



VISION/MISSION STATEMENT

To transform the company into a modern and dynamic Textile products manufacturing company and to provide quality products to customers and explore new markets to promote/expand sales of the Company through Good Governance and foster a sound and dynamic team, so as to achieve optimum profitability for the Company for sustainable and equitable growth and prosperity of the Company, its employees and shareholders.

Sr. #	CONTENTS	Page #
1.	COMPANY PROFILE	2
2.	NOTICE OF ANNUAL GENERAL MEETING	3
3.	CHAIR PERSON'S REVIEW REPORT	5
4.	DIRECTOR'S REPORT	7
5.	PATTERN OF SHAREHOLDING FORM 34	15
6.	CATEGORIES OF SHAREHOLDING	16
7.	STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE	17
8.	REVIEW REPORT TO THE MEMBERS	19
9.	AUDITOR'S REPORT	20
10.	STATEMENT OF FINANCIAL POSITION	23
11.	PROFIT AND LOSS ACCOUNT	24
12.	CASH FLOW STATEMENT	25
13.	STATEMENT OF CHANGES IN EQUITY	26
14.	STATEMENT OF COMPREHENSIVE INCOME	27
15.	NOTES TO THE FINANCIAL STATEMENTS	28
16.	KEY OPERATING AND FINANCIAL DATA	50
17.	PROXY FORM	51

**BOARD OF DIRECTORS**

MR.NOOR ELAHI -CHIEF EXECUTIVE
MRS.PARVEEN ELAHI -CHAIR PERSON

Directors:

MRS. NAHEED JAVED
MR. NABEEL JAVED
MR. FAIZAN JAVED
MR.MUHAMMAD TANVEER
MR.MANSOOB AHMED KHAN

**COMPANY SECRETARY
AUDIT COMMITTEE**

MR.GULZAR ALI
MR. MANSOOB AHMED KHAN -CHAIRMAN
MRS.NAHEED JAVED -MEMBER
MR. FAIZAN JAVED -MEMBER

**HUMAN RESOURCE & REMUNERATION
COMMITTEE**

MR. MANSOOB AHMED KHAN -CHAIRMAN
MR.NABEEL JAVED -MEMBER
MR. FAIZAN JAVED -MEMBER

BANKERS

M/S.MEEZAN BANK LTD
M/S.BANK AL-HABIB LTD
M/S.HABIB METROPOLITAN BANK LTD
M/S.NATIONAL BANK OF PAKISTAN
M/S.SONERI BANK LTD
M/S. SILK BANK LTD
M/S. FAYSAL BANK LTD
M/S. MUSLIM COMMERCIAL BANK LTD
M/S. HABIB BANK LTD
M/S. BANK ALFALAH LTD

AUDITORS

M/S ASLAM MALIK & CO.
Chartered Accountants,
Suit # 18-19, First Floor, Central plaza, Civic Center, New Garden
Town, Lahore
email:info@asammalik.com
Tel: 04235856019

INTERNAL AUDITOR

Mr. TAHIR ALI

LEGAL ADVISOR

M/S MOHSIN & WAHEED LAW ASSOCIATES
Office#S-3, 2nd Floor, West End Plaza,
72-The Mall Road Lahore.

HEAD OFFICE

35-Industrial Area, Gulberg-III, Lahore-54660, Pakistan
Ph#(+92-42)3571-4601,3576-1243-4
Fax:(+92-42)3571-1400, 3576-1222
Email:info@rubystextile.com.pk

REGISTERED OFFICE

Room#203, Faiyaz Centre, 2nd Floor,3-A,
S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400
Ph#(+92-21) 34396600,34387700
Fax#(+92-21)34398800
Email:aslamd9@yahoo.com

MILLS

Raiwind -Manga Road,
Raiwind, District Kasur-55050, Pakistan
Phone:(+92-42) 3539-1031,3539-2651-2
Fax:(+92-42)3539-1032
Email:wasim@rubystextile.com.pk

SHARE REGISTRAR

M/S CORPLINK (PVT) LTD.,
1-K, (Commercial) wings Arcade.,
Model Town, Lahore-54700, Pakistan.
Phone:(+92-42) 35916714,35916719,35839182
Fax:(+92-42) 3586-9037
Email:corplink786@gmail.com/shares@corplink.com.pk

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 40th Annual General Meeting of the Shareholders of Ruby Textile Mills Limited will be held on 28th October, 2020 at 3:00 PM at Registered Office 203-Faiyaz Centre, 2nd Floor, 3-A, S.M.C.H.S., Shahrah-e-Faisal, Karachi, to transact the following business:

Ordinary Business: -

- 1.To confirm the minutes of the 39th Annual General Meeting held on 27TH November 2019.
- 2.To receive, consider, approve and adopt Annual Audited Accounts of the Company together with the Director's and Auditor's Reports for the year ended June 30, 2020.
- 3.To appoint Statutory Auditors of the Company for the year ending June 30, 2021 and to fix their remuneration. The retiring auditors M/s Aslam Malik & Co. Chartered Accountants, being eligible, have offered themselves for reappointment. The Board of directors recommends, based on the recommendation of the Audit committee, the appointment of M/s Aslam Malik & Co. Chartered Accountants as auditors for the ensuring year.

Other Business:-

To transact any other business with permission of the Chair.

BY ORDER OF THE BOARD

(Gulzar Ali)
Company Secretary

LAHORE
Dated:07-10-2020

**NOTES.****1. BOOK CLOSURE**

The share transfer books of the Company will remain closed from 21.10.2020 to 28.10.2020 (both days inclusive). Transfers received in order at the Company's Share Registrar, M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore, before close of business on 20.10.2020 will be considered in time for the purpose of attend and vote at the Annual General Meeting of the Company.

2. FOR APPOINTING PROXIES

A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his behalf at the meeting. The instrument of the proxy duly executed in accordance with the Articles of Association of the Company must be received at the Registered office of the Company not less than 48 hours before the time of holding of the meeting.

3. FOR ATTENDING MEETING

Any individual Beneficial Owner of CDC, entitled to attend and vote at this meeting, must bring his/her original CNIC or Passport, Account and participant's I.D numbers, to prove his/her identity, and in case of proxy must enclose and attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents required for such purpose. The account/sub account holders of CDC will further have to follow the guidelines as laid down in Circular No.1 of 2000 dated January 26, 2000 issued by Securities Exchange Commission of Pakistan

4. CNIC/NTN NUMBER & IBAN ON ELECTRONIC DIVIDEND (MANDATORY)

All shareholders who had not yet submitted the valid copies of CNIC, NTN certificate(s) and IBAN are requested to send the same to the Share Registrar. Shareholders of the Company who holds shares in scrip-less form on Central Depository Company of Pakistan Ltd. (CDC) are requested to update their IBAN details directly to their CDC participant (brokers)/CDC Investor Account Services.

5. AVAILABILITY OF ANNUAL AUDITED FINANCIAL STATEMENT

In accordance with the provisions of section 223 and 237 of the Companies Act, 2017, the audited financial statements of the Company for the year ended on June 30, 2020 are available on the Company's website (www.rubytexile.com.pk).

