنے متعلقہ بینک اکاؤنٹ میں الیکٹرونکلی وصول کر سکتے ہیں اس طریقہ سے ڈیویڈنڈ ان کے بینک اکاؤنٹ میں منتقل ہو جائے گا اور بذریعہ ڈاک گمشدگی، عدم وصولی اور غلط پتے پر وصولی وغیرہ کے خدشات نہیں ہوں گے، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے نوٹس نمبر 8(4) ایس ایم/سی ڈی سی 2008ء مورخہ 5 اپریل 2013ء کے ذریعہ تمام لسٹڈ کمپنیوں کو حصص ہولڈرز کے مفاد میں ای ڈیویڈنڈ میکنزم کو اختیار کرنے کی ہدایات جاری کی گئی ہیں، مندرجہ بالا کے پیش نظر آپ کو ڈیویڈنڈ مینڈیٹ فارم پر اور دستخط کے ہمراہ جمع کرا کے ڈیویڈنڈ مینڈیٹ فراہم کیا جا رہا ہے۔

7- مالی گوشواروں وغیرہ کی الیکٹرونکلی ترسیل

ایس ای سی پی نے اپنے اعلامیہ نمبر ایس آر او 787(1) / 2014 مورخہ 8 ستمبر 2014ء کمپنیوں کو سالانہ آڈٹ شدہ مالی گوشواروں مع سالانہ اجلاس کے نوٹس ڈاک کی بجائے بذریعہ ای میل ان ممبران کو ارسال کرنے کی اجازت دے دی ہے جو اس سہولت سے استفادہ حاصل کرنے کے متنبی ہیں مذکورہ بالا گوشوارے اور سالانہ اجلاس عام کے نوٹس بذریعہ ای میل وصول کرنے کے خواہشمند ممبران سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ <http://www.yousufdewan.com/DSFL/index.html> اسٹینڈرڈ ریکورڈس فارم پر اپنی خواہش تحریری طور پر فراہم کریں۔


اطلاع برائے سالانہ اجلاس عام

ہذا کو مطلع کیا جاتا ہے کہ دیوان سلمان فائبر لمیٹڈ (ڈی ایس ایف ایل یا کمپنی) کا انیسواں (29) سالانہ اجلاس عام جمعہ 26 اکتوبر 2018ء کو صبح گیارہ بجے پلاٹ نمبر 6 اسٹریٹ نمبر 9 فیاض مارکیٹ، جی 18/2 اسلام آباد پاکستان میں مندرجہ ذیل امور کی انجام دہی کے لیے منعقد کیا جائے گا۔ اجلاس کا آغاز تلاوت کلام پاک سے ہوگا۔

عمومی امور

- 1- گزشتہ سالانہ اجلاس عام منعقد منگل 31 اکتوبر 2017ء کی کارروائی کی توثیق۔
- 2- 30 جون 2018ء کو مکمل ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- 3- آئندہ سال کے لیے کمپنی کے آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
- 4- چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ


محمد حنیف جرمن
کمپنی سیکریٹری

کراچی -
101 اکتوبر 2018ء

- 1- کمپنی کی منتقلی حصص کی کتب 19 اکتوبر 2018ء تا 26 اکتوبر 2018ء (دونوں دن شامل) بند رہیں گی۔
- 2- ممبران سے درخواست ہے کہ وہ اپنے پتے میں کسی قسم کی تبدیلی سے فوری طور پر ہمارے شیئرز رجسٹر اٹرانسفر ایجنٹ بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ) لمیٹڈ واقع انعم اسٹیٹ بلڈنگ کمرہ نمبر 311-310 تھرڈ فلور 49 دارالامان سوسائٹی مین شاہراہ فیصل متصل بلوچ کالونی پل، کراچی پاکستان کو مطلع کریں۔
- 3- اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کے لیے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے پروکسی کی تقرری کی دستاویز مندرجہ بالا پتے پر کمپنی کو اجلاس کے انعقاد سے کم از کم اڑھتالیس گھنٹے قبل مل جانی چاہیے۔
- 4- سی ڈی سی اکاؤنٹ ہولڈرز کو مزید براں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ سرکلر نمبر 1 مورخہ 20 جنوری 2000ء میں درج مندرجہ ذیل ہدایات پر عمل کرنا ہوگا۔

