
ANNUAL REPORT

2021

Pakistan PVC Limited

Registered Office
Shaffiabad, Ghora Dist, Thatta

58th ANNUAL REPORT

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COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Adnan Shaffi

CHIEF EXECUTIVE

Arif Shaffi

DIRECTORS

Masood Parvaiz

Adeel Shaffi

Saira Shaffi

Mohammad Iqbal

Mohammad Shaffi

Adeel Shaffi

SECRETARY

Asif Shaffi

CHIEF FINANCIAL OFFICER

AUDITORS

Mushtaq & Co., Chartered Accountants

AUDIT COMMITTEE

Masood Parvaiz – Chairman

Mohammad Iqbal – Member

Mohammad Shaffi – Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

Masood Parvaiz – Chairman

Mohammad Iqbal – Member

Mohammad Shaffi – Member

BANKERS

Habib Bank Limited

Muslim Commercial Bank Limited

Faysal Bank Limited

REGISTERED OFFICE

Shaffiabad, Gharo, District Thatta

SHARE REGISTRAR

CORPLINK (PVT) LTD.,
Wings Arcade, 1 – K, Commercial,
Model Town, Lahore.

FACTORIES

Shaffiabad, Gharo, District Thatta.

Sector I – 9, Industrial Area, Islamabad.

کمپنی کی معلومات

بورڈ آف ڈائریکٹرز	
چیئرمین	عدنان شفیع
چیف ایگزیکٹو	عارف شفیع
ڈائریکٹرز	مسعود پرویز عدیل شفیع سائبرہ شفیع محمد اقبال محمد شفیع
کمپنی سیکریٹری	عدیل شفیع
چیف فنانشل آفیسر	آصف شفیع
آڈیٹرز	مشتاق اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس
آڈٹ کمیٹی	مسعود پرویز - چیئرمین محمد اقبال - رکن محمد شفیع - رکن
انسانی وسائل & معاوضے کمیٹی	مسعود پرویز - چیئرمین محمد اقبال - رکن محمد شفیع - رکن
بینکر	حبیب بینک لمیٹڈ مسلم کمرشل بینک لمیٹڈ فیصل بینک لمیٹڈ
منظور شدہ دفتر	شفیع آباد ، گھارو ، ضلع ٹھٹھہ
ہیڈ آفس	سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .
حصص رجسٹرار	CORPLINK (PVT) LTD., Wings Arcade, 1 – K, Commercial, Model Town, Lahore.
فیکٹریوں	شفیع آباد ، گھارو ، ضلع ٹھٹھہ ، سیکٹر 9 - I ، انڈسٹریل ایریا ، اسلام آباد .
ٹیلی فون	+9251 – 4430317, +9251 - 4444578
ای میل اڈریس	info@shavyl.com
ویب سائٹ	www.pakistanpvc.com
کمپنی رجسٹریشن نمبر	0001781
نیشنل ٹیکس نمبر & سیلز ٹیکس نمبر	0823852 – 9, 07 – 01 – 3900 – 005 – 64
شخص کے رابطے کی تفصیلات کی مدد اور ہینڈلنگ کے سرمایہ کار شکایات کے لئے نامزد	کمپنی سیکریٹری ٹیلی فون – 4444578 – 9251 +

PAKISTAN PVC LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 58th Annual General Meeting of the Company will be held on Friday, October 22, 2021 at the registered office of the company at Pakistan PVC Limited, Shaffiabad, Gharo, District Thatta at 9.00 a.m. to transact the following business.

ORDINARY BUSINESS

1. To confirm the minutes of the 57th Annual General Meeting of the company held on October 23, 2020.
2. To receive, consider and adopt the audited accounts of the company for the year ended June 30, 2021 together with the reports of the Director's and Auditors' thereon.
3. To appoint auditors of the company for the year ending June 30, 2022 and fix their remuneration.
4. To elect new Board of Directors of the Company in accordance with the provisions of Section 178 of the Companies Ordinance, 1984 for the period of three years commencing from the conclusion of this Extra-ordinary General Meeting, in place of the following retiring Directors :-

- | | | |
|------------------------|-----------------------|----------------------|
| 1. Mr. Arif Shaffi | 2. Mr. Adnan Shaffi | 3. Mrs. Saira Shaffi |
| 4. Mr. Mohammed Shaffi | 5. Mr. Mohammad Iqbal | 6. Mr. Arshad Javaid |
| 7. Mr. Adeel Shaffi | | |

Special Business:

To approve the remuneration package for the chief executive and two full time working directors of the company as recommended by the Board of Directors of the Company

“Resolved that the Chief Executive is allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

“Further Resolved that two full time working directors are allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

To authorize the board under section 183 of the Companies Acts 2017 to sell, lease or otherwise dispose of the undertakings or a sizeable part thereof unless the main business of the company comprises of such selling or leasing”.

ANY OTHER BUSINESS

1. To transact any other business of the company with the permission of the chair.

Islamabad: September 17, 2021

By Order of the Board



(ADEEL SHAFFI)
Company Secretary

Notes:

1. The number of Directors for election has been fixed by the Board of Directors in their meeting held on, September 17, 2021, at seven. All the retiring Directors shall eligible for re-election for the next term. Any person whether he is retiring Director or otherwise, who seeks to contest election, shall file with the Company at its Registered Office, not later than fourteen clear days before the date of the above Annual General Meeting, the following:

(a) His/her folio No./CDC Investors Account No./CDC Participant No./Sub-Account No; (b) a legible attested copy of his/her CNIC; (c) Notice of his/her intention to offer himself/herself for the election of Directors in terms of Section 159(3) of the Companies Act, 2017; (d) Consent to act as Director on Form-28; (e) Detailed profile along with Office Address for placement on the Company's website (f) Declaration in respect of being compliant with the requirements of the Code of Corporate Governance and eligibility criteria as set out in the Companies Act, 2017 to act as a Director of the listed Company.
2. Share transfer Books of the Company shall remain closed from October 1, 2021 to October 22, 2021 (both days inclusive)
3. A member entitled to attend and vote in the meeting is authorized to appoint any other person a proxy to attend, speak and vote for him or her.
4. Any individual Beneficial Owner of CDC, entitled to vote at this meeting must bring his/her original NIC with him/her to prove his/her identity, and in case of proxy, a copy of shareholders attested NIC must be attached with the proxy form and shall authenticate his/her identity by showing his/her original National Identity Card (NIC) or passport at the time of attending the meeting. Representatives of corporate members should bring the usual documents required for such purpose.
5. In order to valid, an instrument of proxy and the power of Attorney or other authority (if any) under which it is signed, or a notarized certified copy of such power or Authority, must be reached at the Registered Office of the Company not less than 72 hours before the time of the Meeting.
6. As per Section 242 of the Companies Act, 2017 enacting from May 31, 2017, SECP Circular No. 18/2017, a listed company, is required to pay cash dividend to shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders.

Therefore In compliance with the said law, in order to receive your future dividends directly in your bank account, you are required to provide the information mentioned on the Form placed on the Company's website www.pakistanpvc.com and send the same to your brokers/Central Depository Company Ltd., if the shares are held in the electronic form or to the Company's Share Registrar if shares are held in paper certificates form. The Company's Share Registrar's address in M/s Corplink (Private) Limited, Wings Arcade, 1 – K, Commercial, Model Town, Lahore, Tele# 042 – 3591 6714 or email at corplink786@gmail.com.

7. Members are requested to provide by mail or fax, to the Company's Share Registrar's address in M/s Corplink (Private) Limited, Wings Arcade, 1 – K, Commercial, Model Town, Lahore, Tele# 042 – 3591 6714 or email at corplink786@gmail.com., photocopy of their valid CNIC or passport (in case of foreigner), unless it has been provided earlier, enabling the Company to Comply with relevant laws.

8. Financial statements have been placed on Company's website at www.pakistanpvc.com.
9. The shareholders who wish to attend the Annual General Meeting are requested to get themselves registered by sending their particulars at the designated email address pakpvc.CG@shavyl.com, giving particulars as per below table by the close of business hours (5:00 PM) on October 16, 2021.

Name of Shareholder	CNIC No./ NTN NO.	Participant ID/Folio No.	Cell No	Email address

10. The webinar link would be emailed to the registered shareholders/proxies who have provided all the requested information.
11. Statement under Section 134(3) of the Companies Act, 2017 is being sent to the members of the Company separately.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the special business to be transacted in the Annual General Meeting to be held on October 22, 2021.

The present Chief Executive is drawing remuneration of Rs. 1.5 million per annum and two Directors are drawing Rs.1.5 million along with free use of company car, telephone, medical and other benefits as per company's regulations from time to time. The Board of Directors in their meeting held on September 17, 2021, has recommended that Chief Executive be allowed to receive gross annual remuneration of Rs. 1.5 million along with free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

Two full time working directors are allowed to receive gross annual remuneration of Rs. 1.5 million along with free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

As the matter requires ratification by the members, the following resolutions shall be considered for approval as Special Resolution:

“Resolved that the Chief Executive is allowed to receive gross annual remuneration of Rs. 1.5 million along with free use of company car, telephone, medical and other benefits as per company's regulations from time to time.”

“Further Resolved that two full time working directors are allowed to receive gross annual remuneration of Rs. 1.5 million along with free use of company car, telephone, medical and other benefits as per company's regulations from time to time.”

The Chief Executive and two Directors are interested in this matter to the extent of the remuneration payable.

پاکستان پی وی سی لمیٹڈ

اطلاع نامہ، سالانہ اجلاس عام

برگاہ اطلاع عام دی جاتی ہے کہ کمپنی کا 58واں سالانہ اجلاس عام بروز ہفتہ بتاریخ 22 اکتوبر 2021 کو کمپنی کے رجسٹرڈ دفتر بمقام پاکستان پی وی سی لمیٹڈ، شفیع آباد، گیارو، ضلع ٹھٹھہ میں صبح 9 بجے منعقد کیا جائے گا، اجلاس کی کارروائی مندرجہ ذیل پر مشتمل ہو گی:

عمومی کارروائی

1. مورخہ 23 اکتوبر 2020 کو منعقدہ کمپنی کے 57 ویں اجلاس عام کی کارروائی کی تصدیق کرنا
2. مورخہ 30 جون 2021 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آٹھ شدہ اکاؤنٹس کے ساتھ ساتھ ڈائریکٹرز اور آڈیٹروں کی رپورٹوں کی وصولی، ان پر غور و خوض اور منظور کرنا۔
3. مورخہ 30 جون 2022 کو ختم ہونے والے مالی سال کے لیے آڈیٹرز کی تقرری اور ان کا معاوضہ مقرر کرنا۔
4. کمپنی کے سات ڈائریکٹرز، جس میں چیف ایگزیکٹو سمیت تین سال کی مدت کے لئے کے نئے بورڈ آف ڈائریکٹرز کا انتخاب کمپنی آرڈیننس 1984 کے سیکشن 178 کی شقوں کے مطابق اس عام اجلاس کے اختتام سے شروع ہونے والے تین سالوں کے لیے درج ذیل ریٹائرڈ ڈائریکٹرز کی جگہ: محترم عارف شفیع، عدنان شفیع، عدیل شفیع، محمد شفیع، محمد اقبال، ارشد جاوید اور محترمہ سائرہ شفیع۔ تمام سات ریٹائرنگ ڈائریکٹرز نے خود کو دوبارہ انتخاب کے لیے پیش کیا ہے۔

خصوصی کارروائی:

1. کمپنی کے بورڈ آف ڈائریکٹرز کی سفارش کے مطابق چیف ایگزیکٹو اور کمپنی کے دو کل وقتی کام کرنے والے ڈائریکٹرز کے لیے معاوضہ پیکج کی منظوری "یہ طے کیا گیا کہ چیف ایگزیکٹو کو کمپنی کے قواعد کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد کے ساتھ 1.5 ملین روپے کے مجموعی سالانہ تنخواہ حاصل کرنے کی اجازت ہے۔"
- مذید کہا گیا ہے کہ دو مکمل وقت کام کرنے والی ڈائریکٹرز کمپنی کے قواعد و ضوابط کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد کے ساتھ 1.5 ملین روپے کے مجموعی سالانہ تنخواہ حاصل کرنے کی اجازت دی جاتی ہے

دیگر کوئی کارروائی

1. چیئرمین کی اجازت سے کمپنی کے امور کے متعلق کوئی اور کارروائی عمل میں لانا

اسلام آباد: 17 ستمبر 2021

بحکم بورڈ (عدیل شفیع) کمپنی سیکرٹری

نوٹس:

- 17 ستمبر 2021 کو ہونے والی میٹنگ میں بورڈ آف ڈائریکٹرز کے ذریعہ انتخاب کے لیے ڈائریکٹرز کی تعداد 7 مقرر کی گئی ہے۔ اجلاس میں فیصلہ کیا گیا کہ تمام ریٹائر ہونے والے ڈائریکٹرز اگلی مدت کے لیے دوبارہ انتخاب کے اہل ہوں گے۔ کوئی بھی شخص چاہے وہ ریٹائرڈ ڈائریکٹر ہو یا دوسری صورت میں، جو الیکشن لڑنا چاہتا ہے، مندرجہ ذیل سالانہ جنرل میٹنگ کی تاریخ سے 14 دن پہلے کمپنی کے ساتھ دستاویزات فائل کرے گا، درج ذیل:
 - (a) اس کا فوٹو نمبر/سی ڈی سی سرمایہ کار اکاؤنٹ نمبر/سی ڈی سی شریکاء نمبر؛ (b) اس کے CNIC کی ایک جائز تصدیق شدہ کاپی؛ (c) کمپنیز ایکٹ، 2017 کے سیکشن 159 (3) کے مطابق ڈائریکٹر کے انتخاب کے لیے اپنے آپ کو پیش کرنے کے لیے ارادے کا نوٹس؛ (d) فارم 28 پر ڈائریکٹر کے طور پر کام کرنے کی رضامندی؛ (e) کمپنی کی ویب سائٹ پر تعیناتی کے لیے آفس ایڈریس کے ساتھ تفصیلی پروفائل؛ (f) کوڈ آف کارپوریٹ گورننس کے تقاضوں اور کمپنیوں کے ایکٹ، 2017 میں درج کمپنی کے ڈائریکٹر کی حیثیت سے کام کرنے کے لیے اہلیت کے معیار کے مطابق ہونے کے حوالے سے اعلامیہ۔
- کمپنی کی شیئر ٹرانسفر بکس مورخہ 1 اکتوبر 2021 تا 22 اکتوبر 2021 (بشمول دونوں تاریخوں کے) بند رہیں گی۔
- اجلاس میں شامل ہونے اور ووٹ دینے کی اہلیت رکھنے والا رکن کسی اور فرد کو اپنی جانب سے اجلاس میں شرکت کرنے، بولنے یا ووٹ دینے کے لیے بطور نمائندہ نامزد کر سکتا ہے۔
- سی ڈی سی کا کوئی بھی انفرادی مستغید کنندہ مالک جو اس اجلاس میں ووٹ دینے کا اہل ہو اس کے لیے ضروری ہے کہ وہ اپنی شناخت ثابت کرنے کے لیے اپنے ہمراہ اصل شناختی کارڈ لے کر آئے۔ نمائندے کے تقرر کی صورت میں شیئر ہولڈرز کے شناختی کارڈز کی نقول نمائندگی فارم کے ساتھ منسلک کی جائے گی۔ جبکہ مجاز نمائندہ اجلاس میں شرکت کے وقت اپنے اصلی شناختی کارڈ یا پاسپورٹ کو دکھا کر اپنی شناخت کروائے گا۔ کارپوریٹ اراکین کے نمائندگان اپنے ساتھ ایسی صورتوں میں درکار ضروری دستاویزات ساتھ لے کر آئیں گے۔
- موثر ہونے کے لیے ضروری ہے کہ مجاز نمائندے کے تقرر کی دستاویز اور مختار نامہ یا کوئی اور دستاویز جو کہ باقاعدہ طور پر نوٹری سے تصدیق شدہ ہو، کمپنی کے رجسٹرڈ دفتر میں اجلاس سے 72 گھنٹے قبل پہنچ جانی چاہئیں۔
- کمپنی ایکٹ، 2017 کے سیکشن 242 کے مطابق، 31 مئی، 2017 سے منسلک، ایس ای سی پی سرکلر نمبر 2017/18، فہرست کمپنی، صرف حصص دار حصص کے ذریعہ نامزد کردہ بینک اکاؤنٹ میں الیکٹرانک موڈ کے ذریعے حصص داروں کو نقد رقم ادا کرنے کی ضرورت ہے۔ ہذا قانون کے مطابق آپ کے مستقبل کے منافع کو براہ راست آپ کے بینک اکاؤنٹ میں حاصل کرنے کے لیے، آپ کو کمپنی کی ویب سائٹ www.pakistanpvc.com پر درج فارم پر بیان کردہ معلومات فراہم کرنے کی ضرورت ہے۔ اگر حصص الیکٹرانک شکل میں منعقد ہوتے ہیں تو اپنے بروکرز / سی ڈی سی لمیٹڈ کو بھیجیں، یا اگر حصص کاغذی سرٹیفکیٹ فارم میں منعقد ہوتے ہیں تو کمپنی کا حصص رجسٹرار کا پتہ [M/s Corplink \(Private\) Limited](mailto:M/s_Corplink_(Private)_Limited)، Wings Arcade، K-1، کمرشل، ماڈل ٹاؤن، لاہور، تیلی # 042.35916714 یا corplink786@gmail.com۔
- اراکین سے درخواست کی جاتی ہے کہ ای میل یا فکس نمبر پر، کمپنی کے حصول رجسٹری کے ایڈریس میں [M/s Corplink \(Private\) Limited](mailto:M/s_Corplink_(Private)_Limited)، Wings Arcade، K-1، کمرشل، ماڈل ٹاؤن، لاہور، تیلی # 042.35916714 یا ای میل corplink786@gmail.com پر، فوٹوکاپی ان کے درست سی این ائی سی یا (غیر ملکی ہونے کی صورت میں) پاسپورٹ، اگر جو پہلے فراہم نہیں کیا گیا ہے، کمپنی کو متعلقہ قوانین کی تعمیل کرنے کے لیے فراہم کریں۔
- مالیاتی گوشوارے کمپنی کی ویب سائٹ پر موجود ہے www.pakistanpvc.com۔
- حصص یافتگان جو سالانہ عمومی اجلاس میں شرکت کے خواہاں ہیں ان سے درخواست کی گئی ہے کہ وہ اپنے تفصیلات نامزد ای میل ایڈریس pakpvc.CG@shavyl.com پر بھیج کر کاروباری اوقات کے اختتام سے (شام 5:00) اکتوبر 16، 2021 کو رجسٹریشن کروائیں۔

حصص دار کا نام	CNIC No./ NTN NO	Participant ID/Folio No	سیل نمبر	ای میل ایڈریس
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10. ویبنار لنک رجسٹرڈ شیئر ہولڈرز / پراکسی کو ای میل کیا جائے گا جنہوں نے تمام مطلوبہ معلومات فراہم کی ہیں۔

11. کمپنیز ایکٹ 2017 کے سیکشن 134 (3) کے تحت بیان کمپنی کے ممبران کو الگ سے بھیجا جا رہا ہے۔

کمپنیز ایکٹ 2017 کے سیکشن 134 (3) کے تحت بیان

یہ بیان 22 اکتوبر 2021 کو ہونے والی سالانہ جنرل میٹنگ میں لین دین کے لیے خصوصی کاروبار سے متعلق مادی حقائق بیان کرتا ہے۔

موجودہ چیف ایگزیکٹو کو 1.5 ملین روپے کی رقم ادا کی گئی ہے اور کمپنی کے قواعد و ضوابط کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد ادا کئے گئے ہیں۔ اور دو ڈائریکٹر کو 1.5 ملین روپے کی رقم ادا کی گئی ہے اور کمپنی کے قواعد و ضوابط کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد ادا کئے گئے ہیں۔

17 ستمبر، 2021 کو منعقد ہونے والے اجلاس میں ڈائریکٹر بورڈ نے سفارش کی ہے
1. کہ چیف ایگزیکٹو کو سالانہ 1.5 ملین روپے معاوضہ وصول کرنے کی اجازت دی جائے۔ کمپنی کی کار کے مفت استعمال کے ساتھ، ٹیلی فون، میڈیکل اور دیگر فوائد وقتاً فوقتاً کمپنی کے قواعد کے مطابق ادا کرنا کی اجازت دی جاتی ہے۔
مزید کہا گیا ہے کہ دو مکمل وقت کام کرنے والی ڈائریکٹرز کمپنی کے قواعد و ضوابط کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد کے ساتھ 1.5 ملین روپے کے مجموعی سالانہ تنخواہ حاصل کرنے کی اجازت دی جاتی ہے۔

جیسا کہ معاملات کی ارکان کی طرف سے منظوری کی ضرورت ہے، مندرجہ ذیل فیصلے کو خصوصی قرارداد کے طور پر منظوری کے لئے تصور کیا جائے گا:
"حل کیا گیا ہے کہ چیف ایگزیکٹو کو سالانہ 1.5 ملین روپے معاوضہ وصول کرنے کی اجازت دی جاتی ہے۔ کمپنی کی کار کے مفت استعمال کے ساتھ، ٹیلی فون، میڈیکل اور دیگر فوائد وقتاً فوقتاً کمپنی کے قواعد کے مطابق ادا کرنا کی اجازت دی جاتی ہے۔

مزید حل کہا گیا ہے کہ دو مکمل وقت کام کرنے والی ڈائریکٹرز کمپنی کے قواعد و ضوابط کے مطابق کمپنی کی کار، ٹیلی فون، طبی اور دیگر فوائد کے ساتھ 1.5 ملین روپے کے مجموعی سالانہ تنخواہ حاصل کرنے کی اجازت دی جاتی ہے۔

چیف ایگزیکٹو اور دو ڈائریکٹرز اس معاملے میں قابل ادائیگی معاوضہ کی حد تک دلچسپی رکھتے ہیں۔

OBJECTIVES AND STRATEGIC PLANNING

SHAVYL GROUP VISION

“Shavyl to be a global group of companies recognized for a range of quality products”.

MISSION STATEMENT

“To be market leader in petrochemicals, building company’s image through innovation and competitiveness, ensuring satisfaction to customers and stakeholders and to fulfill social obligations”.

OBJECTIVES

Constantly endeavor to be market leaders in terms of market share and technology pacesetters in areas of operations and to continuously improve efficiency and competitive strength.

To offer customers quality products and support services at competitive prices and to their satisfaction.

By continuously improving performance, aim to generate earnings sufficient to ensure a secure future for the Company and to protect and increase shareholders’ return.

To enhance creativity and job satisfaction, provide employees opportunity for personal development.

Be an integral part of national economy with a strong sense of responsibility to society and the environment.

STRATEGIC PLANNING

To maintain a strong R&D department for the development of new and the up gradation of our own technology. To develop in-house know how for a world scale petrochemical complex.

STATEMENT OF ETHICS AND BUSINESS PRACTICES

The Company's Ethics and Business Practices conform to the Shavyl Group Vision and the Company's Mission Statement.

THE PURPOSE AND VALUES OF BUSINESS

Manufacturers of PVC Resins and its down stream products that conform to the Specified Standards, saving of foreign exchange and developing technical and engineering capabilities in the country.

EMPLOYEES

Recruitment of personnel on merit offering training and career development, equal opportunities of growth, no discrimination or harassment and reward for achievements. Improved working conditions, ensuring safety, security and health.

Employees shall not use Company information and assets for their personal advantage. Conflict of interest shall be avoided and disclosed where it exists and guidance sought.

CUSTOMER RELATION

Ensure customer satisfaction by providing quality products at competitive prices with warranty coverage and ensuring after sale service.

SHAREHOLDERS, FINANCIAL INSTITUTIONS & CREDITORS

Protection of investment made in the Company and proper return on money lent/invested. A commitment to accurate and timely communication on achievements and prospects.

SUPPLIERS

Prompt settling of bills. Co-operation to achieve quality and efficiency. No bribery or excess hospitality accepted or given.

SOCIETY / COMMUNITY

Compliance with the spirit of laws. Timely payment of all Government taxes and dues. Eliminate the release of substance that may cause environmental damage. Financial assistance for promoting education and social activities including games and donation/charity to deserving.

GENERAL

The Company shall neither support any political party nor contribute funds to groups or associations whose activities prompt political interest. The Company shall promote its legitimate business interest through trade associations.

IMPLEMENTATION

Company Board to ensure implementation of these codes, regular monitoring, and review for modification/amendment where necessary.

CHAIRMAN'S REVIEW REPORT:

As in the rest of the world, COVID-19 adversely affected lifestyles and business operations in Pakistan. The Company complied with the Standard Operating Procedures (SOPs) prescribed by Federal and Provincial Governments. Sales and production activities were affected during lockdowns, however, the factory reopened after necessary permissions to produce orders for exports and essential services. The Company remained up to date in all its financial commitments. The Management believes that the going concern assumption of the Company remains valid.

The Board of Directors (the Board) of Pakistan PVC Limited (PPVC) has performed their duties diligently in upholding the best interest of shareholders of the Company and has managed the affairs of the Company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 (previously Companies Ordinance 1984) and Listed Companies (Code of Corporate Governance) Regulations, 2017.

Further, the Board during the year ended 30 June 2021 played an effective role in managing the affairs of the Company and achieving its objectives in the following manner;

- The Board has ensured that there is adequate representation of Executives, non-executive and independent directors on the Board and its committees as required under the Code and that members of the Board and its respective committees has adequate skill, experience and knowledge to manage the affairs of the Company;
- The Board has developed and put in place a formal and effective mechanism for an annual evaluation of its own performance and that of its Committees and individual Directors. On the basis of the feedback received through this mechanism overall performance of the Board has been found to be Good and effective;
- The Board has formed an Audit and HRR Committees and has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities diligently;
- The Board has ensured that one Directors of the Company are exempt from Directors Training Program due to their qualification. Five Directors has taken certification under the Directors Training Program and the remaining one shall obtain certification under the DTP program in due course of time;
- The Board has ensured that the meetings of the Board and its committee were held with the requisite quorum and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;

- The Board has developed a code of conduct setting forth the professional standards and corporate values adhered through the Company and have developed significant policies for smooth functioning;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process;
- The Board has ensured that the adequate system of internal control is in place;
- The Board has prepared and approved the Director's report and has ensured that the directors' report is published with the quarterly and annual financial statement of the Company and the content of the directors' report are in accordance with the requirement of applicable laws and regulations;
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings;
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company.

Based on aforementioned it can reasonably be stated that Board of Pakistan PVC Limited has played instrumental role in ensuring that corporate objectives are achieved in line with the expectation of shareholders and other important stakeholders.

Acknowledgement

On behalf of the Board, I appreciate untiring efforts of our employees and express gratitude to all stakeholders including our valued customers for their continued cooperation and support.



(ADNAN SHAFFI)

Chairman

September 17, 2021

DIRECTOR'S REPORT TO THE SHAREHOLDERS

On behalf of my colleagues on the Board, I welcome you to the 58th Annual General Meeting of the Company and present the audited accounts for the year ended June 30, 2021 along with the auditors' report thereon.

Due to Covid – 19 the PVC Pipe and Fittings production remained low. This year has been a tumultuous one so far with various factors giving rise to new challenges. Sales of the Company have increased by 175 % to Rs. 9,639,669 as compared to Rs. 5,514,801 in the comparable previous twelve months. Future outlook is uncertain and as we speak, it is not possible to determine when this global pandemic will reach its end.

During the period under review Ghara Plant remains closed and there was no production. The production of PVC Pipes & Fittings at Islamabad increased during the year.

Sales during the year under review increased to Rs. 9.640 million as compared to Rs. 5.515 million of the same period last year and loss during the year was Rs. 11.559 million as compared to a net loss of Rs. 15.759 million during the previous year. The production of PVC Pipes at Islamabad factory was 195,851 meters as against 114,004 meters last year. Excess capacity of this water treatment plant was used to make Mineral Water. Sale of Mineral Water was 43,686 Gallons as against 57,645 Gallons. Work of installation of Machinery of Pipe Plant shifted from Ghara to Islamabad has delayed due to non availability of funds.

1. AUDITORS' RESERVATION OF GOING CONCERN

The auditors have qualified their opinion, since your company has prepared the accounts on the going concern basis. The reason given in their qualification is the continued losses sustained by your company, no improvement/result of the efforts made by the management for obtaining additional capital. The case for the revival of your company remains under active consideration with the Committee for Revival of Sick Industrial Units set up by the Finance Division, Government of Pakistan.

As reported earlier that due to non availability of financial limits from the banks, discontinuation of electricity by KESC for Ghara plant, management of your company could not start the production at Ghara. As reported in earlier years I repeat my statement that unless Ghara plant goes into operation, no fruitful results could be seen.

2. AUDITORS' RESERVATION ABOUT DIRECT CONFIRMATION

As regards confirmations from the lenders of long term loans the company had dispatched the balance confirmation letters several times to the lenders of long term loans.

3. AUDITORS' RESERVATION ABOUT LONG OUTSTANDING BALANCES

As regards balances of very long outstanding balances of Creditors, Advances from Customers and Accrued liability we have to state that these balances are appearing in the company's accounts since last many years and as regards confirmations from the Trade and other payables in respect of Accrued liability the company had dispatched the balance confirmation letters to the Trade and Other payables in respect of Accrued liability and we understand that an over all majority of these have been responded too.

Financial Statements

The financial statements of the Company have been audited by Messrs. Mushtaq & Company., Chartered Accountants, the auditors, with some qualification.

DIVIDEND

Due to poor financial result and huge accumulated losses, the Directors of your company have decided to pass over the Dividend.

AUDITORS

The Audit Committee has recommended the appointment of Messer's Mushtaq & Company, Chartered Accountants, as auditors of the Company for the ensuing year.

The present auditors M/s Mushtaq & Company, Chartered Accountants, the retiring auditors being eligible have offered themselves for reappointment as auditors of the Company for the year ending June 30, 2022.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company strongly believes that improving its environmental and social performance is inevitable for its financial success. The Company has continued with CSR program with a focus on health support, education programs, energy conservation, environmental protection measures, community welfare schemes, occupational safety & health and business ethics.

The Company in its continuous efforts to positively impact the local communities that reside near our plants has formulated policies for social development that are based on the following guiding principles:

- Adopt an approach that aims at achieving a greater balance between social development and economic development.
- Adopt new measures to accelerate and ensure the basic needs of the local population.
- Work towards elimination of all barriers for the social inclusion of disadvantaged groups such as the poor and the disabled.
- Give unfailing attention to children for in their hands lies the country's future. It is for their sake that health, education and environment get topmost priority in our programs.

The Company works closely with Special Olympics Pakistan to support their programs for rehabilitation of mentally handy capped children.

The main emphasis of our CSR is in District Thatta and Federal Capital Islamabad.

Health

As a Company, we are not only committed to compliance with legal norms but endeavor to voluntarily go beyond that and provide quality healthcare facilities in the regions around our plants.

Education

Education is a basic tool to bring development to an area and its people. We aim to create an awareness pool of human resource both within and across our area of operations. We are committed to bridging the digital divide between the haves and have-nots in educational infrastructure and facilities. The Company is involved in activities that have changed the lives of the people residing the close proximity to our plants. Education is the main thrust of these activities.

Energy Conservation Measures

Energy conservation measures include usage of energy savers and LED lights all around the plant and shutting down auxiliaries and equipment wherever possible.

Occupational Health, Safety and Environment

The Company is committed to health, safety and environment. Potential risks are systematically identified and managed in a manner that any undesirable damage is minimized. HSE signs are displayed at key locations and their implementation is ensured.

Business Ethics

The Company's Code of Business Ethics sets the minimum standards expected of the entire Team and is part of the Corporate Governance framework approved by the Board. The conduct of business should above all be characterized by honesty and integrity. Unethical practices of any sort are not to find their way into our business. All employees are expected to promote the Company's best interest whilst maintaining the highest standard of personal integrity and business practices. All employees must act at all times in the interest of Company's shareholders and must abide by the Company's stated standards of environmental safety and management practices. No employee shall ever commit an illegal or an

unethical act, or instruct and encourage another employee to do so. The laws and regulations of the country should always be observed.

The Company has communicated the code to all its employees.

FINANCIAL PROFORMANCE

Year	2021	2020
Turnover	9.640	5.515
Operating Costs	24.436	21.553
Net Profit/(Loss)	(11.559)	(15.759)
Earnings per share (Rs.)	(0.77)	(1.05)

Financial Risk

The financial risk management is disclosed in note 32 of the unconsolidated financial statements of the Company.

Corporate & Financial Reporting Framework

The Directors are pleased to confirm compliance with Corporate and Financial Reporting Framework of the Securities & Exchange Commission Pakistan (SECP) and the Code of Corporate Governance for the following:

- The financial statements, prepared by the management of the Company, fairly portray its state of affairs, the result of its operations, cash flows and changes in its 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;
- IFRS as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed; and
- There are no doubts in the Company's ability to continue as a going concern.

Key financial data (unconsolidated) of last six years is as follows:

	(Rs.000)					
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
TURNOVER	9,640	5,515	8,888	7,563	7,612	7,031
NET PROFIT	(11,559)	(15,759)	(17,479)	(18,050)	(22,599)	(24,714)
SHAREHOLDERS FUND	(199,591)	188,032	172,273	154,794	193,858	171,258
EARNING PER SHARE	(0.77)	(1.05)	(1.17)	(1.21)	(1.51)	(1.65)

Adequacy of Internal Financial Controls

Directors confirm compliance with highest standard of Corporate Governance and that the internal controls are sound in design and have been effectively implemented and monitored.

STATEMENTS OF CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- The financial statements, prepared by 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 the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the company's ability to continue as a going concern as have been fully explained in Note no.1 of the Notes to the Accounts.
7. There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations.
8. Key operating and financial data for last six years in summarized form is given on page 23.
9. **COMPOSITION OF BOARD**
 1. The total number of directors are 7 as per the following:
 - a. Male: 6
 - b. Female: 1
 2. The composition of board is as follows:

Category	Name
Independent Directors	Masood Parvaiz
	Mohammad Iqbal
Other Non-executive Director	Adnan Shaffi
	Mohammad Shaffi
	Saira Shaffi
Executive Directors	Arif Shaffi *
	Adeel Shaffi

BOARD MEETING

During the year four board meetings were held and the attendance of the concerned Directors during their tenure on the Board was as follows:

Name of Director	Total Number of Meetings	Board Meetings Attended	Audit Committee Meetings Attended	H.R. Committee Meetings Attended
Mr. Adnan Shaffi	4	4	N/A	N/A
Mr. Arif Shaffi	4	4	N/A	N/A
Mr. Mohammad Iqbal	4	4	4	1
Mrs. Saira Shaffi	4	4	N/A	N/A
Mr. Mohammad Shaffi	4	4	4	1
Dr. Masood Parvaiz	4	4	4	1
Mr. Adeel Shaffi	4	4	N/A	N/A

COMMITTEES OF THE BOARD AUDIT COMMITTEE

In compliance with the code of corporate governance the Company has established an Audit Committee comprising of the following members:-

Dr. Masood Parvaiz	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

In compliance with the code of corporate governance the Company has established a Human Resources & Remuneration Committee comprising of the following members:-

Dr. Masood Parvaiz	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

DIRECTORS REMUNERATION

The Chief Executive is allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

Two full time working directors are allowed to receive gross annual remuneration of Rs. 1.5 million alongwith free use of company car, telephone, medical and other benefits as per company's regulations from time to time.

DIRECTORS' TRAINING

Of the seven Directors, 1 has been exempted from the Corporate governance Leadership Skills (CGLS) training based on their experience as Director on the Board of Listed Companies. A total of 5 Directors are certified in Directors Training Program.

10. The pattern of shareholding and additional information regarding pattern of shareholding is given on Page 53 – 56.
11. No trades in the shares of the Company during the year were carried out by the Director, CEO, CFO, Company Secretary and their spouses and minor children.

Islamabad: September 17, 2021

On behalf of the Board of Directors



ARIF SHAFFI – Chief Executive



MOHAMMAD SHAFFI – Director.

Statement of Compliance With The Best Practice On Transfer Pricing

The Company has fully complied with the best practices on transfer pricing as contained in the listing regulations of the Pakistan Stock Exchanges.

On behalf of the Board of Directors



ARIF SHAFFI – Chief Executive



MOHAMMAD SHAFFI – Director

Dated: September 17, 2021

شیئر ہولڈرز کے لیے ڈائریکٹرز کی رپورٹ

ویں سالانہ اجلاس عام میں خوش آمدید کہتا ہوں اور آپ کے سامنے 58 بورڈ میں اپنے ساتھی اراکین کی جانب سے، میں آپ کو کمپنی کے مورخہ 30 جون، 2021 کو ختم ہونے والے مالی سال کے آڈٹ شدہ اکاؤنٹس کو آڈیٹرز کی رپورٹ کے ساتھ پیش کر رہا ہوں۔

زیر غور مدت کے دوران، گھارو پیٹنس بند رہا جس کی وجہ سے کوئی پیداوار نہ ہو سکی۔ اس سال کے دوران اسلام آباد میں پی وی سی پائپس اور فٹنگز کی پیداوار میں اضافہ ہوا۔

COVID-19 کی وجہ سے پیوپیسی پائپ اور فٹنگ کی پیداوار کم رہی۔ ہ سال اب تک ایک ہنگامہ خیز رہا ہے جس میں مختلف عوامل نئے چیلنجوں کو جنم دیتے ہیں۔ کمپنی کی فروخت میں 175 % اضافہ ہوا روپے تک 9,639,669 روپے کے مقابلے میں پچھلے بارہ مہینوں میں 5,514,801۔ مستقبل کا نقطہ نظر غیر یقینی ہے اور جیسا کہ ہم بولتے ہیں، یہ طے کرنا ممکن نہیں ہے کہ یہ عالمی وبائی بیماری کب اپنے اختتام کو پہنچے گی۔

زیر غور مدت کے دوران گھارو پلانٹ بند رہا اور کوئی پیداوار نہیں ہوئی۔ سال کے دوران اسلام آباد میں پیوپیسی پائپ اور فٹنگ کی پیداوار میں اضافہ ہوا۔

زیر غور سال کے دوران ہونے والی فروخت سابقہ سال اسی مدت کے دوران ہونے والے 5,515 ملین روپوں کی فروخت کی نسبت 9,640 ملین روپے رہی۔ گذشتہ سال ہونے والے 15,759 ملین روپے کے خالص نقصان کی نسبت اس سال 11,559 ملین روپوں کا نقصان ہوا۔ فنڈز کی عدم دستیابی کی وجہ سے گھارو سے منتقل کیے جانے والے پائپ پلانٹ کی مشینری کی تنصیب کا کام تاخیر کا شکار ہوا۔

زیر غور سال کے دوران گھارو پیٹنس پورا سال بند رہا جس کی وجہ سے کوئی پیداوار نہیں ہوئی۔ اسلام آباد فیکٹری میں پچھلے سال ہونے والی 114,004 میٹرز کی پیداوار کی نسبت اس سال پیداوار 195,851 میٹر رہی۔ اس واٹر ٹریٹمنٹ پلانٹ کی اضافی صلاحیت کو منرل واٹر بنانے کے لیے استعمال کیا گیا۔ 57,645 گیلن کے برخلاف 43,686 گیلن منرل واٹر فروخت ہوا۔

1. براہ راست تصدیق کے متعلق آڈیٹرز کا نقطہ نظر

طویل المدتی قرضہ دینے والے اداروں سے تصدیق کے لیے کمپنی نے متعدد بار بیلنس کے متعلق تصدیقی خطوط ان اداروں کو ارسال کیے ہیں۔

2. طویل عرصے سے بقایا جات کے متعلق آڈیٹرز کا نقطہ نگاہ

جہاں تک قرضہ دینے والوں کے طویل عرصے سے بقایا جات، صارفین کی جانب سے دی گئی ایڈوانس رقوم اور قابل ادا رقوم کی بات ہے تو ہم یہ بتاتے چلیں کہ یہ بقایا جات گذشتہ کئی سالوں سے کمپنی کے کھاتوں میں ظاہر ہو رہے ہیں جبکہ قابل ادا رقوم کے حوالے سے تجارتی اور دیگر اداروں سے تصدیق کے لیے کمپنی نے انہیں تصدیقی خطوط ارسال کیے تھے، ہمارے علم کے مطابق ان میں سے زیادہ تر خطوط کے جوابات بھی موصول ہوئے تھے۔

3. گونگ کنسرن کے متعلق آڈیٹرز کا نقطہ نظر

آڈیٹرز نے اپنا نقطہ نظر کوالیفائی کر لیا ہے کیونکہ آپکی کمپنی نے گونگ کنسرن کی بنیاد پر کھاتہ جات تیار کیے ہیں۔ ان کے نقطہ نظر میں دی گئی وجوہات یہ ہیں کہ آپ کی کمپنی نے مسلسل نقصانات برداشت کیے ہیں جبکہ اضافی سرمایہ حاصل کرنے کے لیے انتظامیہ کی جانب سے کیے جانے والے اقدامات سے کوئی نتیجہ برآمد نہیں ہوا اور نہ ہی کوئی بہتری آئی۔ آپ کی کمپنی کی تجدید کا کیس فنانس ڈویژن حکومت پاکستان اور یونائیٹڈ بینک لمیٹڈ کی جانب سے کمزور صنعتی اداروں کی تجدید کے لیے قائم کردہ کمیٹی میں فعال طور پر زیر غور رہا۔ اس دوران یونائیٹڈ بینک لمیٹڈ کی خواہش پر اور سٹیٹ بینک آف پاکستان کے قواعد کے مطابق سٹیٹ بینک کے منظور شدہ ویلیوٹرز کی جانب سے نئی ری ویلیوشن رپورٹ تیار کی گئی ہے۔

مالیاتی گوشوارے

میسرز کے ذریعہ کمپنی کے مالی بیانات کا آڈٹ کیا گیا ہے مشتاق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، آڈیٹر، کچھ اہلیت کے ساتھ۔

ڈیوائنڈ

کمزور مالیاتی نتائج اور انتہائی زیادہ مجموعی نقصان کی وجہ سے آپ کی کمپنی کے ڈائریکٹرز نے ڈیوائنڈ دینے کا فیصلہ کیا ہے۔

آڈیٹرز

آڈٹ کمیٹی کی جانب سے آئندہ مالی سال کے لیے میسرز مشتاق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز مقرر کرنے کی سفارش کی گئی ہے۔

موجودہ آڈیٹرز میسرز مشتاق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے (ریٹائر آڈیٹرز کے اہل ہونے کی وجہ سے) خود کو 30 جون 2022 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے پیش کیا ہے۔

کاروباری سماجی ذمہ داری (کارپوریٹ سوشل رسپانسبلٹی)

کمپنی اس بات پر گہرا یقین رکھتی ہے کہ ماحولیاتی اور سماجی کارکردگی میں بہتری اس کی مالیاتی کامیابی کے لیے کلیدی حیثیت رکھتی ہے۔ کمپنی نے کاروباری سماجی ذمہ داری کے پروگرام کو صحت عامہ، تعلیم، توانائی، ماحولیاتی تحفظ کے اقدامات، سماجی بہبود کی سکیموں، پیشہ وارانہ امور کی سرانجام دہی کے دوران صحت اور حفاظت و کاروباری اخلاقیات جیسے امور پر توجہ دیتے ہوئے جاری رکھا ہوا ہے۔

کمپنی نے اپنے پلانٹس کے نزدیک موجود مقامی آبادیوں پر مثبت اثرات مرتب کرنے کے لیے اپنی مسلسل کاوشوں کے سلسلے میں سماجی ترقی کی ایسی پالیسیز مرتب کی ہیں جو مندرجہ ذیل راہنما اصولوں پر مشتمل ہیں:

- ایسا طریقہ کار اختیار کیا جائے جس سے سماجی اور معاشی ترقی میں زبردست توازن پیدا کرنے میں مدد ملے۔
- مقامی آبادی کی بنیادی ضروریات کی تیز تر فراہم کے لیے نئے اقدامات کیے جائیں۔
- محروم طبقات مثلاً غریبوں اور معذور افراد کو سماجی دھارے میں شامل کرنے کے راستے میں حائل تمام رکاوٹوں کو دور کرنے پر کام کرنا۔
- بچوں پر اس طرح توجہ دی جائے جس میں ناکامی کی کوئی گنجائش نہ ہو کیونکہ بچوں کے ہاتھ میں ملک کا مستقبل ہوتا ہے۔ یہی وجہ ہے کہ ہمارے پروگراموں میں تعلیم اور ماحول کو سب سے زیادہ ترجیح دی جاتی ہے۔

کمپنی سپیشل اولیمپکس پاکستان کے ساتھ خصوصی تعاون کرتی ہے تا کہ ذہنی طور پر معذور افراد کی بحالی کے لیے ان کے پروگراموں میں معاونت کی جا سکے۔

ہمارے CSR پروگرام کا بنیادی محور ضلع ٹھٹھہ اور وفاقی دارالحکومت اسلام آباد ہیں۔

صحت

بطور کمپنی، ہم نہ صرف قوانین کی پاسداری کے لیے پر عزم ہیں بلکہ ہم رضاکارانہ طور پر اس کے علاوہ بھی ذمہ داریاں سرانجام دینے کے لیے پر عزم ہیں اور اس سلسلے میں ہم اپنے پلانٹس کے اردگرد موجود علاقوں کے لیے صحت کی معیاری سہولیات فراہم کرتے ہیں۔

تعلیم

کسی بھی علاقے اور اس کے لوگوں کی ترقی کے لیے تعلیم ایک بنیادی ذریعہ ہے۔ ہم اپنی کاروباری سرگرمیوں کے علاقوں میں انسانی وسائل کے متعلق معلوماتی مرکز پیدا کرنے کا ارادہ رکھتے ہیں۔ ہم تعلیمی انفراسٹرکچر اور سہولیات میں موجود اور غیر موجود سہولیات کے مابین موجود ڈیجیٹل تفریق کو ختم کرنے کے لیے پر عزم ہیں۔ کمپنی ایسی سرگرمیوں میں حصہ لیتی ہے جس سے ہمارے پلانٹس کے اردگرد موجود آباد لوگوں کی زندگیوں میں تبدیلیاں آئیں۔ تعلیم ان سرگرمیوں کا بنیادی محور ہے۔

توانائی کی بچت کے اقدامات

توانائی کی بچت کے اقدامات میں پلانٹ بھر میں انرجی سیورز اور ایل ای ڈی لائٹس کا استعمال شامل ہے جبکہ جہاں کہیں ممکن ہو تو اضافی آلات کو بند کیا جاتا ہے۔

پیشہ ورانہ فرائض کی سرانجام دہی کے دوران صحت، حفاظت اور ماحول

کمپنی صحت، حفاظت اور ماحول کے متعلق پر عزم ہے۔ ایک طے شدہ طریقہ کار کے تحت ممکنہ خطرات کی نشاندہی کر کے ان کا اس طرح تدارک کیا جاتا ہے کہ ناپسندیدہ نقصانات کو کم سے کم کیا جا سکے۔ ایچ سی ای نشانات کو اہم مقامات پر ڈسپلے کیا گیا ہے جبکہ ان پر عملدرآمد کو یقینی بنایا گیا ہے۔

Business Ethics

کاروباری اخلاقیات

کمپنی کے کاروباری ضابطہ اخلاقیات میں ان تمام کم از کم معیارات کی صراحت کی گئی ہے جن کی پاسداری کی تمام ملازمین سے امید کی جاتی ہے جبکہ یہ ضابطہ اخلاق بورڈ کے منظور شدہ کارپوریٹ گورننس فریم ورک کا حصہ ہے۔ تمام کاروباری سرگرمیاں ایمانداری کے ساتھ سرانجام دی جائیں۔ کسی قسم کے غیر اخلاقی طریقوں کو ہمارے کاروبار میں کوئی جگہ نہیں دی جائے گی۔ تمام ملازمین سے توقع رکھی جاتی ہے کہ وہ شخصی ایمانداری اور کاروباری طریقوں کے اعلیٰ ترین معیار کو قائم رکھتے ہوئے کمپنی کے بہترین مفاد میں کام کریں گے۔ تمام ملازمین ہم وقت کمپنی کے شیئر ہولڈرز کے بہترین مفاد کے لیے کام کریں گے اور وہ کمپنی کی جانب سے ماحولیاتی تحفظ کے لیے صراحت کردہ طریقوں پر عملدرآمد کریں گے۔ کوئی بھی ملازم کبھی بھی کوئی غیر قانونی یا غیر اخلاقی حرکت نہیں کرے گا اور نہ ہی کسی اور کو ایسا کرنے کی ہدایت دے گا یا ایسا کرنے کی حوصلہ افزائی کرے گا۔ ملکی قوانین کی ہم وقت پاسداری کی جانی چاہیے۔ کمپنی نے اس ضابطہ اخلاق کے متعلق تمام ملازمین کو مطلع کر رکھا ہے۔

مالی پیشہ ورانہ

Year	2021	2020
Turnover	9.640	5.515
Operating Costs	24.436	21.553
Net Profit/(Loss)	(11.559)	(15.759)
Earnings per share (Rs.)	(0.77)	(1.05)

مالی خطرہ

مالی رسک مینجمنٹ کا انکشاف کمپنی کے غیر متناسب مالی بیانات کے نوٹ 32 میں کیا گیا ہے۔

کارپوریٹ اور مالی رپورٹنگ کا فریم ورک

ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان (ایس ای سی پی) کے کارپوریٹ اور فنانشل رپورٹنگ فریم ورک اور کارپوریٹ گورننس کے کوڈ کو درج ذیل کی تعمیل کی تصدیق کرنے پر خوش ہیں:

- کمپنی کے انتظام کے ذریعہ تیار کردہ مالی بیانات، اس کی امور کی کیفیت، اس کے کاموں، نقد بہاؤ اور اس کی ایکویٹی میں بدلاؤ کا جواز پیش کرتے ہیں۔
- کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالی بیانات کی تیاری کے لئے مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور محاسبہ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔
- پاکستان میں بطور قابل اطلاق **IFRS**، مالی بیانات کی تیاری میں عمل کیا گیا ہے اور اس میں سے کسی بھی طرح کی روانگی کا مناسب طور پر انکشاف کیا گیا ہے۔ اور
- کمپنی کی تشویش کی حیثیت سے جاری رکھنے کی صلاحیت میں کوئی شک نہیں ہے۔

پچھلے چھ سالوں کا اہم مالیاتی ڈیٹا (غیر متزلزل) مندرجہ ذیل ہے:

	(Rs.000)					
	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
TURNOVER	9,640	5,515	8,888	7,563	7,612	7,031
NET PROFIT	(11,559)	(15,759)	(17,479)	(18,050)	(22,599)	(24,714)
SHAREHOLDERS FUND	(199,591)	188,032	172,273	154,794	193,858	171,258
EARNING PER SHARE	(0.77)	(1.05)	(1.17)	(1.21)	(1.51)	(1.65)

داخلی مالیاتی کنٹرولوں کی قابلیت

ڈائریکٹرز کارپوریٹ گورننس کے اعلیٰ ترین معیار کی تعمیل کی تصدیق کرتے ہیں اور یہ کہ اندرونی کنٹرول ڈیزائن کے مطابق ہیں اور ان پر موثر انداز میں عمل درآمد اور نگرانی کی گئی ہے۔

تجارتی اور مالیاتی رپورٹنگ کے ڈھانچے کے متعلق بیانات

- کمپنی کے تیار کردہ مالیاتی گوشواروں سے کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور سرمائے میں ہونے والی تبدیلیاں شفاف طور پر واضح ہیں۔
- کمپنی کے اکاؤنٹ کے باقاعدہ کھاتہ جات تیار کیے گئے ہیں۔
- مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی درست پالیسیوں کو مسلسل طور پر اختیار کیا گیا ہے جبکہ اکاؤنٹنگ کے تخمینے مناسب اور عملی تجزیوں کی بنیاد پر لگائے گئے ہیں۔
- مالیاتی گوشواروں کی تیاری کے دوران، پاکستان میں رائج اکاؤنٹنگ کے بین الاقوامی معیارات کو ملحوظ خاطر رکھا گیا ہے اور ان سے استثنیٰ کی باقاعدہ وجوہ دی گئی ہیں۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مضبوط ہے اور اسے موثر انداز میں نافذ اور مانیتئر کیا گیا ہے۔
- جیسا کہ اکاؤنٹ نوٹس کے نوٹ نمبر 1 میں مکمل وضاحت کے ساتھ بتایا گیا ہے، کمپنی کے فعال اور نفع بخش ادارے کے طور پر جاری رکھے جانے کی صلاحیت میں کسی قسم کے شکوک و شبہات نہیں ہیں۔
- لسٹنگ کے قوانین میں صراحت کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کسی قسم کا واضح انحراف نہیں کیا گیا۔
- گذشتہ 6 سالوں کے دوران آپریٹنگ اور مالیاتی امور کے متعلق ڈیٹا کا خلاصہ صفحہ 23 پر دیا گیا ہے۔

بورڈ کی تشکیل

1. مندرجہ ذیل مطابق ڈائریکٹرز کی تعداد 7 ہیں:

ایک مرد: 6

ب. خواتین: 1

2. بورڈ کی تشکیل مندرجہ ذیل ہے:

نام	قسم
مسعود پرویز	آزاد ڈائریکٹر
محمد اقبال	
عدنان شفیع	دیگر غیر ایگزیکٹو ڈائریکٹر
سائرہ شفیع	
محمد شفیع	
عارف شفیع	ایگزیکٹو ڈائریکٹر
عدیل شفیع	

بورڈ کے اجلاس

سال کے دوران چار بورڈ کے اجلاس منعقد کئے گئے تھے اور متعلقہ ڈائریکٹرز کی حاضری بورڈ پر ان کی مدت کے دوران مندرجہ ذیل تھے:

ڈائریکٹر کا نام	بورڈ میٹنگز کی تعداد	بورڈ کے اجلاس میں شرکت	آڈٹ کمیٹی کے اجلاس میں شرکت	ایچ آر کمیٹی کے اجلاسوں میں شرکت ہوئی ہوئے
جناب عدنان شفیع	4	4	-	-
جناب عارف شفیع	4	4	-	-
جناب محمد اقبال	4	4	4	1
موثر ما سائرہ شفیع	4	4	-	-
جناب محمد شفیع	4	4	4	1
ڈاکٹر مسعود پرویز	4	4	4	1
جناب عدیل شفیع	4	4	-	-
آڈٹ کمیٹی				

کارپوریٹ گورننس کے ضابطہ عمل کے مطابق کمپنی نے مندرجہ ذیل اراکین پر مشتمل ایک آڈٹ کمیٹی تشکیل دی ہے:

ڈاکٹر مسعود پرویز	چیئرمین
جناب محمد اقبال	رکن
جناب محمد شفیع	رکن

ہیومن ریسورسز اور تنخواہوں/معاوضوں کے امور کی کمیٹی

کارپوریٹ گورننس کے ضابطہ عمل کے مطابق کمپنی نے ہیومن ریسورسز اور تنخواہوں کے امور کے متعلق مندرجہ ذیل اراکین پر مشتمل ایک کمیٹی تشکیل دی ہے:

ڈاکٹر مسعود پرویز	چیئرمین
جناب محمد اقبال	رکن
جناب محمد شفیع	رکن

ڈائریکٹر معاوضہ

چیف ایگزیکٹو کو وقت کے وقت کمپنی کے قواعد و ضوابط کے مطابق کمپنی کار، ٹیلی فون، طبی اور دیگر فوائد کے مفت استعمال کے ساتھ 15 لاکھ روپیہ کی مجموعی تنخواہ حاصل کرنے کی اجازت ہے۔ کمپنی کے قوانین کے مطابق وقت کے وقت کے مطابق کمپنی کے کار، ٹیلی فون، طبی اور دیگر فوائد کے ساتھ ساتھ دو مکمل وقت کے کام کرنے والے ڈائریکٹروں کو 15 لاکھ روپے کا مجموعی تنخواہ حاصل کرنے کی اجازت ہے۔

ڈائریکٹر تربیت

سات ڈائریکٹرز میں سے، 1 ڈائریکٹر کو بورڈ آف لسٹڈ کمپنیوں کے ڈائریکٹر کی حیثیت سے اپنے تجربے کی بنیاد پر کارپوریٹ گورننس لیڈرشپ اسکلز (سی جی ایل ایس) کی تربیت سے مستثنیٰ قرار دیا گیا ہے۔ ڈائریکٹرز ٹریننگ پروگرام میں کل 5 ڈائریکٹرز کی سند ہے۔

10. شیئر ہولڈنگ کا پیٹرن اور شیئر ہولڈنگ کے پیٹرن کے متعلق اضافی معلومات صفحات نمبر 53 تا 56 پر دی گئی ہیں۔
11. اس سال کے دوران کمپنی کے شیئرز میں ڈائریکٹر، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات و چھوٹے بچوں کی جانب سے کسی قسم کی خرید و فروخت نہیں کی گئی۔

بورڈ آف ڈائریکٹرز کی جانب سے

اسلام آباد: 17 ستمبر 2021



محمد شفیع - ڈائریکٹر



عارف شفیع - چیف ایگزیکٹو

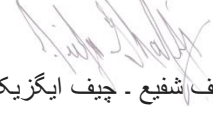
منتقلی کی قیمت کے بہترین طریقے پر عمل کے متعلق بیان

کمپنی نے پاکستان سٹاک ایکسچینجز کے لسٹنگ قوانین میں منتقلی کی قیمت کے متعلق صراحت کردہ بہترین طریقوں پر مکمل طور پر عمل کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے



محمد شفیع - ڈائریکٹر



عارف شفیع - چیف ایگزیکٹو

مورخہ 18 ستمبر 2020

Six Years at a Glance

(Rs.000)

	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
TURNOVER	9,640	5,515	8,888	7,563	7,612	7,031
GROSS PROFIT	(14,796)	(16,038)	(16,079)	(16,107)	(16,573)	(16,814)
NET PROFIT	(11,559)	(15,759)	(17,479)	(18,050)	(22,599)	(24,714)
TAXATION	4,582	3,901	3,258	2,767	2,030	1,246
SHARE CAPITAL FUND	149,580	149,580	149,580	149,580	149,580	149,580
SHAREHOLDERS FUND	199,591	188,032	172,273	154,794	193,858	171,258
GROSS PROFIT %	(153)	(291)	(181)	(213)	(218)	(239)
NET PROFIT %	(120)	(286)	(197)	(239)	(297)	(352)
TAXATION %	48	71	37	37	27	18
EARNING PER SHARE	(0.77)	(1)	(1.17)	(1.21)	(1.51)	(1.65)
DIVIDEND %	-	-	-	-	-	-
BONUS %	-	-	-	-	-	-

FINANCIAL PROFORMANCE OF PAKISTAN PVC LIMITD

Year	2021	2020
Earnings per Share	(0.77)	(1.05)
P/E Ratio	(7.25)	(2.16)
Break Up Value (Including Revaluation Surplus)	(13.34)	(12.57)
Break Up Value (Excluding Revaluation Surplus)	(23.99)	(23.54)
Dividend Payout Ratio	-	-

Statement of Compliance

with the Code of Corporate Governance for the year ended June 30, 2021.

Pakistan PVC Limited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner.

1. The total number of directors are 7 as per the following:

a. Male: 6

b. Female: 1

2. The composition of board is as follows:

Category	Name
Independent Directors	Masood Parvaiz
	Mohammad Iqbal
Other Non-executive Director	Adnan Shaffi-Chairman
	Mohammad Shaffi
	Saira Shaffi
Executive Directors	Arif Shaffi-CEO
	Adeel Shaffi

3. 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).

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board remained fully compliant with the provision with regard to their directors' training program. Out of total of seven directors, one directors is exempt from training program and five has completed training during the year 2014 and 2019.

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

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

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

a) Audit Committee (Name of members and Chairman)

Dr. Masood Parvaiz	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

b) HR and Remuneration Committee (Name of members and Chairman)

Dr. Masood Parvaiz	Chairman
Mr. Mohammad Iqbal	Member
Mr. Mohammad Shaffi	Member

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

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

a) Audit Committee: Quarterly

b) HR and Remuneration Committee: Yearly

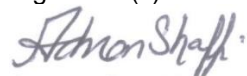
15. The board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.

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

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

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

Signature (s)



(Adnan Shaffi)

Chairman

September 17, 2021

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

Head Office: 407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 021-32638521-4
Email Address: audit.khi@mushtaqandco.com; info@mushtaqandco.com



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Independent Auditor's Review Report

To the members of Pakistan PVC Limited on the Statement of Compliance with the Code of Corporate Governance

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 Pakistan PVC Limited for the year ended June 30, 2021 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

Place: Karachi
Dated: **17 SEP 2021**



MUSHTAQ & CO
Chartered Accountants
Engagement Partner:
Zahid Hussain Zahid, FCA

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

Head Office: 407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 021-32638521-4
Email Address: audit.khi@mushtaqandco.com; info@mushtaqandco.com



Independent auditor's report to the members of Pakistan PVC Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of **Pakistan PVC Limited ("the Company")**, which comprise the statement of financial position as at June 30, 2021 and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matters described in Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

- (a) The Company ceased the production at Ghara Plant since 1995. The production at Islamabad Plant continues. As stated in the note 2.2 to the financial statements, the company had incurred a loss for the year ended June 30, 2021 of Rupees 11.558 million (June 30, 2020: Rupees 15 759 million) and as of that date, reported accumulated loss of Rs. 508.459 million as at June 30, 2021 (June 30, 2020 : Rs. 501.636 million) against the issued, subscribed and paid up capital of Rs. 149.580 million (June 30, 2020 : Rs. 149.580 million) turning shareholders' equity to a negative balance of Rs. 199.590 million (June 30, 2020 : Rs. 188.031 million). The current liabilities exceeds the current assets by Rs. 369.291 million (June 30, 2020: Rs. 362.980 million). Further the company has not been able to obtain enough finance to revive its operations. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern. The management has not prepared cash flow projections and future plan to revive the operation of Ghara plant closed since 1995.
- (b) No confirmation/bank statement was received to verify the correctness of balance of long term loan payable to Privatization Commission of Pakistan, reflected under current portion of long term loans, in note 8 of these financial statements, amounting to Rs. 32,991,000 and UBL cash finance amounting to Rs. 15,000,000 reflected under short term borrowings, in note 11.1 of the financial statements and markup accrued thereon amounting to Rs. 103,024,113 and Rs. 103,353,868 respectively
- (c) No confirmation was received to verify the amount included in trade and other payables in respect of liability towards Privatization Commission, Finance Division, amounted to Rs. 10,000,000, in note 9.3 of these financial statements
- (d) We do not concur with the accounting treatment of leasehold land referred in note 14.5 of these financial statements being violation of the requirements of International Accounting Standards (IAS 40) "Investment Property"
- (e) As more fully explained in note 13.2 of these financial statements, the impact on the financial statements of the disputed CDA plot of land at Islamabad is not determinable.

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

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Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion, except for the effects of matters stated above:

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

The engagement partner on the audit resulting in this independent auditor's report is Zahid Hussain Zahid, FCA.


MUSHTAQ & CO
Chartered Accountants


Karachi.
Dated: 17 SEP 2021

PAKISTAN PVC LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

		2021	2020			2021	2020
	Note	-----Rupees-----			Note	-----Rupees-----	
SHARE CAPITAL AND RESERVES				NON CURRENT ASSETS			
Authorized capital 15,000,000 (June 30, 2020 : 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000	Property, plant and equipment	14	169,254,773	174,805,405
Issued, subscribed and paid up capital	6	149,580,000	149,580,000	Long term investments	15	446,530	142,500
Accumulated loss		(508,459,920)	(501,636,103)				
Surplus on revaluation of fixed assets	7	159,289,353	164,024,343				
		(199,590,567)	(188,031,761)				
NON CURRENT LIABILITIES				CURRENT ASSETS			
Long term financing	8	-	-	Stock in trade	16	849,003	730,572
CURRENT LIABILITIES				Trade debts	17	1,757,804	748,914
Trade and other payables	9	89,994,247	90,462,886	Loans and advances	18	336,286	146,499
Unclaimed Dividend		45,980	45,980	Trade deposits	19	100,000	100,000
Accrued interest / markup	10	206,377,982	199,139,004	Other receivables	20	183,900	692,557
Short term borrowings	11	42,257,783	41,122,646	Tax refunds due from Government	21	3,554,936	2,232,224
Current portion of long term financing	8	32,991,000	32,991,000	Cash and bank balances	22	175,035	32,337
Provision for taxation - net	12	4,581,842	3,901,251			6,956,964	4,683,102
		376,248,834	367,662,767			176,658,267	179,631,007
CONTINGENCIES AND COMMITMENTS	13	176,658,267	179,631,007				

The annexed notes from 1 to 39 form an integral part of these financial statements.


Arif Shaffi
CHIEF EXECUTIVE


Mohammad Shaffi
DIRECTOR


Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
	Note	-----Rupees-----	
Sales	23	9,639,669	5,514,801
Cost of sales	24	(24,435,783)	(21,552,890)
Gross loss		(14,796,114)	(16,038,089)
Other income	25	23,442,955	20,559,866
Distribution cost	26	(3,577,217)	(3,727,592)
Administrative expenses	27	(4,803,186)	(5,403,373)
Finance costs	28	(7,243,403)	(7,248,628)
Loss before taxation		(6,976,965)	(11,857,816)
Taxation	29	(4,581,842)	(3,901,251)
Loss for the year		(11,558,807)	(15,759,067)
Loss per share - basic and diluted	30	(0.77)	(1.05)

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
Note	-----Rupees-----	
Loss for the year	(11,558,807)	(15,759,067)
Items that will not be subsequently reclassified to statement of profit or loss		
Gain on revaluation of land and buildings	-	-
Impact of deferred tax	-	-
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	(11,558,807)	(15,759,067)

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(6,976,965)	(11,857,816)
<i>Adjustments for :</i>		
Depreciation	5,550,631	6,183,780
Accrued Interest	(37,844)	(20,000)
Credit balances charged to other income	-	-
Debit balances written off	-	-
Finance cost	7,243,403	7,248,628
Staff retirement benefits - gratuity	-	-
Rental income	(23,405,111)	(20,539,866)
Operating cash flows before changes in working capital	(17,625,885)	(18,985,274)
(Increase) / decrease in current assets		
Stock in trade	(118,431)	54,628
Trade debts	(1,008,890)	296,398
Loans and advances	(189,788)	976,525
Tax refunds due from Government	(101,597)	(65,306)
Increase/ (decrease) in current liabilities		
Trade and other payables	(634,068)	(190,516)
	(2,052,773)	1,071,729
Net cash used in operation	(19,678,658)	(17,913,545)
Income tax paid	(5,122,366)	(3,537,839)
Finance cost paid	(4,426)	(9,650)
Gratuity Paid	-	-
	(5,126,792)	(3,547,489)
Net cash used in operating activities	(24,805,450)	(21,461,035)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the maturity of national defence saving certificate	163,814	-
Investment in term deposit certificates	(430,000)	-
Property, plant and equipment acquired	-	-
Rent received	24,079,195	20,633,877
Net cash generated from investing activities	23,813,009	20,633,877
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	1,135,137	800,985
Net cash generated from /(used) in financing activities	1,135,137	800,985
Net (decrease) / increase in cash and cash equivalents	142,697	(26,173)
Cash and cash equivalent at the beginning of the year	32,337	58,510
Cash and cash equivalent at the end of the year	175,034	32,337

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid up capital	Revenue Reserve	Capital Reserve	Total
		Accumulated loss	Revaluation Surplus	
-----Rupees-----				
Balance as at July 1, 2019	149,580,000	(491,138,135)	169,285,442	(172,272,693)
Transfer from surplus on revaluation on account of incremental depreciation	-	5,261,099	(5,261,099)	-
Total comprehensive loss for the year ended June 30, 2020				
Loss for the year ended June 30, 2020	-	(15,759,067)	-	(15,759,067)
Other comprehensive income / (loss) for the year ended June 30, 2020	-	-	-	-
Balance as at July 1, 2020	149,580,000	(501,636,103)	164,024,343	(188,031,761)
Transfer from surplus on revaluation on account of incremental depreciation	-	4,734,989	(4,734,989)	-
Total comprehensive loss for the year ended June 30, 2021				
Loss for the year ended June 30, 2021	-	(11,558,807)	-	(11,558,807)
Other comprehensive income / (loss) for the year ended June 30, 2021	-	-	-	-
Balance as at June 30, 2021	149,580,000	(508,459,920)	159,289,353	(199,590,567)

The annexed notes from 1 to 39 form an integral part of these financial statements.



Arif Shaffi
CHIEF EXECUTIVE



Mohammad Shaffi
DIRECTOR



Asif Shaffi
CHIEF FINANCIAL OFFICER

PAKISTAN PVC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1 LEGAL STATUS AND OPERATIONS

Pakistan PVC Limited (the company) is incorporated in Pakistan and is listed on the Pakistan Stock Exchange Limited.

The company is engaged in production and sale of PVC resin, PVC pipes and fittings, PVC compound and caustic soda and to Lease (Land, Building and Other Infrastructure). The company has ceased the production at Gharo since 1995. The production in plant continues at Plot No. 1-4 & 31-A Sector I-9, Industrial Area, Islamabad. The company has installed a water purification plant to process and sell mineral water in 2011 at Sector I-9, Industrial Area, Islamabad.

1.1 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the company's functional and presentation currency and figures are rounded off to the nearest rupee.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS) issued by the international Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and Provision of and directives issued under the Companies Act, 2017. Where provision of and directives issued under the Companies Act, 2017 differ from the IFRS, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 Going Concern Assumption

The company had incurred a loss for the year ended June 30, 2021 of Rupees 11.558 million (June 30, 2020: Rupees 15.759 million) and as of that date, reported accumulated loss of Rs. 508.459 million as at June 30, 2021 (June 30, 2020 : Rs. 501.636 million) against the issued, subscribed and paid up capital of Rs. 149.580 million (June 30, 2020 : Rs. 149.580 million) turning shareholders' equity to a negative balance of Rs. 199.590 million (June 30, 2020 : Rs. 188.031 million). The current liabilities exceeds the current assets by Rs. 369.292 million (June 30, 2020 : Rs. 362.980 million). Further the company has not been able to obtain enough finance to revive its operations. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as a going concern.

2.3 As in the rest of the world, COVID-19 adversely affected lifestyles and business operations in Pakistan. The Company complied with the Standard Operating Procedures (SOPs) prescribed by Federal and Provincial Governments. Sales and production activities were affected during lockdowns, however, the factory reopened after necessary permissions to produce orders for sale. The Company remained up to date in all its financial commitments. The Management believes that the going concern assumption of the Company remains valid.

2.4 Basis Of Measurement

These financial statements have been prepared on the historical cost convention. In these financial statements, except for cash flow statements, all transactions have been accounted for on accrual basis.

3 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect application of policies reported amount of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience, industry trends, legal and technical pronouncements and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised. Significant areas involving higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

3.1 Provision for taxation

The company takes into account the current income tax law and decisions taken by the appellate authorities. Instances where the company's view differs from the view taken by the income tax department at the assessment stage and where the company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

3.2	Financial instruments		
	The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on market conditions existing at balance sheet date.		
3.3	Property, plant and equipment		
	The company reviews recoverable amount, useful life , residual value and possible impairment on an annual basis. Any changes, if material in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.		
3.4	Other areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows.		
	□	Provision for doubtful debts	
	□	Estimation of net realizable value	
	□	Computation of deferred taxation	
	□	Disclosure of contingencies	
4	NEW AND AMENDED STANDARDS AND INTERPRETATIONS		
4.1	Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:		
			Effective date (annual reporting periods beginning on or after
	IAS 1	Presentation of financial statements (Amendments)	January 1, 2023
	IAS 8	Accounting policies, changes in accounting estimates and errors (Amendments)	January 1, 2023
	IAS 12	Income Taxes (Amendments)	January 1, 2023
	IAS 16	Property, Plant and Equipment (Amendments)	January 1, 2022
	IAS 37	Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
	IFRS 3	Business Combinations (Amendments)	January 1, 2022
	IFRS 7	Financial Instruments : Disclosures (Amendments)	January 1, 2021
	IFRS 9	Financial Instruments (Amendments)	January 1, 2021
	IFRS 16	Leases (Amendments)	January 1, 2021
	The management anticipates that adoption of above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.		
4.2	Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:		
	IFRS 1	First-time Adoption of International Financial Reporting	
	IFRS 17	Insurance contracts	
4.3	The following interpretation issued by the IASB has been waived off by SECP:		
	IFRIC 12	Service concession arrangements	
4.4	As per Securities and Exchange Commission of Pakistan (SECP) SRO 985 (1)/ 2019, dated September 2, 2019, for companies holding financial assets due from Government of Pakistan, the requirements contained in IFRS 9 with respect to expected credit losses method shall not be applicable till June 30, 2021, provided that such companies shall follow relevant requirements of IAS 39 - Financial Instruments: Recognition and Measurement, in respect of above referred financial assets during the exemption period. The Company has assessed that the above SRO does not have any significant impact on its financial statements.		
5	SIGNIFICANT ACCOUNTING POLICIES		
	The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.		

5.1	Property, plant and equipment
	Property, plant and equipment except freehold land are stated at cost / revalued amount less accumulated depreciation and impairment in value, if any. Freehold land is stated at cost / revalued amount less any identified impairment loss, if any.
	Depreciation on all items of property, plant and equipment except for freehold land is charged to income applying the reducing balance method so as to write off historical cost / revalued amount of an asset over its estimated useful life at the rates as disclosed in property, plant and equipment note . The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.
	Subsequent costs are included in the asset's carrying amount or as a separate asset, as appropriated, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other costs are charged to income during the period in which they are incurred.
	An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets, if any, are recognized as and when incurred.
	Surplus arising on revaluation of an item of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment, except to the extent that it reverses deficit on revaluation of the same assets previously recognized in profit or loss, in which case the surplus is credited to profit or loss to the extent of deficit previously charged to income. Deficit on revaluation of an item of property, plant and equipment is charged to profit or loss to the extent that it exceeds the balance, if any held in surplus on revaluation of property, plant and equipment relating to previous revaluation of that item. On subsequent sale or retirement of revalued item of property, plant and equipment the attributable surplus remaining in the surplus on revaluation of property, plant and equipment is transferred directly to unappropriated profit. The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related assets is transferred to unappropriated profit.
5.2	Intangible assets
	An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.
5.3	Impairment
	At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is the greater of net selling price and value in use.
	If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.
	Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.
5.4	Investments
	The investments made by the company are classified for the purpose of measurement into the following category.
	At amortized cost
	Investments with fixed maturity that the management has the intention and ability to hold onto until maturity are initially measured at cost and at subsequent reporting dates measured at amortized cost using the effective yield method.
5.5	Stores and spares
	These are valued at lower of cost or net realizable value. Cost is determined on weighted average basis except items in transit, which are valued at cost accumulated to balance sheet date. Provision is made in the financial statements for obsolete and slow moving store spares based on the management best estimate.
5.6	Stock in trade
	Stock in trade have been valued at lower of cost and net realizable value (NRV) except waste, which is valued at net realizable value. Cost is determined as follows:
	Raw material
	Work in process and finished goods
	Stock in transit
	Scrap and Crush of pipes
	- At weighted average cost
	- Cost of material and proportionate manufacturing overheads
	- At cost accumulated to the balance sheet date
	- Net realizable value
	Provision is made in the financial statements for obsolete and slow moving stocks based on the management's best estimates.

5.16 Taxation						
Current						
Provision for current taxation is based on taxability of certain income streams of the company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credit and tax rebates available, if any. The charge for current tax includes any adjustment to past years liabilities.						
Deferred						
Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.						
Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.						
The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. During the year a deferred tax assets for the carry forward of unused tax losses that shall not be recognized because it is not probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.						
Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.						
5.17 Trade and other payable						
Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Company.						
5.18 Provisions						
A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.						
5.19 Foreign currencies						
Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange prevailing at the balance sheet date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupee at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.						
5.20 Related parties						
Transaction with related parties are priced on an arms length basis determined in accordance with comparable uncontrolled price method.						
6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL						
2021		2020		2021		2020
Number of shares				-----Rupees-----		
2,603,335	2,603,335	Ordinary shares of Rs. 10/- each fully paid in cash	26,033,350	26,033,350		
2,396,665	2,396,665	Ordinary shares of Rs. 10/= each fully paid for consideration of amounts outstanding against secured loans	23,966,650	23,966,650		
180	180	Right shares issued of Rs. 10 each for cash in ratio of 2 for 1 share	1,800	1,800		
9,971,820	9,971,820	Right shares issued to underwriters	99,718,200	99,718,200		
14,972,000	14,972,000		149,720,000	149,720,000		
(14,000)	(14,000)	Less: Unpaid amount in respect of shares allotted to Federal Chemical and Ceramics Corporation (Pvt) Limited.	(140,000)	(140,000)		
14,958,000	14,958,000		149,580,000	149,580,000		

6.1	The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction. There is no movement in share capital during the year.					Note	2021	2020
7	SURPLUS ON REVALUATION OF FIXED ASSETS						-----Rupees-----	
	Surplus on revaluation of property, plant and equipment - gross					7.1	159,289,353	164,024,343
							159,289,353	164,024,343
7.1	Surplus on revaluation of property, plant and equipment - gross							
	Surplus on revaluation of property, plant and equipment at the beginning of the year						164,024,343	169,285,442
	Arised during the year						-	-
	Transfer to unappropriated profit in respect of incremental depreciation on revalued assets						(4,734,989)	(5,261,099)
							159,289,353	164,024,343
8	LONG TERM FINANCING							
	Secured							
	Government loan					8.1	32,991,000	32,991,000
	Less : Current portion shown under current liabilities						(32,991,000)	(32,991,000)
							-	-
8.1	The loan was repayable in four half-yearly installments commenced one year after the date of disbursement to the company (i.e. June 17, 1992) and subject to an interest @ 11% (SBP rate prevailed at the time of agreement) as agreed with the management. It is secured against bank guarantee provided by the directors which is secured against personal marketable securities of directors. The entire amount of the loan stands outstanding, overdue and payable to Privatization Commission of Pakistan.							
						Note	2021	2020
9	TRADE AND OTHER PAYABLES						-----Rupees-----	
	Creditors						3,962,839	3,860,700
	Accrued liabilities					9.1	75,045,198	75,634,826
	Advances from customers						-	376,578
	Advance Rent						184,510	19,081
	Interest free demand deposits (Security Deposits against rent)					9.2	801,700	571,700
	Privatization commission, finance division					9.3	10,000,000	10,000,000
							89,994,247	90,462,886
9.1	It includes amount payable to directors and associates amounting to Rs 32,902,281. (June 30, 2020: Rs.31,716,464.) against the salaries payable and other expenses.							
9.2	This interest free demand deposit is not kept into separate bank account.							
9.3	It represents unsecured, interest free advance received from Privatization Commission Financial Division, Islamabad in October 1992 for payment to workers on account of golden hand shake.							
						Note	2021	2020
10	ACCRUED INTEREST / MARKUP						-----Rupees-----	
	Interest / markup on:							
	Short term borrowings-UBL						103,353,868	99,743,901
	Long term financing						103,024,113	99,395,103
							206,377,982	199,139,004
11	SHORT TERM BORROWINGS							
	From banking companies - secured							
	Cash finance					11.1	15,000,000	15,000,000
	From related parties and directors - unsecured							
	Related parties					11.2	22,633,509	22,647,509
	Directors					11.3	4,056,631	3,308,941
	Book over draft - unsecured					11.4	567,643	166,196
							42,257,783	41,122,646

14 Property, plant and equipment

	2021	2020
	-----Rupees-----	

Note

Operating assets
Non operating assets

14.1	67,128,195	68,598,629
14.2	102,126,578	106,206,776
	169,254,773	174,805,405

14.1 Operating assets

	Owned														Total
	Land Leasehold	Factory building	Plant and machinery	Electric installation	Loose tools and implements	Air conditioners, coolers and fans	Fire fighting equipment	Weighing scales	Furniture and fixtures	Office computers	Office equipments	Canteen equipments	Motor vehicles	Other assets	
Cost															
Balance as at July 01, 2019	54,444,440	8,254,000	8,425,340	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,841,082	116,983	82,283,573
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2020	54,444,440	8,254,000	8,425,340	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,841,082	116,983	82,283,573
Balance as at July 01, 2020	54,444,440	8,254,000	8,425,340	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,841,082	116,983	82,283,573
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2021	54,444,440	8,254,000	8,425,340	2,592,503	1,583,074	1,244,898	119,860	347,476	840,521	500,000	1,947,979	25,416	1,841,082	116,983	82,283,573
Depreciation															
Balance as at July 01, 2019	-	825,400	842,534	2,532,136	1,582,705	1,206,555	118,758	339,770	807,900	448,529	1,899,855	25,387	1,289,786	115,402	12,034,717
Charge for the year	-	742,860	758,281	6,037	74	5,751	110	771	3,262	15,441	7,219	4	110,259	158	1,650,227
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2020	-	1,568,260	1,600,815	2,538,173	1,582,779	1,212,306	118,868	340,540	811,162	463,970	1,907,074	25,391	1,400,046	115,560	13,684,944
Balance as at July 01, 2020	-	1,568,260	1,600,815	2,538,173	1,582,779	1,212,306	118,868	340,540	811,162	463,970	1,907,074	25,391	1,400,046	115,560	13,684,944
Charge for the year	-	668,574	682,453	5,433	59	4,889	99	694	2,936	10,809	6,136	4	88,207	142	1,470,434
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2021	-	2,236,834	2,283,267	2,543,606	1,582,838	1,217,195	118,967	341,234	814,098	474,779	1,913,209	25,395	1,488,253	115,703	15,155,378
Written down value as at June 30, 2020	54,444,440	6,685,740	6,824,525	54,331	296	32,592	992	6,936	29,359	36,030	40,905	25	441,036	1,423	68,598,629
Written down value as at June 30, 2021	54,444,440	6,017,166	6,142,073	48,898	236	27,703	893	6,242	26,423	25,221	34,770	21	352,829	1,280	67,128,195
Rate of depreciation	-	10%	10%	10%	20%	15%	10%	10%	10%	30%	15%	15%	20%	10%	

14.2 Non operating assets

	Owned											Total
	Land leasehold	Factory building	Plant and machinery	LOOSE TOOLS and implements	Air conditioners, coolers and fans	Fire fighting equipment	Weighing scales	Furniture and fixtures	Office computers	Office equipments	Canteen equipments	

Cost
Balance as at July 01, 2019 56,536,353 8,868,447 15,812,810 34,560,000 - - - - - - - - 115,777,610

Additions during the year - - - - - - - - - - - - -

Surplus - - - - - - - - - - - - -

Adjustment - - - - - - - - - - - - -

Disposals - - - - - - - - - - - - -

Balance as at June 30, 2020 56,536,353 8,868,447 15,812,810 34,560,000 - - - - - - - 115,777,610

Balance as at July 01, 2020 56,536,353 8,868,447 15,812,810 34,560,000 - - - - - - - 115,777,610

Additions during the year - - - - - - - - - - - - -

Surplus - - - - - - - - - - - - -

Adjustment - - - - - - - - - - - - -

Disposals - - - - - - - - - - - - -

Balance as at June 30, 2021 56,536,353 8,868,447 15,812,810 34,560,000 - - - - - - - 115,777,610

Depreciation

Balance as at July 01, 2019 - - 1,381,281 3,456,000 - - - - - - - 5,037,281

Charge for the year - - 1,423,153 3,110,400 - - - - - - - 4,533,553

Depreciation on disposals - - - - - - - - - - - - -

Balance as at June 30, 2020 - - 3,004,434 6,566,400 - - - - - - - 9,570,834

Balance as at July 01, 2020 - - 3,004,434 6,566,400 - - - - - - - 9,570,834

Charge for the year - - 1,380,838 2,799,360 - - - - - - - 4,080,198

Depreciation on disposals - - - - - - - - - - - - -

Balance as at June 30, 2021 - - 4,285,272 9,365,760 - - - - - - - 13,651,032

Written down value as at June 30, 2019 56,536,353 8,868,447 12,808,376 27,993,600 - - - - - - 106,206,776

Written down value as at June 30, 2021 56,536,353 8,868,447 11,527,538 25,194,240 - - - - - - 102,126,578

Rate of depreciation

14.3 The company has ceased the production at Ghara since 1995. The above represent assets transferred from property, plant and equipment - operating to property, plant and equipment - non operating from July 1, 2003.

14.4 Depreciation has been allocated as under

Note	2021		2020	
	-----Rupees-----		-----Rupees-----	
Cost of good manufactured	24.1	5,453,412	6,063,046	
Administrative expenses	27	3,176	3,727	
Distribution cost	26	94,044	117,007	
		5,550,631	6,183,780	

14.5 Lease hold land is classified as owner occupied property till disposal of the case referred to in note 13.2 to these financial statements.

14.6 The company had its land freehold / leasehold, buildings on freehold land and plant and machinery revalued. Revaluation of the assets was carried out by the independent valuers " M/S W.V Engineering service (Pvt.) Limited " on June 30, 2018. The value is assessed on the basis of professional knowledge, present market conditions and available records. Freehold / leasehold land, building on freehold land, and plant and machinery was revalued at market value. The company has incorporated a revaluation surplus of Rs. 57,14,273 on revaluation of above assets on the basis of said valuation report. Accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

14.7 Had there been no revaluation, the carrying amount of the specific class of assets would have been as follows.

	Operating assets		Non operating assets	
	2021	2020	2021	2020
Freehold land	-	-	452,777	452,777
Leasehold land	2,683,055	2,683,055	38,957	38,957
Factory building	55,101	61,223	208,090	256,902
Plant and machinery	2,420,019	2,686,910	3,582,904	4,423,338
	5,158,175	5,433,188	4,282,729	5,171,974

14.8 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location	Usage of immovable property	Total Area (in acres)		Total Area (in sq ft.)	
		2021	2020	2021	2020
(a) Shafiqabad, Ghara, District Thatta.	Production facility	68.13		329,749.20	
(b) Plot No. 1-4 & 31-A Sector 1-9, Industrial Area, Islamabad.	Production facility	5.62		27,222.22	

14.9 Forced sale value of immovable property of the company as per revaluation report is as follows:

	Operating Assets		Non Operating Assets	
	2021	2020	2021	2020
Land	48,999,996	58,864,320		
Building	7,015,900	13,440,889		
Machinery	6,292,000	27,648,000		

		Note	2021	2020
15 LONG TERM INVESTMENTS			-----Rupees-----	
Held to maturity				
Government Securities	15.1	-	142,500	
Term Deposits account	15.2	446,530	-	
		446,530	142,500	
15.1 Government Securities				
National defense saving certificates	15.1.1	50,000	50,000	
Add: Profit accrued to date		113,814	92,500	
		163,814	142,500	
Less: Maturity of national defense saving certificate		(163,814)	-	
		-	142,500	
15.1	Investments were made in the Standard Insurance company limited. This company has been de-listed and the fair value is not available. During the year the Investments have been written off against the provisions outstanding against these investments, as the management believes that there will be no inflow of future economic benefits from the said investment.			
15.2	Investments were made in the Omer Sons Foods limited. This company has gone into liquidation. The management does not believe that any amount of the original investment made in the company will be recovered. During the year Investments have been written off against the provisions outstanding against these investments.			
15.1.1	National defense saving certificate of Rs. 50,000 have been purchased from the Government of Pakistan under 10 years maturity scheme. The certificates are en-cashable at par at any time. However, no profit is payable if encashment is made before completion of one year. The average compound rate of return on maturity presently works to 12.3 % per annum. Profit accrued represents the profit on National defense saving certificates from November 2010 till June 2021.			
15.2 Term Deposits account				
Term deposit account		-	-	
Add: Investment in term deposit	15.1.2	430,000	-	
Add: Profit accrued to date		16,530	-	
		446,530	-	
Less: Maturity of term deposit		-	-	
		446,530	-	
15.1.2	During the year, Funds were invested of Rs. 200,000 and 230,000 in Habib Bank Limited's Advantage Account also termed as Term Deposit Account for a period of 10 years and 5 years with expected rate of profit/interest of 11.7% and 8.13% per annum respectively. In case of premature encashment applicable profit for the holding period will be paid at the lower of the booking date PLS rate and the prevailing PLS rate on encashment date. Penalty will be charged as per "Opportunity loss " for the remaining days to maturity.Profit accrued represents the profit from date of deposit till June 30, 2021.			
		Note	2021	2020
16 STOCK IN TRADE			-----Rupees-----	
Raw and packing materials		71,872	47,804	
Work in process		91,073	21,487	
Finished goods		686,057	661,281	
		849,003	730,572	
17 TRADE DEBTS				
Local - unsecured considered good				
- Pipes and fittings sales		1,747,184	728,700	
- Water Sales		10,620	20,214	
		1,757,804	748,914	
17.1	Expected credit loss allowance has not been booked as these balance are in credit terms and not impaired.			

		Note	2021	2020
18	LOANS AND ADVANCES		-----Rupees-----	
	Advance to suppliers - considered good		336,286	146,499
			336,286	146,499
		Note	2021	2020
19	TRADE DEPOSITS		-----Rupees-----	
	Trade deposits		100,000	100,000
			100,000	100,000
20	OTHER RECEIVABLES			
	Rent receivables		183,900	692,557
			183,900	692,557
21	TAX REFUNDS DUE FROM GOVERNMENT	Note	2021	2020
			-----Rupees-----	
	Sales tax receivables		287,715	186,118
	Advance income tax	21.1	3,267,220	2,046,105
			3,554,936	2,232,224
	21.1 Advance income tax			
	Opening balance		2,046,105	1,903,677
	Deducted during the year		3,238,418	2,016,441
			5,284,523	3,920,118
	Adjusted against liability		(2,017,303)	(1,874,013)
			3,267,220	2,046,105
22	CASH AND BANK BALANCES			
	Cash in hand		10,000	10,000
	Cash at banks - current accounts		165,035	22,337
			175,035	32,337
23	SALES			
	Local			
	PVC pipes and fittings		13,578,477	6,433,686
	Less: Sale Tax		(1,652,048)	(818,199)
	Less: Trade discounts and commission		(2,936,297)	(1,186,116)
			8,990,133	4,429,371
	Mineral water		1,032,590	1,498,746
	Less: Sale Tax		(150,034)	(217,770)
	Less: Trade discounts and commission		(233,020)	(195,546)
			649,536	1,085,430
	Total sales		9,639,669	5,514,801
			2021	2020
24	COST OF SALES	Note	-----Rupees-----	
	Opening stock - finished good		661,281	688,248
	Cost of goods manufactured	24.1	24,426,959	21,357,936
	Outside purchases		33,600	167,988
			25,121,840	22,214,172
	Closing stock- finished goods		(686,057)	(661,281)
			24,435,783	21,552,890

24.1	Cost of goods manufactured			
	Raw and packing material consumed	24.2	6,825,342	3,031,243
	Directors remuneration		750,000	750,000
	Salaries, wages and benefits		7,429,220	7,500,659
	Fuel and power		2,160,115	1,890,988
	Stores and spares consumed		88,860	117,060
	Repairs and maintenance		946,135	1,022,813
	Postage and telephone		8,266	86,932
	Printing and Stationery		850	-
	Rent, rates and taxes		396,911	300,411
	Traveling, conveyance and vehicles running		427,529	561,816
	Entertainment		9,905	30,976
	Depreciation	14.4	5,453,412	6,063,046
			24,496,545	21,355,944
	Work in process			
	Opening stock		21,487	23,478
	Closing stock		(91,073)	(21,487)
			(69,586)	1,992
	Cost of goods manufactured		24,426,959	21,357,936
			2021	2020
24.2	Raw and packing material consumed	Note	-----Rupees-----	
	Opening stock		47,804	73,474
	Purchases		6,849,411	3,005,572
	Available for consumption		6,897,214	3,079,047
	Closing stock		(71,872)	(47,804)
			6,825,342	3,031,243
25	OTHER INCOME			
	From financial assets			
	Profit on national defense saving certificates		21,314	20,000
	Profit on term deposit account		16,530	
	Advance from customers written back		-	-
	Creditors written back		-	-
	From other than financial assets			
	Rental income		23,405,111	20,539,866
			23,442,955	20,559,866
		Note	2021	2020
			-----Rupees-----	
26	DISTRIBUTION COST			
	Salaries, wages and benefits		736,992	717,072
	Rent, rates and taxes		112,208	220,398
	Vehicles running		837,470	724,405
	Traveling and conveyance		212,764	255,064
	Entertainment		68,847	67,404
	Postage and telephone		73,002	58,722
	Advertising		3,000	-
	Printing and stationery		59,830	73,467
	Transportation cost		107,060	43,458
	Membership and subscription		-	4,095
	Donation	26.1	1,272,000	1,446,500
	Depreciation	14.4	94,044	117,007
			3,577,217	3,727,592
26.1	Membership and subscription includes donation amounting 565,000 rupee.			
26.1	Donation of Rs.1,272,000 was given to The Indus Hospital. No Director has interest in any donee.			

Response	Percentage
Yes	85%
No	15%

31 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The company has exposures to the following risks from its use of financial instruments.

- 31.1 Credit risk
- 31.2 Liquidity risk
- 31.3 Market risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

31.1 Credit risk

Exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and short term prepayments and cash and bank balances. Out of total financial assets of Rs. 2.217 million (June 30, 2020 : Rs. 1.574 million), financial assets which are subject to credit risk aggregate to Rs. 2.042 million (June 30, 2020 : Rs. 1.541 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows.

	2021	2020
	-----Rupees-----	
Trade debts	1,757,804	748,914
Trade deposits	100,000	100,000
Other receivables	183,900	692,557
Cash and bank balances	175,035	32,337
	<u>2,216,739</u>	<u>1,573,808</u>

The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows.

	2021	2020
	-----Rupees-----	
Domestic	1,757,804	748,914

The aging of trade debtors at the balance sheet is as follows.

	Gross debtors	
	2021	2020
	-----Rupees-----	
Not past due	759,511	223,084
Past due 0 - 30 days	465,985	92,231
Past due 31 - 90 days	365,424	138,334
Past due 90 days - 1 year	166,884	295,265
More than one year	-	-
	<u>1,757,804</u>	<u>748,914</u>

31.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	2021					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Long term financing	32,991,000	32,991,000	32,991,000	-	-	-
Short term borrowings	42,257,783	42,257,783	42,257,783	-	-	-
Accrued interest / markup	206,377,982	206,377,982	206,377,982	-	-	-
Trade and other payables	89,809,736	89,809,736	89,809,736	-	-	-
Total	<u>371,436,501</u>	<u>371,436,501</u>	<u>371,436,501</u>	<u>-</u>	<u>-</u>	<u>-</u>

		2020					
		Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
		Rupees					
	Long term financing	32,991,000	32,991,000	32,991,000	-	-	-
	Short term borrowings	41,122,646	41,122,646	41,122,646	-	-	-
	Accrued interest / markup	199,139,004	199,139,004	199,139,004	-	-	-
	Trade and other payables	90,067,226	90,067,226	90,067,226	-	-	-
	Total	363,319,877	363,319,877	363,319,877	-	-	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30, 2021. The rates of mark up have been disclosed in relevant notes to these financial statements.

31.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

Currency risk

Exposure to currency risk

The company is exposed to currency risk on trade debts, borrowing and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company. The company has not exposed to any currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At the balance sheet date the interest rate profile of the company's interest bearing financial instrument is as follows.

	2021	2020
	-----Rupees-----	
Fixed rate instruments		
Financial assets	430,000	50,000
Financial liabilities	47,991,000	47,991,000

Fair value sensitivity analysis for fixed rate instruments

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

Fair value of financial assets and liabilities

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

Other price risk

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

32 CAPITAL RISK MANAGEMENT

The board's policy is to maintain a strong capital base as to maintain investor, creditor and market confidence and to sustain future development of the business, however, practical difficulties with this regard are being faced by the management due to liquidity crisis, small market share and huge losses. The board of directors monitor the return on capital and the level of dividend to ordinary shareholders while due to heavy losses no dividend has been declared since several past years. There were no changes to the company's approach to capital management during the year and the company is not subject to externally imposed capital requirements.

33 Fair value of financial assets and liabilities

The following table shows the carrying amounts and fair values of financial assets and liabilities. The fair value of financial assets measured at fair value is shown below. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Carrying amount			Carrying amount		
2021			2020		
At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income	At amortized cost	Fair value through profit or loss	Fair value through other comprehensive income

-----Rupees-----

Financial Assets

Long term investments	446,530	-	-	142,500	-	-
Trade Debt	1,757,804	-	-	748,914	-	-
Other receivables	183,900	-	-	692,557	-	-
Cash and bank balances	175,035	-	-	32,337	-	-
	2,563,270	-	-	1,616,308	-	-

Financial liabilities

Trade and other payables	89,809,736	-	-	90,443,804	-	-
Unclaimed Dividend	45,980	-	-	45,980	-	-
Accrued interest / markup	206,377,982	-	-	199,139,004	-	-
Short term borrowings	42,257,783	-	-	41,122,646	-	-
Current portion of long term financing	32,991,000	-	-	32,991,000	-	-
	371,482,481	-	-	363,742,435	-	-

The basis for determining fair values is as follows:

Interest rates used for determining fair value:

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. Since the majority of the financial assets are fixed rate instruments, there is no significant difference in market rate and the rate of instrument, fair value significantly approximates to carrying value.

33.1 Fair value hierarchy

The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs.

The Company held the following financial assets at fair value:

	Level 1	Level 2	Level 3	Total
-----Rupees-----				
JUNE 30, 2021				
At fair value through profit or loss				
June 30, 2020				
At fair value through profit or loss				
	-	-	-	-

33.2 Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

34 TRANSACTIONS WITH RELATED PARTIES

The company has related party relationship with its directors and key management personnel. Remuneration given to chief executive, directors and executives are in accordance with their terms of employment as disclosed in note 35 to the financial statements. Following are the balances of and transaction with related parties with related parties.

	2021	2020
Balances with related parties	-----Rupees-----	
Interest free borrowings from Mrs. Parveen Shaffi - w/o Director	-	-
Short term borrowing from Mr. Arif Shaffi - Director	1,289,993	1,544,993
Short term borrowing from Mrs. Parveen Shaffi - w/o Director	20,835,901	21,300,901
Short term borrowing from Mr. Muhammad Shaffi - Director	1,152,690	150,000
Short term borrowing from Mr. Adeel Shafi - Director	1,613,948	1,613,948
Short term borrowing from Mr. Asif Shafi - CFO	1,797,608	1,346,608
	26,690,140	25,956,450

35 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	CHIEF EXECUTIVE		DIRECTORS		TOTAL	
	2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees	2021 Rupees	2020 Rupees
Basic	999,996	999,996	999,996	999,996	1,999,992	1,999,992
House rent	449,998	449,998	449,998	449,998	899,996	899,996
Others	50,006	50,006	50,006	50,006	100,012	100,012
	1,500,000	1,500,000	1,500,000	1,500,000	3,000,000	3,000,000
Number of persons	1	1	2	2	3	3

35.1 Chief Executive of the company is provided with free use of company maintained car. No employee of the company falls under the definition of executive as defined in the Companies Act 2017.

36 PLANT CAPACITY

	Budgeted capacity	Actual production	
		2021	2020
At Ghara		-----Rupees-----	
PVC Resin - tons	25,000	-	-
Compounds 100% - tons	1,500	-	-
PVC leather cloth and plastic sheets -	22,144,500	-	-
At Islamabad			
PVC pipes and fittings - meters	7,751,808	195,851	114,004
Processing of water - Gallons	900,000	43,686	57,645

The budgeted capacity at Ghara is from the time of ceasure of production and can only be re-assessed when production resumes at the facility.

The company has ceased the production at Ghara Plant since 1995.

The lower level of production of PVC pipes, fittings and water is due to closure of plant on account of global panedmic covid 19.

37 NUMBER OF EMPLOYEES

	2021	2020
Number of employees worked at June 30	37	30
Head office	4	4
Factory	40	40
Average number of employees worked during the year	40	38
Head office	5	6
Factory	42	42

38 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

All significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 17, 2021 by the board of directors of the company.

39 GENERAL

Figures have been rounded off to the nearest Rupee.

Arif Shaffi
CHIEF EXECUTIVE

Mohammad Shaffi
DIRECTOR

Asif Shaffi
CHIEF FINANCIAL OFFICER

PATTERN OF SHAREHOLDING

As at June 30, 2021

-----Shareholdings-----

2.2 No. of Shareholders	From	To	Total Shares Held
269	1	100	10,090
116	101	500	41,550
64	501	1,000	60,020
109	1,001	5,000	321,199
20	5,001	10,000	166,709
16	10,001	15,000	206,660
5	15,001	20,000	85,970
2	20,001	25,000	46,000
2	25,001	30,000	59,000
1	40,001	45,000	42,000
1	50,001	55,000	55,000
1	65,001	70,000	65,690
1	75,001	80,000	78,500
1	80,001	85,000	83,500
1	85,001	90,000	85,500
1	95,001	100,000	98,000
1	100,001	105,000	104,000
1	125,001	130,000	126,500
1	175,001	180,000	180,000
1	195,001	200,000	200,000
1	290,001	295,000	293,500
1	295,001	300,000	300,000
1	365,001	370,000	370,000
1	375,001	380,000	376,450
1	380,001	385,000	381,100
1	425,001	430,000	425,602
1	735,001	740,000	737,640
1	9,970,001	9,975,000	9,971,820
622			14,972,000

Categories of Shareholders

As at June 30, 2021

2.3 Categories of Shareholders			Shares Held		Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children			416,800		2.7839%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)			0		0.0000%
2.3.3 NIT and ICP			4,250		0.0284%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.			924,838		6.1771%
2.3.5 Insurance Companies			24,220		0.1618%
2.3.6 Modarabas and Mutual Funds			0		0.0000%
2.3.7 Shareholders holding 10% or more			9,971,820		66.6031%
2.3.8 General Public					
a. Local			3,097,693		20.6899%
b. Foreign			0		0.0000%
2.3.9 Others (to be specified)					
1- Joint Stock Companies			530,215		3.5414%
2- Investment Companies			1,625		0.0109%
3- Abandoned Properties			539		0.0036%
4- Forigen Companies			9,971,820		66.6031%

PAKISTAN PVC LIMITED			
Categories of Shareholding required under Code of Corporate Governance (CCG)			
As on June 30, 2021			
Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-	-
Mutual Funds (Name Wise Detail)		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. ARIF SHAFFI	376,450	2.5144%
2	MRS. SAIRA SHAFFI	12,850	0.0858%
3	MR. MOHAMMAD SHAFFI	17,500	0.1169%
4	MR. MOHAMMAD IQBAL	2,500	0.0167%
5	MR. ADEEL SHAFFI	2,500	0.0167%
6	MR. MASOOD PARVAIZ (CDC)	2,500	0.0167%
7	MR. ADNAN SHAFFI	2,500	0.0167%
Executives:		381,100	2.5454%
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		949,058	6.3389%
Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)			
1	ENSENA HOLDING FZC	9,971,820	66.6031%
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:			
Sr. No.	Name	Sale	Purchase
	Nil		

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Folio No.	CDC Account No.	
	Participant I. D.	Account No.

PROXY FORM

I/We _____ of _____ being a member / members of **PAKISTAN PVC LIMITED** hereby appoint _____ (name) of _____ (Full address) another member of the company or failing him / her _____ (name) of _____ (Full address) another member of the company as my/our proxy to attend and vote for me/us and on my/us behalf, at the 58th Annual General Meeting of the company to be held at Shaffiabad, Ghara, Distt. Thatta on Friday, October 22, 2021 and at every adjournment thereof.
Signed this _____ day of _____

Signature on
Rupee One
Revenue Stamp

(Signature should agree with the specimen signature registered with the company)

Important

1. A member entitled to attend and vote at the Annual General Meeting of the company entitled to appoint a proxy to attend and vote instead of him / her. No person shall act as proxy, who is not a member.
2. The instrument appointing a proxy should be signed by the member (s) or by his/her attorney duly authorized in writing. If the member is a corporation, its common seal should be affixed to the instrument.
3. This Proxy Form, duly completed, must be deposited at the company's Registered Office, at Shaffiabad, Ghara, Distt. Thatta, not less than 72 hours before the time of holding the meeting.
4. The Proxy shall produce his original CNIC or original passport at the time of the Meeting.
5. In case of individual CDC Account holders, attested copy of CNIC or passport (as the case may be) of the beneficial owner will have to be provided with this Proxy.
6. In case of corporate entity, the Board of Directors Resolution/Power of Attorney with specimen signature of the nominee shall be submitted along with this Proxy.

CDC اکاؤنٹ نمبر	فولیو نمبر
اکاؤنٹ کا نمبر.	I. D. شرکا

پراکسی فارم

میں / ہم _____ کے _____ اس
 طرح سے تقرر پاکستان پیویسی لمیٹڈ کے ایک رکن / رکن ہونے
 (نام) کے _____ (مکمل ایڈریس)
 کمپنی کے ایک اور رکن یا _____ (نام) میں ناکام رہنے کے ایک اور رکن
 (ایڈریس) اس / اس _____ (نام) میں ناکام رہنے کے ایک اور رکن
 میرے / ہمارے پراکسی کے طور پر کمپنی میں شرکت اور میرے لئے ووٹ ڈالنے کے لئے .
 ہم میں اور میری / ہماری جانب ، میں 58 کمپنی کی سالانہ جنرل میٹنگ شفیع آباد ،
 گھارو ، ضلع میں منعقد ہونے پر / . Friday، October 22, 2021 پر اور
 اسکی ہر التوا میں ٹھٹھ .

س دستخط _____ کے دن _____

پر دستخط
 روپیہ ایک
 ریونیو سٹیمپ

(دستخط کمپنی کے ساتھ رجسٹرڈ نمونہ)
 دستخط کے ساتھ اتفاق کرنا چاہئے)

اہم

1. ایک رکن میں شرکت اور / اس میں شرکت اور بجائے اس کے ووٹ ڈالنے کے لئے ایک پراکسی مقرر کرنے کا حقدار کمپنی کی سالانہ جنرل میٹنگ میں ووٹ ڈالنے کا حق دار۔ کوئی شخص پراکسی، جو رکن نہیں ہے کے طور پر کام کرے گا۔
2. آلم پراکسی تقرری رکن (زبانیں) کی طرف سے یا اس کی / اس کے وکیل ودوت تحریری اجازت کی طرف سے دستخط کیا جانا چاہئے۔ رکن ایک کارپوریشن ہے، اس کے عام مہر آلم پر چسپاں کیا جانا چاہئے۔
3. یہ پراکسی فارم، ودوت مکمل، شفیع آباد، گھارو، ضلع میں، کمپنی کے رجسٹرڈ دفتر میں جمع کیا جانا چاہئے۔ ٹھٹھ، 72 سے کم نہیں گھنٹے کے اجلاس کے انعقاد کے وقت سے پہلے۔
4. پراکسی ملاقات کے وقت اپنے اصل شناختی کارڈ یا اصل پاسپورٹ پیدا کرے گا۔
5. انفرادی CDC اکاؤنٹ ہولڈرز کی صورت میں، فائدہ مند مالک کے شناختی کارڈ کی نقل یا پاسپورٹ (کیس ہو سکتا ہے کے طور پر) گواہی اس پراکسی کے ساتھ فراہم کرنا ہوگا۔
6. کارپوریٹ ہستی کی صورت میں، امیدوار کا نمونہ دستخط کے ساتھ اٹارنی کے بورڈ آف ڈائریکٹرز کی قرارداد / پاور اس پراکسی کے ساتھ ساتھ پیش کیا جائے گا۔

Folio No.	CDC Account No.	
	Participant I. D.	Account No.

The Companies (E-voting) Regulations, 2016

"I/we of in the district of being member of Pakistan PVC Limited and a holder of Ordinary Shares as per Register Folio No. hereby opt for e-voting through intermediary and hereby consent the appointment of execution officer as proxy and will exercise e-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for resolutions.

My secured email address is, please send login details, password and electronic signature through email.

Day of

.....

Signature should agree

With the specimen signature

Registered with the Company

Signed in the presence of :

.....
Signature of Witness

.....
Signature of Witness

پر دستخط
روپیہ ایک
ریونیو سٹیمپ

کمپنیوں (ای ووٹ) مقررین، 2016

"میں / ہم پاکستان پیویسی لمیٹڈ کا ایک رکن اور ضلع میں رجسٹر فولیو نمبر کے مطابق عام حصص ... اس طرح سے وسطی ایگریٹ کے ذریعہ ای ووٹ لینے کا اختیار ہوتا ہے اور اس کے ذریعے پروسیسنگ آفیسر کی تقرری کی منظوری دیتا ہے پراکسی کے طور پر اور اس کے مطابق ای ووٹنگ کا استعمال کریں گے۔ کمپنیاں (ای ووٹ) مقررین، 2016 اور اس کے علاوہ قراردادوں کے لئے سروے کے مطالبہ۔ میرا محفوظ ای میل پتہ، برائے مہربانی لاگ ان کی تفصیلات، پاس ورڈ اور ای میل کے ذریعے الیکٹرانک دستخط بھیجیں۔

کا دن

.....
دستخط متفق ہونا چاہئے
نمونہ دستخط کے ساتھ
کمپنی کے ساتھ رجسٹرڈ

کی موجودگی میں دستخط:

.....
گواہ گواہی کا دستخط

.....
گواہ گواہی کا دستخط