6. VIDEO COFERENCING FACILITY

Pursuant to provisions of SECP circular No.10 of 2014 dated May 21, 2014, if the Company receives consent from members holding aggregate 10% or more shareholding, residing in geographical location participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city.

7. CHANGE OF ADDRESS

Shareholders are requested to notify the change of their addresses, if any, to our Share Registrar M/s Corplink (Private) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore. Tele No. 042-35839182, 042-35916714-19.



CHAIRPERSON'S REVIEW REPORT

I am pleased to enclose herewith Chairman Review Report for the year ended June 30, 2020 as required under section 192(4) of Companies Act, 2017 on overall performance and effectiveness of the board of Ruby Textile Mills Ltd.

The challenging and complex global economic environment puts some extra pressure on the board and its roll has become more important in devising strategies and provide leadership role for the management of the company. By recognizing the importance of high standards of corporate governance that aligns with the needs of the company and the interests of all our stockholders the leadership and effectiveness of the Board is primarily rests with the chairperson.

The board has performed and discharge its duties as per provisions of Companies Act 2017 (Act), the regulations under Code of Corporate Governance Regulations 2019, guidelines and directives issued by Securities and Exchange Commission of Pakistan (SECP) and regularity compliance required for listed companies of Pakistan Stock Exchange (PSX). The Outcome of evaluation process that was conducted internally under the Corporate Governance Regulations 2019, is encouraging and depict that overall performance of the board is quite satisfactory that played an effective and active role in achieving its objectives.

The board has clear vision and mission that defines overall corporate strategy of the organization for allocating the resources, developing policies and plans and devising a formal code of conduct that drives the organization in achieving its ultimate objectives and goals.

The board has in place a well-designed risk identification process for risk assessment and its consequences on the organizational ability which is followed by the risk mitigating course of action and comprehensively articulated contingency plan.

The board strictly adhere to corporate governance standards and always strives for incessant improvement rather perfection. The board ensures the compliance of code with regard to the appointment of chief financial officer, company secretary and head of internal audit. The board in consultation with audit committee has developed a robust internal audit department with functionally reports to the audit committee to assure independence of audit functions. The internal audit team comprised of appropriate members encompassing requisite experience and skills to discharge their responsibilities effectively.

The board of directors determines the terms of reference for both audit and human resources committees headed by an independent director and complying the mandatory requirement of financial literate member for an audit committee under the code of corporate governance.

The board of seven directors comprised of independent director, executive director, non-executive and female directors are strictly in line with the regulations issued under Code.

Besides, being conversant with Code, Act and regulations issued by the SECP, the board of directors are fully aware of their responsibilities, duties and powers under memorandum and article association of the company. All the existing board members including an appointment of a director during the year are compliant as per regulations under Code for directors training program (DTP)

LAHORE
October 06, 2020

For and on behalf of the Board of Directors

MRS. PARVEEN ELLAHI
(CHAIRPERSON)



چیئر پرسن کی جائزہ رپورٹ

کمپنیز ایکٹ، 2017 کی دفعہ (4) 192 کے مطابق، میں 30 جون، 2020 کو ختم ہونے والے سال کے لئے روٹی ٹیکسٹائل ملز لمیٹڈ کے بورڈ کی مجموعی کارکردگی اور اثرات کے بارے میں چیئر پرسن کی جائزہ رپورٹ پیش کرتے ہوئے خوش محسوس کرتی ہوں۔

مشکل اور کشیدہ عالمی معاشی ماحول نے بورڈ پر اضافی بوجھ ڈالا اور حکمت عملی وضع کرنے اور کمپنی کی انتظامیہ کی قیادت کرنے میں اس کا کردار بہت اہم ہے۔ کمپنی کی ضروریات اور تمام اسٹاک ہولڈرز کے مفادات کے مطابق کارپوریٹ گورننس کے اعلیٰ معیار کی اہمیت کو تسلیم کرتے ہوئے، بورڈ کی قیادت اور اثرات بنیادی طور پر چیئر پرسن پر منحصر ہے۔

بورڈ نے کمپنیز ایکٹ 2017 (ایکٹ) کی دفعات، کوڈ آف کارپوریٹ گورننس ریگولیشن 2019 (کوڈ) کے تحت قواعد و ضوابط، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے جاری کردہ رہنما اصولوں اور ہدایات اور پاکستان اسٹاک ایکسچینج (PSX) کی مندرجہ ذیل کمپنیوں کے لئے ضروری تعمیل کے مطابق اپنے فرائض سرانجام دیئے ہیں۔ کوڈ آف کارپوریٹ گورننس ریگولیشن 2019 کے ضابطہ کے تحت داخلی تشخیصی عمل کا نتیجہ حوصلہ افزاء رہا ہے اور بورڈ کی مجموعی کارکردگی کافی تسلی بخش ظاہر کرتا ہے جس نے بورڈ کے مقاصد کے حصول میں مؤثر اور فعال کردار ادا کیا۔

بورڈ کا واضح نقطہ نظر اور مشن ہے جو وسائل مختص کرنے، پالیسیوں اور منصوبوں کی تیاری اور ضابطہ اخلاق وضع کرنے کے لئے تنظیم کی مجموعی کارپوریٹ حکمت عملی کی وضاحت کرتا ہے جو تنظیم کو حتمی مقاصد اور اہداف کے حصول میں آگے بڑھاتی ہے۔

خطرات کی تشخیص اور تنظیمی صلاحیت کے نتائج کے لئے بورڈ نے رسک کی شناخت کا عمل تیار کیا ہے جس کے بعد خطرہ کو کم اور واضح جامع ہنگامی منصوبہ تیار کیا جاتا ہے۔

بورڈ کارپوریٹ گورننس کے معیارات پر سختی سے عمل کرتا ہے اور ہمیشہ مستقل، بہتری کی بھرپور کوشش کرتا ہے۔ بورڈ چیف فنانشل آفیسر، کمپنی سیکرٹری اور انٹرنل آڈٹ کے سربراہ کی تقرری کے سلسلے میں ضابطہ اخلاق کی تعمیل کو یقینی بناتا ہے۔ آڈٹ کمیٹی کے ساتھ مشاورت سے بورڈ نے آڈٹ کمیٹی کو مستقل رپورٹ کے ساتھ ایک مضبوط داخلی آڈٹ شعبہ تشکیل دیا ہے جو آڈٹ کے افعال کی آزادی کو یقینی بناتا ہے۔ داخلی آڈٹ ٹیم جس میں موزوں ممبران شامل ہوں جو اپنی ذمہ داریوں کو موثر طریقے سے نبھانے کے لئے تجربہ اور مہارت رکھتے ہیں۔

بورڈ آف ڈائریکٹرز ایک آزاد ڈائریکٹرز کی سربراہی میں آڈٹ اور انسانی وسائل دونوں کمیٹیوں کے ریفرنس کی شرائط طے کرتا ہے اور کارپوریٹ گورننس کے کوڈ کے تحت آڈٹ کمیٹی کے لئے فنانشل خزانگی والے ممبر کے لازمی تقاضے کی تعمیل کرتا ہے۔

آزاد ڈائریکٹر، ایگزیکٹو ڈائریکٹر، نان ایگزیکٹو اور خواتین ڈائریکٹرز پر مشتمل سات ڈائریکٹرز کا بورڈ کوڈ کے تحت جاری کردہ ضوابط کے ساتھ مطابقت رکھتا ہے۔

اس کے علاوہ، ایس ای سی پی کے جاری کردہ ضابطہ اخلاق، ایکٹ اور ضابطوں پر غور کرتے ہوئے، بورڈ آف ڈائریکٹرز کمپنی کی میمورنڈم اینڈ آرٹیکل آف ایسوسی ایشن کے تحت اپنی ذمہ داریوں، فرائض اور اختیارات سے پوری طرح آگاہ ہیں۔ بورڈ کے تمام موجودہ ممبران بشمول سال کے دوران ڈائریکٹرز کے تربیتی پروگرام (ڈی ٹی پی) کے ضابطہ کے تحت ریگولیشنز کی تعمیل کرتے ہیں۔

Parveen Elahi

محترمہ پروین الہی
(چیئر پرسن)

لاہور: 06 اکتوبر 2020ء

**DIRECTOR'S REPORT**

The directors of your company are pleased to present their 40th Annual Report together with the Company's Audited Accounts for the year ended June 30, 2020.

