RUBY TEXTILE MILLS LIMITED

2022

Annual Report

VISION/MISSION STATEMENT

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

BOARD OF DIRECTORS	MR.NOOR ELAHI -CHIEF EXECUTIVE MRS.PARVEEN ELAHI -CHAIR PERSON Directors: MRS. NAHEED JAVED MR. IMTIAZ AHMAD MR. MUHAMMAD ASLAM ANSARI MR.AMJAD SHAHID MR.MANSOOB AHMED KHAN
CHIEF FINANCIAL OFFICER	MS. SANIA SALEEM
COMPANY SECRETARY	MS. SANIA SALEEM
AUDIT COMMITTEE	MR. MANSOOB AHMED KHAN -CHAIRMAN MRS.NAHEED JAVED - MEMBER MR. MUHAMMAD ASLAM ANSARI - MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	MR. MANSOOB AHMED KHAN - CHAIRMAN MR. IMTIAZ AHMAD - MEMBER MR. MUHAMMAD ASLAM ANSARI - MEMBER
BANKERS	M/S.MEEZAN BANK LTD M/S.BANK AL-HABIB LTD M/S.HABIB METROPOLITAN BANK LTD M/S.NATIONAL BANK OF PAKISTAN M/S.SONERI BANK LTD M/S. SILK BANK LTD M/S. FAYSAL BANK LTD M/S. MUSLIM COMMERECIAL BANK LTD M/S. HABIB BANK LTD M/S. BANK ALFALAH LTD
AUDITORS	M/S ASLAM MALIK & CO. Chartered Accountants, Suit # 18-19,First Floor, Central plaza, Civic Center, New Garden Town, Lahore email:info@asammalik.com Tel: +92-42-35856819
INTERNAL AUDITOR	Mr. TAHIR ALI
LEGAL ADVISOR	M/S MOHSIN & WAHEED LAW ASSOCIATES Office#S-3, 2nd Floor, West End Plaza, 72-The Mall Road Lahore.
HEAD OFFICE	35-Industrial Area, Gulberg-III, Lahore-54660,Pakistan Ph#(+92-42)3571-4601,3576-1243-4 Fax:(+92-42)3571-1400, 3576-1222 Email:info@rubytextile.com.pk
REGISTERED OFFICE	Room#203, Faiyaz Centre, 2nd Floor,3-A, S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400 Ph#(+92-21) 34396600,34387700 Fax#(+92-21)34398800 Email:aslamd9@yahoo.com
MILLS	Raiwind –Manga Road, Raiwind, District Kasur-55050, Pakistan Phone:(+92-42) 3539-1031,3539-2651-2 Fax:(+92-42)3539-1032 Email:wasim@rubytextile.com.pk
SHARE REGISTRAR	M/S CORPLINK (PVT) LTD., 1-K, (Commercial) wings Arcade., Model Town, Lahore-54700, Pakistan. Phone:(+92-42) 35916714,35916719,35839182 Fax:(+92-42) 3586-9037 Email:corplink786@gmail.com/shares@corplink.com.pk

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd Annual General Meeting of the Shareholders of Ruby Textile Mills Limited will be held on 28th October, 2022 at 3:00 PM at Registered Office 203-Faiyaz Centre, 2nd Floor, 3-A, S.M.C.H.S, Shahrah-e-Faisal, Karachi, to transact the following business:

Ordinary Business: -

1. To confirm the minutes of the 41th Annual General Meeting held on 28th October 2021.

2. To receive, consider, approve and adopt Annual Audited Accounts of the Company together with the Director's and Auditor's Report for the year ended June 30, 2022.

3. To appoint Statutory Auditors of the Company for the year ending June, 30, 2022 and to fix their remuneration. The retiring auditor M/s Aslam Malik & Co. Chartered Accountants, being eligible, have offered themselves for reappointment. The Board of directors recommends, based on the recommendation of the Audit Committee, the appointment of M/s Aslam Malik & Co. Chartered Accountants as auditors for the ensuring year.

Other Business:-

4. To transact any other business with permission of the Chair.

BY ORDER OF THE BOARD
(Sania Saleem)
Company Secretary

LAHORE
Dated: October 07, 2022

NOTES.

1. BOOK CLOSURE

The share transfer books of the company will remain closed from 21.10.2022 to 28.10.2022 (both days inclusive). Transfers received in order at the company's share Registrar, M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore, before close of business on 20.10. 2022 will be considered in time for the purpose of attend and vote at the Annual General Meeting of the Company.

2. FOR APPOINTING PROXIES

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

3. FOR ATTENDING MEETING

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

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

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

5. AVAILABILITY OF ANNUAL AUDITED FINANCIAL STATEMENT

In accordance with the Provision of section 223 and 237 of Companies Act 2017. The audited financial statements of the company for the year ended on June 30, 2022 are available on the Company's website (www.rubytextile.com.pk).

6. VIDEO COFERENCING FACILITY

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

7- TRANSER OF SHARES INTO THE BOOK -ENTRY- FORM (CDC)

Pursuant to provision of Section 72 of the Companies Act, 2017 (the Act), all shares holders who having their physical shares are requested to convert all physical shares into the book-entry-form (CDC).

8. CHANGE OF ADDRESS

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

CHAIRPERSON'S REVIEW REPORT

I am pleased to enclose herewith Chairman Review Report for the year ended June 30, 2022 as required under section 192(4) of Companies Act, 2017 on overall performance and effectiveness of the board of Ruby Textile Mills Ltd,

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

The board has performed and discharge its duties as per provisions of Companies Act2017 (Act), the regulations under Code of Corporate Governance Regulations 2019, guidelines and directives issued by Securities and Exchange Commission of Pakistan (SECP) and regularity compliance required for listed companies of Pakistan Stock Exchange (PSX).The Outcome of evaluation process that was conducted internally under the Corporate Governance Regulations 2019, is encouraging and depict that overall performance of the board is quite satisfactory that played an effective and active role in achieving its objectives.

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

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

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

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

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

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

For and on behalf of the Board of Directors

Parveen Ellahi

MRS.PARVEEN ELLAHI
(CHAIRPERSON)

LAHORE
October 06, 2022

چیئر پرسن کی جائزہ رپورٹ

کمپنیز ایکٹ، 2017 کی دفعہ (4)192 کے مطابق، میں 30 جون، 2022 کو ختم ہونے والے سال کے لئے روبی ٹیکسٹائل ملز لمیٹڈ کے بورڈ کی مجموعی کارکردگی اور اثرات کے بارے میں چیئر مین کی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہوں۔

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

بورڈ نے کمپنیز ایکٹ 2017 (ایکٹ) کی دفعات، کوڈ آف کارپوریٹ گورننس 2019 کے تحت قواعد وضوابط، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے جاری کردہ رہنما اصولوں اور ہدایات اور پاکستان اسٹاک ایکسچینج (PSX) کی مندرجہ کمپنیوں کے لئے ضروری ریگولیریٹی تعمیل کے مطابق اپنے فرائض اور ذمہ داریاں پوری کی ہیں۔ کارپوریٹ گورننس ریگولیشنز 2019 کے تحت داخلی تشخیصی عمل کا نتیجہ حوصلہ افزاء رہا ہے اور بورڈ کی مجموعی کارکردگی کو کافی تسلی بخش ظاہر کرتا ہے جنہوں نے بورڈ کے مقاصد کے حصول میں مؤثر اور فعال کردار ادا کیا ہے۔

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

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

بورڈ نے خطرے کی تشخیص اور تنظیمی صلاحیت پر اس کے نتائج کے لیے ایک خطرے کی شناخت کا بہترین ڈیزائن کا عمل ترتیب دیا ہے جس کے بعد خطرے کو کم کرنے کا طریقہ کار اور جامع طور پر واضح ہنگامی منصوبہ بنایا گیا ہے،

بورڈ کارپوریٹ گورننس کے معیارات پر سختی سے عمل کرتا ہے اور ہمیشہ مستقل بہتری کی بھرپور کوشش کرتا ہے۔ بورڈ چیف فنانشل آفیسر، کمپنی سیکرٹری اور انٹرنل آڈٹ کے سربراہ کی تقرری کے سلسلے میں ضابطہ اخلاق کی تعمیل کو یقینی بناتا ہے۔ بورڈ نے آڈٹ کمیٹی کے مشورے سے ایک مضبوط داخلی آڈٹ ڈیپارٹمنٹ تشکیل دیا ہے جس میں آڈٹ کے کاموں کی غیر جانبداری کو یقینی بنانے کے لیے آڈٹ کمیٹی کو فعال طور پر رپورٹس دی جاتی ہیں۔ داخلی آڈٹ ٹیم میں موزوں ممبران شامل ہیں جو اپنی ذمہ داریوں کو مؤثر طریقے سے نبھانے کے لئے مطلوبہ تجربہ اور مہارت رکھتے ہیں۔

بورڈ آف ڈائریکٹرز ایک غیر جانبدار ڈائریکٹر کی سربراہی میں دونوں آڈٹ اور انسانی وسائل کمیٹیوں کے قواعد وضوابط طے کرتا ہے اور کوڈ آف کارپوریٹ گورننس کے تحت آڈٹ کمیٹی کے لئے مالیاتی خواندہ ممبر کی لازمی ضرورت کی تعمیل کرتا ہے۔

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

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

Parveen Elahi

منجانب بورڈ آف ڈائریکٹرز

محترمہ پروین الٰہی

(چیئر پرسن)

لاہور: تاریخ: 06 اکتوبر 2022ء

DIRECTOR'S REPORT

The board of directors of your company takes pleasure in presenting before you the performance review together with 42th Annual Report and Audited Financial Statements of the Company for the year ended on June 30, 2022 along with auditors' report thereon.

PERFORMNANCE OF THE COMPANY:

The salient feature of the company operational performance for the year is summarized as follow:-

	2022 Rupees	2021 Rupees
Sales	-	184,862,000
Gross Loss	(27,924,492)	(77,822,466)
Distribution, Administrative & General Expenses	(40,505,583)	(12,070,586)
Other Income	53,269,124	24,982,595
Operating Loss	(15,161,221)	(64,910,457)
Finance Cost	(12,401,927)	(11,142,352)
Loss before taxation	(27,563,148)	(76,052,809)
Taxation	(356,479)	2,756,674
Loss after taxation	(27,919,627)	(73,296,135)
Loss per share-basic	(0.53)	(1.40)

The company operation remained closed during the year and no turnover during the current year as compared with last financial year turnover of Rs.184.862 million. Due to financial constraint faced by the company and closure of both the units, however, the management entered into settlement/ restructuring agreement with bank and the bank converted short term finance into long term loan payable in next three years. The overall financial results of the company are loss after taxation is Rs.27.919 million (2021: Rs.73.296 million).

The overall results of the company remain adverse as the mainly due to non-operational activities during the year which was the main hurdle for raising finance from the banks. As the settlement/ restructuring with the bank will have positive effect as the regularization will pave the way for the raising working capital limit from the banks in foreseeable future because without the finance, it is not possible to have economical viable productivity plan implementation. The management is confident that it will make all efforts to start its production in next financial year by seeking financial supports from the bank with continuous support from the sponsors.

Global Market Conditions and Future Prospects:

The overall exports of the country were expected to increase in the wake of currency depreciation but significant increase in export is not witnessed because the advantage of devaluation of Pakistan Rupee has been lost because of increase in input cost i.e higher power cost, increase in raw material cost with low productivity of cotton in Pakistan

To counter this challenging economic situation; the Pakistani textile sector shall have to be a cost effective niche marketing, product and customer development are the essential tools to remain competitive domestically and internationally. The efforts on marketing side especially focused on international brands and technical textiles, will ensure increased revenue and better margin. On the cost side, better supply-chain management for raw materials and innovation in production processes shall remain pivotal parts of the strategy. The management is confident that the company shall be able to improve its operational performance and going forward.

The management of the company is working on alternate approach either the Unit-II shall be made operative on lease basis and unit-I shall be operated by the company itself and in this way the company shall be able to revive the operational facility at optimum level and also looking forward to arrange funds from their own sources to meet the working capital requirement. The management is confident and hopeful that the efforts for arrangement discussed will be finalized in next foreseeable future and then, the operation of the mill shall be run on optimum production capacity level.

The management of the company is determined to turn the unit as viable, operative and profitable unit by improving cost effective measures and cost saving efforts in future.

