

Drekkar Kingsway



1st Quarter Ended
September 30, 2021



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Vision Statement

To be innovative, effective and efficient in our field to the benefit of society, we will fairly compete in quality, technology, sales and marketing expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

Mission Statement

We strive to achieve excellence by meeting expectations of stakeholders through efficient, effective and organized management keeping constant high-quality standards.

Principle

We will base our human resources systems on our proven principles reflective of our core values and our commitment to attract, reward, develop and motivate sophisticated people. They will reflect the global scope of our business while demonstrating responsibility and flexibility with respect to cultural diversity, and statutory and regional business realities.

Emphasis

To be innovative in our field to the benefit of society, we will fairly compete in quality, technology, sales and marketing expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

Social Responsibility

We will continually strive to be environmentally responsible and support the communities where we operate and the industries in which we participate.

Corporate Values

- Total Customer Services
- Long-Term Business Focus
- Technology Oriented
- Quality & Reliability
- Staff Development & Teamwork
- Effective Resources & Cost Management
- Corporate Responsibility

Company Information

Board of Directors

- | | |
|-----------------------------------|-------------------------|
| 1. Mr. Aftab Ahmad Chaudhry | Chairman |
| 2. Mr. Inamullah | Chief Executive Officer |
| 3. Mr. Siddique Ur Rehman Khurram | Non-Executive Director |
| 4. Mr. Muhammad Iqbal | Independent Director |
| 5. Ms. Gull Zaiba Jawad | Non-Executive Director |
| 6. Mr. Abdul Wahid Quershhi | Independent Director |
| 7. Mr. Kashif Shabbir | Non-Executive Director |

Board Audit Committee

- | | |
|-----------------------------------|-----------|
| 1. Mr. Muhammad Iqbal | Chairman |
| 2. Mr. Siddique Ur Rehman Khurram | Member |
| 3. Ms. Gull Zaiba Jawad | Member |
| 4. Mr. Rashid Matin Khan | Secretary |

Human Capital Committee

- | | |
|-----------------------------|-----------|
| 1. Mr. Abdul Wahid Quershhi | Chairman |
| 2. Mr. Inamullah | Member |
| 3. Mr. Kashif Shabbir | Member |
| 4. Mr. Muhammad Usman | Secretary |

Company Secretary

Muhammad Usman

Legal Advisor

Mr. Ch. Abdul Khaliq

Head of Internal Auditor

Rashid Matin Khan

Auditors

Parker Randall-A.J.S.

Legal Advisor

Mr. Ch. Abdul Khaliq

Registrar

F.D. Registrar Services (Private) Limited
1705, 17th Floor, Saima Trade Tower A. I.I
Chundrigar Road Karachi.
Phone: +92 (21) 35478192-93
Fax: +92 (21) 32621233

Registered Office

Office Block: Farmhouse No. 16, Street No. 12,
Chak Shahzad, Islamabad.

Directors' report

Certain corporate actions/ decisions are taken by the Board of Directors in their meeting held on September 27, 2021 and subsequently approved by the shareholders in their annual general meeting held on October 22, 2021.

The key decisions taken by the Board of Directors and subsequently by the shareholders are as under.

- Adoption of Revival Business Plan for further submission to the SECP and to the honorable Court;
- Change of Name of the Company from Drekkar Kingsway Limited to the proposed name of Oilboy Energy Limited to represent its revised/intended business activities;
- Increase in the Company's authorized capital from Rs. 100.00 million to Rs. 1,600million;
- Change in Object Clause of the Memorandum of Association of the Company to accommodate intended/planned business activities;
- Adoption/Change of Articles of Association of the Company;

Management is determined to cope with challenges and is working on the strategy to revive the Company in diversified areas.

During year 2019-20, the Security and Exchange Commission of Pakistan (SECP) passed an order dated October 09, 2019 against the Company sanctioning Additional Registrar, Company's Registration Office

(CRO), Islamabad, to present a petition for winding-up of the Company before the Honorable High Court due to the fact that the Company had ceased its operations for a considerable period of time and failed to present any revival plan for its business operations. As a result, Suit No. 05 of 2020 has been initiated against the Company at the High Court of Islamabad which is currently pending adjudication.

As a consequence of matter described in above paragraph, the Pakistan Stock Exchange (PSX) placed the Company on its defaulters' segment and notified the Company regarding suspension of trading of shares via notice dated October 26,

2020. Being aggrieved, the Company initiated Suit No. 1683 of 2020 at High Court of Sindh, at Karachi against the PSX which is currently pending adjudication.