Operating Results

The financial results are summarized here under

	2020 Rupees	(Restated) 2019 Rupees
Sales	275,027,255	719,481,132
Gross profit/(Loss)	(117,399,630)	(101,632,274)
Administrative Expenses	(18,631,211)	(18,559,817)
Distribution Charges	(202,084)	-
Other Income	109,544,942	103,324,723
Financial Charges	(6,282,337)	(81,582,371)
Profit/ (Loss) Before Tax	(32,970,320)	(98,449,739)
Provision for Taxation	4,877,864	(387,938)
Profit/(Loss) after Taxation	(28,092,456)	(98,837,667)

During the year under review, the Company operational results depicts decrease in sales as the mill operation remains closed since March 24, 2020 due to lock down imposed by the Govt under Covid-19 and Net loss for the year Rs.28.092 million (2019: Rs.98.837 million) and net loss in term of percentage remains at 10.21% as compared with last year 13.74%. The main reason for the loss is increase in fixed cost component pertains to salaries and wages, power cost with increase in power tariff and other direct expenses.

The overall results of the company remain adverse due to the prevailing market conditions which were further aggravated due to the spread of Covid-19 and due to the government instruction the mill operation was closed. Further, the company had been facing the financial constraints due non availability of working capital limits from the banks, the existing limits are not sufficient to meet the working capital requirement and therefore, the company mainly reliant on the self generated funds plus directors support for injection of funds to meet the financial commitments. Due to paucity of the working capital and pandemic i.e. COVID-19, the company's productivity remains low as compared with last year and resulted in increase in per unit cost of finished product.

The company's operation cost i.e. administrative and distribution expenses has been remains at Rs.18.833 million as compared with last year of Rs. 18.560 million, The loss before taxation remains at Rs. 32.970 million as compared with last year of Rs. 98.449 million and loss after taxation cost comes to Rs. 28.092 million (2019: 98.837 million) which includes the depreciation expense charged to profit or loss and without depreciation the loss after taxation is Rs. 6.079 million as compared with last year Rs. 62.336 million. Had there been no lock down the results would have been different. We were expecting positive results in this but due to unfortunate Covid-19 scenario the overall picture has changed. The management has tried its best to reduce the negative impact of Covid by resetting the terms of its liabilities with the lenders.

General Market Conditions and Company's Business

Overall exports were expected to increase in the wake of currency depreciation, in contrary cost of imported raw materials, plant and machinery increased due to currency depreciation. Due to stiff competition and high cost of production the exports remained undervalued both in terms of value and quantity. But with the changing environment we are expecting a positive change in our economic conditions as our competitors are suffering for adverse effects of Covid which gives us an edge to regain our lost international markets.

Future Outlook

Textile industry considering the backbone of economy is passing through difficult circumstances in the local as well as overseas markets. The current market situation was already worst which further aggravated due to the Covid-19, the company started its production again and management is trying hard to arrange working capital limits from banks to meet the working capital requirement to attain the optimum production level. The company also during the closure of operations due to COVID-19 lockdown, carried the BMR and overhauling of the machinery which will improve the production capacities and product quality which will fetch the better selling price enabling the company into profitable venture. However, management is cognizant of the situation and taking all the possible measures to cope with these challenges.

**Composition of Board**

The composition of the Board is in compliance with the requirements of the Code of Corporate Governance regulations, 2019 applicable on listed entities which is given below:

Total number of Directors

a) Male	5
b) Female	2

Composition:

i. Independent Directors	2
ii. Executive Directors	2
iii. Non-Executive Director	5

The names of the directors as at June 30, 2020 are as follows

1) Mr. NOOR ELAHI	Chief Executive
2) Mrs. PARVEEN ELAHI	Chairperson
3) Mrs. NAHEED JAVED	Director
4) Mr. NABEEL JAVED	Director
5) Mr. FAIZAN JAVED	Director
6) Mr. MUHAMMAD TANVVER	Director
7) Mr. MANSOOB AHMED KHAN	Director

Committees of the Board

The Board has formed two sub committees namely Audit Committee and Human Resource & Remuneration Committee. The composition of both these committees is disclosed as follows:

• **Audit Committee**

Mr. MANSOOB AHMED KHAN	- Chairman (Independent)
Mrs. NAHEED JAVED	- Member
Mr. FAIZAN JAVED	- Member

• **Human Recourse and Remuneration Committee**

Mr. MANSOOB AHMED KHAN	- Chairman (Independent)
Mr. NABEEL JAVED	- Member
Mr. FAIZAN JAVED	- Member

Compliance with the Best Practices of Corporate Governance

As required under the Code of Corporate Governance incorporated in the Listing Rules of the Stock Exchange, the Board is pleased to state that the management of the Company is compliant with the best practices of corporate governance. The Board acknowledges its responsibility in respect of the corporate and financial reporting framework and thus states that:

- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards/international financial reporting standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- The highlights of operating and financial data for the last six years are presented in a summarized form in annexure.
- Information about taxes and levies is given in the notes to and forming part of financial statements.
- The company is operating an unfunded gratuity scheme funds of which are retained for business of the company.
- The statement of pattern of shareholding of the Company as at June 30, 2020 is annexed. This statement is prepared in accordance with the Code of Corporate Governance.



•During the year under review, Eight Board of Directors Meetings, four Audit Committee Meetings and one Human Resource and Remuneration Committee Meetings were held. The attendance of the Directors is as follows:

Name of Director	Number of Meeting Attended		
	Board Meeting	Audit Committee	Human Resource and Remuneration Committee
Mr. NOOR ELAHI	8		
Mrs.PARVEEN ELAHI	8		
Mrs.NAHEED JAVED	8	4	
Mr.NABEEL JAVED	8	-	1
Mr.FAIZAN JAVED	8	4	1
Mr.SHARIQ JAVED	-	-	-
Mr.MUHAMMAD TANVEER	3	-	-
Mr.MANSOOB AHMED KHAN	8	4	1

(Leave of absence was granted to the Directors who could not attend the Meetings due to their pre-occupations)

•No trading in Company's shares was carried out by its Directors, CEO, CFO, Company Secretary; Head of Internal Audit other Executives and their spouse(s) and minor children during the year.