Composition of the Board:

The composition of the Board is in compliance with the requirement of the Code of Corporate Governance Regulation, 2019 the applicable on listed entities which are given below: -

Total Number of Directors:

(a)	Male	5
(b)	Female	2

Composition:

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

The name of the Director's as at June 30, 2022 are as follows:

(1)	Mr. Noor Elahi	Chief Executive
(2)	Mrs. Perveen Elahi	Chairperson
(3)	Mrs. Naheed Javed	Director
(4)	Mr. Imtiaz Ahmad	Director
(5)	Mr. Muhammad Aslam Ansari	Director
(6)	Mr. Amjad Shahid	Director
(7)	Mr. Mansoob Ahmed Khan	Director

Composition of the Board:

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

• Audit Committee

Mr. Mansoob Ahmed Khan	- Chairman (Independent)
Mrs. Naheed Javed	- Member
Mr. Muhammad Aslam Ansari	-Member

•Human Recourse and Remuneration Committee

Mr. Mansoob Ahmed Khan	- Chairman (Independent)
M r.IMTIAZ AHMAD	- Member
M r.MUHAMMAD ASLAM ANSARI	- Member

Code of Corporate Governance:

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

•The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
•Proper books of account of the Company have been maintained.
•Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
•International Accounting Standards /international financial reporting standards, as applicable in Pakistan, have been followed in preparation of financial statements.
•The system of internal control is sound in design and has been effectively implemented and monitored.
•There are no significant doubts upon the Company's ability to continue as a going concern.
•There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
•The highlights of operating and financial data for the last six years are presented in a summarized form in annexure,
•Information about taxes and levies js given in the notes to and forming part or financial statements.
•The company is operating an unfunded gratuity scheme funds of which are for business of the company.
•The statement of pattern of shareholding of the Company as at June 30, 2022 is annexed. This statement is prepared in accordance with the Code of Corporate Governance.

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

Name of Director	Number of Meeting Attended		
	Board Meeting	Audit Committee	Human Resource and Remuneration Committee
MR. NOOR ELAHI	7		
MRS.PARVEEN ELAHI	7		
MRS. NAHEED JAVED	7	4	1
MR. MUHAMMAD ASLAM ANSARI	-		
MR. IMTIAZ AHMAD	7		
MR. AMJAD SHAHID	7	-	-
MR. MANSOOB AHMED KHAN	7	4	1

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

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

Statutory Auditors

Auditors M/S Aslam Malik & Company Chartered Accountants retire at the conclusion of the 42nd Annual General Meeting and being eligible, they have offered themselves for re-appointment and the Board's audit committee has also recommended their re- appointment which has been endorsed by the Board.

Corporate Social Responsibility

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

Significant features of remuneration policy of non-executive directors

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

Board Evaluation

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

Auditors' Report Qualification:-

The auditors have qualified their report as under:

As for as non-receipt of confirmation from creditors, advances from customers and other liability, as the company operation is closed since last two years and due non operation status, the parties may did not responded to auditors but these are genuine liabilities payable to the different vendors.

The stock in hand has been valued at cost or NRV whichever less as per accounting policy of the company.

The long term loan from Messi Investment Capital limited loan restructured last year which is payable as per terms of contract but due to non-operational nature, the company could not pay the due amount in the current year.

Auditors' have given adverse audit report in respect of going concern issue that company may not be considered as going concern and may be thus the preparation of the financial statement on the basis of going concern basis is inappropriate. The company's overall assets exceed the financial liability Rs. 678.837 million and the company with financial liability pertaining to banks Rs.26 million and also, get converted the foreign loan into fixed parity rate of Rs.105 with payable term enhanced to year 2029. As the long term commitments are rescheduled and the company has only to raise the working capital requirement from the bank or financial institutions to make the unit operative. We expect that the management efforts would be successful to raise the working capital needed to start its productivity in foreseeable future.

INTERNAL FINANCIAL CONTROLS

The directors are aware of their financial responsibility with respect to internal financial controls. Through discussion with management and auditors (both internal and external), they confirm that adequate controls have been implemented by the company.

PRINCIPAL RISK AND UNCERTAINTY

Businesses face numerous risk and uncertainties which if not properly addressed might cause serious loss to the company. The Board of Directors of the company has carried out vigilant and thorough of both internal and external risks that the company might face. Following are some risks which the company is facing.

- Technological advancement making it more challenging for the company to compete on the national and international level.
- Non-renewal of financial facilities.

PERSONNEL AND WORKING ENVIRONMENT

Company is well aware of the importance of team of skilled worker and staff. Therefore, in-house programs designed for this purpose are regularly undertaken. At the same time, other important areas like health, safety and better working environment are also being looked after very well.

VOTE OF THANKS

The directors wish to place on record their appreciation of the hard work and efforts made by the workers and staff and look forward that they will continue to make their best contribution in the future of the company.

For and On behalf of Board Director

LAHORE
October 06, 2022

(NOOR ELAHI)
CHIEF EXECUTIVE

موجودہ اسٹاک کی قیمت کمپنی کی اکاؤنٹنگ پالیسی کے مطابق قیمت یا NRV میں سے جو بھی کم ہو پر لگائی گئی ہے۔

میسی انویسٹمنٹ کیپیٹل لمیٹڈ سے طویل مدتی قرض جو معاہدے کی شرائط کے مطابق قابل ادائیگی ہے قرض کی گزشتہ سال تنظیم نو کی گئی لیکن غیر آپریشنل نوعیت کی وجہ سے کمپنی رواں سال میں واجب الادا رقم ادا نہیں کر سکی۔

آڈیٹرز نے تشویش کے معاملے کے حوالے سے منفی آڈٹ رپورٹ دی ہے کہ کمپنی کو گوئنگ تشویش کے طور پر نہیں سمجھا جا سکتا ہے اور ہو سکتا ہے کہ گوئنگ تشویش کی بنیاد پر مالی گوشوارہ کی تیاری نامناسب ہو۔ کمپنی کے مجموعی اثاثے مالی ذمہ داری 678.837 ملین روپے سے زیادہ ہیں اور کمپنی بینکوں سے متعلق مالی ذمہ داری 26 ملین روپے اور اس کے علاوہ، غیر ملکی قرض کو بھی 105 روپے کی فلسڈ برابری کی شرح میں تبدیل کر کے قابل ادائیگی مدت کو بڑھا کر سال 2029 تک لے جائے گی۔ کیونکہ کمپنی کو طویل مدتی وعدوں کو دوبارہ شیڈول کرنے اور یونٹ کو آپریٹو بنانے کے لیے صرف بینک یا مالیاتی اداروں سے ورکنگ کیپیٹل کی ضرورت کو بڑھانا ہے۔ ہم توقع کرتے ہیں کہ مستقبل قریب میں اپنی پیداواری صلاحیت کو شروع کرنے کے لیے درکار ورکنگ کیپیٹل کو بڑھانے کے لیے انتظامیہ کی کوششیں کامیاب ہو جائیں گی۔

داخلی مالیاتی کنٹرولز

ڈائریکٹرز داخلی مالیاتی کنٹرول کے حوالے سے اپنی مالی ذمہ داریوں سے بخوبی آگاہ ہیں۔ مینجمنٹ اور آڈیٹرز (دونوں اندرونی اور بیرونی) کے ساتھ گفت و شنید کے ذریعے، وہ توثیق کرتے ہیں کہ کمپنی کی طرف سے موزوں کنٹرول نافذ کیا گیا ہے۔

بنیادی خطرہ اور غیر یقینی

کاروباری اداروں کو متعدد خطرات اور غیر یقینی صورتحال کا سامنا کرنا پڑتا ہے جس کو اگر مناسب طریقے سے حل نہ کیا گیا تو کمپنی کو شدید نقصان پہنچ سکتا ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز نے اندرونی اور بیرونی دونوں خطرات جن کا کمپنی کو سامنا کرنا پڑ سکتا ہے سے چوکس اور مکمل طور پر حل کیا ہے۔ کمپنی کو درپیش چند خطرات مندرجہ ذیل ہیں۔

. تکنیکی ترقی کمپنی کے لیے قومی اور بین الاقوامی سطح پر مسابقت کو زیادہ مشکل بنا رہی ہے۔
. مالی سہولیات کی تجدید نہ ہونا۔

پرسنل اور ورکنگ ماحول۔

آپ کی کمپنی ہنرمند کارکن اور عملے کی ٹیم کی اہمیت سے بخوبی واقف ہے۔ لہٰذا، اس مقصد کے لیے اِن ہاؤس پروگرام باقاعدگی سے منعقد کیے جاتے ہیں۔ ساتھ ہی ساتھ، دیگر اہم شعبوں مثلاً صحت، حفاظت اور بہتر کام کے ماحول کی بھی بہت اچھی طرح سے دیکھ بھال کی جا رہی ہے۔

اظہار تشکر

ڈائریکٹر کارکنوں اور عملے کی سخت محنت اور کاوشوں کو سراہتے ہیں اور اُمید کرتے ہیں کہ وہ کمپنی کے مستقبل میں بھی اپنی بہترین شراکت جاری رکھیں گے۔

منجانب بورڈ آف ڈائریکٹرز

(نور الٰہی)

چیف ایگزیکٹو

لاہور

06 اکتوبر 2022ء

- فہرستی قواعد میں تفصیلی کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا۔
- گزشتہ چھ سالوں کی آپریٹنگ جھلکیاں اور مالی اعداد وشمار کا مختصر خلاصہ منسلک ہے۔
- ٹیکسوں اور لیویز کے بارے میں معلومات نوٹس میں دی گئی ہیں اور مالی حسابات کا حصہ بنایا گیا ہے۔
- کمپنی ایک غیر فنڈ ڈگریجوئٹی اسکیم چلا رہی ہے جو کمپنی کے کاروبار کے لئے برقرار رکھی گئی ہے۔
- 30 جون 2022 کے مطابق کمپنی کے نمونہء حصص داری کا بیان منسلک ہے۔ یہ بیان کوڈ آف کارپوریٹ گورننس کے مطابق تیار کیا گیا ہے۔
- زیرِ جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے آٹھ اجلاس، آڈٹ کمیٹی کے چار اجلاس اور ہیومن ریسورس اینڈ ریمنریشن کمیٹی کا ایک اجلاس منعقد ہوا۔ ڈائریکٹرز کی حاضری مندرجہ ذیل ہے:

نام ڈائریکٹر	تعداد حاضری اجلاس		
	بورڈ کے اجلاس	آڈٹ کمیٹی	ہیومن ریسورس اینڈ ریمنریشن کمیٹی
جناب نور الٰہی	7		
محترمہ پروین الٰہی	7		
محترمہ ناہید جاوید	7	4	
جناب محمد اسلم انصاری	-		
جناب امتیاز احمد	7		
جناب امجد شاہد	7	-	-
جناب منسوب احمد خان	7	4	1

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

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

قانونی آڈیٹرز

آڈیٹرز میسرز اسلم ملک اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس 42 ویں سالانہ جنرل اجلاس کے اختتام پر ریٹائر ہو گئے اور اہل ہونے کے سبب، انہوں نے خود کو دوبارہ تقرری کے لئے پیش کیا اور بورڈ کی آڈٹ کمیٹی نے بھی ان کی تقرری کی سفارش کی، جس کی بورڈ نے تائید کی ہے۔

کارپوریٹ سماجی ذمہ داری

روبی ٹیکسٹائل ملز لمیٹڈ اپنی کارپوریٹ سماجی ذمہ داری کی ٹھوس، پائیدار تکمیل کے حصول کے لئے پُرعزم ہے۔

نان ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی کی اہم خصوصیات

غیر جانبدار ڈائریکٹر سمیت غیر ایگزیکٹو ڈائریکٹرز فقط اجلاسوں میں شرکت کے لئے فیس کے مستحق ہیں۔

بورڈ کی تشخیص

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

آڈیٹرز کی رپورٹ کوالیفکیشن

آڈیٹر نے حسبِ ذیل کے مطابق اپنی رپورٹ کی توثیق کی ہے:

جہاں تک قرض دہندگان کی طرف سے تصدیق کی عدم وصولی، صارفین سے پیشگیاں اور دیگر ذمہ داریاں، لیکن یہ حقیقی ذمہ داریاں ہیں جن کی ادائیگی مختلف دکانداروں کو واجب الادا ہے جیسا کہ کمپنی کا آپریشن گزشتہ دو سالوں سے بند ہے اور آپریشن نہ ہونے کی وجہ سے، فریقین نے آڈیٹرز کو جواب نہیں دیا ہوگا۔

بورڈ کی تشکیل

لسٹڈ اداروں پر لاگو کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تقاضوں کی تعمیل میں بورڈ تشکیل کیا گیا، جو ذیل میں دی گئی ہے:

ڈائریکٹرز کی کل تعداد

a)۔ مرد 5

b)۔ خاتون 2

تشکیل:

i۔ غیر جانبدار ڈائریکٹرز 2

ii۔ ایگزیکٹو ڈائریکٹرز 2

iii۔ نان ایگزیکٹو ڈائریکٹرز 5

30 جون 2022 کے مطابق ڈائریکٹرز کے نام درج ذیل ہیں

1)	جناب نور الٰہی	چیف ایگزیکٹو
2)	محترمہ پروین الٰہی	چیئرپرسن
3)	محترمہ ناہید جاوید	ڈائریکٹر
4)	جناب امتیاز احمد	ڈائریکٹر
5)	جناب محمد اسلم انصاری	ڈائریکٹر
6)	جناب امجد شاہد	ڈائریکٹر
7)	جناب منسوب احمد خان	ڈائریکٹر

بورڈ کی کمیٹیاں

بورڈ نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمنریشن کمیٹی نامی دو ذیلی کمیٹیاں تشکیل دی ہیں۔ ان دونوں کمیٹیوں کی تشکیل کی وضاحت اس طرح کی گئی ہے۔

- **آڈٹ کمیٹی**

جناب منسوب احمد خان۔ چیئرمین (غیر جانبدار)