However, management of the Company has prepared "Revival Business Plan" and is submitted to the shareholders of the Company for their approval in the Annual General Meeting. After shareholders' approval, same is being submitted to the SECP and honorable Court to discharge the case against the Company and to revive the active status on PSX.

Management of the Company further decided to appoint MAHHMOOD AWAN & PARTNERS, Advocates & Corporate Counselors firm to defend the case.

Management of the Company is confident that with the "Revival Business Plan", Company will be able to raise funds and continue its operation as a going concern. Moreover, Management of the Company is taking every effort to clean the books of the Company and to give it a fresh start.

Shareholders' approval is also obtained to transfer back/assign the amount of Rs. 53.00 million.

WEB PRESENCE

Company's periodic financial statements for the current financial year including annual reports for the last three years are available on the Company's website

www.drekkarkingsway.com for information of the investors.

On behalf of Board of Directors of the company, I am thankful to all worthy shareholders and staff members of the company for their untiring efforts for the betterment of the company.

For and on Behalf of the Board


(Inamullah)

Chief Executive Officer

**Dated: October 25, 2021
Islamabad**

DREKKAR KINGSWAY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2021

		Un-Audited Sept 30 2021	Audited Jun 30 2021
	Note	----(Rupees)----	
ASSETS			
NON-CURRENT ASSETS			
Tangible fixed assets	4	32,987	32,987
Investment in debt	5	-	53,000,000
		32,987	53,032,987
CURRENT ASSETS			
Short-term investments	6	7,395	7,395
Receivable against sale of investment		-	2,502,000
Prepayments and other receivables	7	3,007	3,007
Taxation - net	8	490,790	490,790
Cash and bank balances	9	123,021	123,021
		624,213	3,126,213
TOTAL ASSETS		<u>657,200</u>	<u>56,159,200</u>
EQUITY AND LIABILITIES			
Share capital and reserve			
Authorized share capital 10,000,000 (2020: 10,000,000) ordinary shares of Rs. 10 each/-		<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid up capital	10	<u>100,000,000</u>	<u>100,000,000</u>
Revenue reserve - accumulated loss		<u>(136,516,524)</u>	<u>(78,903,566)</u>
		(36,516,524)	21,096,434
NON-CURRENT LIABILITIES			
Long term financing	11	-	28,690,147
CURRENT LIABILITIES			
Current account with related parties	12	<u>36,191,784</u>	<u>2,558,720</u>
Unclaimed dividend		<u>647,731</u>	<u>647,731</u>
Trade and other payables	13	<u>334,209</u>	<u>3,166,168</u>
		37,173,724	6,372,619
Contingencies and Commitments	14	-	-
TOTAL EQUITY AND LIABILITIES		<u>657,200</u>	<u>56,159,200</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

DREKKAR KINGSWAY LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

		Un-Audited Sept 30 2021	Un-Audited Sept 30 2020
	Note	----(Rupees)----	
Revenue - net		-	-
Cost of sales and services		-	-
Gross profit		-	-
Administrative expenses	15	(2,110,958)	(363,958)
Other losses			
Investment in debt written off/ Other loss	17	(55,502,000)	-
Loss on sale of shares of subsidiary		-	-
		(55,502,000)	-
Other income			
Remeasurement of investment classified as FVTPL		-	1,500
Loss before taxation		(57,612,958)	(362,458)
Taxation		-	-
Loss after taxation		(57,612,958)	(362,458)
Loss per share - basic and diluted (Rupees)	21	(5.76)	(0.04)

The annexed notes from 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

**DREKKAR KINGSWAY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

	<u>Un-Audited Sept 30</u> 2021	<u>Un-Audited Sept 30</u> 2020
	----(Rupees)----	
Loss after taxation	(57,612,958)	(362,458)
Othe comprehensive income	-	-
Total comprehensive loss for the year	<u><u>(57,612,958)</u></u>	<u><u>(362,458)</u></u>

The annexed notes from 1 to 28 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**DREKKAR KINGSWAY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

	Issued, subscribed and paid-up capital	Accumulated Loss	Total
	----(Rupees)----		
Balance as at June 30, 2020	100,000,000	(76,493,857)	23,506,143
Net loss for the year	-	(362,458)	(362,458)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(362,458)	(362,458)
Balance as at September 30, 2020	100,000,000	(76,856,315)	23,143,685
Balance as at June 30, 2021	100,000,000	(78,903,566)	21,096,434
Net loss for the year	-	(57,612,958)	(57,612,958)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(57,612,958)	(57,612,958)
Balance as at September 30, 2021	100,000,000	(136,516,524)	(36,516,524)