Statutory Auditors

Auditors M/s Aslam Malik & Company Chartered Accountants retire at the conclusion of the 40th Annual General Meeting and being eligible, they have offered themselves for re-appointment and the Board's audit committee has also recommended their re- appointment which has been endorsed by the Board.

Corporate Social Responsibility

Ruby Textile Mills Ltd. is committed to achieving tangible, sustainable fulfillment of its corporate social responsibility.

Significant features of remuneration policy of non-executive directors

Non-executive directors including the independent director are entitled only for fee for attending the meetings.

Board Evaluation

As required by the Listed Companies Code of Corporate Governance Regulations, 2019 the Board has developed a mechanism for evaluation of performance of the Board of Directors. During the year a comprehensive questioner was circulated among all members of the Board for evaluation of performance of the Board of Directors.

Auditors Report

The auditors have qualified their report as under:

- i) Capital reserves were created earlier for acquisition of Special National Funds Bonds as explained in Note no. 14 to the financial statements, are reversed to accumulated losses after decision of board as these reserve were not being used for the said purpose.
- ii) Auditors' observation in their audit report regarding Company's ability to continue as going concern due to liquidity issue. Due to the Covid-19 pandemic, the results of the Company have been negatively impacted for this year. Company has started its operations from September 01, 2020 and it is envisaged that the liquidity issues of the Company should be resolved. The company is working on a comprehensive plan of revival under which the we will ensure the full utilization of the production capacity along with the improvement of product quality will be ensured. The BMR done during the lockdown scenario is a key step towards that.

**Earning / (Loss) Per Share**

Earning per share for the year amounted to Rs.(0.54) and Rs. (2.10) for the corresponding year.

Related Parties

The Board of Directors has approved the policy for transaction/contract between Company and its related parties on an arm's length basis and relevant rates are to be determined as per the comparable un-controlled price method.

For and on behalf of the Board of Directors

(NOOR ELAHI)
CHIEF EXECUTIVE

LAHORE
October 06, 2020



بورڈ کی تشخیص

انڈیکسٹریز بورڈ آف کارپوریشن گورننس ریگولیشنز 2019 کے تقاضہ کے مطابق بورڈ نے بورڈ آف ڈائریکٹرز کی کارکردگی کی جانچ کے لئے ایک طریقہ کار وضع کیا ہے۔ سال کے دوران بورڈ آف ڈائریکٹرز کی کارکردگی کی تشخیص کے لئے بورڈ کے تمام ممبروں کو ایک جامع سوالنامہ ترسیل کیا گیا۔

آڈیٹرز کی رپورٹ

آڈیٹرز نے حسب ذیل کے مطابق اپنی رپورٹ کی توثیق کی ہے:

- (i) - خصوصی ٹینٹل فنڈز بانڈز کے حصول کے لئے ٹینٹل ذخائر بہت سال پہلے بنائے گئے تھے جیسے کہ مالی حسابات کے نوٹ نمبر 14 میں بیان کیا گیا ہے، مجموعی نقصانات ہونے کے باعث بورڈ کے فیصلے کے بعد مذکورہ مقصد کے لئے یہ ذخائر استعمال نہیں کئے گئے۔
- (ii) - لیکویڈیٹی مسئلے کی وجہ سے ٹینٹل کی جاری رہنے کی صلاحیت کے بارے میں اپنی آڈٹ رپورٹ میں آڈیٹرز کا مشاہدہ - کوویڈ 19 وبائی بیماری کی وجہ سے، اس سال کے لئے ٹینٹل کے نتائج پر منفی اثر پڑا ہے۔ کمپنی نے اپنے آپریٹنگز ستمبر 2020ء سے دوبارہ شروع کئے ہیں اور یہ خیال کیا گیا ہے کہ کمپنی کے لیکویڈیٹی ایشور کو حل کیا جاتا چاہئے۔ کمپنی بحالی کے ایک جامع منصوبے پر کام کر رہی ہے جس کے تحت ہم پیدوار کی صلاحیت کے مکمل استعمال کے ساتھ ساتھ مصنوعات کے معیار کی بہتری کو بھی یقینی بنائیں گے۔ لاک ڈاؤن منظر نامہ کے دوران کی گئی پی ایم آر، اس کی طرف ایک اہم قدم ہے۔

آمدنی/(نقصان) فی شیئر

سال کے لئے فی شیئر نقصان (0.54) روپے جو کہ گزشتہ سال میں (2.10) روپے تھا۔

متعلقہ پارٹیاں

بورڈ آف ڈائریکٹرز نے ٹینٹل اور اس کی متعلقہ پارٹیوں کے درمیان لین دین / معاہدہ کے لئے قابل رسائی بنیاد پر پالیسی کی منظوری دی ہے اور بے قابو قیمتوں کے موازنہ کے طریقہ کار کے مطابق متعلقہ قیمتیں مقرر کی گئی ہیں۔

منجانب بورڈ آف ڈائریکٹرز

M. Zahid

(نورالحی)

چیف ایگزیکٹو

لاہور

106 اکتوبر 2020ء



- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایجوکیٹو میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور آئٹمنڈ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات / بین الاقوامی مالیاتی رپورٹنگ کے معیار رات کی پیروی کی گئی ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن منظم ہے اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے دواں دواں رہنے کی صلاحیت بارے کوئی نمایاں شکوک و شبہات نہیں ہیں۔
- غیر منقولہ قاعدہ میں تفصیلی کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا۔
- گزشتہ چھ سالوں کی آپریٹنگ جھلکیاں اور مالی اعداد و شمار کا مختصر خلاصہ منسلک ہے۔
- ٹیکسوں اور لیور کے بارے میں معلومات نوٹس میں دی گئی ہیں اور مالی حسابات کا حصہ بنایا گیا ہے۔
- کمپنی ایک غیر فنڈڈ مینیجمنٹ اسکیم چلا رہی ہے جو کمپنی کے کاروبار کے لئے برقرار رکھی گئی ہے۔
- 30 جون 2020 کے مطابق کمپنی کے نمونہ حصص داری کا بیان منسلک ہے۔ یہ بیان کوڈ آف کارپوریٹ گورننس کے مطابق تیار کیا گیا ہے۔
- زیر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے آٹھ اجلاس، آڈٹ کمیٹی کے چار اجلاس اور بیسٹن ریسورس اینڈ ریمینٹیشن کمیٹی کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

نام ڈائریکٹر	بورڈ کے اجلاس	آڈٹ کمیٹی	بیسٹن ریسورس اینڈ ریمینٹیشن کمیٹی
جناب نورالحی	8		
محترمہ پروین الٰہی	8		
محترمہ تابید جاوید	8	4	
جناب نیل چوہدری	8	-	1
جناب فیضان جاوید	8	4	1
جناب شارق جاوید	-	-	-
جناب محمد تنویر	3	-	-
جناب منسوب احمد خان	8	4	1

(جوڈائریکٹرز اپنی پیشہ ورانہ مصروفیت کی وجہ سے اجلاسوں میں شرکت نہیں کر سکتے تھے جو غیر حاضری کی رخصت عطا کی گئی)