محترمہ ناہید جاوید۔ ممبر

جناب محمد اسلم انصاری۔ ممبر

ہیومن ریسورس اینڈ ریمنریشن کمیٹی

جناب منسوب احمد خان۔ چیئرمین (غیر جانبدار)

جناب امتیاز احمد۔ ممبر

جناب محمد اسلم انصاری۔ ممبر

کارپوریٹ گورننس کا ضابطہء اخلاق

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

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات / بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے رواں دواں رہنے کی صلاحیت بارے کوئی نمایاں شکوک وشبہات نہیں ہیں۔

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2022ء کو ختم ہونے والے سال کے لئے کارکردگی کے جائزہ کے ہمراہ 42ویں سالانہ رپورٹ اور کمپنی کے نظرثانی شدہ گوشوارے پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔

کمپنی کی کارکردگی

سال کے لئے کمپنی کی آپریشنل کارکردگی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:۔

	2022روپے	2021روپے
فروخت	-	184,862,000
مجموعی نقصان	(27,924,492)	(77,822,466)
تقسیم، انتظامی اور عام اخراجات	(40,505,583)	(12,070,586)
دیگر آمدنی	53,269,124	24,982,595
انتظامی خسارہ	(15,161,221)	(64,910,457)
مالیاتی اخراجات	(12,401,927)	(11,142,352)
ٹیکس سے پہلے نقصان	(27,563,148)	(76,052,809)
ٹیکس کی فراہمی	(356,479)	2,756,674
ٹیکس کے بعد نقصان	(27,919,627)	(73,296,135)
فی شیئر نقصان-بنیادی	(0.53)	(1.40)

سال کے دوران کمپنی کا آپریشن بند رہا اور گزشتہ مالی سال کے 184.862 ملین روپے کے کاروبار کے مقابلے میں رواں سال کے دوران کوئی کاروبار نہیں ہوا۔ کمپنی کو درپیش مالی رکاوٹوں اور دونوں یونٹوں کے بند ہونے کی وجہ سے، تاہم، انتظامیہ نے بینک کے ساتھ تصفیہ/تنظیم نو کا معاہدہ کیا اور بینک نے مختصر مدت کے قرض کو اگلے تین سالوں میں قابل ادائیگی طویل مدتی قرض میں تبدیل کر دیا۔ کمپنی کے مجموعی مالیاتی نتائج ٹیکس کے بعد 27.919 ملین روپے (2021: 73.296 ملین روپے) کے خسارہ میں ہیں۔

بنیادی طور پر سال کے دوران غیر آپریشنل سرگرمیوں کی وجہ سے کمپنی کے مجموعی نتائج منفی ہی رہے جو کہ بینکوں سے قرض حاصل کرنے میں اہم رکاوٹ تھی۔ جیسا کہ بینک کے ساتھ تصفیہ/تنظیم نو کا مثبت اثر پڑے گا کیونکہ ریگولرائزیشن مستقبل قریب میں بینکوں سے ورکنگ کیپیٹل کی حد میں اضافے کی راہ ہموار کرے گی کیونکہ فنانس کے بغیر، اقتصادی طور پر قابل عمل پیداواری منصوبہ پر عمل درآمد ممکن نہیں ہے۔ انتظامیہ کو یقین ہے کہ وہ اسپانسرز کے مسلسل تعاون کے ساتھ بینک سے مالی تعاون حاصل کر کے اگلے مالی سال میں اپنی پیداوار شروع کرنے کی تمام تر کوششیں کرے گی۔

عالمی مارکیٹ کے حالات اور مستقبل کے امکانات:

کرنسی کی قدر میں کمی کے پیش نظر ملک کی مجموعی برآمدات میں اضافے کی توقع تھی لیکن برآمدات میں خاطر خواہ اضافہ دیکھنے میں نہیں آیا ہے کیونکہ پاکستانی روپیہ کی قدر میں کمی کا فائدہ ان پٹ لاگت میں اضافے یعنی بجلی کی زیادہ قیمت، پاکستان میں کپاس کی کم پیداوار کے ساتھ خام مال کی لاگت میں اضافے کی وجہ سے ضائع ہو گیا ہے۔

اس مشکل معاشی صورتحال کا مقابلہ کرنے کے لیے؛ پاکستانی ٹیکسٹائل سیکٹر کو ایک سرمایہ کاری مؤثر مقام مارکیٹنگ ہونی چاہیے، ملکی اور بین الاقوامی سطح پر مسابقتی رہنے کے لیے مصنوعات اور کسٹمر کی ترقی ضروری ہتھیار ہیں۔ بین الاقوامی برانڈز اور تکنیکی ٹیکسٹائل پر مرکوز خاص طور پر مارکیٹنگ کی کوششیں، آمدنی میں اضافہ اور بہتر مارجن کو یقینی بنائے گی۔ لاگت کے لحاظ سے، خام مال کی سپلائی چین کا بہتر انتظام اور پیداواری عمل میں جدت حکمت عملی کے اہم حصے رہیں گے۔ انتظامیہ کو یقین ہے کہ کمپنی اپنی آپریشنل کارکردگی کو بہتر بنانے اور آگے بڑھنے میں کامیاب ہو گی۔

کمپنی کی انتظامیہ متبادل نقطہ نظر پر بھی کام کر رہی ہے یا تو یونٹ-II کو لیز کی بنیاد پر آپریٹ کیا جائے گا اور یونٹ-I کو کمپنی خود چلائے گی اور اس طرح کمپنی زیادہ سے زیادہ سطح پر آپریشنل سہولت کو بحال کر سکے گی اور ورکنگ کیپیٹل کی ضرورت کو پورا کرنے کے لیے اپنے ذرائع سے فنڈز کا بندوبست کرنے کے منتظر ہیں۔ انتظامیہ پُراعتماد اور پُرامید ہے کہ زیر بحث انتظامات کی کوششوں کو اگلے مستقبل قریب میں حتمی شکل دی جائے گی اور پھر مل کا آپریشن بہترین پیداواری صلاحیت کی سطح پر چلایا جائے گا۔

کمپنی کی انتظامیہ مستقبل میں لاگت کے مؤثر اقدامات اور لاگت بچانے کی کوششوں کو بہتر بنا کر یونٹ کو قابل عمل، آپریٹو اور منافع بخش یونٹ میں تبدیل کرنے کے لیے پُرعزم ہے۔

PATTERN OF SHAREHOLDING

THE COMPANIES ACT, 2017 (Section 227(2)(f)) **FORM 34**

1.1 Name of the Company: **RUBY TEXTILE MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at **30-06-2022**

2.2 No. of Shareholders	Shareholdings From	Shareholdings To	Total Shares Held
81	1	100	2,908
683	101	500	330,259
62	501	1,000	57,400
74	1,001	5,000	217,383
19	5,001	10,000	155,078
4	10,001	15,000	49,500
3	15,001	20,000	52,000
4	20,001	25,000	92,066
2	25,001	30,000	58,500
2	30,001	35,000	65,000
1	35,001	40,000	40,000
1	40,001	45,000	43,500
1	45,001	50,000	50,000
1	55,001	60,000	55,829
1	60,001	65,000	64,500
1	65,001	70,000	65,500
1	75,001	80,000	80,000
1	95,001	100,000	100,000
1	105,001	110,000	105,500
1	135,001	140,000	139,179
1	225,001	230,000	229,664
1	295,001	300,000	300,000
1	3,870,001	3,875,000	3,873,500
1	6,495,001	6,500,000	6,500,000
1	8,655,001	8,660,000	8,655,900
1	13,170,001	13,175,000	13,173,834
1	17,655,001	17,660,000	17,657,400
951			52,214,400

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	43,607,313	83.5159%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	6,900,500	13.2157%
2.3.3 NIT and ICP	232,564	0.4454%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	343	0.0007%
2.3.5 Insurance Companies	0	0.0000%
2.3.6 Modarabas and Mutual Funds	0	0.0000%
2.3.7 Shareholders holding 10% or more	50,105,313	95.9607%
2.3.8 General Public		
a. Local	1,409,992	2.7004%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
1- Joint Stock Companies	5,900	0.0113%
2- Pension Funds	55,829	0.1069%
3- others	1,959	0.0038%

Catagories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2022

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	NAHEED NOOR ENTERPRISES LTD.	300,000	0.5746%
2	NAHEED NOOR (PVT) LIMITED.	100,500	0.1925%
3	SUN RISE BOTTLING COMPANY (PVT) LTD.	6,500,000	12.4487%
Mutual Funds (Name Wise Detail)			
		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MRS. PARVEEN ELAHI	8,761,400	16.7797%
3	MRS. NAHEED JAVED	17,047,334	32.6487%
4	MR. AMJAD SHAHID	500	0.0010%
5	MR. MANSOOB AHMED KHAN	500	0.0010%
6	MR. MUHAMMAD ASLAM ANSARI	500	0.0010%
7	MR. IMTIAZ AHMAD	500	0.0010%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		56,172	0.1076%
Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)			
1	MR. NOOR ELAHI	17,796,579	34.0837%
2	MST. NAHEED JAVED	17,047,334	32.6487%
3	MRS. PARVEEN ELAHI	8,761,400	16.7797%
4	SUNRISE BOTTLING CO. (PVT) LTD.	6,500,000	12.4487%

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

S. No.	NAME	SALE	PURCHASE
1	MR. MUHAMMAD ASLAM ANSARI	-	500
2	MR. IMTIAZ AHMAD	-	500

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (the Regulations) FOR THE YEAR ENDED 30 JUNE 2022

Name of the Company: Ruby Textile Mills Ltd Year Ending: June 30, 2022

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

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

a. **Male**

i	Mr.NOOR ELAHI	iv	Mr.AMJAD SHAHID
ii	MR. IMTIAZ AHMAD	v	Mr.MANSOOB AHMED KHAN
iii	MR. MUHAMMAD ASLAM ANSARI		

b. **Female**

i	Mrs.PARVEEN ELAHI	ii	Mrs.NAHEED JAVED

2. The composition of the board is as follows:

	Independent Director	Mr.MANSOOB AHMED KHAN Mr.AMJAD SHAHID
	Other Non Executive Directors	Mrs.PARVEEN ELAHI Mrs.NAHEED JAVED MR.MUHAMMAD ASLAM ANSARI Mr.MANSOOB AHMED KHAN Mr.AMJAD SHAHID
	Executive Directors	Mr.NOOR ELAHI MR.IMTIAZ AHMAD

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. The board has ensured that complete record of particulars of the significant the powers policies of the along Board with their date of approval or updating is maintained by the company.

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 Chairperson and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

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

9. Two director and Chief Executive are exempt and one director got certification under the director's

training program specified and approved by the Commission as per requirement prescribed by CCG.

10.Ms. Sania Saleem is appointed as new Company Secretary as well as Chief Financial Officer. There is no change in appointment of Head of Internal Audit. However, the Board has endorsed their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations.

11.CFO and CEO dully endorsed the financial statements before approval of the Board.

12.The board has formed the comprising of the following persons:

AUDIT COMMITTEE		HR AND REMUNERATION COMMITTEE
Mr.MANSOOB AHMED KHAN	CHAIRMAN	Mr.MANSOOB AHMED KHAN
Mrs. NAHEED JAVED	MEMBER	Mr. MUHAMMAD ASLAM ANSARI
MR. MUHAMMAD ASLAM ANSARI	MEMBER	Mr. IMTIAZ AHMAD

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

14.The frequency of meetings of the committees were as per following:
(i) Audit Committee —four meetings held during the year ended 30 June 2022.
(ii)HR and Remuneration Committee- one meeting held during ended 30 June 2022.

15.The Board has set up of an affective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16.The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive Officer , chief financial officer , head of internal audit , company secretary or director of the company.

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

18.We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with.

For and behalf of the Board

Parveen Elahi

(Mrs. PARVEEN ELAHI)
CHAIRPERSON

Lahore
Date: October 06, 2022

Aslam Malik & Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT
To the Members of the Ruby Textile Mills Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Ruby Textile Mills Limited for the year ended June 30, 2022 in accordance with the requirements of Regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out the 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, 2022.

Aslam Malik & Co.

ASLAM MALIK & CO. Chartered Accountants LAHORE

Aslam Malik & Co.
Chartered Accountants
Lahore **Date:** October 06, 2022

UDIN: CR202210148nsNeGc5V4

ASLAM MALIK & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

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

Adverse opinion

We have audited the annexed financial statements of **RUBY TEXTILE MILLS LIMITED (the Company),** which comprise the statement of financial position as at June 30, 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying financial statements do not give a true and fair view of the financial position of the Company as at June 30, 2022, and financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Adverse Opinion:

a) As set out in note 4 to the financial statements, the Company holds property, plant, and equipment with a reported carrying value of Rs. 791.277 million which is a substantial portion of the financial position. These assets are measured at cost less accumulated depreciation except freehold land, building and plant and machinery. Freehold land, building and plant and machinery are stated at revalued amount.