The annexed notes from 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

DREKKAR KINGSWAY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Un-Audited Sept 30 2021	Un-Audited Sept 30 2020
	----(Rupees)----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(57,612,958)	(362,458)
Adjustments for non cash and other items:		
Depreciation	-	1,583
Writes Offs/ Provisions	55,502,000	-
	<u>55,502,000</u>	<u>1,583</u>
(Loss) / profit before before working capital changes	(2,110,958)	(360,875)
Decrease / (increase) in current assets:		
Prepayments and other receivables	-	126,007
(Decrease) / increase in current liabilities:		
Trade and other payables	-	(62,871)
	-	63,136
Net cash (used in) / generated from operating activities	(2,110,958)	(297,739)
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in debt	-	-
Short term Investment	-	(1,500)
Net cash generated from / (used in) investing activities	-	(1,500)
CASH FLOWS FROM FINANCING ACTIVITY		
Increase / (decrease) in current account with related parties	2,110,958	152,200
Net cash generated from / (used in) financing activities	2,110,958	152,200
Net (decrease) / increase in cash and cash equivalents	-	(147,038)
Cash and cash equivalents at the beginning of the year	123,021	355,875
Cash and cash equivalents at the end of the year	123,021	208,837

* There were no cash flows of the Company from investing activities

The annexed notes from 1 to 28 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICE|



DIRECTOR



CHIEF FINANCIAL OFFICER

**DREKKAR KINGSWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

1. THE COMPANY AND ITS OPERATIONS

Drekkar Kingsway Limited (the Company) was registered on June 28, 1993 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company and subsequently converted into public limited company as on June 29, 1994. The shares of the Company are quoted on Pakistan Stock exchange. The principal activity of the company was manufacturing of all type of electrical appliances, cosmetics, toiletries, leather goods, machinery, components and parts. In 1996 the company sold its plant and machinery.

Management of the Company has decided to revamp the Company as a going concern and has prepared business plan for its revival.

The registered office of the Company is situated at Office Block: Farmhouse No. 16, Street No. 12, Chak Shahzad, Islamabad.

- 1.1** Certain corporate actions/ decisions are taken by the Board of Directors in their meeting held on September 27, 2021 and subsequently approved from the shareholders in their annual general meeting held on October 22, 2021. With these measures, Going Concern Assumption of the Company will be resumed.

The key decisions taken by the Board of Directors and approved by the shareholders are as under.

1. Adoption of Revival Business Plan for further submission to the SECP and to the honorable Court;
2. Change of Name of the Company from Drekkar Kingsway Limited to the proposed name of Oilboy Energy Limited to represent its revised/intended business activities;
3. Increase in the Company's authorized capital from Rs. 100.00 million to Rs. 1,600million;
4. Change in Object Clause of the Memorandum of Association of the Company to accommodate intended/planned business activist;
5. Adoption/Change of Articles of Association of the Company;

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements are unaudited and has been prepared with the requirement of IAS 34 (Interim Financial Reporting). This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the company for the year ended June 30, 2021 which have been prepared in accordance with IFRS.

- 2.2** The preparation of these condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2021.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation of this condensed interim financial statements are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2021.

4. TANGIBLE FIXED ASSETS

As at Sept 30, 2021

Particulars	Cost				Rate	Accumulated Depreciation			Net Book Value as at September 30, 2021	
	As at July 1, 2021	Additions during the year	Disposals during the year	As at September 30, 2021		As at July 1, 2021	For the Year	As at September 30, 2021		
	-----Rupees-----					-----Rupees-----				
Furniture and Fixture	50,600	-	-	50,600	15	41,323	7,590	-	41,323	9,277
Office Equipment	44,800	-	-	44,800	10	21,090	4,480	-	21,090	23,710
Computer and Accessories	141,200	-	-	141,200	30	141,200	-	-	141,200	-
Total	236,600	-	-	236,600		203,613	12,070	-	203,613	32,987

Year Ended June 30, 2020

Particulars	Cost				Rate	Accumulated Depreciation			Net Book Value as at June 30, 2021	
	As at July 1, 2020	Additions during the year	Disposals during the year	As at June 30, 2021		As at July 1, 2020	For the Year	As at June 30, 2021		
	-----Rupees-----					-----Rupees-----				
Furniture and Fixture	50,600	-	-	50,600	15	33,733	7,590	-	41,323	9,277
Office Equipment	44,800	-	-	44,800	10	16,610	4,480	-	21,090	23,710
Computer and Accessories	141,200	-	-	141,200	30	141,200	-	-	141,200	-
Total	236,600	-	-	236,600		191,543	12,070	-	203,613	32,987

5. INVESTMENT IN DEBT

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
Service Fabrics Limited	-	53,000,000
	<u>-</u>	<u>53,000,000</u>

- 5.1** Board of Directors exercised their power under Section 183 of the Companies Act, 2017 to make provision in the Books of the Company against impairment/doubtful debt & receivables.