سال کے دوران کمپنی کے حصص میں اس کے ڈائریکٹرز، ای ای او، ایف او، کمپنی سیکریٹری، داخلی آڈٹ کے سربراہ، دیگر ایگزیکٹوز اور ان کے شریک حیات اور ان کے بچوں کے ذریعہ کوئی تجارت نہیں کی گئی۔

قانونی آڈیٹرز

آڈیٹرز میسرز عالم ملک اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس 40 ویں سالانہ جنرل اجلاس کے اختتام پر پناہ ہو گئے اور اہل ہونے کے سبب، انہوں نے خود کو دوبارہ تقرر کے لئے پیش کیا اور بورڈ کی آڈٹ کمیٹی نے بھی ان کی تقرری کی سفارش کی، جس کی بورڈ نے تائید کی ہے۔

کارپوریٹ سماجی ذمہ داری

روپی ٹیکسٹائل لمیٹڈ اپنی کارپوریٹ سماجی ذمہ داری کی شعور، پائیدار تنمیل کے حصول کے لئے پُر عزم ہے۔

نان ایگزیکٹوز ڈائریکٹرز کی معاوضہ پالیسی کی اہم خصوصیات

آزاد ڈائریکٹرسٹ غیر ایگزیکٹوز ڈائریکٹرز فقط اجلاسوں میں شرکت کے لئے فیس کے متعلق ہیں۔



کے انتظام کے لئے سخت کوشاں ہے۔ کمپنی نے COVID-19 کو ڈاکو کی وجہ سے آپریشنز کی بندش کے دوران، مشینری کی BMR اور وار ہاؤس بھی کی جو پیداوار، حصا، حصوں اور مصنوعات کی کوآپریٹو بہتر کرے گی جس سے منافع بخش وچتر میں کمپنی کو بہتر فروخت قیمت حاصل ہوگا۔ تاہم، انتظامیہ حالات سے آگاہ ہے اور ان مشکلات پر قابو پانے کے لئے تمام ممکن اقدامات اٹھا رہی ہے۔

بورڈ کی تشکیل

بورڈ کی تشکیل ایگزیکٹو اداروں پر لاگوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تقاضوں کی تعمیل میں ہے جو ذیل میں دی گئی ہے:

ڈائریکٹرز کی کل تعداد

(a)۔ مرد	5
(b)۔ عورت	2

تشکیل:

i۔ آزاد ڈائریکٹرز	2
ii۔ ایگزیکٹو ڈائریکٹرز	2
iii۔ نان ایگزیکٹو ڈائریکٹرز	5

ڈائریکٹرز کے نام برطانیہ 30 جون 2020 مندرجہ ذیل ہیں

- (1) جناب نور الہی
- (2) محترمہ پروین الہی
- (3) محترمہ تابید جاوید
- (4) جناب نیل جاوید
- (5) جناب فیضان جاوید
- (6) جناب محمد تنویر
- (7) جناب منسوب احمد خان

بورڈ کی کمیٹیاں

بورڈ نے آؤٹ کمنٹی اور چیومن ریورس ایڈریکٹریٹیشن کمیٹی نامی دو ذیلی کمیٹیاں تشکیل دی ہیں۔ ان دونوں کمیٹیوں کی تشکیل کی وضاحت اس طرح کی گئی ہے۔

• آؤٹ کمنٹی

- جناب منسوب احمد خان۔ چیئرمین (آزاد)
- محترمہ تابید جاوید۔ ممبر
- جناب فیضان جاوید۔ ممبر

چیومن ریورس ایڈریکٹریٹیشن کمیٹی

- جناب منسوب احمد خان۔ چیئرمین (آزاد)
- جناب نیل جاوید۔ ممبر
- جناب فیضان جاوید۔ ممبر

کارپوریٹ گورننس کے بہترین طریقوں پر عملدرآمد

پاکستان اسٹاک ایکسچینج کے فیڈرٹی قوانین میں کوڈ آف کارپوریٹ گورننس کے مطابق، بورڈ بخوشی بیان کرتا ہے کہ کمپنی کی انتظامیہ نے کارپوریٹ گورننس کے بہترین طریقوں پر عملدرآمد کیا ہے۔ بورڈ کارپوریٹ اور ایلیٹری رپورٹنگ دائرہ کار کی بابت اپنی ذمہ داریوں کا اعتراف کرتا ہے اور چنانچہ بیان کرتا ہے کہ:



ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2020 کو متعین ہونے والے سال کے لئے کمپنی کے نظریاتی شدہ حسابات کے ہمراہ اپنی 41 ویں سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

آپریٹنگ نتائج

مالیاتی نتائج کا خلاصہ درج ذیل ہے:-

2019 روپے	2020 روپے	
719,481,132	275,027,255	فروخت
(101,632,274)	(117,399,630)	مجموعی منافع/(تقصان)
(18,559,817)	(18,631,211)	انتظامی اخراجات
-	(202,084)	تقسیم کی لاگت
103,324,723	109,544,942	دیگر آمدنی
(81,582,371)	(6,282,337)	مالیاتی اخراجات
(98,449,739)	(32,970,320)	نیکس سے پہلے نقصان
(387,938)	4,877,864	نیکس کی فراہمی
(98,837,677)	(28,092,456)	نیکس کے بعد نقصان

زیر درجہ سال کے دوران، کمپنی کے آپریٹنگ نتائج کیلئے ہر گزرتے ہیں کیونکہ COVID-19 کے تحت حکومت کی طرف سے نافذ کردہ لاک ڈاؤن کی وجہ سے مل کے آپریشن 24 مارچ 2020 سے بند رہے اور سال کا خاص نقصان 28,092 ملین روپے (2019: 98,837 ملین روپے) اور فیصد کے لحاظ سے خاص نقصان گزشتہ سال 13.74 فیصد کے مقابلے 10.21 فیصد رہا۔ نقصان کی بنیادی طور پر تنخواہوں اور اجروں، بجلی کے نرخوں میں اضافہ سے بجلی کے اخراجات اور دیگر براہ راست اخراجات پر مشتمل اجزاء کی مقررہ لاگت میں اضافہ کی وجہ سے ہوا۔

کمپنی کے مجموعی نتائج موجودہ مارکیٹ حالات کے باعث متغی رہے۔ COVID-19 کے پھیلنے کی وجہ سے مزید کشیدہ ہو گئے اور حکومت کی ہدایات کی وجہ سے مل کے آپریشن بند تھے۔ اس کے علاوہ، کمپنی کو بینکوں سے ورکنگ کیپٹل حدود کی عدم دستیابی کے باعث مالی رکاوٹوں کا سامنا کر رہی تھی۔ موجودہ حدود ورکنگ کیپٹل ضروریات کو پورا کرنے کے لئے کافی نہیں ہیں اور اس لئے، کمپنی مالی معاہدوں کو پورا کرنے کے لئے خود کے پیدا کردہ فنڈز اور فنڈز کے انجکشن کے لئے ڈائریکٹرز کے تعاون پر انحصار کیا۔ ورکنگ کیپٹل کی کمی اور وبائی بیماری COVID-19 کی وجہ سے، کمپنی کے پیداوار گزشتہ سال کے مقابلے میں کم رہی جس کے نتیجے میں تیار مصنوعات کی فی یونٹ لاگت زیادہ ہو گئی۔