الف) برائے اجلاس میں شرکت

- (i) انفرادی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا افراد کی صورت میں یا جن کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے مطابق اپ لوڈ ہوں اپنی شناخت کے لیے اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ اجلاس میں شرکت کے موقع پر پیش کرنا ہوگا۔
- (ii) کارپوریٹ اینٹیٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) اجلاس کے موقع پر پیش کرنا ہوگا۔

ب) پروکسی کی تقرری

- (i) انفرادی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا افراد کی صورت میں جن کی سیکورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے تحت اپ لوڈ ہوں پروکسی فارم مندرجہ بالا شرائط کے مطابق داخل کرانے ہوں گے۔
- (ii) پروکسی فارم پر دو افراد کی گواہی ہونی چاہیے جن کے نام پتے اور سی این آئی سی نمبر فارم میں درج ہوں۔
- (iii) ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم سے منسلک کرنی ہوں گی۔
- (iv) پروکسی کو اجلاس کے موقع پر اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (v) کارپوریٹ اینٹیٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) پروکسی فارم ہمراہ کمپنی کو پیش کرنے ہوں گے۔

FORM OF PROXY

29TH ANNUAL GENERAL MEETING

IMPORTANT

This form of Proxy duly completed must be deposited at our Shares Registrar Transfer Agent **BMF Consultants Pakistan (Private) Ltd.** Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi-75350, Pakistan. Not later than 48 hours before the time of holding the meeting A Proxy should also be a member of the Company.

I/We _____ of _____ being a member of **DEWAN SALMAN FIBRE LIMITED** and holder of _____ Ordinary shares as per Registered Folio No./CDC Participant's ID and Account No _____ hereby appoint _____ of _____ who is also member of **DEWAN SALMAN FIBRE LIMITED** vide Registered Folio No./CDC Participant's ID and Account No. _____ my/our proxy to vote for me/our behalf at the 29th Annual General Meeting of the Company to be held **Friday, October 26, 2018, at 11:00 a.m.** at Plot No. 6, Street No. 9, Fayyaz Market, G-8/2, Islamabad, Pakistan.

Signed this _____ day of _____ 2018.

Affix
Revenue
Stamp
Rs. 5/-

Signature _____

Witness: _____

Signature

Name: _____

Address: _____

Witness: _____

Signature

Name: _____

Address: _____

پراکسی فارم ۲۹ واں سالانہ اجلاس عام

اہم اعلان

یہ پراکسی فارم مکمل پر کر کے ہمارے رجسٹرار شیئر ٹرانسفر ایجنٹ، بی ایم ایف کنسلٹنٹ (پرائیوٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، روم نمبر 310 اور 311، تیسری منزل، 49، دارالمان سوسائٹی، شاہراہ فیصل، ملحقہ بلوچ کالونی پل، کراچی۔ 75350، پاکستان۔ کے آفس میں، میٹنگ کے انعقاد سے اڑتالیس گھنٹے پہلے یہ فارم ضرور جمع کروادیں، کسی بھی پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان سلمان فائبر لمیٹڈ کے _____ حصص کے مالک، رجسٹرڈ فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ میں

بطور پراکسی تقرر کرتا / کرتی ہوں _____ کا (مکمل پتہ)

_____ جو بذات خود بھی

_____ دیوان سلمان فائبر لمیٹڈ

_____ سی ڈی سی آئی ڈی اور کھاتہ نمبر

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۲۹ واں سالانہ اجلاس عام جو کہ بروز جمعہ، ۲۶ اکتوبر ۲۰۱۸ کو صبح ۱۱:۰۰ بجے، بمقام پلاٹ نمبر ۶، گلی نمبر ۹، فیاض مارکیٹ، جی۔۸/۲، اسلام آباد، پاکستان میں منعقد کیا جا رہا ہے، میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ ۲۰۱۸ کو میرے / ہمارے ہاتھ سے مہر لگائی۔

Affix
Revenue
Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____