Auditors of the Company expressed adverse opinion on certain matters and management of the Company has decided to make requisite provisioning in the accounts and to clean the books of account so that fresh start can be made under "Revival Business Plan". Company is making provision against Rs. 53.00 (Rupees Fifty Three Million Only) recoverable from Service Fabrics Limited (SERF) and it is being assigned/transferred back to Noor Capital (Private) Limited ("NCPL") with all right to make or initiate any claim, demand or lawsuit in respect of such receivables shall stand transferred to and in favor of NCPL.

6. SHORT TERM INVESTMENTS**At Fair Value Through Profit or Loss (FVTPL)**

	No. of shares	Fair Value/ Share	Un-Audited Sept 30 2021	Audited Jun 30 2021
			----(Rupees)----	
First Paramount Modaraba	62	5.52	342	342
The Searle Company	3	246.33	739	739
Service Fabrics Limited	198	31.89	<u>6,314</u>	<u>6,314</u>
			<u>7,395</u>	<u>7,395</u>

Fair values of these investments are determined using quoted market / repurchase price.

7. PREPAYMENTS AND OTHER RECEIVABLES

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
Prepaid rent	-	-
Other receivables	<u>3,007</u>	<u>3,007</u>
	<u>3,007</u>	<u>3,007</u>

8. TAXATION - NET

This represent the net balance of:

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
Advance income tax	490,790	794,480
Provision for taxation	-	(303,690)
	<u>490,790</u>	<u>490,790</u>

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
9. CASH AND BANK BALANCES		
Cash in hand	111,877	111,877
Balance at banks - in current accounts	<u>11,144</u>	<u>11,144</u>
	<u>123,021</u>	<u>123,021</u>

10. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
2021		
2020		
Number of shares		
10,000,000	100,000,000	100,000,000
<u>10,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
10,000,000	100,000,000	100,000,000
<u>10,000,000</u>	<u>100,000,000</u>	<u>100,000,000</u>
Ordinary shares of Rs. 10/- each issued		

Reconciliation of the number of shares outstanding as at the beginning and at the end of the year is as under:

Opening balance (number of shares)	10,000,000	10,000,000
Issued / cancelled during the year (number of shares)	-	-
Closing balance (number of shares)	<u>10,000,000</u>	<u>10,000,000</u>
	Sept 30 2021	Jun 30 2021
	----(Rupees)----	

11. LONG TERM FINANCING

Opening balance	12.1	-	28,690,147
Closing balance		<u>-</u>	<u>28,690,147</u>
		Sept 30 2021	Jun 30 2021
		----(Rupees)----	

12. CURRENT ACCOUNT WITH RELATED PARTIES

Misbah Khalil - Ex Director	13.1	-	1,951,870
Anwar Shamim - Ex Secretary		-	606,850
Assetplex Modaraba Investment Limited		34,080,826	
Modaraba Al-Mali		2,110,958	
	13.1	<u>36,191,784</u>	<u>2,558,720</u>

13.1 * They resigned from their respective positions subsequent to the year ended 30 June, 2021.

12.2 This represents current account maintained with the related parties of the Company on account of various expenditures incurred by the related parties on behalf of the Company. These balances are unsecured, interest free and are repayable on demand.

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
13. TRADE AND OTHER PAYABLE		
Withholding tax payable	159,209	159,209
Audit fee payable	175,000	175,000
Professional fee payable	-	
Legal fee payable	-	
Other payables	-	2,831,959
	<u>334,209</u>	<u>3,166,168</u>

14. CONTINGENCIES AND COMMITMENTS

14.1 The Security and Exchange Commission of Pakistan (SECP) passed an order dated October 09, 2019 against the Company sanctioning Additional Registrar, Company's Registration Office (CRO), Islamabad, to present a petition for winding-up of the Company before the Honorable High Court due to the fact that the Company had ceased its operations for a considerable period of time and failed to present any revival plan for its business operations. As a result, Suit No. 05 of 2020 has been initiated against the Company at the High Court of Islamabad which is currently pending adjudication. The management and the legal advisors of the Company is vigorously defending its position in this regard and believes that the matter will eventually be decided in favour of the Company.

15.2 As a consequence of matter described in above paragraph, the Pakistan Stock Exchange (PSX) placed the Company on its defaulters' segment and notified the Company regarding suspension of trading of shares via notice dated October 26, 2020. Being aggrieved, the Company initiated Suit No. 1683 of 2020 at High Court of Sindh, at Karachi against the PSX which is currently pending adjudication. The management and legal advisor of the Company believes that the matter will eventually be settled in favour of the Company.