کمپنی کی آپریشن لاگت یعنی انتظامی اور تقسیم کے اخراجات 18,833 ملین روپے ہوئے جبکہ گزشتہ سال میں 18,560 ملین روپے تھے۔ نیکس سے پہلے نقصان 32,970 ملین روپے رہا جبکہ گزشتہ سال نیکس سے پہلے نقصان 98,449 ملین روپے اور نیکس ادا کرنے کے بعد نقصان 28,092 ملین روپے (2019: 98,837 ملین روپے) جس میں منافع یا نقصان کے ذخیرے، ایٹیشن اخراجات بھی شامل ہیں اور ڈیپریسی ایشن کے بغیر نیکس کے بعد نقصان 6,079 ملین روپے جو کہ گزشتہ سال میں 62,336 ملین روپے تھے۔ اگر لاک ڈاؤن نہ ہوتا تو نتائج مختلف ہوتے۔ ہم مثبت نتائج کی توقع کر رہے تھے لیکن بد قسمتی سے کوویڈ 19 منظر نامہ کی وجہ سے مجموعی طور پر تصور تبدیل گئی ہے۔ انتظامیہ نے قرض و ہنگامہ کے ساتھ اپنی ذمہ داریوں کی شرائط دوبارہ طے کر کے کوویڈ کے متغی اثر کو کم کرنے کی پوری کوشش کی ہے۔

عام مارکیٹ حالات اور کمپنی کا کاروبار

کرنسی کی گراؤ کے نتیجے میں مجموعی طور پر برآمدات میں اضافہ متوقع تھا، اس کے برعکس درآمد شدہ خام مال، پلاٹ اور مشینری کی قیمت میں کرنسی کی گراؤ کے سبب اضافہ ہوا۔ سخت مسابقت اور پیداوار کی زیادہ لاگت کی وجہ سے قیمت اور مقدار دونوں کے لحاظ سے برآمدات کم رہی۔ لیکن، ماحول کی تبدیلی کے ساتھ ہم اپنی معاشی حالات میں مثبت تبدیلی کی توقع کر رہے ہیں کیونکہ ہمارے جزیروں کو کوویڈ کے متغی اثرات کا سامنا ہے جو ہمیں بین الاقوامی مارکیٹوں میں اپنا کھویا ہوا مقام حاصل کرنے کا فائدہ دیتا ہے۔

مستقبل کا نقطہ نظر

معیشت کی ریزرگ کی بددی حالی کی وجہ سے مالی یکسوئی اور غیر ملکی منڈیوں میں مشکل حالات سے گزر رہی ہے۔ مارکیٹ کی موجودہ صورتحال پہلے ہی کشیدہ تھی جو COVID-19 کی وجہ سے مزید خراب ہو گئی، کمپنی نے اپنے آپریٹنگ دوبارہ شروع کر دئے ہیں اور انتظامیہ زیادہ سے زیادہ پیداواری سطح حاصل کرنے کی خاطر ورکنگ کیپٹل ضروریات کو پورا کرنے کے لئے بینکوں سے ورکنگ کیپٹل حدود

**PATTERN OF SHAREHOLDING**

1.1 Name of the Company

RUBY TEXTILE MILLS LIMITED

1.2 Incorporation Number

00041215 Date 06052000

2.1. Pattern of holding of the shares held by the shareholders as at

30-06-2020

-----Shareholdings-----			
2.2 No. of Shareholders	From	To	Total Shares Held
87	1	100	2,924
689	101	500	333,024
63	501	1,000	58,797
92	1,001	5,000	247,737
22	5,001	10,000	154,400
6	10,001	15,000	74,000
4	20,001	25,000	94,500
1	25,001	30,000	25,212
4	30,001	35,000	130,000
3	35,001	40,000	112,000
2	45,001	50,000	97,500
1	50,001	55,000	51,000
1	55,001	60,000	55,829
1	95,001	100,000	100,000
1	105,001	110,000	105,500
1	135,001	140,000	139,179
1	270,001	275,000	272,164
1	295,001	300,000	300,000
1	3,870,001	3,875,000	3,873,500
1	6,495,001	6,500,000	6,500,000
1	8,655,001	8,660,000	8,655,900
1	13,170,001	13,175,000	13,173,834
1	17,655,001	17,660,000	17,657,400

985**52,214,400**

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officers, and their spouse and minor children	43,608,313	83.5178%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	6,900,500	13.2157%
2.3.3 NIT and ICP	275,064	0.5268%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	343	0.0007%
2.3.5 Insurance Companies	0	0.0000%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Share holders holding 10% or more	50,105,313	95.9607%
2.3.8 General Public		
a. Local	1,363,492	2.6113%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
1- Joint Stock Companies	8,900	0.0170%
2- Pension Funds	55,829	0.1069%
3- others	1,959	0.0038%



**Catagories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2020**

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

Associated Companies, Undertakings and Related Parties (Name Wise Detail):

1	NAHEED NOOR ENTERPRISES LTD.	300,000	0.5746%
2	NAHEED NOOR (PVT) LTD.	100,500	0.1925%
3	SUNRISE BOTTLING CO. (PVT) LTD.	6,500,000	12.4487%

MUTUAL FUNDS (NAME WISE DETAIL)

- -

Directors and their Spouse and Minor Children (Name Wise Detail):

1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MRS. PARVEEN ELAHI	8,761,400	16.7797%
3	MRS. NAHEED JAVED	17,047,334	32.6487%
4	MR. MUHAMMAD TANVEER	500	0.0010%
5	MR. MANSOOB AHMED KHAN	500	0.0010%
6	MR. NABEEL JAVEED	1,000	0.0019%
7	MR. FAIZAN JAVED (CDC)	1,000	0.0019%

Executives:

- -

Public Sector Companies & Corporations:

- -

Banks, Development Finance Institutions, Non Banking Finance

56,172 0.1076%

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)

1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MRS. NAHEED JAVED	17,047,334	32.6487%
3	MRS. PARVEEN ELAHI	8,761,400	16.7797%
4	SUNRISE BOTTLING CO. (PVT) LTD.	6,500,000	12.4487%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S. No.	NAME	SALE	PURCHASE
1	MR. MUHAMMAD TANVEER		500

NIL



**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (the Regulations)
FOR THE YEAR ENDED 30 JUNE 2020**

Name Of The Company : Ruby Textile Mills Limited

Year Ending : June 30, 2020

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

1- The total number of directors is seven as per the following:

a. Male

i	Mr.NOOR ELAHI	iv	Mr.MUHAMMAD TANVEER
ii	Mr.NABEEL JAVED	v	Mr.MANSOOB AHMED KHAN
iii	Mr.FAIZAN JAVED		

b. Female

i	Mrs.PARVEEN ELAHI	ii	Mrs.NAHEED JAVED
---	-------------------	----	------------------

2. The composition of the board is as follows.

a.	Independent Director	Mr.MANSOOB AHMED KHAN Mr.MUHAMMAD TANVEER
b.	Other Non Executive Directors	Mrs. PARVEEN ELAHI Mrs. NAHEED JAVED Mr. FAIZAN JAVED Mr. MANSOOB AHMED KHAN Mr.MUHAMMAD TANVEER
c.	Executive Directors	Mr.NOOR ELAHI Mr.NABEEL JAVED

- The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
- 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.
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board /shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairperson and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- One director and Chief Executive are exempt from director's training programme due to 14 years of education and 15 years of experience on the Board of listed companies. Remaining directors will undergo director's training programme within the time allowed by CCG.
- Mr. Muhammad Rafiq appointed new CFO and Mr. Gulzar Ali appointed new Company Secretary. There is no change in appointment of Head of Internal Audit. However, the Board has endorsed their remuneration and terms and conditions of employment and complied with relevant requirements.
- CFO and CEO dully endorsed the financial statements before approval of the Board.