As per IFRSs as applicable in Pakistan, there is an indication of Impairment. Because the Company has not determined the recoverable amount of the relevant assets, we were unable to determine whether the carrying value of these assets should be reduced and a corresponding impairment expense recognized. Consequently, in the absence of a recoverable amount of property plant and equipment at the reporting date, we were unable to quantify the impact with reasonable accuracy on these financial statements.

b) We did not receive any direct confirmation from parties and were unable to verify the account balances through alternate procedures as referred in note No.18 of creditors amounting to Rs.54.950 million, advances from customers amounting to Rs.49.925 million and other payable amounting to Rs.11.358 million.

c) We were unable to verify the completeness and valuation of stock-in-trade as referred in Note. 7 of the financial statements, amounting to Rs. 82.789 million.

d) We did not receive direct confirmation regarding loan from Messi Investment Capital Limited and Bank Al-Habib and were unable to verify the valuation and accuracy of closing balances of Long-Term Loans referred in Note. 15, amounting to Rs. 69.116 million.

e) The Company was unable to operate its unit-I and unit-II during the whole financial year. The Company has been incurring continuous gross losses due to the underutilization of production capacity. At the statement of financial position date, the Company's accumulated losses stand at Rs. 802.283 million and net loss after taxation amounting to Rs. 27.919 million, its current liabilities exceed its current asset by Rs. 54.121 million and financial results show adverse key financial ratios. At present, no formal business plan for the future period is given by the management.

These conditions and events indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may unable to realize its assets and discharges its liabilities in the normal course of business. However, as described in Note 1.1, these financial statements have been prepared under the going concern assumption. Because of the circumstances and events as mentioned herein, in our opinion, the company cannot be considered to be a going concern and thus the preparation of these financial statements on a going concern basis is inappropriate. In our opinion, the financial statements should reflect adjustments to reduce the value of assets to their recoverable amount and to provide any further liabilities that may arise. These adjustments are likely to be substantial, and in view of further qualifications as discussed above (a - e), we are unable to determine the quantum of the required adjustments and provisions with a reasonable degree of accuracy.

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

Key Audit Matters:

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

Except for the matters described in the Basis for Adverse Opinion section of our report, we have determined that there are no other key audit matters to communicate in our report.

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2022, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements:

Based on our audit, we further report that in our opinion except for the matters stated in Basis for Adverse Opinion section of our report:

- proper books of account have been kept by the company as required by the Companies Act, 2017 (XIX of 2017).

- because of the matters described in Basis for Adverse Opinion section, the statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) however, the same are in agreement with the books of account and returns;

- 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 auditors' report is **Hafiz Muhammad Ahmad Saleem.**

Aslam Malik & Co.

ASLAM MALIK & CO. Chartered Accountants LAHORE

Aslam Malik & Co.
Chartered Accountants
Place: Lahore
Date: October 06, 2022

UDIN: AR2022101482tGELyipu

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Notes	2022 Rupees	2021 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	**831,685,365**	859,088,709
Long term deposits	5	**1,303,945**	4,539,645
		832,989,310	**863,628,354**
CURRENT ASSETS			
Stores, spare parts and loose tools	6	**40,178,193**	49,661,528
Stock-in-trade	7	**82,788,853**	83,692,691
Trade debts	8	**1,720,390**	1,888,246
Advances and prepayments	9	**9,398,951**	4,184,069
Due from Government	10	**13,859,370**	13,731,971
Cash and bank balances	11	**9,676,755**	768,989
		157,622,511	**153,927,494**
TOTAL ASSETS		**990,611,821**	**1,017,555,848**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		**700,000,000**	700,000,000
Issued, subscribed and paid up share capital	12	**522,144,000**	522,144,000
Accumulated losses		**(802,283,323)**	(780,213,844)
Surplus on revaluation of property, plant and equipment	13	**334,383,250**	340,374,422
Loan from sponsors and other related parties	14	**624,593,909**	589,833,409
		678,837,836	672,137,987
NON-CURRENT LIABILITIES			
Long term financing from others	15	**86,126,154**	66,172,027
Long term security deposits	16	**7,731,660**	-
Deferred liabilities	17	**6,172,269**	5,790,139
		100,030,083	71,962,166
CURRENT LIABILITIES			
Trade and other payables	18	**192,094,947**	245,653,818
Accrued markup	19	**679,594**	536,173
Unclaimed dividend	20	**402,570**	402,570
Short term financing	21	**-**	23,704,472
Current & overdue portion of long term loans	22	**18,401,814**	2,337,878
Provision for taxation	23	**164,977**	820,784
		211,743,902	273,455,695
CONTINGENCIES AND COMMITMENTS	24	**-**	-
TOTAL EQUITY AND LIABILITIES		**990,611,821**	1,017,555,848

The annexd notes from 1 to 42 form an integral part of these financial statements

CHIEF EXECUTIVE	DIRECTOR	CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022

	Notes	2022 Rupees	2021 Rupees
Turnover - net	25	-	184,862,000
Cost of sales	26	(27,924,492)	(262,684,466)
Gross loss		(27,924,492)	(77,822,466)
Distribution expenses	27	-	(81,778)
Administrative and general expenses	28	(40,505,853)	(19,083,312)
Other income/ (Expenses)	29	53,269,124	32,077,099
		12,763,271	12,912,009
Loss before finance cost		(15,161,221)	(64,910,457)
Finance cost	30	(12,401,927)	(11,142,352)
Loss before taxation		(27,563,148)	(76,052,809)
Taxation	31	(356,479)	2,756,674
Loss after taxation for the year		(27,919,627)	(73,296,135)
Earnings per share - basic and diluted	32	(0.53)	(1.40)

The annexd notes from 1 to 42 form an integral part of these financial statements.

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		**(27,563,148)**	(76,052,809)
Adjustments for non cash and other items:			
Depreciation	4.1	**28,405,079**	29,900,626
Provision for staff retirement benefit-gratuity	17.1.4	**1,085,595**	909,696
Liability written back		**(39,562,174)**	(18,545,914)
Provision for obsolete stores and spares & written down to NRV	6	**(11,488,003)**	7,094,504
Finance cost	30	**12,401,927**	11,142,352
		13,818,430	30,501,264
Operating cash flow before working capital changes		**(13,744,718)**	(45,551,545)
Changes in working capital			
(Increase) / decrease in current assets			
Stores and spares		**(2,004,668)**	26,242,430
Stock in trade		**903,838**	(35,501,758)
Trade debts		**167,856**	455,918
Advances and prepayments		**(5,214,882)**	5,515,399
Balance with statutory authorities		**(127,399)**	(9,441,841)
Increase in current liabilities			
Trade and other payables		**(14,477,755)**	13,935,239
		(20,753,009)	1,205,387
Cash used in from operations		**(34,497,727)**	(44,346,158)
Finance cost paid		**(11,902,027)**	(5,249,091)
Taxes paid		**(1,012,286)**	(4,532,221)
Staff retirement gratuity paid		**(719,910)**	(384,123)
		(13,634,223)	(10,165,435)
Net cash used in from operating activities		**(48,131,950)**	(54,511,593)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property, plant and equipment		**(1,001,735)**	(260,000)
Long term deposits		**3,235,700**	(5,000)
Net cash (used in)/generated from investing activities		**2,233,965**	(265,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
c) Long term financing from banking companies		**26,729,083**	-
Short term financing		**(23,704,472)**	-
Long term financing from others		**9,288,980**	6,088,989
Long term security deposuts		**7,731,660**	-
Long term financing from directors and associates		**34,760,500**	48,973,000
Net cash generated from financing activities		**54,805,751**	55,061,989
Net increase in cash and cash equivalents		**8,907,766**	285,396
Cash and cash equivalents at the beginning of the year		**768,989**	483,593
Cash and cash equivalents at the end of the year	32	**9,676,755**	768,989

The annexd notes from 1 to 44 form an integral part of these financial statements.

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

	Share capital	Capital reserves	Revenue reserve	Revaluation surplus on property, plant and equipment	Sub Total	Long term loan from chief executive and directors	Total
			Accumulated losses				
	Rupees						
Balance as at June 30, 2020	**522,144,000**	**-**	**(712,816,137)**	**346,680,920**	**156,008,783**	**540,860,409**	**696,869,192**
Loss for the year	-	-	(73,296,135)	-	(73,296,135)	-	**(73,296,135)**
Surplus on revaluation of property, plant and equipment -net of deferred tax	-	-	-	-	-	-	**-**
Remeasurement of staff retirement benefits -net of deferred tax	-	-	(408,070)	-	(408,070)	-	**(408,070)**
Loan received during the year	-	-	-	-	-	43,135,000	**43,135,000**
Loan from associates	-	-	-	-	-	5,838,000	**5,838,000**
Capital reserve written back	-	-	-	-	-	-	**-**
Incremental depreciation - net of deferred tax	-	-	6,306,498	(6,306,498)	-	-	**-**
Balance as at June 30, 2021	**522,144,000**	**-**	**(780,213,844)**	**340,374,422**	**82,304,578**	**589,833,409**	**672,137,987**
Loss for the year	-	-	(27,919,628)	-	(27,919,628)	-	**(27,919,628)**
Surplus on revaluation of property, plant and equipment -net of deferred tax	-	-	-	-	-	-	**-**
Remeasurement of staff retirement benefits -net of deferred tax	-	-	(141,024)	-	(141,024)	-	**(141,024)**
Loan received during the year	-	-	-	-	-	23,725,000	**23,725,000**
Loan from associates	-	-	-	-	-	11,035,500	**11,035,500**
Incremental depreciation - net of deferred tax	-	-	5,991,172	(5,991,172)	-	-	**-**
Balance as at June 30, 2022	**522,144,000**	**-**	**(802,283,324)**	**334,383,250**	**54,243,926**	**624,593,909**	**678,837,835**

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	2022 Rupees	2021 Rupees
Loss after taxation for the year	**(27,919,628)**	(73,296,135)
Other comprehensive inome:		
Items that will not beclassified subsequently to profit or loss		
Remeasurement of staff retirement benefits	**(198,626)**	(574,746)
Deferred tax on remeasurement of staff retirement benefits	**57,602**	166,676
	(141,024)	(408,070)
Total comprehensive income - net of tax	**(141,024)**	(408,070)
Total comprehensive loss for the year	**(28,060,651)**	(73,704,205)

The annexd notes from 1 to 44 form an integral part of these financial statements.

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan on October 18, 1980 as a private limited company and was subsequently converted into public limited company. The registered office of the company is located at 3-A, SMC Housing Society, Shahra-e-Faisal, Karachi and head office of the company is located at 35-Industrial area, Gulberg III, Lahore. The shares of the company are quoted on the Pakistan stock exchange limited. The principal business of the company is manufacturing and sale of yarn. The manufacturing units are located at 3-km, Manga Road, Raiwind in the province of Punjab.

1.1 Going concern assumption

The company has been incurring gross losses for the last seven years due to under utilization of production capacity and during the year ended June 30, 2022, the company has incurred a net loss after taxation amounting Rs.27.919 million (2021: Rs. 73.296 million), accumulated loss of Rs. 802.283 million (2021: Rs. 780.214 million) and current liabilities exceeds current asset by Rs. 54.121 million (2021: 119.528 millions) of that date. The unit-I and unit-II remain closed during the whole financial year. The company financial limits from bank are rescheduled, whereas the company operation is mainly relient on the financial contribution from sponsoring director's of the company.

Further, due to pandemic situation of COVID-19 prevailing around the world as well as in Pakistan, the overall economic recession pervailed and although, the Pakistan textile sector perfromance remain better as compared with last year but our company could not revive its operation at optimum level due to fanancial constraints.

These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements, however, have been prepared under the going concern assumptions based on the following mitigating factors narrated below;

- Sponsoring Director's of the company has contributed funds amounting to Rs. 34.761 million during the current year and directors has ability and committed to contribute further funds as and when required by the company. Due to the financial constrainsts faced by the company, the management has been working on alternate option by seeking a party to lease out Unit-II to third party or make the unit operative on the conversion basis, whereby, the unit-I will be operated by the company itself. The management expects that lease option or conversion option will be excercised in the forseeable future or make the unit operative on coversion basis.
- The total assets of the company exceeds total liability by Rs. 678.837 million (2021: Rs. 672.138 million) and the company entered last year into restructuring agreement with M/s Messi Capital for converting the foreign currency loan repayable into Pak rupee with fixation of exchange rate of USD$ partity at Rs.105 with markup on LIBOR plus 1.5%. The company's overall assets are sufficient to meet its liabilities and with directors continous financial supports to meet the financial commitments, the company would be able to revive the business operation at normal trends in upcoming months.

2 BASIS OF PREPARATION

2.1 Going concern assumption

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

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

2.2 Basis of measurement

2.2.1 These financial statements have been prepared under the historical cost convention, except for Property plant and equipment's and recognition of certain staff retirement benefits at present value.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

The preparation of these financial statements in conformity with approved accounting standards requires the management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the financial statements in subsequent years.