15.3 In contravention of Section 244 of the Companies Act, 2017, the Company did not transfer the total amount of dividend which remained unclaimed to a separate profit bearing bank account opened by the Company for this purpose. The Company and every office of the Company shall be liable to a penalty of level 3 on the standard scale up to Rs. 100 million. The Company may also be liable to additional penalty up to Rs. 0.5 million per day during which the default continues. No provision has been made in these financial statements as the Management of the Company believes that the Company may not be liable to any penalty.

	Un-Audited Sept 30 2021	Audited Jun 30 2021
	----(Rupees)----	
Note		
15. ADMINISTRATIVE EXPENSES		
Communication	-	34,325
Honorarium & Directors Meeting	300,000	
Entertainment-meals	-	17,625
Fuel expense	-	3,000
Legal fee	500,000	-
Office supplies	-	2,563
Postage & courier	-	250
Professional fee	56,360	87,000
Repair and maintenance	-	18,500
Salaries expenses	400,000	48,000
Rent expense	200,000	123,000
Travel expense	640,000	1,660
Utilities	14,598	26,452
Depreciation	-	1,583
	<u>2,110,958</u>	<u>363,958</u>

15.1 AUDITOR'S REMUNERATION

Annual audit fee	-	125,000
Fee for half yearly review and review of Code of Corporate Governance	-	50,000
	-	175,000

Sept 30	Jun 30
2021	2021

----(Rupees)----

16. Other Loss / Written off

Receivable against Sale of Investment	2,502,000	-
Investment in Debt	53,000,000	-
Related Long Term Financing		
	55,502,000	-

Board of Directors exercised their power under Section 183 of the Companies Act, 2017 to make provisioning in the Books of the Company against advances and receivables.

TAXATION

Current tax:	-	-
Deferred tax	-	-

- 16.1** Provision for current taxation during prior year was based on minimum tax calculated under section 153(1)(b) of the Income Tax Ordinance, 2001.

17. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The Chief Executive Officer and Directors of the Company do not take any remuneration. Moreover, there are no executives in the Company.

18. TRANSACTIONS WITH RELATED PARTIES

The related parties include entities having directors in common with the the Company, major shareholders of the Company, directors and other key management personnel. Details of transactions with related parties are as under:

			Sept 30	Jun 30
			2021	2021
			----(Rupees)----	
Name of related par	Nature of relationship			
Misbah Khalil	Ex-Director	Expenses incurred on behalf of the Company	-	951,870
Anwar Shamim	Ex-Seretary	Expenses incurred on behalf of the Company	-	606,850

19. PROVIDENT FUND

No provident fund was maintained by the Company.

20. FINANCIAL RISK MANAGEMENT

The Company finances its operations through equity, borrowings and management of working capital with a view to obtain a reasonable mix between various sources of finance to minimize the risk.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk, other market price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Company consistently manage its exposure to financial risk in matter described in the noted below.

20.1 MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will affect the Company's income or the value of its holdings of financial instruments.

21.1.1 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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. As there are no foreign receivables / payables of the Company, it is not exposed to any currency risk.

21.1.2 INTEREST RATE RISK

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

The Company analyses its interest rate exposure on a dynamic basis taking into consideration the option of obtaining refinancing. The Company has no significant interest-bearing assets.

21.1.3 PRICE RISK

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

20.2 CREDIT RISK

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

21. LOSS PER SHARE - BASIC AND DILUTED

		Un-Audited Sept 30 2021	Un-Audited Sept 30 2020
Net loss for the year attributable to ordinary shareholders	Rupees	(57,612,958)	(362,458)
Weighted average number of ordinary shares	Number	10,000,000	10,000,000
Loss per Share	Rupees	<u>(5.76)</u>	<u>(0.04)</u>

21.1 There is no dilutive effect on the basic earnings per share of the Company.

22. NUMBER OF EMPLOYEES

	Un-Audited Sept 30 2021	Un-Audited Sept 30 2021
	----(Numbers)----	
Contractual employees as at June 30,	<u>1</u>	<u>1</u>
Average contractual employees during the year	<u>1</u>	<u>1</u>

23. AUTHORIZATION OF FINANCIAL STATEMENTS

These condensed interim financial statements were approved and authorized for issue on **October 25, 2021** by the Board of Directors of the Company.

24. GENERAL

Corresponding figures have been re-arranged / reclassified, wherever necessary, to facilitate comparison. No material re-arrangements / reclassifications have been made in these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



If Undelivered Please Return to:

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