AUDIT COMMITTEE		HR AND REMUNERATION COMMITTEE	
Mr.MANSOOB AHMED KHAN	CHAIRMAN	Mr.MANSOOB AHMED KHAN	CHAIRMAN
Mrs. NAHEED JAVED	MEMBER	Mr.FAIZAN JAVED	MEMBER
Mr.FAIZAN JAVED	MEMBER	Mr. NABEEL JAVED	MEMBER

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees were as per following:
- (i) Audit Committee –four meetings held during the year ended 30 June 2020.
- (ii) HR and Remuneration Committee- one meeting held during ended 30 June 2020.
15. The Board has set up of an affective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse , parent , dependent and non-dependent children) of the chief executive Officer , chief financial officer , head of internal audit , company secretary or director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other Regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with.

For and behalf of the Board

Lahore
Date: October 06, 2020


(Mrs. PARVEEN ELAHI)
CHAIRPERSON

building
better
together.



Aslam Malik & Co.
Chartered Accountants

Phone : +92-42-35858693-35858694
 : +92-42-35856819
Fax : +92-42-35856019
E-mail: info@aslammalik.com
 aslammalik@brain.net.pk
web : www.aslammalik.com
Suite# 18-19 First Floor,
Central Plaza, Civic Centre,
New Garden Town, Lahore-pakistan.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ruby Textile Mills Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Ruby Textile Mills Limited for the year ended June 30, 2020 in accordance with the requirements of regulation 36 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. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2020.


Aslam Malik & Co.
Chartered Accountants

Liaison Date: October 06, 2020

Engagement Partner: Muhammad Aslam

Other Offices at:

Islamabad: House # 726, Street 34, Margalla Town, off Murree Road, Islamabad.
Phone : 92-51-2374282-3 Fax: 92-51-2374281

Karachi: 1001-1003 10th Floor, Chapal Plaza, Qasrat Mehani Road, Off I.I Chundrigar Road, Karachi
Tel: 92-21-32425911-2, Fax: 92-21-32432134

Quetta 1st Floor, Haji Fateh Khan Center, Adalat Road, Quetta
Ph: +92-81-2823837

ASLAM MALIK & CO.

CHARTERED ACCOUNTANTS

Phone : +92-42-35858693-35858694
 : +92-42-35856819
Fax : +92-42-35856019
E-mail: info@aslammalik.com
 aslammalik@brain.net.pk
web : www.aslammalik.com
Suite# 18-19 First Floor,
Central Plaza, Civic Centre,
New Garden Town, Lahore-pakistan.

INDEPENDENT AUDITOR'S REPORT

To the members of Ruby Textile Mills Limited Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of **RUBY TEXTILE MILLS LIMITED (the Company)**, which comprises of the statement of financial position as at June 30, 2020 and the statement of profit or loss and comprehensive income, the statement of changes in equity and 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 the matters discussed in the basis of adverse section of our audit report paragraph a & b, the statement of financial position, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and 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 June 30, 2020 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

a) That management has written back the capital reserve created for acquisition of Special National Fund Bonds amounting to Rs.3.240 million to accumulated losses during the year. In the absence of relevant documents availability from the management, we could verify the nature and substance of transaction.

b) Due to spread of COVID-19, the company operation was closed since March 24, 2020 and restarted its productivity on 1st September 2020 and company has been incurring continuous gross losses due to under utilization of production capacity. At the balance sheet date, the Company's accumulated losses stand at PKR 712.81 million (2019: PKR 694.00 million) and net loss after taxation amounting PKR 28.09 million (2019: PKR 98.84 million), its current liabilities exceed its current assets by PKR 135.39 million (2019: PKR 45.95 million) and financial results show adverse key financial ratios. At present, no formal approved business plan for future period is given by the management.

These conditions and events indicate material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, as described in Note 1.2, these financial statements have been prepared under the going concern assumption. Because of the circumstances and events as mentioned herein, in our opinion, the company cannot be considered to be a going concern and thus the preparation of these financial statements on a going concern basis is inappropriate. In our opinion, the financial statements should reflect adjustments to reduce the value of assets to their recoverable amount and to provide any further liabilities that may arise. These adjustments are likely to be substantial, and in view of further qualifications discussed in paragraphs (a) above we are unable to determine the quantum of the required adjustments and provisions with a reasonable degree of accuracy.

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 Standard 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.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate 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 matters as mention in the basis for adverse opinion section of our report, we have determined that there are no other key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, 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 approved 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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements:

Based on our audit, except for the matter discussed in basis for adverse opinion section, 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) the statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other matter paragraph:

The financial statements of the company for the year ended June 30, 2019 were audited by another firm of chartered accountant who expressed qualified opinion on those financial statements dated November 04, 2019.

The engagement partner on the audit resulting in this independent auditors' report is **Muhammad Aslam**.


Aslam Malik & Co.
Chartered Accountants
Lahore Date: October 06, 2020
Engagement Partner: Muhammad Aslam

**STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020**

ASSETS			Restated 2019 Rupees	Restated 2018 Rupees
NON CURRENT ASSETS	Note	2020 Rupees		
Property, plant and equipment	4	888,729,335	900,269,654	868,457,835
Long term deposits	5	4,534,645	4,397,945	5,735,445
		893,263,980	904,667,599	874,139,280
CURRENT ASSETS				
Stores, spares and loose tools	6	75,903,958	108,223,667	115,559,079
Stock in trade	7	48,190,932	6,382,808	333,342,716
Trade debts	8	2,344,164	108,318,355	14,659,943
Advances and prepayments	9	9,699,468	26,068,788	17,630,164
Due from Governments	10	4,290,130	9,577,649	17,630,134
Cash and bank balances	11	482,593	680,281	1,339,905
		140,911,245	259,251,548	500,161,941
TOTAL ASSETS		1,034,175,225	1,163,919,147	1,374,355,221
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital		700,000,000	700,000,000	700,000,000
Issued, subscribed and paid up share capital	12	522,144,000	522,144,000	522,144,000
Capital reserves	13	-	3,240,000	3,240,000
Accumulated loss		(712,816,137)	(694,004,308)	(603,470,568)
Surplus on revaluation of property, plant and equipment	14	346,680,920	335,691,924	316,787,467
Loan from sponsors and other related parties	15	528,991,409	465,444,366	369,673,230
		685,000,192	652,515,982	608,374,129
NON CURRENT LIABILITIES				
Long term financing from associates	16	60,083,038	164,491,776	255,353,921
Deferred liabilities	17	12,793,115	41,713,842	27,955,622
		72,876,153	206,205,617	283,309,543
CURRENT LIABILITIES				
Trade and other payables	18	237,151,538	258,134,587	275,381,114
Accrued mark up	19	1,640,708	7,617,574	11,217,986
Unclaimed dividend	20	402,570	402,570	402,570
Loan from banking companies	21	23,994,962	26,365,818	175,934,149
Loan from related party	22	11,869,000	11,869,000	12,869,000
Current Portion of long term financing from banking companies		-	807,999	4,166,665
Provision for taxation	23	1,240,102	-	2,700,065
		276,298,880	305,197,548	482,671,549
TOTAL LIABILITIES		349,175,033	511,403,165	765,981,092
CONTINGENCIES AND COMMITMENTS	24			
TOTAL EQUITY AND LIABILITIES		1,034,175,225	1,163,919,147	1,374,355,221