2.2.2 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2.3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

2.3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The following amendments to existing standards and interpretations have been published and are mandatory for the year ended June 30, 2022 and are considered to be relevant to the Company's financial statements:

IFRS 3	"Business Combinations" - Definition of business	January 01, 2020
IFRS 7	Financial Instruments Disclosure' - Interest rate benchmark reform	January 01, 2020
IFRS 9	Financial instruments	January 01, 2020
IFRS 16	Leases- Amendment to provide lessees with an exemption from assessing whether a Covid-19 related rent concession is a lease modification.	June 01, 2020
IAS 1	Amendments to IAS 1 'Presentation of Financial Statements' - Definition of material	January 01, 2020
IAS 8	IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors	January 01, 2020
IAS 39	Financial Instruments Recognition and Measurement Certain annual improvements have also been made to a number of IFRSs.	January 01, 2020

2.3.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

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

Standard or Interpretation		Effective Date (Period beginning on or after)
	Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 1, 2021
IFRS 1	Amendments to IFRS 1 'Simplifies the application of IFRS 1 for a subsidiary that become a forst time adopter of IFRS later than its parent.	January 1, 2021
IFRS 3	Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework.	January 1, 2022
IFRS 9	Financial Instruments- For the purpose of performing the ' ten per cent test' for derecognition of financial liabilities.	January 1, 2022
IFRS 16	Amendment to IFRS 16 'Leases' Illustrative Example 13, removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.	January 1, 2022
IAS 1	Presentation of financial Statements- Amendments regarding the definition of materiality - Disclosure od accounting policies.	January 01,2023
IAS 1	Presentation of financial Statements- Amendments regarding the classification of liabilities.	January 01,2023
IAS 8	Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' The IASB clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates.	January 01,2023
IAS 12	Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01,2023
IAS 16	Property Plant and Equipment- Amendments prohibiting a company from deducting from the cost of Property Plant and Equipment amounts received from selling items produced while the company is preparing for its intended use.	January 01,2022
IAS 37	Under IAS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits.	January 01,2022
IAS 41	Amendment to IAS 41 'Agriculture', removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 'Fair Value Measurement'.	January 01,2022

Certain annual improvements have also been made to a number of IFRSs.

2.3.3 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

The following new standards and interpretation have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by Securities and Exchange Commission of Pakistan.

		Effective Date (Period beginning on or after)
IFRS 1	First time adoption of international financial reporting standards.	January 01,2018
IFRS 17	Insurance contracts.	January 01,2021

The management anticipates that the adoption of the above standards and amendments in future periods will have no material impact on the company's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.2 Taxation

Current

Company's export sales fall under presumptive tax regime under Section 169 of the Income Tax Ordinance, 2001. Charge for current taxation other than export is based on taxable income at the current rates of taxation after taking into account tax credits, brought forward losses, accelerated depreciation allowances and any minimum limits imposed by the taxation laws.

Deferred

The company accounts for deferred taxation using the liability method on all timing differences which are considered reversible in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred tax is calculated at the rates expected to apply to the period when the related temporary differences reverse, based on tax rates that have been enacted or substantially enacted by the Financial position date.

3.3 Staff retirement benefits - gratuity

The Company operates an unfunded Gratuity Scheme covering all the employees of the Company with qualifying service period of six months. Provision is made annually on the basis of actuarial valuation. The most recent actuarial valuation was carried out as at June 30, 2022 using the Projected Unit Credit Method. Actuarial gains and losses are recognized in accordance with the recommendations of the actuary. Further, the management of the company could not determine the expected payments in next period reasonably.

	Principal Actuarial Valuation	
Principal Actuarial Valuation	**2022**	**2021**
Discount factor used	10.0%	10.0%
Expected rate of eligible salary increase in future years	N/A	9.0%

3.4 Foreign Currency Translations

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the Financial position date. Foreign exchange gains and losses on translation are included in income currently.

3.5 Trade and Other Payables

Liabilities for trade creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

3.6 Dividends

Dividend distribution to company's shareholders is recognized as a liability in the period in which dividend is approved.

3.7 Contingencies and Commitments

Capital commitments and contingencies, unless those are actual liabilities, are not incorporated in the financial statements.

3.8 Provisions

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

3.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation except freehold land ,building and plant and machinery. Freehold land ,building and plant and machinery is stated at revalued amount. Borrowing costs pertaining to erection / construction period are capitalized as part of the historical cost.

Depreciation is charged to income applying reducing balance method to write-off the cost, capitalized exchange fluctuations and borrowing costs over estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of fixed assets.

Depreciation on additions is charged from the month the asset is available for use while no depreciation is charged in the month in which the asset is disposed off.

The company assesses at each Financial position date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income currently. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the assets' revised carrying amount over its estimated useful life.

Gains/losses on disposal of fixed assets are taken to Profit and Loss Account.

Minor repairs and maintenance are charged to profit & loss, as and when incurred. Major renewals and replacements are capitalized and the assets so replaced, if any, other than those kept as stand by, are retired.

3.10 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method is reviewed and adjusted, if appropriate, at each Financial position date.

3.11 Assets subject to Leases IFRS 16

The standard replaces IAS 17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 will be higher when compared to lease expenses under IAS 17, as the operating expense is now replaced by interest expense and depreciation in the statement of profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The adoption of IFRS 16 has no financial impact on the financial statements of the Company.

Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

Lease Liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.12 Capital Work in Progress

Capital work in progress is stated at cost less any identified impairment loss.

3.13 Long Term Deposits and Loans

These are stated at cost which represents the fair value of consideration given.

3.14 Stores, Spares and Loose Tools

These are valued at lower of moving average cost or net realizable value, except items in transit, which are stated at cost plus other charges incurred thereon up to statement of financial position date.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

3.15 Stocks in trade and stores, spares and loose tools

These are valued at lower of cost or net realizable value except stock in transit which are valued at cost comprising invoice values plus other charges incurred up to the Financial position date. Cost is determined as under;

Raw material	Weighted average cost
Packing material	Moving average cost
Work in process	Raw material cost and appropriate manufacturing overheads
Finished goods	Raw material cost, packing material cost and appropriate manufacturing overheads.
Waste	Net realizable value

Net realizable value signifies the estimated selling prices in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sales.

3.16 Revenue recognition

The Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company recognizes revenue in accordance with that core principle by applying the following steps:

-- Identify the contract with a customer
– Identify the performance obligations in the contract
– Determine the transaction price
– Allocate the transaction price to the performance obligations in the contract
– Recognize revenue when the entity satisfies a performance obligation

I) Customer acquisition costs

Customer acquisition costs are capitalized as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortized on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

ii) Customer fulfilment costs

Customer fulfilment costs are capitalized as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortized on a straight-line basis over the term of the contract.

iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

iv) Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract

v) Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

vi) Contract balances

(a) the opening and closing balances of receivables, contract assets and contract liabilities from contracts with customers, if not otherwise separately presented or disclosed;

(b) revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period; and

(c) revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods

- the difference between contract assets and trade receivables, enabling users to understand the different risks associated with each balance; and
- how the timing of the satisfaction of performance obligations related the typical timing of payment and the effect that those factors have on the contract asset and contract liability balances.

Interest income is recognized on a time proportionate basis using the effective rate of return.

3.17 Provision

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.18 Deferred government grant

In accordance with IFRS 9 the benefit of interest rate lower than the market rate on borrowings obtained under State Bank of Pakistan (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity and temporary economic refinance facility, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognized and presented in statement of financial position as deferred government grant.

3.19 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

3.20 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.21 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.
Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

3.22 Financial instruments

3.22.1 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

I) Financial assets at amortized cost

Instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- tthe contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at fair value through
profit or loss (FVTPL). Specifically:
- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria

may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in the statement of profit or loss.

iii) Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income (FVTOCI), the cumulative gain or loss previously accumulated in the investments' revaluation reserve is reclassified to the statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments' revaluation reserve is not reclassified to the statement of profit or loss, but is transferred to retained earnings.

3.22.2 Impairment of financial assets

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less loss allowance, if any. The Company recognizes a loss allowance for Expected Credit Loss (ECL) on trade debts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognizes lifetime ECL for trade debts. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument.

In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months a er the reporting date.

(I) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) The financial instrument has a low risk of default,

2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and

3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Company employs statistical models to analyses the data collected and generate estimates of probability of default ('PD') of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derivative financial instruments

Derivatives that do not qualify for hedge accounting are recognized in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

3.22.3 Non-financial assets

The Company assesses at each reporting date whether there is any indication that assets except inventories, biological assets and deferred tax asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income in the statement of profit or loss.

3.22.4 Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognized in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in the statement of profit or loss incorporates any interest paid on the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit or loss.

3.22.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.23 Investments

3.23.1 Investment in associates

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of profit or loss of the associate a er the date of acquisition. The Company's share of profit or loss of the associate is recognized in the statement of profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognized in the associate's statement of profit or loss. The Company's share of those changes is recognized in the statement of comprehensive income of the Company.

The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognized in the statement of profit or loss.

3.24 Trade and other payables

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

3.25 Borrowing cost

Borrowing costs are recognized as an expense in which these are incurred except to the extent these are directly attributable to acquisition, construction or production of qualifying assets, where these are added to the cost of those assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use/sale.

3.26 Foreign currency transaction

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into Pak Rupees at the rates prevailing on the reporting date.

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

3.27 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at book value which approximates their fair values. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with bank on current, saving and deposit accounts, short term bank borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to in significant risk of change in value.

3.28 Related party transaction and transfer pricing

Transaction and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

Parties are said to be related if they able to influence the operating and financial decisions of the company and vice versa.

4. PROPERTY, PLANT AND EQUIPMENT

	Notes	2022 Rupees	2021 Rupees
Operating property, plant and equipment	4.1	**791,277,561**	818,680,905
Capital work-in-progress	4.6	**40,407,804**	40,407,804
		831,685,365	859,088,709

4.1 Operating property, plant and equipment - for the year ended June 30, 2022

PARTICULARS	COST / REVALUED AMOUNTS				DEPRECIATION CHARGE			NET BOOK VALUE	Rate
	As at June 30, 2021	Additions/ (Disposals)	Surplus/ (Loss) on Revaluation	As at June 30, 2022	Accumulated as at June 30, 2021	For the year	Accumulated as at June 30, 2022	As at June 30, 2022	
	All amounts in Rupees								
Land - freehold	256,637,500	-	-	**256,637,500**	-	-	-	**256,637,500**	-
Building on freehold land	209,380,268	943,735	-	**210,324,003**	46,413,303	8,183,738	54,597,041	**155,726,962**	5%
Plant and machinery	524,095,235	-	-	**524,095,235**	129,280,161	19,740,754	149,020,914	**375,074,321**	5%
Electric installations	16,141,875	-	-	**16,141,875**	14,807,955	133,392	14,941,347	**1,200,528**	10%
Fire fighting equipment	834,897	-	-	**834,897**	721,821	11,308	733,128	**101,769**	10%
Tube well	1,026,623	-	-	**1,026,623**	876,859	14,976	891,836	**134,787**	10%
Office equipment	5,753,490	-	-	**5,753,490**	4,458,175	129,532	4,587,706	**1,165,784**	10%
Furniture and fixtures	2,085,607	58,000	-	**2,143,607**	1,359,778	74,033	1,433,811	**709,796**	10%
Vehicles	8,429,112	-	-	**8,429,112**	7,899,105	106,001	8,005,107	**424,005**	20%
Weigh bridge	1,602,508	-	-	**1,602,508**	1,489,053	11,345	1,500,399	**102,109**	10%
	1,025,987,115	**1,001,735**	**-**	**1,026,988,850**	**207,306,210**	**28,405,079**	**235,711,290**	**791,277,561**	

Operating property, plant and equipment - for the year ended June 30, 2021

PARTICULARS	COST / REVALUED AMOUNTS				DEPRECIATION CHARGE			NET BOOK VALUE	Rate
	As at June 30, 2020	Additions/ (Disposals)	Surplus/ (Loss) on Revaluation	As at June 30, 2021	Accumulated as at June 30, 2020	For the year	Accumulated as at June 30, 2021	As at June 30, 2021	
	All amounts in Rupees								
Land - freehold	256,637,500	-	-	**256,637,500**	-	-	-	**256,637,500**	-
Building on freehold land	209,380,268		-	**209,380,268**	37,836,094	8,577,209	46,413,303	**162,966,965**	5%
Plant and machinery	523,835,235	260,000	-	**524,095,235**	108,503,841	20,776,320	129,280,161	**394,815,074**	5%
Electric installations	16,141,875	-	-	**16,141,875**	14,659,742	148,213	14,807,955	**1,333,920**	10%
Fire fighting equipment	834,897	-	-	**834,897**	709,257	12,564	721,821	**113,076**	10%
Tube well	1,026,623	-	-	**1,026,623**	860,219	16,640	876,859	**149,764**	10%
Office equipment	5,753,490	-	-	**5,753,490**	4,314,251	143,924	4,458,175	**1,295,315**	10%
Furniture and fixtures	2,085,607	-	-	**2,085,607**	1,279,130	80,648	1,359,778	**725,829**	10%
Vehicles	8,429,112	-	-	**8,429,112**	7,766,603	132,502	7,899,105	**530,007**	20%
Weigh bridge	1,602,508	-	-	**1,602,508**	1,476,447	12,606	1,489,053	**113,455**	10%
	1,025,727,115	**260,000**	**-**	**1,025,987,115**	**177,405,584**	**29,900,626**	**207,306,210**	**818,680,905**	

4.2 Revaluation of property, plant and equipment carried out by Harvester Services (Pvt) Limited on June 30, 2020 and based on latest revaluation report, the forced sale of the revalued assets i.e. land, building and plant & machinery in aggregate is Rs. 687,089,532/-

4.3 Particulars of immovable assets of the Company are as follows:-

Location	Address	Covered Area
Kasur	Manga Road, Raiwind	**300,528 Sqft**

4.4 Had there been no revaluation, the original cost, accumulated depreciation, and book value of revalued class of property, plant & equipment would have been as follows:

PARTICULARS	Cost			Accumulated depreciation as at June 30, 2022	Net Book Value As at June 30, 2022
	As at July 01, 2021	Additions/ (Disposals)	As at June 30, 2022		
	All amounts in Rupees				
Land - freehold	**14,266,500**	-	**14,266,500**	-	**14,266,500**
Building on freehold land	**190,249,857**	-	**190,249,857**	**105,975,113**	**84,274,744**
Plant and machinery	**722,935,302**	-	**722,935,302**	**441,157,366**	**281,777,936**
	927,451,659	-	**927,451,659**	**547,132,479**	**380,319,180**

PARTICULARS	Cost			Accumulated depreciation as at June 30, 2021	Net Book Value As at June 30, 2021
	As at July 01, 2020	Additions/ (Disposals)	As at June 30, 2021		
	All amounts in Rupees				
Land - freehold	**14,266,500**	-	**14,266,500**	-	**14,266,500**
Building on freehold land	**190,249,857**	-	**190,249,857**	**101,539,600**	**88,710,257**
Plant and machinery	**722,675,302**	**260,000**	**722,935,302**	**426,326,948**	**296,608,354**
	927,191,659	**260,000**	**927,451,659**	**527,866,548**	**399,585,111**

4.5 Depreciation for the year has been allocated as follows:

	Notes	2022 Rupees	2021 Rupees
Cost of sales	**26**	**27,950,492**	29,382,775
Administrative expenses	**28**	**480,587**	517,851
		28,405,079	29,900,626

4.6 Capital work-in-progress

Opening balance	40,407,804	40,407,804
Additions during the year	-	-
Closing balance	**40,407,804**	**40,407,804**

		NOTE	2022 RUPEES	2021 RUPEES
5.	**LONG TERM DEPOSITS**			
	Deposit against bank guarantees		**451,800**	3,687,500
	Security deposits against utilities		**852,145**	852,145
			1,303,945	4,539,645
6.	**STORES, SPARE PARTS AND LOOSE TOOLS**			
	Stores		**33,220,485**	31,215,818
	Spare parts		**25,540,214**	25,540,214
			58,760,700	56,756,032
	Provision for obsolete stores and spares and written down to NRV		**(18,582,507)**	(7,094,504)
			40,178,193	49,661,528
7.	**STOCK-IN-TRADE**			
	Raw material	**26.1**	**78,034,385**	78,938,223
	Work-in-process	**26**	**4,320,513**	4,320,513
	Finished goods	**26**	**433,955**	433,955
			82,788,853	83,692,691
8.	**TRADE DEBTS**			
	Considered good			
	Local yarn debtors		**7,243,646**	7,411,502
	Provision for doubtful debts		**(5,523,256)**	(5,523,256)
			1,720,390	1,888,246

8.1 Trade debtors of Rs. 1,720,390 (2021: Rs. 1,888,246) were past due but not impaired. These relates to routine customers from where no history of default is found. The aging analysis of the trade debtors is as follows;

			2022 RUPEES	2021 RUPEES
	Upto 1 month		**-**	-
	1 to 6 months		**-**	-
	more than 6 months		**7,243,646**	7,411,502
			7,243,646	**7,411,502**
8.2	**Provision for doubtful trade debts**			
	Opening balance		**5,523,256**	5,523,256
	Provision for the year		**-**	-
	Closing balance		**5,523,256**	5,523,256
9.	**ADVANCES AND PREPAYMENTS**			
	Advance to employees:			
	-Against salaries		**667,355**	689,494
	-Against purchases		**118,147**	616,553
	To suppliers		**2,618,482**	2,739,537
	Other receivables		**5,994,967**	
	Prepayments		**-**	138,485
			9,398,951	4,184,069
10.	**DUE FROM GOVERNMENT**			
	Sales tax refund claim/ refundable		**13,859,370**	13,731,971
			13,859,370	13,731,971
11.	**CASH AND BANK BALANCES**			
	Cash in hand		**81,556**	170,299
	Cash at banks - in current accounts		**9,595,199**	598,690
			9,676,755	768,989

		2022 RUPEES	2021 RUPEES
12.	**SHARE CAPITAL**		
	Authorized share capital:		
	70,000,000 ordinary shares of Rs. 10 each.	**700,000,000**	700,000,000
	Issued, subscribed and paid up share capital:		
	52,214,400 (2021: 52,214,400) ordinary shares of Rs. 10 each. issued for cash.	**522,144,000**	522,144,000

12.1 Ordinary shares of the company held by the associated companies at the year end are as follows:

Associated companies	Basis of Relationship	Number of shares	
		2022	2021
Naheed Noor Enterprises Limited	Common Directorship	**300,000**	300,000
Naheed Noor (Pvt.) Limited	Common Directorship	**100,500**	100,500
Sunrise Bottling Company (Pvt.) Limited	Common Directorship	**6,500,000**	6,500,000
		6,900,500	6,900,500

12.2 Reconciliation of number of ordinary shares of Rs. 10 each fully paid in cash is as follows:

	2022	2021
At the beginning of the year	**52,214,400**	52,214,400
Issued during the year	**-**	-
At the end of the year	**52,214,400**	52,214,400

12.3 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.

		2022 RUPEES	2021 RUPEES
13.	**SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**		
	Opening balance	**411,136,423**	420,018,814
	Transfer to accumulated loss in respect of :		
	-Incremental depreciation	**(8,438,271)**	(8,882,391)
	-Disposal of property, plant and equipment	**-**	-
		(8,438,271)	(8,882,391)
	Closing balance	**402,698,152**	411,136,423
	Less: Related deferred tax liabilities on:		
	At beginning of the year	**70,762,001**	73,337,894
	Deferred tax (reversed)/ during the year	**-**	-
	Incremental depreciation on revalued assets	**(2,447,099)**	(2,575,893)
		68,314,902	70,762,001
		334,383,250	340,374,422

13.1 This represents surplus on revaluation of property, plant and equipment carried out by Harvester Services (Pvt) Limited on June 30, 2020 (previously these were revalued on September 30, 2001, September 30, 2004, June 30, 2008, June 30, 2013, June 30, 2016 and June 30, 2019) adjusted by surplus realized on disposal of revalued assets, incremental depreciation arising out of revaluation and deferred taxation. Based on latest revaluation report, the forced sale of the revalued assets i.e. land, building and plant & machinery in aggregate is Rs.687,089,532/-

		NOTE	2022 RUPEES	2021 RUPEES
14.	**LOAN FROM SPONSORS AND OTHER RELATED PARTIES**			
	Unsecured- from related parties			
	Mr. Noor Elahi		**246,133,878**	224,158,878
	Mrs. Parveen Elahi		**132,341,121**	131,691,121
	Mr. Nabeel Javed		**2,345,000**	2,345,000
	Mrs. Naheed Javed		**148,574,598**	147,474,598
			529,394,597	505,669,597
	Associated Companies:			
	Naheed Noor (Pvt) Limited		**3,848,844**	3,848,844
	Naheed Noor Enterprises (Pvt) Limited		**60,321,770**	48,889,270
	Pure Drinks (Pvt) Limited		**877,656**	877,656
	Sunrise Bottling Co (Pvt) Ltd		**(385,000)**	-
	Aroma Drinks (Pvt) Limited		**30,536,042**	30,548,042
			95,199,312	84,163,812
	Total loan from sponsors and other related parties	14.1	**624,593,909**	589,833,409

14.1 These interest free loans are repayable at the discretion of the Company after June 30, 2021. Company has no intention to repay these loan within next twelve months from the reporting date. Therefore, no portion has been classified under current liabilities. Therefore, these loans are not measured at amortized cost as per requirements of IFRS-09, rather these are treated as equity in accordance with the Technical Release - 32 "Accounting Directors' Loan" (TR-32) issued by the Institute of Chartered Accountants of Pakistan (ICAP).

		NOTE	2022 RUPEES	2021 RUPEES
15.	**LONG TERM FINANCING FROM OTHERS**			
	Foreign Loan	15.1	**69,116,735**	66,172,027
	Loan From Bank Al Habib	15.2	**17,009,419**	-
			86,126,154	66,172,027

	2022	2021
Opening Balance	**68,509,905**	60,083,038
Markup capitalized	**388,601**	8,426,867
	68,898,506	68,509,905
Current Portion	**(6,344,272)**	(2,337,878)
Overdue Portiom	**(2,337,878)**	-
	(8,682,150)	(2,337,878)
Principal	**60,216,356**	66,172,027
Add: Interest payable	**8,900,379**	-
Closing Balance	**69,116,735**	66,172,027

15.1 Foreign Loan

The company entered into restructuring agreement with foreign lender during the last year and agreed the revised terms of settlement with lender, the foreign currency loan USD$ 1.000 million converted at fixed USD$ Pak rupee parity rate of Rs.105 and payable in Pak rupee at Rs.105 million plus markup chargeable net of payment till year end amounting Rs.8.749 million. The loan carry markup rate of 6-Months LIBOR+ 1.25% prevailing at the date of disbursement of loan and shall be amortized over the term of loan in accordance with the requirement of IFRS-09 by using incremental borrowing rate (i.e. last quarter markup rate of bank +1% incremental cost factor). The present value of principal plus markup future payments are discounted by using incremental borrowing rate is determined and existing financial liability is derecognized. Consequently, the new financial liability is recognized at present value of the future payments and the differences arised between existing financial liability and present value of financial liability recognized is charged to profit and loss in line with the IFRS-09 requirement as other income due to gain using fixed exchange rate and write back of liability on financial liability due to amortization. The loan repayment terms are:-

Markup Rate	6-Months Libor+1.25%
Payment Term	Equal Semi annually Installments
Payment Start Date	June 2022
Payment End Date	December 2029

	NOTE	2022 RUPEES	2021 RUPEES
15.2 TERM FINANCE FROM BANK AL-HABIB			
Term Finance		**26,729,083**	-
Less: Current portion		**(9,719,664)**	-
		17,009,419	-

The RF facility outstanding amount was restructured/ rescheduled by the bank vide its sanaction letter dated 25-01-2022 by converting it to term finance facility of Rs.29.159 million (2021: Rs. Nil) with mark-up @ 9.75% p.a. and is repayable in 3-years 12 equal quarterly installments starting from February 15, 2022 and ending on January 01, 2025. The facility is secured by way of:

– 1st equitable charge over industrial land 56 Kanals of Unit-1 & 16 Kanals situated at 3KM Raiwind Manga road, Distt Kasur.

– Hypothecation charge over plant and machinery, stocks and book debts.

– Personal Guarantee of Chief Executive Mr. Noor Elahi and counter guarantee.

16. LONG TERM SECURITY DEPOSITS		**7,731,660**	-

It represent security deposit refundable by lessee agaist lease of warehouse and workers residence premises to M/S style Textile (Pvt) Ltd.

17. DEFERRED LIABILITIES			
Staff gratuity-Unfunded	**17.1**	**4,915,078**	4,831,825
Deferred taxation	**17.2**	**1,257,191**	958,314
		6,172,269	5,790,139

17.1 Staff gratuity - Unfunded

Latest actuarial valuation of the gratuity scheme was conducted as on June 30, 2021. Results of actuarial valuation are as under:

17.1.1 Movement in present value of defined benefit obligation		
Present value of defined benefit obligation - opening	**4,831,825**	4,798,547
Current service cost	**662,461**	555,057
Interest cost	**423,134**	354,639
Re-measurements income/(loss)	**198,626**	574,746
Benefits paid during the year	**(719,910)**	(384,123)
Transferred to trade and other payables	**(481,058)**	(1,067,041)
Present value of defined benefit obligation - closing	**4,915,078**	4,831,825

17.1.2 Historical Information

	Amount in Rupees				
	2022	**2021**	**2020**	**2019**	**2018**
Present value of obligation	4,915,078	4,831,825	4,798,547	7,826,580	5,672,580

	2022 RUPEES	2021 RUPEES
17.1.3 Net Liability recognized in Statement of financial position		
Present value of obligation	**4,915,078**	4,831,825
17.1.4 Expense recognized	**12,712,265**	12,147,954
In Statement of Profit or loss		521,284
Current service cost	**662,461**	555,057
Interest cost	**423,134**	354,639
	1,085,595	909,696
In Statement of other comprehensive income		
Re-measurement in the year	**198,626**	574,746

	2022	2021
17.1.5 Principle actuarial assumptions	%	
Discount factor used	**13.25%**	8.50%
Expected rate of salary increase	**12.25%**	7.50%

17.1.6 General description

The scheme provides for terminal benefits for all of its permanent employees who attain the minimum qualifying period. Annual charge is made on the basis of actuarial valuation carried on using Projected Unit Credit Method.

	Impact on Present value of defined benefit obligation			
	Change in Percentage		**Increase in assumption**	**Decrease in assumption**
Discount rate	1.00%		5,241,159	5,531,518
Salary growth rate	1.00%		5,545,081	5,225,954

The average duration of the defined benefit obligation is 3 years (2021: 8 years).

	NOTE	2022 RUPEES	2021 RUPEES
17.2 The net liability for deferred taxation comprises of temporary differences.			
Taxable temporary difference			
Accelerated tax depreciation allowance		**92,511,738**	95,953,737
Surplus on revaluation of property, plant and equipment		**46,494,874**	48,941,973
		139,006,612	144,895,710
Deductible temporary differences			
Staff retirement benefits - gratuity		**(3,686,557)**	(3,522,907)
Unused tax losses carried forward		**(134,062,864)**	(140,414,489)
		(137,749,421)	(143,937,395)
		1,257,191	958,314
17.2.1 Movement in deferred tax liability is as follows;			
Opening deferred tax liability		**958,314**	7,994,568
Reversal of Deferred tax expense during the year			
-Profit or loss	31	**356,479**	6,869,578
-Other comprehensive income		**57,602**	166,676
Closing deferred tax liability		**1,257,191**	958,314

17.2.2 The deferred tax asset of Rs. 93.341 million (2021: Rs. 183.346 million) on carried forward business losses of Rs.335.660 million plus depreciation lossses of Rs.30.million (2021:Rs 632.230 million business losses) has not been recognized in these financial statements because of uncertainty regarding future taxable profits adjustment available and consequently, the deferred tax asset to the extent of depreciation losses available as on balance sheet date has been recognized for adjustment against deferred tax liability.

	2022 RUPEES	2021 RUPEES
18. TRADE AND OTHER PAYABLES		
Creditors	**54,950,317**	67,894,762
Accrued liabilities	**56,371,552**	81,354,820
Liability against staff retirement benefits - gratuity	**7,797,187**	7,316,129
Advance from customers	**49,925,306**	45,296,106
Income tax payable	**11,691,928**	30,883,343
Other Payable	**11,358,658**	12,908,658
	192,094,947	245,653,818
19. ACCRUED MARKUP		
Short term financing from banking companies	**679,594**	536,173
Markup on Long term loan others	**-**	-
	679,594	2,874,051

20. UNCLAIMED DIVIDEND

'This represent unclaimed dividend unpaid due to non claimant of shareholders and the company has deposited the unclaimed dividend into separate bank account. Upon claim, the same shall be paid to the claimant shareholder or if claimant did not lodge the claim, the same shall be deposited in Government treasury as prescribed by the law.

	NOTE	2022 RUPEES	2021 RUPEES

21. SHORT TERM FINANCING

		2022 RUPEES	2021 RUPEES
Running Finance		-	23,704,472

Short term running finance was available from commercial banks under mark up arrangements amounting Rs. NIL (2021: Rs. 25 million) and was secured against pledge / hypothecation charge over stocks, receivables and other current assets of the company along with personal guarantees of chief executive and sponsoring directors. It carry mark up rate 3-Months KIBOR plus 1.50% per annum (2021: 12.69% to 15.36% per annum). The bank restructured/ rescheduled this short term finance facility to term finance vide letter dated 25-01-2022 and is transferred to long term financing (Note-No- 16).

22. CURRENT AND OVERDUE PORTION OF LONG TERM LOAN

	NOTE	2022 RUPEES	2021 RUPEES
Current portion			
- Foreign loan		**6,344,272**	2,337,878
- Term finance from Bank Al-Habib		**9,719,664**	
		16,063,936	2,337,878
Overdue portiom			
- Foreign loan		**2,337,878**	-
- Term finance from Bank Al-Habib		**-**	-
	15.2	**2,337,878**	-
		18,401,814	2,337,878

23. PROVION FOR TAXATION

	2022 RUPEES	2021 RUPEES
Opening balance	**820,784**	1,240,102
Prior year adjustment	**-**	727,609
Provision for the year	**356,479**	3,385,294
	1,177,263	5,353,005
Less: Adjusted against available tax/tax deducted at source	**(1,012,286)**	(4,532,221)
	164,977	820,784

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

Mr. Khurram Shahzad Mughal, Mr. Muhammad Afzal and Mr. Muhammad Waseem, ex-employees of the company have filed suits against the company before the compensation Commissioner/ wages Authority Lahore for compensation amounting Rs. 510,000, Rs. 103,576 and Rs. 123,000 as damages against lost of eye-sight and pending wages claim respectively. Legal counsel of the company is hopeful that there is no scope of any fiscal loss to the company in this case.

24.2 Commitments

There are no commitments as at year end. (2021: Rs. Nil).

25. TURNOVER - NET

	2022 RUPEES	2021 RUPEES
Local sales - gross:		
Yarn		218,725,699
Waste		6,960,573
	-	225,686,272
Less: sales tax		(40,824,273)
Local sales - net	**-**	184,862,000

		NOTE	2022 RUPEES	2021 RUPEES
26.	**COST OF SALES**			
	Raw material consumed	**26.1**	**-**	130,688,171
	Stores, spare parts and loose tools consumed		**-**	3,526,797
	Packing materials consumed		**-**	2,583,240
	Salaries, wages and other benefits	**26.2**	**-**	31,391,504
	Fuel and power		**-**	59,187,011
	Rent, rates and taxes		**-**	322,234
	Vehicle running and maintenance		**-**	178,723
	Repair and maintenance		**-**	370,654
	Telephone, postage and telegrams		**-**	36,210
	Traveling and conveyance		**-**	261,925
	Printing and stationery		**-**	47,110
	Entertainment		**-**	257,452
	Insurance		**-**	97,386
	Other direct cost		**-**	684,278
	Freight and octri		**-**	490,090
	Depreciation	**4.5**	**27,924,492**	29,382,775
	Miscellaneous		**-**	193,611
			27,924,492	259,699,171
	Adjustment of work-in-process:			
	Opening stock		**4,320,513**	6,094,822
	Closing stock	**7**	**(4,320,513)**	(4,320,513)
			-	1,774,309
			27,924,492	261,473,480
	Cost of goods manufactured			
	Adjustment of finished goods:			
	Opening stock		**433,955**	1,644,941
	Closing stock	**7**	**(433,955)**	(433,955)
			-	1,210,986
			27,924,492	262,684,466
26.1	**Raw material consumed**			
	Opening stock		**78,938,223**	40,451,170
	Purchases		**-**	167,203,769
	Direct expenses		**-**	1,971,456
	Purchases- net		-	169,175,225
	Available for consumption		**78,938,223**	209,626,394
	Less: Cost of Stock damage by Fire		**(903,838)**	-
	Less: Closing stock	**7**	**(78,034,385)**	(78,938,223)
			27,924,492	130,688,171

26.2 This includes Rs. NIL (Rs. 101,580) in respect of staff gratuity

		NOTE	2021 RUPEES	2021 RUPEES
27.	**DISTRIBUTION EXPENSES**			
	Freight and carriage on local sales		**-**	81,778
28.	**ADMINISTRATIVE AND GENERAL EXPENSES**			
	Directors' remuneration		**-**	-
	Salaries, allowances and other benefits	**28.1**	**17,934,578**	7,072,824
	Fees and subscription		**17,395**	665,860
	Traveling and conveyance		**644,308**	373,221
	Vehicle running and maintenance		**339,699**	397,264
	Electricity, Gas & Water		**4,100,802**	-
	Telephone, postage and telegram		**549,440**	538,530
	Printing and stationery		**303,190**	205,136

Repair and maintenance		**2,299,612**	143,774
Insurance		**138,485**	41,094
Rent, rates and taxes		**25,000**	15,024
Entertainment		**160,685**	92,254
Legal and professional charges		**245,240**	340,985
Auditors' remuneration		**881,000**	881,000
Provision for obsolete stores and spares and written down to NRV		**11,488,003**	7,094,504
Depreciation	**4.5**	**480,587**	517,851
Advertisement		**34,381**	38,250
Miscellaneous		**137,785**	-
Others		**725,663**	665,741
		40,505,853	19,083,312

28.1 This includes Rs. (2021: 808,116) in respect of staff gratuity.

28.2 Depreciation is reclassified from cost of sales to administrative expenses becacause of discontinuos of factory operations for the current year. The corresponding figures cannot be classified

28.3 Auditor's remuneration

Statutory audit fee	**625,000**	625,000
Half yearly review and other certifications	**125,000**	125,000
Review of code of corporate governance	**90,500**	90,500
Out of Pocket Expenses	**40,500**	40,500
	881,000	881,000

29. OTHER INCOME/(EXPENSES)

Weigh bridge income	**1,990,000**	1,800,000
Rental Income	**10,699,788**	-
Scrap sales/ other income	**921,000**	10,462,290
Stock lost-fire loss	**-**	148,857
Gain due to insurance claim	**96,162**	
Balances written back- net	**39,562,174**	7,427,838
SNGP balance written back	**-**	11,118,076
Sale of stores,spares and loose tools- net	**-**	745,120
Exchange gain on foreign currency	**-**	374,918
	53,269,124	32,077,099

30. FINANCE COST

Mark-up on:		
Long term loans and financing	**10,319,082**	8,426,867
Short term finances	**1,999,942**	2,086,044
Bank charges and commission	**82,903**	46,590
Guarantee commission fee	**-**	582,851
	12,401,927	11,142,352

31. TAXATION

Current tax	**-**	3,385,294
Prior year adjustemnt		727,609
Deferred tax - net	**(356,479)**	(6,869,578)
	(356,479)	(2,756,674)

32. EARNINGS PER SHARE

32.1 Basic

		2022	2021
Loss after taxation	**Rupees**	**(27,919,627)**	(73,296,135)
Weighted average number of ordinary shares	**No.**	**52,214,400**	52,214,400
Loss per share	**Rupees**	**(0.53)**	(1.40)

32.2 Diluted

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

	2022 RUPEES	2021 RUPEES
33. CASH AND CASH EQUIVALENTS		
Cash and bank balances	**9,676,755**	768,989
Short term financing	-	23,704,472
	9,676,755	(22,935,482)

34. RELATED PARTY TRANSACTIONS

Disclosure of transactions between the Company and related parties have disclosed in the relevant notes to the financial statements except followings:

Name of Related Party	Basis of relationship	2022 RUPEES	2021 RUPEES
Loan obtained from;			
Mr. Noor Elahi	Chief executive	**21,975,000**	15,520,000
Mrs. Parveen Elahi	Director	**650,000**	21,855,000
Mrs. Naheed Javed	Director	**1,100,000**	5,760,000
Naheed Noor Enterprises (Pvt) Limited	Common Directorship	**11,432,500**	-
Loan repaid to;			
Naheed Noor Enterprises (Pvt) Limited	Common Directorship	**-**	5,838,000
Aroma drinks (Pvt.) Limited		**12,000**	-

34.1 Maximum aggregate amount due to any related party at any month end during the year was due to Mr.Noor Elahi amounting Rs. 246.384 million (2021: Rs. 224.156 million).

34.2 Remuneration and benefits to chief executive, directors, and executives / key management personnel under the term of their employment are disclosed in note 35.

35. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The chief executive is entitled to free use of company maintained car. Following is the detail of managerial remuneration paid to directors and executive with their numbers:

		2022	2021
CHIEF EXECUTIVE AND DIRECTORS			
Remuneration and other benefits	**Rupees**	-	-
Number of persons	**No.**	Nil	Nil
EXECUTIVES			
Remuneration and other benefits	**Rupees**	-	3,600,000
Number of persons	**No.**	Nill	2

35.1 The Chief Executive and Directors are also provided with free use of company maintained cars.

35.2 No remuneration is paid to any other director.

36. FINANCIAL INSTRUMENTS BY CATEGORY

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an approximate mix between various sources of finance to minimize risk. Taken as a whole, the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments. Category wise detail of financial instruments is as follows:

	Notes	2022 Rupees	2021 Rupees
Financial assets as per statement of financial position			
Long term deposits	5	1,303,945	4,539,645
Trade debts	8	1,720,390	1,888,246
Advances and prepayments	9	9,398,951	4,184,069
Cash and bank balances	11	9,676,755	768,989
		22,100,041	11,380,949
Financial liabilities as per statement of financial position			
At cost / amortized cost:			
Loan from sponsors and other related parties	14	624,593,909	589,833,409
Long term financing from others	15	86,126,154	66,172,027
Trade and other payables	18	192,094,947	245,653,818
Accrued markup	19	679,594	536,173
Unclaimed dividend		402,570	402,570
Short term financing	21	-	23,704,472
Current & overdue portion of long term loans	22	18,401,814	2,337,878
		922,298,988	928,640,347

37. FINANCIAL INTRUMENTS AND RELATED DISCLOSURES

37.1 Financial risk factors

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

37.2 Market risks

i) Interest rate risk

Interest risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The sensitivity on interest rate is calculated on following floating instruments;

Floating rate instruments:	2022 Rupees	2021 Rupees
Financial Liabilities:		
Long term financing from others	86,126,154	66,172,027
Short term financing	18,401,814	26,042,350
	104,527,968	92,214,377

If the interest rates at the statement of financial position date, fluctuate by 1% higher/ lower with all other variables held constants, profit or loss after taxation for the year would have been Rs. 10,219,009 (2021: Rs. 8,987,650) higher/lower, mainly as a result of higher/lower interest expenses on floating rate borrowings. The analysis is prepared assuming the actual amounts of liabilities shall remain outstanding during the whole year.

ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. Currency risks arise mainly from future commercial transactions or receivables and payables that exists due to transactions in foreign currencies. The company is not exposed to currency risk, as financial asset and financial liabilities both are denominated in functional currency and during the year, the foreign currency loan has been restructured in functional currency and the company is not exposed to currency risk for foreign loan.

iii) Other price risk

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

iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As the company is unable to meet its financial obligation and also financial facilities are not renewed by the lenders. The company is exposed to liquidity risk in respect of the non current interest bearing liabilities, short terms borrowings, trade and other payables and accrued markup. The following are the contractual maturities of the financial liabilities, including estimated interest payments:-

	All amounts in Rupees				
	Carrying amount	**Six months or less**	**Six to Twelve months**	**One to Two years**	**More than Two years**
June 30, 2022					
Long term financing from others	86,126,154	-	-	-	86,126,154
Trade and other payables	192,094,947	80,773,079	111,321,868	-	-
Accrued markup	679,594	679,594	-	-	-
Unclaimed dividend	402,570	402,570	-	-	-
Loan from banking company	18,401,814	18,401,814	-	-	-
Total	**297,705,079**	**100,257,056**	**111,321,868**	-	**86,126,154**
June 30, 2021					
Long term financing from others	66,172,027	-	-	-	66,172,027
Trade and other payables	245,653,818	96,404,236	149,249,582	-	-
Accrued markup	536,173	536,173	-	-	-
Unclaimed dividend	402,570	402,570	-	-	-
Loan from banking company	23,704,472	23,704,472	-	-	-
Total	**336,469,060**	**121,047,451**	**149,249,582**	-	**66,172,027**

37.3 Credit risk

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

"Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties to the financial instruments fail to perform as contracted. Out of the total financial assets of Rs. 22,100,041 (2021: Rs. 11,380,949) the financial assets which are subject to credit risk amounted to Rs. 22018,485 (2021: Rs. 11,210,650)."&" The management monitors and limits the Company's exposure to credit risk through monitoring of clients credit exposure review"&" and conservative estimates of provision for doubtful receivable. The management is of the view that it is not exposed to significant concentration of credit risk.

The maximum exposure to credit risk as at the reporting date is tabulated below:

	2022 Rupees	2021 Rupees
Financial assets		
Long term deposits	**1,303,945**	4,539,645
Trade debts	**1,720,390**	1,888,246
Advances and prepayments	**9,398,951**	4,184,069
Cash and bank balances	**9,595,199**	598,690
	22,018,485	11,210,650

The trade debts are due from foreign and local customers for export and local sales respectively. Majority of the trade debts from foreign customers are secured against letters of credit. Management assesses the credit quality of local and foreign customers, taking into account their financial position, past experience and other factors. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings. Loans to employees are secured against their gratuity balances.

The Company always measures the loss allowance for trade debts at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on local trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The credit quality of major financial assets that are neither past due not impaired can be assessed by reference to external credit rating (if available) or to historical information about counter party default rate.

	Rating		Rating agency
	Short term	**Long term**	
Bank Al-Falah Limited	A-1+	AA+	PACRA
Al-Baraka Bank Pakistan Limited	A-1	A+	VIS
MCB Bank Limited	A-1+	AAA	PACRA
United Bank Limited	A-1+	AAA	VIS
JS Bank Limited	A-1+	AA-	PACRA
Meezan Bank Limited	A-1+	AAA	VIS
Habib Bank Limited	A-1+	AAA	VIS
Bank Al-Habib Limited	A-1+	AAA	PACRA
National Bank of Pakistan	A-1+	AAA	PACRA
The Bank of Punjab	A-1+	AA+	PACRA
Faysal Bank Limited	A-1+	AA	PACRA
Soneri Bank Limited	A-1+	AA-	PACRA
Silk bank Limited	A-2	A-	VIS
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA

38. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

38.1 Risk Management Policies

The Company's objective in managing risks is the creation and protection of share holder's value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and price risk) arising from the financial instrument it holds.

The Company finances its operation through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

38.2 Credit Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade and other receivables. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regularity requirements.

38.3 Exposure to credit risk

The carrying amounts of financial assets represent the maximum credit exposure before any credit enhancements. Out of total financial assets of Rs. 21.744 million (2021: Rs. 11.381 million), the financial assets which are subject to credit risk amounted to Rs. 12.067 million (2021: Rs. 10.611 million).The company has no significant concentration of credit risk as exposure is spread over a large number of counter parties in the case of trade debts. All the financial assets, except cash and bank.

All the trade debtors at statement of financial position date are domestic parties.

To manage exposure to credit risk in respect of trade receivable, management performs credit reviews taking into account the customers' financial positions, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

The exposure to bank is managed by dealings with variety of major banks and monitoring exposure limits on continuous basis.

38.4 Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in the similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similar affected by changes in economic, political or other conditions. The Company believe that it is not exposed to major concentration of credit risk.

38.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. 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 stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

38.6 Interest rate risk

The company usually borrows funds at fixed and market based rates as such risk is minimized. Significant interest rates and cash flow risks are primarily managed by contracting floor and cape of interest rates.

38.7 Foreign currency risk

Currency risk arises mainly where receivables and payables exist due to transactions with foreign buyers and suppliers. The company operates have no buyer or supplier from foreign countries. Also during the year foreign loan has been converted into Pak rupees due to which Company is not exposed to any foreign currency risk.

39. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company manage its capital risk by monitoring its debts levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowing as shown in the statement of financial position and total capital comprises shareholders equity as shown in the statement of financial position under share capital and reserves.

	2022	2021
	Rupees	Rupees
Total borrowings	**86,126,154**	89,876,499
Less: Cash and Bank Balances	**(9,676,755)**	(768,989)
Net debts	**76,449,399**	89,107,510
Equity	**678,837,836**	672,137,987
Total capital	**755,287,235**	761,245,497
Gearing ratio	**10.12%**	11.71%

Fair value financial assets and liabilities

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transactions. Consequently, differences may arise between carrying amount and the fair value estimates.

40. GEOGRAPHICAL INFORMATION

The Company's revenue from external customers by geographical location is detailed below:

Pakistan - local sales	-	184,862,000

All non-current assets of the Company are located and operating in Pakistan.

41. NUMBER OF EMPLOYEES		**2022**	2021
Employees of the Company as at June 30	**No.**	**27**	28
Average number of employees during the year	**No.**	**28**	124

42. CAPACITY AND PRODUCTION

Yarn

Number of spindles installed	**33,072**	33,072
Installed capacity after conversion into 20's count (Kgs)	**10,266,624**	10,266,624
Actual production of yarn after conversion into 20's count (Kgs)	**-**	711,019

It is difficult to describe precisely the production capacity in Spinning Mills since it fluctuates widely depending on various factors such as quality of cotton, count of yarn spun, spindles speed etc. Due to financial constraints, the company could not operate its unit-I and unit-II for whole year. .

43. DATE OF AUTHORIZATION

These financial statements were authorized for issue on October 06, 2022 by the Board of Directors of the Company.

44. GENERAL

Figures have been rounded-off to the nearest Pakistani Rupee except stated otherwise.

CHIEF EXECUTIVE **DIRECTOR** **CHIEF FINANCIAL OFFICER**

KEY OPERATION AND FINANCIAL DATA FOR THE LAST SIX YEARS

Rs. (000's)

PARTICULARS	2022	2021	2020	2019	2018	2017	2016	2015
BALANCE SHEET SUMMARY								
Paid up Capital	522,144	522,144	522,144	522,144	522,144	522,144	522,144	522,144
Reserves & Accumulated Losses	(802,283)	(780,214)	(712,816)	(760,270)	(651,778)	(655,969)	(535,259)	(284,476)
Surplus on Revaluation of Fixed Assets	334,383	340,374	346,681	355,692	316,787	323,759	415,693	463,318
Long Term liabilities	718,452	656,005	589,074	465,444	442,093	597,192	580,610	567,000
Deferred Liabilities	6,172	5,790	12,793	103,843	80,993	88,191	6,206	14,085
Current Liabilities	211,744	273,456	276,299	471,554	658,605	602,241	515,347	371,510
	990,612	**1,017,556**	**1,034,175**	**1,158,407**	**1,368,844**	**1,477,558**	**1,504,741**	**1,653,581**
REPRESENTED BY								
Fixed Assets	831,685	859,089	888,729	900,270	868,458	902,018	942,463	1,037,951
Long Term Deposit	1,304	4,540	4,535	4,398	5,735	7,953	6,990	5,710
Current Assets	157,623	153,927	140,911	253,741	494,651	567,587	561,768	609,920
	990,612	**1,017,556**	**1,034,175**	**1,158,409**	**1,368,844**	**1,477,558**	**1,511,221**	**1,653,581**
PROFIT AND LOSS - SUMMARY								
Sales	-	184,862	275,027	719,481	325,010	400,356	292,888	508,026
Cost of Sales	(27,924)	(262,684)	(392,427)	(821,113)	(414,948)	(511,561)	(418,265)	(673,626)
Gross Profit	**(27,924)**	**(77,822)**	**(117,400)**	**(101,632)**	**(89,938)**	**(111,205)**	**(125,377)**	**(165,600)**
Other Operating Expenses	(40,506)	(19,165)	(24,357)	(18,560)	(28,514)	(16,981)	(21,758)	(30,327)
Financial Charges	(12,402)	(11,142)	(6,282)	(83,447)	(43,860)	(8,273)	(10,787)	(15,799)
Other Income	53,269	32,077	115,068	103,325	156,913	1,739	851	872
Profit / (Loss) Before Taxation	**(27,563)**	**(76,053)**	**(32,971)**	**(100,315)**	**(5,399)**	**(134,720)**	**(157,071)**	**(210,853)**
Provision for Taxation	(356)	2,757	4,878	(9,480)	(318)	(3,587)	(18,616)	21,025
Profit / (Loss) After Taxation	**(27,920)**	**(73,296)**	**(28,093)**	**(109,795)**	**(5,717)**	**(138,307)**	**(175,687)**	**(189,828)**
Earning Per Share	**(0.53)**	**(1.40)**	**(0.54)**	**(2.10)**	**(0.11)**	**(2.65)**	**(3.36)**	**(3.64)**

FORM OF PROXY

The Company Secretary,
RUBY TEXTILE MILLS LIMITED,
203-Faiyaz Centre, 2nd Floor,
3-A, S.M.C. Housing Society
Shahrah-e-Faisal,
Karachi-74400.

PLEASE QUOTE:

Folio No.	No. of Shares held

I/We of ____

being a member of Ruby Textile Mills Limited hereby appoint ______________________

of ____

____

____

who is also member if Company vide Registered Folio No..............as my / our proxy to attend, act and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held at 203-Faiyaz Centre, 2 nd Floor, 3-A, S.M.C. Housing Society, Shahrah-e-Faisal, Karachi-74400 on Wednesday October 28th, 2021 at 03:00 p.m.

In witness whereof I have set my hand this ______________ day of__________ 2022.

Date: ____________

Place:____________

____
Member's Signature:

Notes:

1. This proxy form must be deposited duly completed in the Company's Registered Office at least 48 hours before the meeting.
2. A proxy must be member of the Company.
3. Member's Signature should agree with the specimen registered with the Company.

پراکسی فارم (مختارنامہ)

کمپنی سیکرٹری
روبی ٹیکسٹائل ملز لمیٹڈ
203-فیاض سنٹر، دوسری منزل،
S.M.C.،3-A ہاؤسنگ سوسائٹی شاہراہِ فیصل کراچی-74400

براہِ مہربانی تحریر کریں: ____________
فولیو نمبر: ____________
ملکیتی حصص کی تعداد: ____________

میں/ہم ________________________________
ساکن ________________________________
بحیثیت رکن روبی ٹیکسٹائل ملز لمیٹڈ ________________________________
بذریعہ ہذا محترم/محترمہ ________________________________
ساکن ________________________________

جو بروئے رجسٹرڈ فولیو نمبر کمپنی کا ممبر بھی ہے کو اپنے/ ہمارے ایماء پر 203-فیاض سنٹر، دوسری منزل، 3-A، .S.M.C ہاؤسنگ سوسائٹی شاہراہِ فیصل کراچی-74400 بروز بدھ 28 اکتوبر 2021 کو سہ پہر 3:00 بجے منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا/ ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/کرتے ہیں۔

آج بروز ____________ بتاریخ ____________ 2022ء کو میرے/ ہمارے دستخط اور گواہوں کی تصدیق سے جاری ہوا۔

-/5 روپے کا رسیدی ٹکٹ

تاریخ: ____________________

مقام: ____________________

____
دستخط رکن

نوٹ:

1۔ یہ پراکسی فارم باقاعدہ مکمل شدہ کمپنی کے رجسٹرڈ دفتر میں اجلاس سے کم از کم 48 (اڑتالیس) گھنٹے قبل لازماً جمع کرایا جانا چاہئے۔
2۔ پراکسی لازماً کمپنی کا رکن ہونا چاہئے۔
3۔ رکن کے دستخط کمپنی کے ہاں رجسٹرڈ نمونہ دستخط سے لازماً مطابقت رکھتے ہوں۔

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