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	Restated 2019 Rupees
Sales - net	25	275,027,255	719,841,132
Cost of sales	26	(392,426,885)	(821,113,406)
Gross loss		(117,399,630)	(101,632,274)
other income / (Charges)	27	109,544,942	103,324,723
Distribution expenses	28	(202,084)	-
Administrative and general expenses	29	(18,631,211)	(18,559,817)
		90,711,647	84,764,906
Loss before Finance cost		(26,687,983)	(16,867,368)
Finance cost	30	(6,282,337)	(81,582,371)
Loss before taxation		(32,970,320)	(98,449,739)
Taxation	31	4,877,864	(387,938)
Loss after taxation for the year		(28,092,456)	(98,837,677)
Earnings per share - basic and diluted	32	(0.54)	(2.10)

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

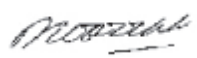
CHIEF FINANCIAL OFFICER



CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	Restated 2019 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(32,970,320)	(98,837,677)
Adjustments for non cash and other items:			
Depreciation	4.1	34,171,632	36,501,592
Provision for staff retirement benefit-gratuity	17.1.4	1,478,500	2,442,348
Loan written back		(104,408,738)	(263,350,000)
Finance cost	30	6,282,337	80,349,019
Cash used in before changes in working capital		(95,446,589)	(242,894,720)
Changes in working capital			
(Increase) / decrease in current assets			
Stores and spares		32,319,709	7,335,412
Stock in trade		(41,808,124)	326,959,908
Trade debts		105,974,191	(93,658,412)
Loans and Advances		16,369,320	(8,438,626)
Balance with statutory authorities		(3,968,448)	(843,612)
Increase / (decrease) in current liabilities		(24,145,873)	(17,739,025)
Trade and other payables		84,740,775	213,615,645
Cash Used in from operations		(10,705,814)	(29,279,075)
Finance cost paid		(12,259,203)	(11,073,635)
Taxes paid		5,669,326	(2,819,870)
Staff retirement gratuity paid		(2,185,682)	(668,682)
		(8,775,559)	(14,562,187)
Net cash used in from operating activities		(19,481,373)	(43,841,262)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment		(540,000)	-
Work in Progress		(40,407,804)	-
Long term deposits		(136,700)	1,337,500
Net cash used in operating activities		(41,084,504)	1,337,500
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing from banking companies		(807,999)	(3,358,666)
Long term financing from associates		-	25,841,136
Long term financing from directors and associates		63,547,043	168,930,000
		62,739,044	191,412,470
Net cash generated from financing activities			
Net increase in cash and cash equivalents		2,173,167	148,908,708
Cash and cash equivalents at the beginning of the year		(25,685,537)	(174,594,244)
Cash and cash equivalents at the end of the year	33	(23,512,369)	(25,685,537)

The annexed notes 1 to 45 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2020**

	Share capital	Capital reserves	Revenue reserve		Revaluation surplus on property, plant and equipment	Sub Total	Long term loan from chief executive and directors	Total
			Accumulated loss					
-----Rupees-----								
Balance as at June 30, 2018	522,144,000	3,240,000	(662,018,427)		316,787,467	180,153,040	317,021,554	497,174,594
Effect of restatement (Note-3.22)	-	-	58,547,859		-	58,547,859	-	58,547,859
Balance as at June 30, 2018- Restated	522,144,000	3,240,000	(603,470,568)		316,787,467	238,700,899	317,021,554	555,722,453
Loss for the year	-	-	(98,837,677)		-	(98,837,677)	-	(98,837,677)
Revaluation surplus arised during the year	-	-	-		68,313,411	68,313,411	-	68,313,411
Loan received during the year	-	-	-		-	-	170,130,000	170,130,000
Loan paid during the year	-	-	-		-	-	(200,000)	(200,000)
Loan written back during the year	-	-	-		-	-	(100,000,000)	(100,000,000)
Remeasurement of staff retirement benefits -net of deffred tax	-	-	(610,994)		-	(610,994)	-	(610,994)
Transferred from surplus on revaluation of property, plant and equipment on account of deferred tax attributable to surplus	-	-	8,914,931		(8,914,931)	-	-	-
Deffered taxation on evaluation surplus on property, plant and equipment	-	-	-		(20,494,023)	(20,494,023)	-	(20,494,023)
Balance as at June 30, 2019- Restated	522,144,000	3,240,000	(694,004,308)		355,691,923	187,071,616	386,951,554	574,023,170
Loss for the year	-	-	(28,092,456)		-	(28,092,456)	-	(28,092,456)
Surplus on revaluation of property,plant and equipment -net of deffred tax	-	-	-		(2,372,585)	(2,372,585)	-	(2,372,585)
Remeasurement of staff retirement benefits -net of deffred tax	-	-	(597,791)		-	(597,791)	-	(597,791)
Loan received during the year	-	-	-		-	-	63,714,043	63,714,043
Loan paid during the year	-	-	-		-	-	-	-
Loan from associaes	-	-	-		-	-	78,325,812	78,325,812
Capital reserve weitten back	-	(3,240,000)	3,240,000		-	-	-	-
Incremental depreciation - net of deferred tax	-	-	6,638,418		(6,638,418)	-	-	-
Balance as at June 30, 2020- Restated	522,144,000	-	(712,816,137)		346,680,920	156,008,784	528,991,409	685,000,193

The annexed notes 1 to 45 form an integral part of these financial statements.

M. Rafeeq
CHIEF EXECUTIVE

M. Rafeeq
DIRECTOR

M. Rafeeq
CHIEF FINANCIAL OFFICER



STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020

	2020 Rupees	Restated 2019 Rupees
Loss after taxation for the year	(28,092,456)	(98,837,677)
Other comprehensive income :		
Items that will not be reclassified subsequently to profit or loss		
Revaluation surplus on hand	36,662,500	73,325,000
(Impairment)/revaluation on building during the year	(7,147,133)	16,976,500
Impairment on plant & machinery during the year	(47,831,860)	(21,988,089)
Deferred tax on revaluation surplus on plant & machinery	15,943,908	(20,494,023)
	(2,372,585)	47,819,388
Remeasurement of staff retirement benefits	(841,958)	(872,848)
Deferred tax on remeasurement of staff retirement benefits	244,168	261,854
	(597,791)	(610,994)
Total other comprehensive income - net of tax	(2,970,376)	47,208,394
Total comprehensive loss for the year	(31,062,832)	(51,629,283)

The annexed notes 1 to 45 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER