



# Rupali Polyester Limited

241-242 Upper Mall Scheme, Anand Road, Lahore - 54000, Pakistan

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RL/CA-PSX  
7 October 2024

Form-5

**The General Manager**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
**Karachi**

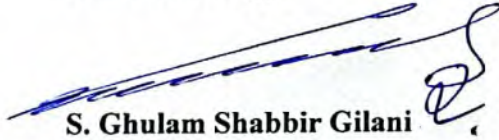
Subject: **Transmission of Annual Report - 2024**

Dear Sir,

We have to inform you that the Annual Report of our Company for the year ended 30 June 2024 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

  
**S. Ghulam Shabbir Gilani**  
Company Secretary



RUPALI POLYESTER LIMITED

2024

Annual Report

FOR THE YEAR ENDED JUNE 30, 2024



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# Corporate Data

## Board of Directors

**Chairman**  
Shehzad Feerasta

**Chief Executive Officer**  
Nooruddin Feerasta

### Directors

Muhammad Rashid Zahir - Non-Executive  
Zeeshan Feerasta - Non-Executive  
Shahid Hameed - Independent Non-Executive

Amyna Feerasta - Non-Executive  
Yaseen M. Sayani - Independent Non-Executive  
Abdul Hayee - Non-Executive

### Audit Committee

Yaseen M. Sayani - Chairman  
Muhammad Rashid Zahir - Member  
Zeeshan Feerasta - Member

### Human Resource & Remuneration Committee

Shahid Hameed – Chairman  
Nooruddin Feerasta - Member  
Zeeshan Feerasta - Member

### Chief Financial Officer

Muhammad Ahsan Iqbal

### Company Secretary

S. Ghulam Shabbir Gilani

### Bankers

Askari Bank Limited  
Faysal Bank Limited  
Habib Metropolitan Bank Limited  
Meezan Bank Limited

Bank Alfalah Limited  
Habib Bank Limited  
MCB Bank Limited  
Soneri Bank Limited  
The Bank of Punjab

### Auditors

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants

### Registered Office

Rupali House, 241-242 Upper Mall Scheme,  
Anand Road, Lahore - 54000 PAKISTAN

### Plant

30.2 Kilometer Lahore - Sheikhpura Road  
Sheikhpura - 39350 PAKISTAN



# Our Vision

To consistently maintain the Company's leading status of producing high quality products being first preference of our customers. Also to maintain the standards of performance excellence with long term plans of expansion and diversification.

# Our Mission

To develop the Company on sound technical and financial footings with better productivity, excellence in quality and operational efficiencies at lower operating costs by utilizing blend of high professionalism.

To accomplish targeted results through increased earnings for maximum benefit to the Company stakeholders.

To be an equal opportunity employer taking utmost care of the employees for their career progression with better reward and recognition of their abilities and performance.

To fulfil general obligations towards the society, particularly safety, security and other environmental protections.



# Our Core Values

- An Organization with well disciplined and professionally managed operational and administrative functions
- Pioneering status in Polyester Fiber manufacturing
- High quality manufacturing standards
- Our products enjoy first preference of downstream users
- Performance excellence in all areas of operations
- Integrity in all our dealings based on commitments
- Very sound internal controls and highly disciplined financial management
- An excellent image and repute amongst corporate sector of the country and worldwide recognition
- High importance to stakeholders with historical background of regular dividend payouts to shareholders when Company in profits

# Company Profile

RUPALI POLYESTER LIMITED was incorporated at Karachi in May 1980 as a Public Limited Company and is listed on Pakistan Stock Exchange Limited (formerly Karachi, Lahore and Islamabad Stock Exchanges). It owns and operates composite facilities to manufacture Polyester Staple Fiber and Polyester Filament Yarn. It produces quality products by using latest technology and best quality of raw materials. The Company has the privilege of being one of the pioneers in Pakistan for manufacture of Staple Fiber of highest quality. Since its inception, the Company has been growing steadily through expansion and diversified operations. The assets of the Company have increased to Rs.13,297 million from the initial capital outlay of Rs.150 million.

The Company has a Polymerization Unit with a capacity of 105 metric tons per day, Polyester Filament Yarn capacity of 30 metric tons per day and a Polyester Staple Fiber capacity of 65 metric tons per day. The Company has put up an additional POY line with a capacity of 28 M. Tons per day at a cost of around Rs.162 million. The various products of Rupali are in fact import substitution as these were previously imported from Japan, Indonesia, Taiwan and Korea. Now the Company is importing the basic raw materials only and through value addition is producing the highest quality products locally.

Since inception, the philosophy of the Company's management is to grow on the strength of quality and reliability. To achieve this objective, it is maintaining a well equipped Research & Development Centre for standard maintenance, innovative improvements in its products and achieving economies in production

techniques without compromising on standard and quality of products. Products and services offered by the Company are acknowledged by the customers as quality and reliable products and are the first preference of customers.

The Company gives high priority to customers' satisfaction, tries to maintain uninterrupted supply of its products and provides after sales services, technical support for trouble shooting.

ALHAMDO LILLAH, the Company enjoys high prestige and reputation in the business community, banks, financial institutions and customers. It is also amongst major contributors to the national exchequer.



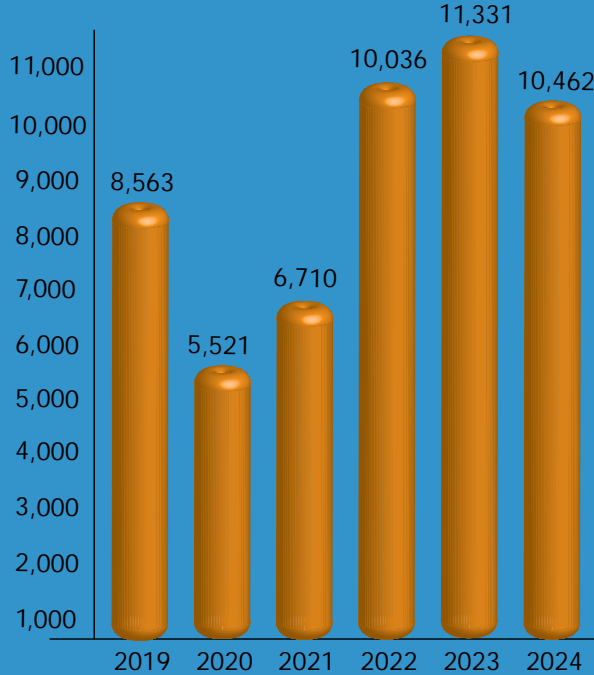
# Financial Highlights

Particulars	UOM	2024	2023	2022	2021
<b>Profit and Loss Account</b>					
Sales - Net	Rs. in thousand	10,485,055	11,526,866	11,229,275	7,554,429
Cost of sales	Rs. in thousand	10,461,685	1,331,350	10,035,836	6,710,396
Gross Profit	Rs. in thousand	23,370	195,516	1,193,439	844,033
Operating profit / (loss)	Rs. in thousand	(259,847)	(74,696)	864,498	604,317
Profit / (loss) before tax	Rs. in thousand	(758,997)	(168,954)	865,731	546,036
Profit / (loss) after tax	Rs. in thousand	(822,505)	(184,828)	861,092	292,065
Income tax - current	Rs. in thousand	(131,588)	(145,157)	251,712	113,317
- prior years	Rs. in thousand	9,801	4,664	613	537
- deferred	Rs. in thousand	58,279	24,619	(247,686)	140,117
<b>Dividend</b>					
Cash dividend	Rs. in thousand	-	-	170,343	170,343
Cash dividend rate	%age	-	-	50	50
<b>Balance Sheet</b>					
Share capital	Rs. in thousand	340,685	340,685	340,685	340,685
Reserves	Rs. in thousand	6,266,859	7,095,969	7,456,895	2,796,622
Shareholders equity	Rs. in thousand	6,607,544	7,436,654	7,797,580	3,137,307
No. of ordinary shares	Numbers	34,068,514	34,068,514	34,068,514	34,068,514
Non Current Liabilities	Rs. in thousand	318,957	267,853	218,656	181,349
Current liabilities	Rs. in thousand	6,370,039	4,399,817	3,507,833	3,183,831
Property, Plant and Equipment	Rs. in thousand	6,956,898	6,999,997	6,917,027	3,089,935
Capital work-in-progress	Rs. in thousand	164,469	16,062	17,994	147,706
Long term investments/loans/deposits	Rs. in thousand	4,481	4,281	4,281	4,281
Current assets	Rs. in thousand	4,930,333	3,954,602	3,755,348	2,805,337
Net current assets	Rs. in thousand	(1,439,706)	(445,215)	247,515	(378,494)
Total liabilities and Equity	Rs. in thousand	13,296,540	12,104,324	11,524,069	6,502,487
Total Assets	Rs. in thousand	13,296,540	12,104,324	11,524,069	6,502,487
<b>Ratio Analysis</b>					
Gross profit	Percentage	0.22	1.70%	10.63	11.17
Net profit	Percentage	(7.845)	(1.60)	7.67	3.87
Inventory turnover	Times	7	14	12	8
Cash Dividend per share	Rupees	-	-	5	5
Earnings per share - basic and diluted	Rupees	(24.14)	(5.43)	25.27	8.57
Debt: equity ratio		0.100	0 : 100	0 : 100	0 : 100
Break-up value per share	Rupees		218.29	228.88	92.09
Market value per share at the end of the year	Rupees	16.26	19.00	38.00	34.00
<b>Production volume</b>					
Production capacity	M. Tons	39.166	39.166	22,100	22,100
Production achieved	M. Tons	25,270	30,860	35,458	37,579
Capacity utilization	Percentage	65	79	160	170
Employees	Numbers	1,176	1,262	1,349	1,389

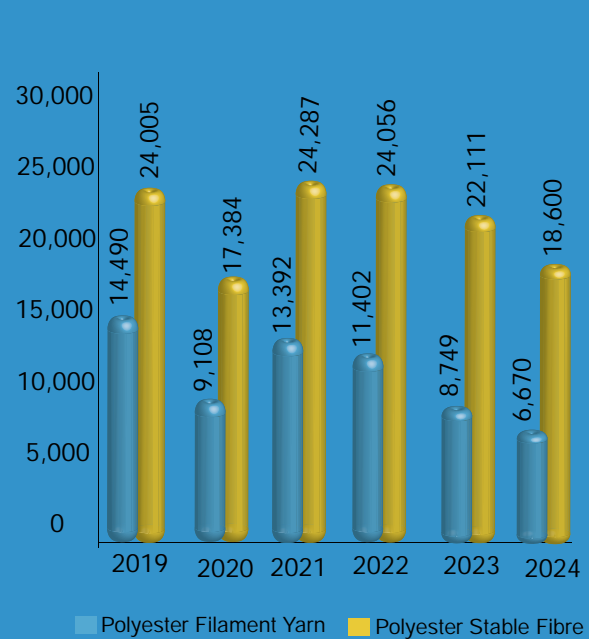
2020	2019	2018	2017	2016	2015
5,914,249	9,053,741	6,044,111	5,025,401	4,890,041	4,841,940
5,520,731	8,562,629	5,680,917	4,887,698	4,969,175	4,982,459
393,518	491,112	363,192	137,703	(79,134)	(140,519)
341,768	342,664	234,689	(9,384)	(135,807)	(233,801)
108,801	174,302	115,822	(123,064)	(270,919)	(401,098)
33,510	54,975	64,553	(120,083)	(333,478)	(384,447)
88,714	95,670	60,479	43,937	48,900	-
453	574	266	(35,369)	-	-
(13,876)	23,083	(9,477)	(11,549)	13,659	(16,651)
-	34,068	34,068	-	-	-
-	10	10	-	-	-
340,685	340,685	340,685	340,685	340,685	340,685
2,504,500	2,078,613	2,078,613	1,735,615	1,735,615	1,735,615
2,845,185	2,419,298	2,401,499	2,337,074	1,032,799	1,735,615
34,068,514	34,068,514	34,068,514	34,068,514	34,068,514	34,068,514
263,369	539,687	554,584	592,176	649,133	658,917
3,797,067	3,055,610	2,939,711	2,799,721	2,704,858	2,263,206
3,082,353	3,295,511	3,201,449	2,971,353	1,637,969	1,729,858
10,402	64,020	234,019	7,972	32,286	17,945
4,281	4,396	4,396	4,396	4,361	4,361
3,110,413	2,252,188	2,252,399	2,353,222	2,344,460	2,229,181
(686,544)	(803,422)	(687,134)	(446,499)	(360,398)	(34,025)
6,905,621	6,014,595	5,895,744	5,728,971	4,386,790	4,288,400
6,905,621	6,014,595	5,895,744	5,728,971	4,386,790	4,288,400
6.65	5.42	6.01	2.74	(1.62)	(2.90)
0.57	0.61	1.07	(2.39)	(6.82)	(7.94)
7	10	7	8	8	6
-	1	1	-	-	-
0.98	1.61	1.89	(3.52)	(9.79)	(11.28)
4 : 96	4 : 96	6 : 94	7 : 93	19 : 81	17 : 83
83.51	71.01	70.49	68.60	32,182,908.23	40.03
13.20	27.55	29.50	19.25	8.98	12.00
22,100	22,100	22,100	22,100	22,100	22,100
26,493	38,495	31,578	31,181	31,951	26,859
120	174	143	141	145	121
1,344	1,468	1,323	1,230	1,198	1,251

# Graphical Presentation

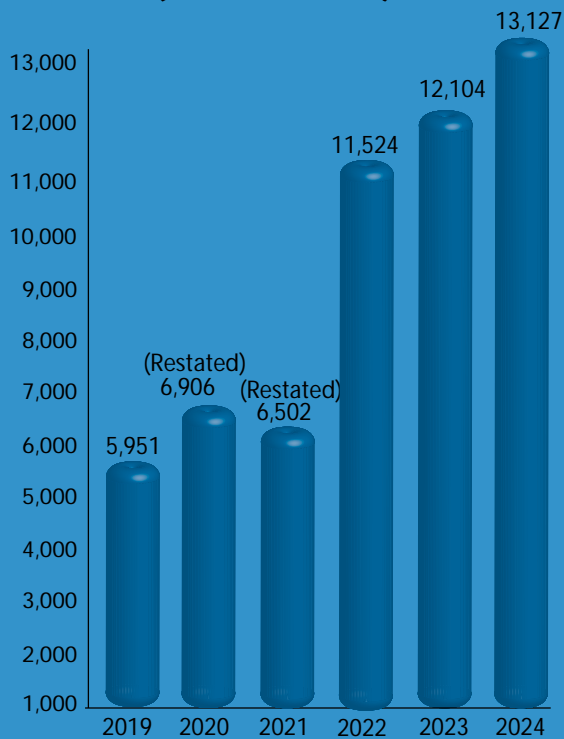
### Cost of Revenue (Rs. In Million)



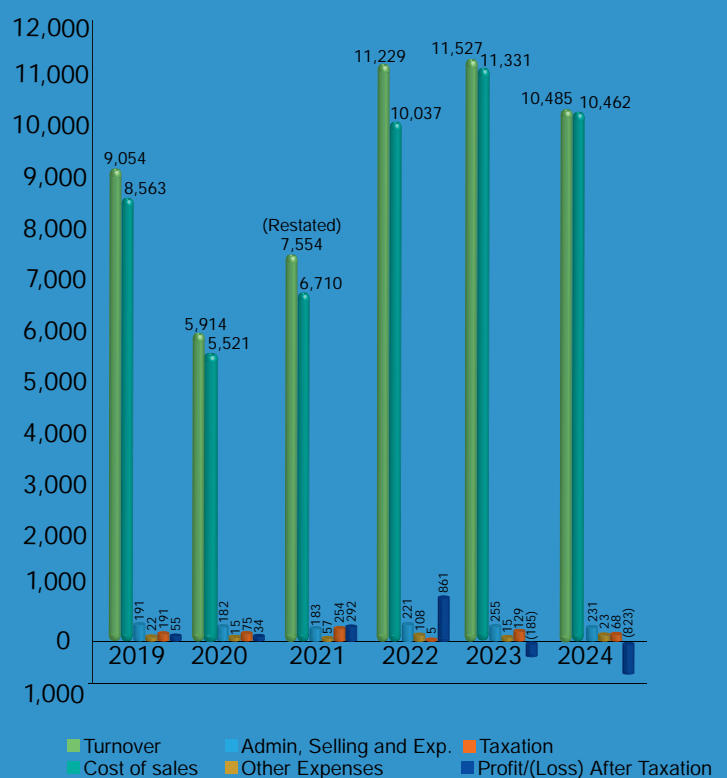
### Production (M. Tons)



### Gross Assets Employed (Rs. in Million)

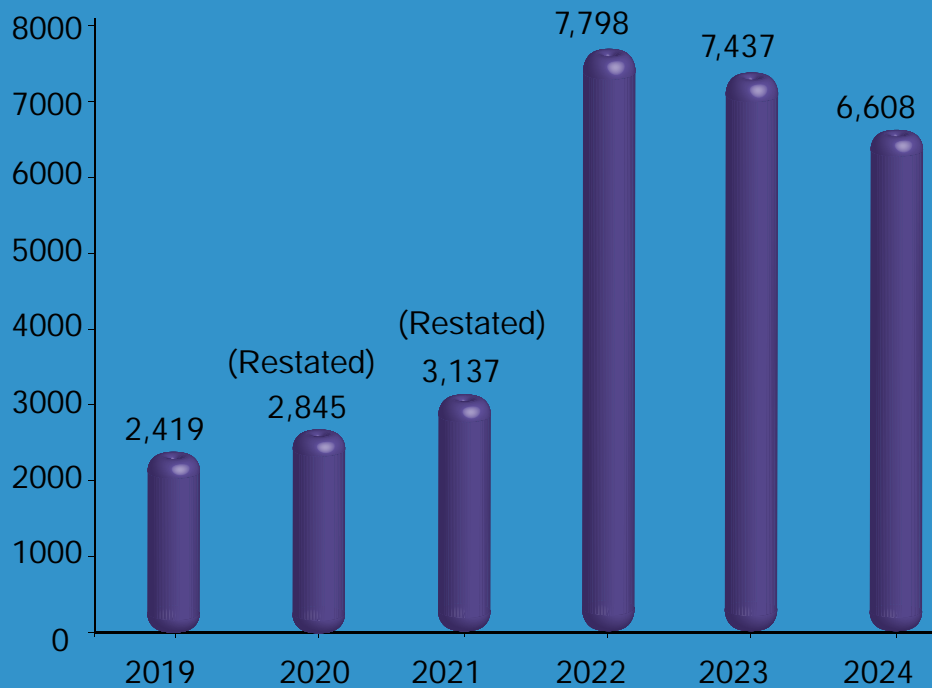


### Profitability (Rs. In Million)

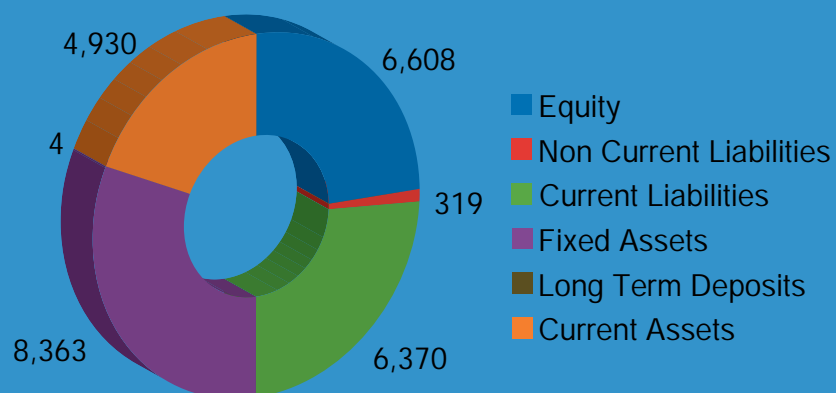


# Graphical Presentation

## Shareholders Equity (Rs. In Million)



## Financial Position 2024 (Rs. in Million)



# Chairman's Review

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Financial Statements of Rupali Polyester Limited for the year ended 30 June 2024. The Company during the year faced many challenges including high energy costs, removal of anti-dumping duties on dumped imports from China and Indonesia, high mark-up rates and economic and political instability in the country especially throughout FY 2023-24. The Company has filed an Application with the National Tariff Commission (NTC) for imposition of the Anti-Dumping Duties, which has been accepted and the NTC has initiated the investigation process. The uncertain situation has been further aggravated by the finance cost and discontinuation of Regionally Competitive Energy Tariff. The SBP's policy rates although decreased but the impact of previous high mark-up rates during the FY under review resulted in abnormal increase in finance cost.

The Company's Management is relentlessly striving for steadily improving the things including its operational capabilities for maintaining and enhancing its shareholders' confidence. I announce with great pleasure that Rupali Polyester Limited has maintained its operational performance in current year, but the challenges being encountered were main factors that the growth momentum of last year could not be achieved this year. Upto GP level, there was profit – although reflecting a downward trend. The Company's financial results have been presented in greater detail in the Report of the Directors. The Company has an important role in country's economic prosperity, through creation of job opportunities, performance of its Corporate Social Responsibility (CSR) and good corporate governance. The Company adheres to sound standards of employee health, safety, environment and security. Our team of professionals is well-versed with the market dynamics and strives for maintaining the momentum of growth. Rupali Polyester Limited functions in the best corporate governance regime with strong internal operational and financial controls. Our Board Members contribute their professional acumen and provide guidance and oversight in reviewing and approving the Company policies for which I place on record my special gratitude to them. Their guidance is instrumental in policy making, risk analysis and keeping the Company on right trajectory for its goals achievements.

The Board is fully with its responsible for governance and oversight of sustainability risks and opportunities, which includes the environmental, social and governance considerations, within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value, under the SECP's ESG Disclosure Guidelines.

The Board's support and guidance was available to the Company in the key policy matters as under:

1. The Company has well thought out vision, mission and values. The vision and mission statements were revisited.
2. Annual targets were set for the Management in key performance areas.
3. The Board provided directions and oversight on the Company's business activities.
4. The Board put in place transparent and robust system of governance under applicable laws and more specifically under the Listed Companies (Code of Corporate Governance) Regulations, 2019.
5. The directors in their report have provided adequate disclosures regarding the assessment of sustainability related risks, how these are managed or mitigated, and measures taken to promote DE&I in the Company.
6. The Board reviewed, discussed and approved business strategy, plan, budgets and financial statements and other reports including internal audit reports. It received clear agendas and supporting written material in sufficient time prior to board and committee meetings.
7. The Board members offered the diversity and right mix of independent and non-executive directors including female director in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.
8. The Company will comply with the guidelines of the Securities and Exchange Commission of Pakistan with respect to the forthcoming Election of Directors and the voting rights to shareholders through Ballot papers.

Furthermore, on behalf of the Board, I would like to express my sincere gratitude to the Company's shareholders for their continued support and appreciate the commitment and valuable services rendered by the employees of the Company in such difficult times. I also express my thanks to the Government for giving due consideration to the Industry problems and to our Banks for their confidence in the Company's management.



Shehzad Feerasta  
Chairman

Lahore: 18 September 2024

# Directors' Report to the Shareholders

It is with great pleasure that we, on behalf of the Board of Directors, warmly welcome you to the Company's forty-fourth Annual General Meeting. We are pleased to present the annual audited financial results for the fiscal year ending June 30, 2024, along with the accompanying auditor's report. Below, we provide an overview of the key financial highlights from the Company's annual results:

## Key Financial Results

	Rupees in thousand
Loss before taxation	(890,585)
Taxation	68,080
Loss after taxation	(822,505)
	Rupees
Earnings per share – basic and diluted	(24.14)

## Overview

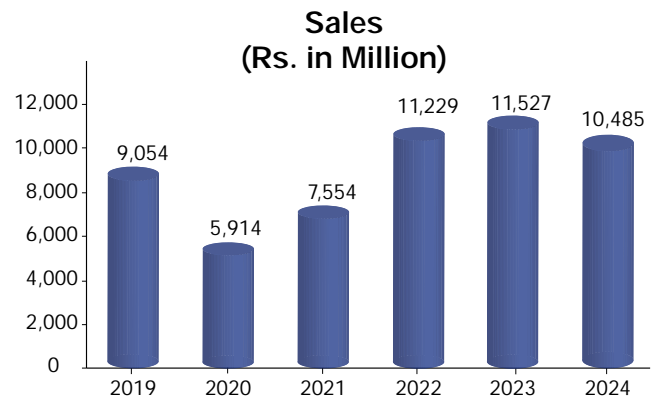
The country continues to grapple with a fiscal deficit, reliance on external loans, and the need for structural reforms to achieve sustainable growth.

Pakistan's economic performance in the past financial year was notably poor. The growth targets set at the beginning of FY 2023-24 by the government were not achieved, and as a result, all economic contributors ended with minimal growth. It is a universal truth that economic stability is key to national sovereignty. The industrial sector grew by a modest 1.21% in FY 2023-24, with manufacturing increasing by just 2.42%.

Several factors contributed to the decline in economic performance. These include the limited development of domestic industries due to the government's lack of focus on industrial protection and sustainability, low private sector investment, historically high interest rates, economic uncertainties, worsening law and order conditions, and ongoing political instability. Additionally, the impact of the Russia-Ukraine war has been significant, mainly through high fuel prices, which have had a multiplier effect across various sectors. Elevated fuel prices have not only decreased the direct consumption of petroleum products but have also impacted electricity production and pricing, industrial demand, transportation of goods, and several other sectors such as construction and mining.

Pakistan's investment-to-GDP ratio fell to 13.14% in FY24, down from 14.13% in FY23, largely due to contractionary macroeconomic policies and political uncertainty.

Inflationary pressures compounded challenges for private sector businesses, reducing the purchasing power of consumers and lowering the demand for goods, which in turn hurt the country's manufacturing sector and increased the cost of doing business.



Without addressing inflation and energy costs, the country's economic progress will remain stalled.

Pakistan's economy entered a stabilization phase in FY 2024, aided by the government's efforts to fulfill the 2023 Stand-By Arrangement (SBA), which helped restore economic stability and reduce external pressures. The government's efforts in revenue collection and the State Bank's tight monetary policy have been essential in driving this progress.

Though inflation remains high, it is on a downward trend. Year-on-year (YoY) inflation in June 2024 was recorded at 12.6%, compared to 29.7% in December 2023. Average inflation for FY 2024 dropped to 23.9%, down from 29.0% in FY 2023. This decrease in inflation can be attributed to tight monetary policies, fiscal consolidation, improved food supply chains, favorable global commodity prices, and the high-base effect from previous periods.

In response to the improved inflation outlook, the State Bank of Pakistan's Monetary Policy Committee (MPC) reduced the policy rate by 150 basis points to 20.5% in June 2024. While inflationary budget measures and anticipated energy price increases pose risks, the MPC expects earlier monetary tightening to keep inflation under control, with a medium-term target of 5-7%.

Despite signs of moderate recovery globally, risks such as geopolitical tensions, inflation disparities, and potential commodity price fluctuations due to conflicts like those in Ukraine and Gaza could lead to further currency depreciation and rising production costs.



The domestic Polyester Staple Fiber (PSF) and Polyester Filament Yarn (PFY) industries have been significantly impacted by high energy costs and an influx of cheap imports, particularly from China and Indonesia. These industries have been operating in an increasingly volatile environment, marked by rising inflation and escalating production costs. The surge in dumped imports has severely reduced demand for locally produced PSF and PFY, forcing companies to scale back production. This reduction has led to spiraling operational costs, which became harder to manage with the government's removal of regionally competitive energy tariffs and the zero-rating previously granted to the textile sector. As a result, financial strain on these industries has intensified, complicating their efforts to maintain profitability.

The financial year 2023-24 have been a period of significant hardship for the company. Both sales volume and revenue declined, resulting in lower gross margins that were insufficient to cover operating and financial costs, leading to significant losses.

Despite these difficulties, the company has shown resilience, thanks to strategic planning and operational adaptability. While rising costs of raw materials, currency depreciation, and high energy expenses have squeezed margins, efforts to adjust selling prices have helped mitigate some of these challenges. However, lower sales volumes and increased finance costs due to historically high interest rates, hovering around 22%, ultimately resulted in net losses for the company.

#### **Tough Times for Polyester Market**

In FY 2023-24, the overall economic downturn in the country led to a significant reduction in demand from our downstream consumers. This sluggish demand was further exacerbated by tight liquidity conditions, which strained the purchasing power of businesses and made access to financing more challenging. Additionally, our products faced stiff competition from dumped imports being sold in Pakistani markets at historically lower prices, further pressuring demand.

The Company's ability to raise product prices to offset rising costs was severely limited by this weakened demand resulting from cheaper dumped alternatives, as downstream consumers also lacked the capacity to absorb any additional costs. As a result, soaring input costs significantly eroded gross margins compared to the previous fiscal year. The reduced gross margins were insufficient to cover the Company's operating expenses, which were heavily impacted by inflation and rising interest rates. Consequently, the Company recorded net losses for the fiscal year.

#### **Domestic Polyester Industry and Dumped Imports**

As frequently highlighted in various forums, the local Polyester Filament Yarn (PFY) industry faces intense competition from imported PFY, particularly from China. The practice of "dumping" by Chinese producers in Pakistani markets has created a hostile competitive environment for the domestic PFY industry, severely injuring its prospects and threatening its sustainability. This unfair trade practice has led to significant disruptions in domestic production, which is currently operating at less than 50% capacity. If this trend continues, it could lead to potential job losses, exacerbating unemployment in the country.

China's vast PFY production capacity of 40 million tons allows its producers to "dump" excess product in international markets at extremely low prices—often below total cost—when inventories increase, thereby destabilizing foreign markets. With nearly 80% of their sales occurring domestically and only 10-15% of their PFY exported, Chinese producers maintain profitability by relying on their integrated production chain. Over 90% of Chinese PFY producers have their own Purified Terephthalic Acid (PTA) and Paraxylene (PX) production, the raw materials for PFY. Cutting PFY output would hurt their entire production chain, which allows them to take losses on exports while profiting from higher PFY prices domestically.

The Chinese manufacturers are continuing to pursue a highly discriminatory and unfair pricing policy for Pakistani exports compared to local sale of PFY. They have taken a major share in the Pakistan's domestic market and are gravely injuring the domestic industry.



The influx of dumped imports from China and Indonesia has severely impacted domestic industrial units engaged in the production of Polyester Filament Yarn (PFY), a key raw material for weaving, knitting, and hosiery industries, as well as Polyester Staple Fiber (PSF), which is crucial for the spinning industry. As a result, many of these local units have been forced to either shut down or significantly scale back their operations.

To protect the interests of these domestic industries and foster their growth, there is an urgent need for government intervention. The imposition of anti-dumping measures, regulatory actions, and additional customs duties on dumped PFY and PSF imports would provide a level playing field to local manufacturers. Such protective measures would not only shield local businesses from unfair competition but also encourage them to expand production capacity and invest in new projects. This would, in turn, create employment opportunities for the local workforce and help conserve foreign reserves by reducing dependence on imported products.

It is important to highlight that the issue of dumped imports of PFY from China is not exclusive to Pakistan; it is a global phenomenon affecting multiple countries. Turkey, Mexico, Vietnam, South Korea, India, Bangladesh, Brazil, the European Union, Indonesia, and the United States have all taken steps to counter these unfair trade practices. Many of these countries have either imposed anti-dumping duties or initiated investigations into the dumping of PFY from China.

The challenges faced by the Polyester Filament Yarn (PFY) industry, such as high inflation, elevated interest rates, and soaring energy costs, can be managed through operational improvements and cost-efficiency measures. These issues, while serious, do not fundamentally undermine the industry's competitiveness, as all players are subject to similar conditions.

However, the harm caused by dumping and its price effects is far more severe. It pushes local manufacturers into a critical state, akin to being in intensive care and on life support. Dumping strategies by foreign exporters make it nearly impossible for domestic producers to remain competitive, serving as a slow but deliberate means to weaken and ultimately eliminate local industry. This is precisely what is happening to our local producers today.

Unfortunately, Pakistan's anti-dumping duties (ADD) on Chinese PFY were removed for technical reasons, leaving the domestic industry vulnerable to predatory pricing practices. This has resulted in significant pressure on local manufacturers, who are struggling to compete against artificially low-priced imports. Restoring such measures in Pakistan is crucial to safeguarding the domestic industry from further harm.



It is therefore essential that the National Tariff Commission (NTC) imposes substantial anti-dumping duties on imports from China for a period of five years. This would provide the necessary defense to local industries from unfair competition and allow them to recover and grow. Furthermore, it is crucial that a robust and foolproof mechanism is implemented to ensure the proper collection and enforcement of these anti-dumping duties, ensuring that they are applied effectively and in full compliance. This approach will safeguard the domestic market and create a fair competitive environment for local manufacturers.

We have already submitted detailed data and evidence to the National Tariff Commission (NTC) in our recent application to investigate the dumping of Polyester Filament Yarn (PFY) from China. This application, accepted by the NTC on May 24, 2024, highlights the detrimental effects of dumping on local PFY manufacturers. We have formally requested the NTC to reinstate the anti-dumping duties to safeguard the domestic industry from further harm and ensure its long-term sustainability.

#### **Misconception about Domestic Industry's Ability to Manufacture Colored PFY Products**

There is a widespread misconception regarding the domestic industry's capability to manufacture Polyester Filament Yarn (PFY) products, particularly colored variants. Many assume that local manufacturers lack the necessary infrastructure, technology, and economies of scale that allow foreign producers, especially those from countries like China,

to offer these products at lower prices. Furthermore, it is believed that producing a diverse range of colored products requires specialized equipment and expertise, which are not readily available in the domestic market. This assumption leads importers to conclude that such limitations hamper local manufacturers' competitiveness against imported products that benefit from advanced technology and substantial government subsidies.

However, it is essential to address these misconceptions. The reality is that the domestic industry possesses the necessary infrastructure and technology to produce a diverse range of colored products. Local manufacturers have the capability to meet market demands effectively, but they require support from the government to enhance their competitiveness against dumped imports. Without this support, the belief in the industry's inability to manufacture these products is unfounded and undermines the potential for growth and innovation within the domestic sector.

#### **Overview of Anti-Dumping Duties on Polyester Filament Yarn and Recent Developments**

The National Tariff Commission (NTC) levied anti-dumping duties (ADDs) on imports of Polyester Filament Yarn (PFY) from China and Malaysia in August 2017 after determining that dumping was occurring and causing significant losses to local manufacturers. The imposition of these duties has been under litigation since their introduction, with Yarn Traders filing frivolous appeals in various courts and the Anti-Dumping Appellate Tribunal (the Tribunal).

In a judgment dated December 3, 2021, the Tribunal remanded the matter back to the NTC to re-investigate the objections raised by the petitioners. Following this directive, the NTC conducted a re-investigation and issued a Final Determination on January 26, 2022, which resulted in a reduction of the ADD rates from the original 11.35%–3.25% to 6.82%–2.78%. This reduction led to further challenges by Yarn Traders in the Tribunal, which remanded the matter back to the NTC for a 'de novo' consideration of specific paragraphs in its report on December 20, 2022.

During this period, the NTC halted the collection of ADDs, citing the Tribunal's request for further consideration. The domestic PFY manufacturers sought clarification from the Tribunal, which upheld the NTC's decisions.

Following the five-year period for the ADDs, on August 24, 2022, the NTC initiated sunset review proceedings

to assess whether the ADDs should continue. However, this review excluded Fully Drawn Yarn (FDY) from the list of investigated items.

After the NTC's constitution on September 4, 2023, a hearing was held on September 19, 2023. The Commission concluded that the scope of the product under review had changed to include only Drawn Textured Yarn (DTY), excluding FDY and colored PFY. Consequently, the earlier determinations regarding dumping margins and injury were deemed unrepresentative, leading to the termination of the anti-dumping investigation and duties against PFY imports from China and Malaysia on November 7, 2023. However, the Commission stated that the domestic industry retains the right to file a new application for DTY.

Following the termination of the original investigation, the domestic industry challenged these terminations in the Anti-Dumping Tribunal, arguing that the Commission exceeded the scope of the Tribunal's remand order.

On March 29, 2024, the domestic industry submitted a fresh application to the NTC to initiate a new anti-dumping investigation against PFY imports from China. Upon reviewing the application on May 26, 2024, the NTC determined that sufficient grounds existed to warrant an investigation.

In July 2024, following the acceptance of the new application, the domestic industry withdrew its petitions challenging the previous terminations in the Anti-Dumping Tribunal. However, importers have once again contested this fresh application.

We would like to express our gratitude to the Commission for deciding to initiate a new dumping investigation, as substantial evidence indicates that dumping of PFY continues. Nevertheless, we voice our concerns regarding the exclusion of FDY and colored yarn from the scope of the investigation, as this oversight could undermine efforts to protect the domestic industry from unfair trade practices.

#### **Current Concerns Regarding Regulatory and Custom Duties on Polyester Filament Yarn (PFY)**

In the present landscape, the lobbying efforts of importers and traders to withdraw regulatory duties (RD) and reduce custom duties on the import of Polyester Filament Yarn (PFY) pose a serious concern for domestic PFY manufacturers. Between 2017 and 2022, importers and traders evaded notified anti-

dumping duties (ADDs) exceeding Rs 10 billion. This evasion allegedly involved manipulating the legal system by securing stay orders from multiple high courts based on false affidavits, although all these attempts to delay payments ultimately failed, leading to the dismissal of the stay orders. Consequently, the evaded duties remain outstanding and need to be collected by the government. The inability to collect these ADDs has left the domestic industry vulnerable to unfairly priced imports, undermining the original intent of the ADD measures.

The existing RD of 5%, approved by the Economic Coordination Committee (ECC) in December 2022, was implemented to protect domestic producers from dumped imports and to curb the evasion of ADDs on PFY. These regulatory and custom duties have been vital in creating a level playing field for domestic producers, mitigating the unfair advantages enjoyed by foreign exporters who benefit from subsidies. They play a crucial role in safeguarding the domestic industry against unfair competition.

Given the prevailing market dynamics, it is essential to potentially increase the RD and custom duties to sustain the growth and stability of the domestic PFY industry. Reducing or eliminating these duties at this

juncture would exacerbate the challenges faced by local manufacturers. Furthermore, it raises suspicions about the motives of importers and traders advocating against the RD, as many are suspected of evading the ADDs.

In summary, the continued imposition of RD and ADDs is essential not only for the protection of the domestic PFY industry but also for ensuring a fair and competitive market environment that fosters sustainable growth and development.

### **Challenges Facing the Pakistan Textile Industry Due to Energy Supply Issues**

The textile industry in Pakistan, along with its associated value chain, is a critical pillar of the national economy, generating substantial foreign exchange through exports. To address its energy needs, the sector has diversified its energy sources, relying on both the national grid and captive power generation using resources like furnace oil, coal, and gas/RLNG. However, a significant portion of the industry depends heavily on gas/RLNG-based Captive Power Plants to compensate for the unreliable electricity supply from the national grid.



### Impact of Policy Changes and Rising Energy Costs

Historically, a consistent and stable supply of electricity from the national grid and access to gas/RLNG for captive power generation at Regionally Competitive Energy Tariffs (RCET) were the most cost-effective power sources for export-oriented industries. Unfortunately, in the past two years, the government has discontinued the RCET benefits previously extended to export-focused sectors and has raised power tariffs. Additionally, global fluctuations in crude oil prices have led to a considerable surge in the prices of furnace oil and coal, making it economically unviable for the textile industry to generate captive power through these resources.

The uninterrupted supply of electricity and RLNG/Gas at competitive rates is paramount for sustaining the export-oriented value chain. However, disruptions over the last year have had a very negative impact on this sector, particularly for PFY and PSF manufacturers, as their energy costs have significantly increased.

### Gas/RLNG Shortages in Punjab

The industrial sector in Punjab has faced severe shortages of gas/RLNG over the past two years. The supply to the Punjab textile industry has either completely halted, been provided at low pressure, or been curtailed by approximately 50% of the sanctioned load. Many textile units, including ours, have been compelled to operate at significantly reduced capacities, leading to substantial output losses.

### The Need for Action

To sustain export-driven economic growth, it is imperative to promote and support export-oriented value chains, which will benefit the entire nation in the long term. The current volatile energy situation poses considerable challenges for businesses across Pakistan. Limited availability of gas and RLNG, combined with high costs associated with captive power production, presents a grave threat to industries, including textiles.

In summary, addressing the energy supply challenges faced by the textile industry is essential for maintaining its competitiveness and ensuring continued contributions to the economy. The government must take immediate action to restore RCET benefits, stabilize energy prices, and ensure a reliable supply of gas/RLNG to facilitate the growth of this vital sector. By doing so, Pakistan can strengthen its textile industry, promote exports, and ultimately foster long-term economic stability and growth.



### Financial Performance and Working Capital Management

In the fiscal year under consideration, your Company successfully renewed its working capital facilities, encompassing both fund-based and non-fund-based limits. This involved completing all necessary documentation requirements with various banks to utilize both Islamic banking and conventional financing options.

### Impact of KIBOR Fluctuations

It is essential to highlight that the cost of the Company's short-term borrowings is linked to fluctuations in the Karachi Interbank Offer Rate (KIBOR). This relationship exposes the Company's cash flows to mark-up rate risk. Over the past year, there have been frequent and significant hikes in KIBOR rates, resulting in a substantial increase in the mark-up rates on the Company's bank borrowings.

### Commitment to Quality and Sustainability

The right quality of raw materials, coupled with state-of-the-art production equipment and a skilled workforce—including both professional and technical talents—plays a pivotal role in our ability to manufacture high-quality products. This commitment to excellence is evident in our rigorous adherence to stringent human-ecological standards, specifically the OEKO-TEX® STANDARD 100.

### OEKO-TEX® Certification

We are proud to announce that we have successfully renewed our certification under the OEKO-TEX® STANDARD 100, which attests to our dedication to

product quality and safety. This certification ensures that our products are free from harmful substances and safe for human health, reinforcing our position as a trusted manufacturer in the textile industry.

#### Focus

Our focus on quality control and adherence to international standards not only enhances our product offerings but also aligns with our commitment to sustainability and consumer safety. By continuously investing in quality raw materials, advanced technology, and skilled personnel, we are poised to meet the evolving needs of our customers while maintaining the highest standards in the industry.

#### Raw Material Prices Overview

Throughout the fiscal year 2023-24, the prices of key raw materials, Purified Terephthalic Acid (PTA) and Monoethylene Glycol (MEG), demonstrated fluctuations.

- **PTA Prices**
  - July 2023: US\$ 830 per metric ton
  - June 2024: US\$ 830 per metric ton
  - Average Price FY 2023-24: US\$ 852 per metric ton
  - Average Price FY 2022-23: US\$ 899 per metric ton
- **MEG Prices:**
  - July 2023: US\$ 485 per metric ton
  - June 2024: US\$ 535 per metric ton
  - Average Price FY 2023-24: US\$ 525 per metric ton
  - Average Price FY 2022-23: US\$ 550 per metric ton

#### Sales Revenue and Profitability Analysis for FY 2023-24

In the fiscal year 2023-24, the Company experienced a 9% decrease in sales revenue, amounting to a reduction of Rs. 1.04 billion, which saw revenues drop from Rs. 11.53 billion in 2023 to Rs. 10.48 billion in 2024. This decline was primarily driven by:

- **Slowness in the Downstream Market:** A sluggish demand in the market reduced sales opportunities.
- **Unfavorable Fluctuations in Sale Prices:** Variability in pricing further impacted revenue.
- **High Levels of Dumped Imports:** The market was flooded with low-quality Polyester Filament Yarn (PFY) at lower prices, undermining local manufacturers and resulting in a lack of competitive pricing.

#### Impact of Economic Conditions

The persistently high inflation rates eroded consumer purchasing power, which had a detrimental effect on sales volumes, compounding the challenges faced by the Company.

#### Gross Profit and Profitability Decline

The Company witnessed a significant decline in gross profit, which fell from Rs. 195.52 million in FY 2022-23 to Rs. 23.37 million in FY 2023-24. This dramatic reduction contributed to the overall erosion of profitability.

#### Losses Reported

As a result of the above challenges:

- The Company reported a pre-tax loss of Rs. 890.59 million, a sharp increase from the pre-tax loss of Rs. 314.11 million incurred in FY 2022-23.
- After accounting for taxes, the post-tax loss amounted to Rs. 822.51 million, significantly higher than the post-tax loss of Rs. 184.83 million reported in FY 2022-23.



The fiscal year 2023-24 posed considerable challenges for the Company, marked by declining revenues and profitability primarily due to external market pressures, inflation, and increased financial costs. The need for strategic interventions and measures to stabilize the market and enhance competitiveness remains imperative for recovery and future growth.

#### Current Economic & Political Landscape in Pakistan

Pakistan is currently facing a severe economic crisis marked by high inflation, sluggish economic activity, and significant public financial imbalances. This challenging environment is compounded by ongoing political uncertainty, which further exacerbates the nation's economic difficulties.

Political instability is affecting various levels personal, business, and governmental. To restore political stability, there is a pressing need for clear policy announcements that can foster confidence among both local and foreign investors. Domestic businesses are currently enduring the burdens of high inflation and increased input costs until the government establishes definitive policies aimed at rejuvenating and promoting industrial growth.

### Future Outlook for the Polyester Sector

#### A Glimmer of Hope

The government's ongoing efforts to address foreign exchange shortages are anticipated to enhance economic activity nationwide, which bodes well for the polyester industry. Forecasts indicate a rise in demand for Polyester Filament Yarn (PFY) in the coming years, creating a potential upswing in market conditions.

#### Dumping Still a Thorn

Despite this positive outlook, the persistent influx of unfairly priced imported products, commonly referred to as dumped imports, remains a significant challenge for local manufacturers. The continued presence of these low-cost imports hampers the competitiveness of domestic production, making it essential for the government to take decisive action against dumping practices.

#### Long-Term Stability Needed

For sustained investment and expansion, it is crucial for the government to implement long-term economic and energy policies that provide stability and protect the interests of the polyester industry. Clear, consistent policies will not only bolster investor confidence but also encourage the growth of the local industry.

#### Import Substitution Opportunity

The PFY and PSF sectors hold significant potential as key players in import substitution, aimed at reducing the substantial foreign exchange drain caused by dumped imports. By fostering local production, we can not only benefit the polyester industry but also contribute positively to the national economy, promoting economic self-sufficiency and resilience.

#### Conclusion

While the demand for PSF and PFY may remain sluggish due to current economic conditions, the future holds promise if appropriate measures are taken to address the challenges faced by the industry. By implementing effective policies and providing

necessary protections, the government can help cultivate a thriving polyester sector that supports both local manufacturers and the broader economy.

#### Risk Management

Due to sectoral considerations, the Company is vulnerable to inherent risks. The risks that a Company is prepared to take at the strategic and operational levels, as well as its capability to manage them, are crucial in determining its potential to generate sustainable value. The goal of the Company's risk management strategy is to make sure that these risks are promptly identified and dealt with.

The overall charge for monitoring the risk management procedure rests with the Board of Directors. It ensures that choices are consistent with the Company's strategy and risk tolerance. The Board is regularly updated on the significant operational and financial risks facing the Company.

The Chief Executive Officer and senior Management, who are incharge of the day-to-day risk management operations, conduct periodic reviews of all risk areas as part of the risk management process.

The Board encourages the Management to develop a strong methodology to predict the possible effects of severe events on the Company's profitability, balance sheet, capital, and liquidity. This will help to further enhance the entire risk management framework.

The Board looks after the Company's risk management process and controls, as well as reviews the Company's risk appetite and strategy with regard to key risks, such as credit risk, liquidity and funding risk, market risk, product risk, and reputational risk, as well as the standards, policies, and procedures for observing and minimizing such risks.

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company has a Risk Management Policy. It provides several tiers of accountability and supervision inside the Company and assigns specific managers to control over each major risk.

The Board is custodian of the Organization's entire risk management procedure. Business units and corporate functions address risks in an institutionalized manner that is in line with the Company's goals. Our internal audit also plays its role actively. Cross-functional engagement and communication across Company divisions are used to manage the business

risk. The Senior Management extensively discusses the risk assessment findings in order to determine what preventive actions are required.

### Board of Directors

The present members of the Board of Directors were elected on 27 October 2021 and since then there is no change in the Board. The present composition is in conformity with the provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

We will comply with the recent directives issued by the Securities and Exchange Commission of Pakistan with regard to the category-wise election of independent, female and normal category directors in the forthcoming elections, this year.

The Board determines the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, Government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

The present remuneration policy of Non-Executive Directors including Independent Directors continues to be reviewed by the Board from time to time.

### Remuneration of Directors

Following are the aggregate amounts of salary / fee and other perquisites of the present Board for FY-2023-24:

Directors' Category	Number	Aggregate Amount of Salary and Fee	Other Perquisites
Executive Directors: Chief Executive Officer (Mr. Nooruddin Feerasta)	One	Nil	Chief Executive Officer is drawing no salary since his first appointment except Company car.
Independent Directors	Two	Nil	Nil
Non-Executive Directors (including one female director)	Five	Nil	Nil

The Board periodically reviews the remuneration policy and a well-defined remuneration policy is in place.

### Auditors

M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, were appointed on 23 October 2023.

M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

The Board has received recommendations from its Audit Committee for re-appointment of M/s. RSM, Avais Hyder Liaquat Nauman, Chartered Accountants as Auditors of the Company for the year 2024-25.

### Pattern of Shareholding

A statement showing the pattern of shareholding in the Company as at 30 June 2024 is annexed to this Report.

### Other Disclosures

The Company's performance has been sufficiently elaborated in earlier parts of this Report of the Directors, however, the specific disclosure of some mandatory constituents are explained hereunder in terms of the provisions of Section 227 of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule Book of Pakistan Stock Exchange Limited:

- During the financial year ended 30 June 2024, following were the directors of the Company. Total number of Directors: 08 (Seven male and one female).

Category	Names
a) Independent Directors*	Mr. Yaseen M. Sayani Mr. Shahid Hameed
b) Non-Executive Directors	Mr. Muhammad Rashid Zahir Mrs. Aymna Feerasta Mr. Shehzad Feerasta Mr. Zeeshan Feerasta Mr. Abdul Hayee
c) Executive Director	Mr. Nooruddin Feerasta

### Committees of the Board Audit Committee

1.	Mr. Yaseen M. Sayani	Chairman	(Independent Director)
2.	Mr. Muhammad Rashid Zahir	Member	(Non-Executive Director)
3.	Mr. Zeeshan Feerasta	Member	(Non-Executive Director)

### H.R and Remuneration Committee

1.	Mr. Shahid Hameed	Chairman	(Independent Director)
2.	Mr. Nooruddin Feerasta	Member	(Chief Executive Officer)
3.	Mr. Zeeshan Feerasta	Member	(Non-Executive Director)

- The principal activities of the Company remained consistent as manufacture and sale of synthetic products. There were several developments during the year under review including infrastructural development and refurbishment of manufacturing



lines with the aim of cost cutting. Strategic review was undertaken through monitoring of marketing trend for monthly production plans to ensure uninterrupted supply to meet the downstream demands.

- There has been no change in nature of the Company's business.
- The external auditors have issued unqualified audit report for the year ended 30 June 2024.
- Rupali Polyester Limited is not a foreign Company and has no holding or subsidiary Company.
- Pattern of shareholding as on 30 June 2024 is annexed.
- The earning per share at the year end was (Rs.24.14).
- The factors contributed towards main achievements as well as the hindrances in growth during the financial year 2023-24 have been elaborated in this Report. Several measures were taken during the year by the Company Management under guidance of the Board of Directors to serve as economic tools to make and keep the unit profitable. The FY 2023-24 faced multiple challenges and our sales revenues could not grow as per our projected expectations due to unfavourable contributory key factors. The bottom line results during the year under review have shown negative position due to unstable global and domestic economic environment.
- The Company's historical debt repayments and servicing record is excellent and its Management never allowed a situation to arise that may cause default in repayment of debt.
- The Company's internal controls are strong. The Company has implemented sound systems and controls in all spheres of operational and commercial activities with check & balance for regular monitoring. The purchase procedures and SOPs are also sound and the checks and controls are ensured at every stage. This system is functioning smoothly and successfully with no element of delay in meeting requirements as per the delivery schedules. The SOPs of various activities are regularly reviewed and bottlenecks removed for improvements where required for smooth system functioning.

- There has occurred no material changes and commitments materially affecting the financial position of the Company between the end of the financial year of the Company i.e. 30 June 2024 and the date of the report. The results will be under pressure in coming periods because of the challenges explained above in detail.
- The Company's business suffered setback in current year resulting in net loss. The Management is striving hard for revival and growth. The overall unfavourable market conditions include dumping of low-cost PSF, PFY and cloth from the regional countries and termination of anti-dumping duties on imports from China and Malaysia.
- The Company's business operations have no adverse impact on environment. The outlets of wastewater, emissions, gases etc. are kept under the environmental protection parameters and procedures and controls.
- The Company fulfills its Corporate Social Responsibilities by way of donations to various deserving educational institutions and hospitals.
- There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.
- Compliance wherever not made has been explained as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019.

#### **Related party transactions**

In compliance with Section 208 and 209 of the Companies Act, 2017 and Related Parties Regulations, 2018, the Company executes transactions with following associated companies, related parties in the ordinary course of business:

- Rupafil Limited
- Rupali Nylon (Pvt) Ltd.
- Soneri Bank Limited

The shareholders in its meeting held on 23 October 2023 had given approval through special resolution for transactions to be consummated with related parties during the year 2023-24. The Board of Directors has duly approved/ratified the transactions made in FY 2023-24 with above related parties.

## Disclosure Requirements as per PSX Regulations/ Code of Corporate Governance Regulations

### Corporate Governance:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement set out by the Securities and Exchange Commission of Pakistan (SECP). The Company has also implemented several best governance practices. The report on Corporate Governance under PSX Rule Book forms an integral part of the Annual Report. The requisite certificate from the auditors of the Company confirming compliance with the conditions of the Corporate Governance is attached. Good Corporate Governance has always been the focal point of the Board of Directors of the Company. We are happy to report that your Company by the Grace of ALLAH meets the standard set in the guidelines for good Corporate Governance and is in compliance with the relevant Regulations. At Rupali Polyester Limited, we ensure that we evolve and follow the corporate governance guidelines and best practices sincerely to not just boost long-term shareholders value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. In accordance with the vision set by the Board, the Company aspires to follow the global Polyester industry benchmark for value creation and corporate citizenship. The Company expects to realize its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people. The Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

During the year, the Company took several initiatives in various aspects of sustainability. At the strategic level, the Company embarked on a scenario planning exercise to envision the future, looking at economic, regulatory and stakeholder scenarios in order to develop our next vision and action plans. In order to drive the various aspects of sustainability in a more focused way, the Company put together consolidated governance mechanisms with clear demarcation of roles between the Board, its Committees and the Management. During the year, the capital projects for environment have progressed significantly. Following specific statements are being given hereunder:

The Company has initiated steps for energy conservation and improving energy efficiency. Our environment research team in R&D has been regularly

working on projects and plant operations to reduce the environmental impact of our operations while improving resource efficiency. We are happy to report that the Company has made a lot of improvement as a result of its efforts.

Human Resource Management adopts key decisions not just with respect to Human Resources but businesses as a whole. It focuses on improving the way of life, work culture, employee engagement, productivity, effectiveness and efficiency. During the year, several employee centric policies were launched to cater to the needs of the work force and also to keep the Company up to date with external realities.

Policies like adoption leave, physical and emotional well-being, and professional counseling services were launched in the interest of the employees' changing needs. The Company initiated multiple actions to keep the workforce engaged. Actions are being taken to increase professional diversity, providing greater amenities for contractor workforce, improving employee skills and enhancing employee productivity. In addition, policies are being implemented to support affirmative action through training and enabling employment.

We further state that:

- The Company has maintained its books of account as per statutory requirements.
- The Company's financial statements fully present the state of affairs, its results of operations, cash flows and changes in equity.
- Appropriate accounting policies and applicable International Accounting Standards and International Financial Reporting Standards were applied in preparation of financial statements, accounting estimates are based on reasonable and prudent judgment, and any departures from there have been adequately disclosed and explained.
- There is no inconsistency in these policies and no material departure from the best practices of corporate governance is allowed.
- These accounts have been prepared on going concern basis and the Management is satisfied regarding going concern status of the Company.
- The system of internal controls of the Company is significantly sound in design and has been effectively implemented and monitored.

- Plant operations remained normal throughout the year. However, the dumped imports from China and Malaysia disturbed our sales targets, which put adverse impact on our sales revenues. The reasons for decrease in revenues, cost of goods sold, gross margin, increase in finance costs and bottom-line results have been highlighted and explained.
- There is no statutory payment because of taxes, duties, levies and charges outstanding other than those in normal business-related transactions.
- Company is neither in default nor likely to default any loans, short-term borrowings or any sort of debt instruments.

#### Investment of Provident Fund

The value of investment in Provident Fund Trust Account inclusive of profit accrued:

Account inclusive of profit accrued:

As on 30 June 2024 (Unaudited)	As on 30 June 2023 (Audited)
(Rupees in '000)	
25,560	22,524

#### Audit Committee Meetings Held and Attendance by each Member

Total number of Audit Committee Meetings held during the year under review: 04

#### Attendance by each Member:

1. Mr. Yaseen M. Sayani	Chairman	04
2. Mr. Muhammad Rashid Zahir	Member	04
3. Mr. Zeeshan Feerasta	Member	04

#### H.R and Remuneration Committee Meetings and Attendance by each member

Total number of HR and Remuneration Committee Meetings held during the year under review: 04

#### Attendance by each Member:

1. Mr. Shahid Hameed	Chairman	04
2. Mr. Nooruddin Feerasta	Member	04
3. Mr. Zeeshan Feerasta	Member	04

#### Board Meetings held and Attendance by each Director

Total number of Board Meetings held during the year under review: 04

#### Attendance by each Member:

1. Mr. Nooruddin Feerasta (Chief Executive Officer)	04
2. Mr. Muhammad Rashid Zahir (Non-Executive Director)	04
3. Mrs. Aymna Feerasta (Non-Executive Director)	04
4. Mr. Yaseen M. Sayani (Independent Director)	04
5. Mr. Shehzad Feerasta (Non-Executive Director)	04
6. Mr. Zeeshan Feerasta (Non-Executive Director)	04
7. Mr. Shahid Hameed (Independent Director)	04
8. Mr. Abdul Hayee (Non-Executive Director)	04

#### Corporate Social Responsibility (CSR)

Your Company attaches high priority to its social responsibilities and is committed to the highest standards of corporate behavior. The Company's CSR responsibilities are fulfilled through selective monetary contributions in the areas of health care, education, environmental protection, water and sanitation, child welfare, infrastructure development and other welfare activities subject to availability of surplus funds. Our CSR activities include contributions to hospitals and welfare programs engaged in assisting under-privileged patients, students and children of various special needs.

#### Code of Conduct

As a part of continuous adherence to best practices of corporate governance, Rupali Polyester Limited believes in widely disseminating its values and ethics for strict adherence by all employees, contractors, suppliers and others associated with business of the Company. Our commitment to encouraging ethical and responsible practices is demonstrated by the fact that the Company had a comprehensive Code of Conduct in place well before the introduction of this requirement in 2002 and since then have been reviewed and updated. The Code of Conduct of the Company is reviewed periodically and we ensure compliance at all levels. Furthermore, upon joining the Company, all employees are required to read and understand the Code of Conduct for strict compliance, which demonstrates Company's best corporate governance in practice.

### Succession Planning

At Rupali Polyester Limited, there is a proper succession planning and is implemented evaluating the incumbents' talent. The focus is on capability building by encouraging internal lateral moves.

Individuals highlighted for succession are developed through stretched assignments and involvement through internal /external training and on the job education.

### Whistleblowing Policy

Rupali Polyester has a well-defined Whistleblowing Policy. Any cases where the Code of Conduct has been violated and to help facilitate strict adherence to it, employees have access to a whistleblowing protocol. Through this program, any employee can confidentially report suspected breach of ethics and Code of the Company by way of anonymity. Any complaints if received are thoroughly investigated to a logical end. The Board Audit Committee as well as the Board oversees this process.

### Health, Safety and Environment

The Company is strongly committed towards all aspects of maintaining a safe and healthy environment for our business operations as well as affiliated organizations.

The Company fully recognizes safety as a key component of operational excellence and gives vital importance to the training of employees and contractors. We also try to enhance safety awareness and actively incorporate best practices for the industries overall operational set-up.

Our commitment to environment, health and safety is manifested in our operational activities as no major accident was reported in the year 2024.

There was no reportable occupational illness from our employees or contracted work force in FY 2023-24. Proper fumigation and treatment against viral spread is regularly carried out at plant site and offices.

### Environment, Social & Governance (ESG)

The Management and the Board of Directors of Rupali Polyester Limited are committed to deliver strong Environmental, Social & Governance (ESG) performance that fosters achieving long-term shared value for all stakeholders. We recognize that ESG factors are critical components to ensure business sustainability, lead integrated research analysis, effective decision-making and profound engagement with communities and employees to manage business and performance excellence.

As part of our dedication to integrating ESG principles into our corporate framework, the Board of Directors are already in the process of developing a comprehensive ESG policy that will surely serve as a cornerstone for guiding our ESG initiatives and ensuring alignment with global best practices.

### Gender Diversity Policy

The Board of Directors of the Company are well cognizant of the importance and need of gender diversity for financial performance and business growth. The women demonstrate appreciable leadership role in corporate sector. Taking forward the policy framework developed by the Board of Directors in domain of gender diversity, the new Board of Directors after assuming its office pursuant to the election in forth coming AGM will prepare Gender Diversity Policy.

### Labor Management Relations

Like previous years, cordial relations were maintained between the Management and the labor force. We extend our appreciation for their dedication and hard work demonstrated at every level for the progress and growth of the Company.

### Internal Financial Control Systems and their Adequacy

Your Company has an Internal Control System commensurate with the size scale and complexity of its operations and well-documented procedures for various processes, which are periodically reviewed for changes warranted due to business needs. The Internal Auditor continuously monitors the efficiency of the internal controls/ compliance with the objective of providing to Audit Committee and the Board of Directors an independent objective and reasonable assurance of the adequacy and effectiveness of the Company's risk management control and governance processes. This system of internal control facilitates effective compliance of mandatory requirements under the Companies Act, 2017 and the Rule Book of PSX.

To maintain its objectivity and independence the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system with reference to the Financial Statement. Based on the report of internal auditor the Management undertakes corrective actions in respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

### Approval of Financial Statements

The financial statements for FY 2023-24 prepared as per provisions of Companies Act, 2017 were approved and authorized for their issuance by the Board of Directors on September 18, 2024.

### Approval of the Directors' Report and Compliance Statement

The Board of Directors approved the Directors' Report and Statement of Compliance on September 18, 2024 and authorized their issuance.

### Acknowledgments

The Board of Directors extends its sincere gratitude to our valued partners, including the Ministries of Finance, Industries and Production, Commerce, Communication and Information Technology, and Textile Industry. Their collaboration has been instrumental in our progress, providing essential support and guidance that have enabled us to navigate the challenges in our sector.

We also wish to acknowledge the vital support received from the Federal Board of Revenue, Departments of Customs and Central Excise, and the Government of Punjab. Their efforts have played a crucial role in facilitating our operations and fostering a conducive environment for growth.

Furthermore, we are thankful for the continued cooperation and trust from Development Financial Institutions and Commercial Banks. Their financial support has been pivotal in allowing us to pursue our objectives and expand our capabilities.

Together, with the ongoing collaboration of all stakeholders, we remain committed to driving forward the growth of the polyester industry and contributing to the economic development of the nation.

On behalf of the Board



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director

Lahore:  
18 September 2024

## اعترافات

بورڈ آف ڈائریکٹرز مالیات، صنعت و پیداوار، تجارت، مواصلات اور انفارمیشن ٹیکنالوجی، اور ٹیکنیکل انڈسٹری کی وزارتوں سمیت ہمارے قابل قدر شراکت داروں کا تہہ دل سے شکریہ ادا کرتا ہے۔ ان کا تعاون ہماری ترقی میں اہم کردار ادا کرتا ہے، ضروری مدد اور رہنمائی فراہم کرتا ہے جس نے ہمیں اپنے شعبے میں چیلنجوں سے نمٹنے کے قابل بنایا ہے۔

ہم فیڈرل بورڈ آف ریونیو، کسٹمز اور سنٹرل ایکسائز کے حکاموں اور حکومت پنجاب سے ملنے والے اہم تعاون کو بھی تسلیم کرنا چاہتے ہیں۔ ان کی کوششوں نے ہمارے کاموں کو آسان بنانے اور ترقی کے لیے سازگار ماحول کو فروغ دینے میں اہم کردار ادا کیا ہے۔

مزید برآں، ہم ترقیاتی مالیاتی اداروں اور کمرشل بینکوں کے مسلسل تعاون اور اعتماد کے لیے شکر گزار ہیں۔ ان کی مالی مدد ہمیں اپنے مقاصد کو حاصل کرنے اور اپنی صلاحیتوں کو بڑھانے میں اہم کردار ادا کرتی ہے۔ ایک ساتھ، تمام اسٹیک ہولڈرز کے جاری تعاون کے ساتھ، ہم پالیسی سٹرانڈسٹری کی ترقی کو آگے بڑھانے اور ملک کی اقتصادی ترقی میں اپنا حصہ ڈالنے کے لیے پرعزم ہیں۔

منجانب بورڈ آف ڈائریکٹرز



ذیشان فیروزی  
ڈائریکٹر



نور الدین فیروزی  
چیف ایگزیکٹو آفیسر

لاہور

18 ستمبر 2024

ماحولیات، صحت اور حفاظت سے ہماری وابستگی ہماری آپریشنل سرگرمیوں سے ظاہر ہوتی ہے کیونکہ مالی سال 2023-2024 میں کوئی بڑا حادثہ نہیں ہوا۔

مالی سال 2023-24 میں ہمارے ملازمین یا معاہدہ شدہ ورک فورس کی طرف سے کوئی قابل اطلاع پیشہ ورانہ بیماری نہیں تھی۔ پلانٹ کی جگہ اور دفاتر میں وائرل پھیلاؤ کے خلاف مناسب فیو میکیشن اور علاج باقاعدگی سے کیا جاتا ہے۔

## ماحولیاتی، سماجی اور گورننس (ای ایس جی)

روپالی پولیسٹر لیمنٹ کی انتظامیہ اور بورڈ آف ڈائریکٹرز مضبوط ماحولیاتی، سماجی اور گورننس (ESG) کارکردگی فراہم کرنے کے لیے پرعزم ہیں جو تمام اسٹیک ہولڈرز کے لیے طویل مدتی مشترکہ قدر کے حصول کو فروغ دیتی ہے۔ ہم تسلیم کرتے ہیں کہ ای ایس جی عوامل کاروباری پائیداری کو یقینی بنانے، مربوط تحقیقی تجزیہ، موثر فیصلہ سازی اور کاروبار اور کارکردگی کے انتظام کے لیے کیونٹیز اور ملازمین کے ساتھ گہری وابستگی کو یقینی بنانے کے لیے اہم اجزاء ہیں۔

ای ایس جی اصولوں کو اپنے کارپوریٹ فریم ورک میں ضم کرنے کے لیے ہماری لگن کے ایک حصے کے طور پر، بورڈ آف ڈائریکٹرز پہلے ہی ایک جامع ای ایس جی پالیسی تیار کرنے پر عمل پیرا ہیں جو یقینی طور پر ہمارے ای ایس جی اقدامات کی رہنمائی کرنے اور عالمی بہترین طریقوں کے ساتھ صف بندی کو یقینی بنانے کے لیے سنگ بنیاد کے طور پر کام کرے گا۔

## صنعتی تنوع کی پالیسی

کمپنی کا بورڈ آف ڈائریکٹرز مالی کارکردگی اور کاروباری ترقی کے لیے صنعتی تنوع کی اہمیت اور ضرورت سے بخوبی واقف ہے۔ خواتین کارپوریٹ سیکٹر میں قابل تعریف قائدانہ کردار کا مظاہرہ کرتی ہیں۔ صنعتی تنوع کے شعبے میں بورڈ آف ڈائریکٹرز کے تیار کردہ پالیسی فریم ورک کو آگے بڑھاتے ہوئے، نیا بورڈ آف ڈائریکٹرز آئندہ اسے جی ایم میں اپنے انتخاب کے مطابق اپنا عہدہ سنبھالنے کے بعد صنعتی تنوع کی پالیسی تیار کرے گا۔

## لیبر مینجمنٹ تعلقات

پچھلے سالوں کی طرح، انتظامیہ اور لیبر فورس کے درمیان خوشگوار تعلقات برقرار رہے۔ ہم کمپنی کی ترقی کے لیے ہر سطح پر ان کی لگن اور محنت کے لیے اپنی تعریف کرتے ہیں۔

## داخلی مالیاتی کنٹرول کے نظام اور ان کی مناسبت

آپ کی کمپنی کے پاس ایک اندرونی کنٹرول سسٹم ہے جو اس کے آپریشنز کے سائز کے بیان اور پیچیدگی اور مختلف پرو سیمسز کے لیے اچھی طرح سے دستاویزی طریقہ کار کے مطابق ہے، جس کا وقتاً فوقتاً کاروباری ضروریات کے پیش نظر تبدیلیوں کے لیے جائزہ لیا جاتا ہے۔ اندرونی آڈیٹرز آڈیٹ کمیٹی اور بورڈ آف ڈائریکٹرز کو کمپنی کے رسک مینجمنٹ کنٹرول اور گورننس کے عمل کی مناسبت اور تاثیر کی ایک آزاد مقصد اور معقول یقین دہانی فراہم کرنے کے مقصد کے ساتھ اندرونی کنٹرول / تعمیل کی کارکردگی کی مسلسل نگرانی کرتا ہے۔ اندرونی کنٹرول کا یہ نظام ایکٹ اور فہرست سازی کے ضوابط کے تحت لازمی تقاضوں کی موثر تعمیل میں سہولت فراہم کرتا ہے۔

اپنی معروضیت اور آزادی کو برقرار رکھنے کے لیے اندرونی آڈیٹرز آڈیٹ کمیٹی کے چیئرمین کو رپورٹ کرتا ہے۔ اندرونی آڈیٹرز مالیاتی بیان کے حوالے سے اندرونی کنٹرول کے نظام کی کارکردگی اور مناسبت کی نگرانی اور جائزہ لیتا ہے۔ اندرونی آڈیٹرز رپورٹ کی بنیاد پر انتظامیہ متعلقہ علاقوں میں اصلاحی اقدامات کرتی ہے اور اس طرح کنٹرول کو مضبوط کرتی ہے۔ اہم آڈٹ مشاہدات اور اس پر اصلاحی اقدامات آڈیٹ کمیٹی کے سامنے پیش کیے جاتے ہیں۔ زیر جائزہ سال کے دوران، آپریشن میں کوئی قابل اطلاع مواد کی کمزوری نہیں دیکھی گئی۔ باقاعدہ آڈٹ اور نظر ثانی کے عمل اس بات کو یقینی بناتے ہیں کہ اس طرح کے نظام کو مسلسل بنیادوں پر تقویت دی جائے۔

## مالیاتی گوشواروں کی منظوری

کمپنیز ایکٹ، 2017 کی دفعات کے مطابق تیار کردہ مالی سال 2023-24 کے مالیاتی گوشواروں کو 18 ستمبر 2024 کو بورڈ آف ڈائریکٹرز نے ان کے اجراء کے لیے منظوری دی تھی۔

## ڈائریکٹرز کی رپورٹ اور تعمیل کے بیان کی منظوری

بورڈ آف ڈائریکٹرز نے 18 ستمبر 2024 کو ڈائریکٹرز کی رپورٹ اور تعمیل کے بیان کی منظوری دی اور انہیں جاری کرنے کی اجازت دی۔

## بورڈ آف ڈائریکٹرز

زیر جائزہ سال کے دوران منعقدہ بورڈ میٹنگز کی کل تعداد: 04  
ہر رکن کی شرکت:

نام رکن	کلنے اجلاس میں شرکت کی
۱۔ جناب نور الدین فیراستہ چیف ایگزیکٹو آفیسر	04
۲۔ جناب محمد رشید ظاہر نان ایگزیکٹو ڈائریکٹر	04
۳۔ مسز امینہ فیراستہ نان ایگزیکٹو ڈائریکٹر	04
۴۔ جناب یاسین ایم سیانی آزاد ڈائریکٹر	04
۵۔ جناب شہزاد فیراستہ نان ایگزیکٹو ڈائریکٹر	04
۶۔ جناب ذیشان فیراستہ نان ایگزیکٹو ڈائریکٹر	04
۷۔ جناب شاہد حمید آزاد ڈائریکٹر	04
۸۔ جناب عبدالحی نان ایگزیکٹو ڈائریکٹر	04

## کارپوریٹ سماجی ذمہ داری (سی ایس آر)

آپ کی کمپنی اپنی سماجی ذمہ داریوں کو اعلیٰ ترین درجے پر رکھتی ہے اور کارپوریٹ ریسٹروے کے اعلیٰ ترین معیارات پر کاربند ہے۔ کمپنی کی سی ایس آر ذمہ داریاں صحت کی دیکھ بھال، تعلیم، ماحولیاتی تحفظ، پانی اور صفائی، بچوں کی بہبود، بنیادی ڈھانچے کی ترقی اور اضافی فنڈز کی دستیابی سے مشروط دیگر فلاحی سرگرمیوں کے شعبوں میں منتخب مالیاتی شرکاتوں کے ذریعے پوری ہوتی ہیں۔ ہماری سرگرمیوں میں، ہسپتالوں اور فلاحی پروگراموں میں شراکتیں شامل ہیں جو کمزور معاشی یا فتنہ مریضوں، طلباء اور مختلف خصوصی ضروریات کے بچوں کی مدد میں مصروف ہیں۔

## ضابطہ اخلاق

کارپوریٹ گورننس کے بہترین طریقوں کی مسلسل پابندی کے ایک حصے کے طور پر، روپالی پولیٹریٹ کمپنی کے کاروبار سے وابستہ تمام ملازمین، ٹھیکیداروں، سپلائرز اور دیگر افراد کے ذریعے اپنی اقدار اور اخلاقیات کو وسیع پیمانے پر پھیلانے پر یقین رکھتی ہے۔ اخلاقی اور ذمہ دارانہ طریقہ عمل کی حوصلہ افزائی کے لیے ہماری وابستگی اس حقیقت سے ظاہر ہوتی ہے کہ کمپنی کے پاس 2002 میں اس ضرورت کے متعارف ہونے سے پہلے ایک جامع ضابطہ اخلاق موجود تھا اور اس کے بعد سے اس کا جائزہ لیا گیا اور اسے اپ ڈیٹ کیا گیا۔ کمپنی کے ضابطہ اخلاق کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور ہم ہر سطح پر تعمیل کو یقینی بناتے ہیں۔ مزید برآں، کمپنی میں شامل ہونے پر، تمام ملازمین کو سختی سے تعمیل کے لیے ضابطہ اخلاق کو پڑھنا اور سمجھنا ضروری ہے، جو عملی طور پر کمپنی کی بہترین کارپوریٹ گورننس کو ظاہر کرتا ہے۔

## جانشینی کی منصوبہ بندی

روپالی پولیٹریٹ میں، جانشینی کی ایک مناسب منصوبہ بندی ہے اور اس پر عمل آوری کی صلاحیتوں کا اندازہ لگا کر عمل کیا جاتا ہے۔ اندرونی پس منظر کی حرکتوں کی حوصلہ افزائی کرتے ہوئے صلاحیت کی تعمیر پر توجہ مرکوز کی گئی ہے۔

جانشینی کے لیے نمایاں کیے گئے افراد کو اندرونی/بیرونی تربیت اور ملازمت کی تعلیم کے ذریعے وسیع اسائنمنٹس اور شمولیت کے ذریعے تیار کیا جاتا ہے۔

## Whistle Blowing پالیسی

روپالی پولیٹریٹ کی ایک اچھی طرح سے طے شدہ Whistle Blowing پالیسی ہے۔ کسی بھی صورت میں جہاں ضابطہ اخلاق کی خلاف ورزی کی گئی ہو، اور اس پر سختی سے عمل کرنے میں مدد کے لیے، ملازمین کو Whistle Blowing والے پروٹوکول تک رسائی حاصل ہوتی ہے۔ اس پروگرام کے ذریعے، کوئی بھی ملازم اپنی شناخت ظاہر نہ کرنے کے ذریعے کمپنی کے اخلاقیات اور ضابطہ اخلاق کی مشتبہ خلاف ورزی کی خفیہ طور پر اطلاع دے سکتا ہے۔ اگر کوئی شکایت موصول ہوتی ہے تو اس کی منطقی انجام تک مکمل چھان بین کی جاتی ہے۔ بورڈ آڈٹ کمیٹی کے ساتھ ساتھ بورڈ اس عمل کی نگرانی کرتا ہے۔

## صحت، حفاظت اور ماحول

کمپنی ہماری کاروباری کارروائیوں کے ساتھ ساتھ منسلک تنظیموں کے لیے ایک محفوظ اور صحت مند ماحول کو برقرار رکھنے کے تمام پہلوؤں کے لیے پرعزم ہے۔ کمپنی حفاظت کو مکمل طور پر آپریشنل ایکسیلنس کے ایک اہم جز کے طور پر تسلیم کرتی ہے اور ملازمین اور ٹھیکیداروں کی تربیت کو اہم اہمیت دیتی ہے۔ ہم حفاظت سے متعلق آگاہی کو بڑھانے اور صنعتوں کے مجموعی آپریشنل سیٹ اپ کے لیے بہترین طریقوں کو فعال طور پر شامل کرنے کی بھی کوشش کرتے ہیں۔



ہم مزید بتاتے ہیں کہ:

- کمپنی نے اپنے حساب کتاب کو قانونی تقاضوں کے مطابق برقرار رکھا ہے۔
- کمپنی کے مالی بیانات پوری طرح سے معاملات کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو پیش کرتے ہیں۔
- مناسب اکاؤنٹنگ پالیسیاں اور قابل اطلاق بین الاقوامی اکاؤنٹنگ معیارات اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات کا اطلاق مالیاتی بیانات کی تیاری میں کیا گیا تھا، اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں، اور وہاں سے کسی بھی روایتی کامناب طور پر انکشاف اور وضاحت کی گئی ہے۔
- ان پالیسیوں میں کوئی تضاد نہیں ہے اور کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج کی اجازت نہیں ہے۔
- یہ اکاؤنٹس Going-Concern کی بنیاد پر تیار کیے گئے ہیں اور انتظامیہ کمپنی کی Going-Concern کی حیثیت سے مطمئن ہے۔
- کمپنی کے اندرونی کنٹرول کا نظام ڈیزائن میں نمایاں طور پر درست ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔ پلانٹ کی کارروائیاں سال بھر معمول کے مطابق رہیں۔ تاہم، چین اور ملائیشیا سے ڈمپ شدہ درآمدات نے ہمارے سبزاہداف کو متاثر کیا، جس سے ہماری سیکلز کی آمدنی پر منفی اثر پڑا۔ محصولات میں کمی سامان کی فروخت کی لاگت اور مالیاتی لاگت میں کمی کی وجوہات پر روشنی ڈالی اور وضاحت کی گئی ہے۔
- عام کاروبار سے متعلق لین دین کے علاوہ ٹیکس، ڈیوٹی، بیویز اور چارجز کی کوئی قانونی ادائیگی نہیں ہے۔
- کمپنی نہ تو ڈیفالٹ میں ہے اور نہ ہی کسی قرضے، قلیل مدتی قرضوں یا کسی بھی قسم کے قرض کے آلات کو ڈیفالٹ کرنے کا امکان ہے۔

### پراویڈنٹ فنڈ کی سرمایہ کاری

پراویڈنٹ فنڈزسٹ اکاؤنٹ میں سرمایہ کاری کی قیمت بشمول جمع شدہ منافع:

30 جون 2023 (آڈٹ شدہ)	30 جون 2024 (غیر آڈٹ شدہ)
روپے ہزاروں میں	
22,524	25,560

### محاسبی کمیٹی کے اجلاس اور ہر رکن کی شرکت

زیر جائزہ سال کے دوران منعقدہ محاسبی کمیٹی کے اجلاسوں کی کل تعداد: 04

ہر رکن کی شرکت:

نام رکن	کتنے اجلاس میں شرکت کی
۱۔ جناب یاسین ایم سیانی چیئر مین	04
۲۔ جناب محمد رشید ظاہر ممبر	04
۳۔ جناب ذیشان فیراستہ ممبر	04

### انسانی وسائل کی کمیٹی کے اجلاس اور ہر رکن کی شرکت

زیر جائزہ سال کے دوران انسانی وسائل کی کمیٹی کے اجلاسوں کی کل تعداد: 04

ہر رکن کی شرکت:

نام رکن	کتنے اجلاس میں شرکت کی
۱۔ جناب شاہد حمید چیئر مین	04
۲۔ جناب نور الدین فیراستہ ممبر	04
۳۔ جناب ذیشان فیراستہ ممبر	04

- کمپنی کے کاروباری کاموں کا ماحول پر کوئی منفی اثر نہیں پڑتا ہے۔ گندے پانی، اخراج، گیسوں وغیرہ کے اخراج کو ماحولیاتی تحفظ کے معیار، طریقہ کار اور کنٹرول کے تحت رکھا جاتا ہے۔
- کمپنی اپنی کارپوریٹ سماجی ذمہ داریاں مختلف مستحق تعلیمی اداروں اور ہسپتالوں کو عطیات کے ذریعے پوری کرتی ہے۔
- ریگولیشنز یا ریگولیشنز کی طرف سے کوئی اہم اور مادی احکامات جاری نہیں کیے گئے ہیں جو کہ جاری تشویش کی حیثیت اور کمپنی کے کاموں کو متاثر کرتے ہیں۔
- جہاں کہیں بھی تعلق نہیں کی گئی ہے اس کی وضاحت سی ای جی 2019 کے تحت ضرورت کے مطابق کی گئی ہے۔

## متعلقہ پارٹیوں سے لین دین

کمپنیز ایکٹ، 2017 کے سیکشن 208، 209 اور متعلقہ پارٹیز ریگولیشنز، 2018 کی تعلق میں کمپنی اپنے عام کاروبار میں درج ذیل متعلقہ کمپنیوں، متعلقہ فریقوں کے ساتھ لین دین کرتی ہے:

- روپافل لمیٹڈ
- سپٹنیکس لمیٹڈ
- سویری پیٹک لمیٹڈ

23 اکتوبر 2023 کو ہونے والی اپنے سالانہ اجلاس میں عام شیئرز ہولڈرز نے سال 2023-24 کے دوران متعلقہ فریقوں کے ساتھ لین دین کے لیے خصوصی قرارداد کے ذریعے منظوری دی تھی۔ بورڈ آف ڈائریکٹرز نے مذکورہ بالا متعلقہ فریقوں کے ساتھ مالی سال 2023-24 میں کیے گئے لین دین کی باضابطہ منظوری/توثیق کی ہے۔

## لسٹنگ کے ضابطوں / کارپوریٹ گورننس کے ضابطوں کے مطابق انکشاف کے تقاضے کارپوریٹ گورننس:

کمپنی کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے اور ایس ای سی پی کی طرف سے مقرر کردہ کارپوریٹ گورننس کی ضروریات پر عمل کرنے کے لیے پرعزم ہے۔ کمپنی نے حکمرانی کے کئی بہترین طریقوں کو بھی نافذ کیا ہے۔ پی ایس ایکس لسٹنگ ریگولیشنز کے تحت کارپوریٹ گورننس پر رپورٹ، سالانہ رپورٹ کا ایک لازمی حصہ ہے۔

کارپوریٹ گورننس کی شرائط کی تعمیل کی تصدیق کرنے والے کمپنی کے آڈیٹرز کی طرف سے مطلوبہ سرٹیفکیٹ کارپوریٹ گورننس کی رپورٹ کے ساتھ منسلک ہے۔

اچھی کارپوریٹ گورننس ہمیشہ کمپنی کے بورڈ آف ڈائریکٹرز کا مرکزی نقطہ رہا ہے۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ اللہ کے فضل سے آپ کی کمپنی اچھی کارپوریٹ گورننس کے رہنما اصولوں کے طے شدہ معیار پر پورا اترتی ہے اور متعلقہ قواعد و ضوابط کے مطابق ہے۔ روپالی پولیسٹر لمیٹڈ میں ہم اس بات کو یقینی بناتے ہیں کہ ہم کارپوریٹ گورننس کے رہنما اصولوں اور بہترین طریقوں پر غلطی سے عمل کریں تاکہ نہ صرف طویل مدتی حصص یافتگان کی قدر میں اضافہ ہو، بلکہ اقلیتوں کے حقوق کا بھی احترام کیا جائے۔ ہم اپنے اہلیات اور کارکردگی کے ساتھ ساتھ کمپنی کی قیادت اور حکمرانی کے بارے میں بروقت اور درست معلومات کی اشاعت کرنا اپنی موروثی ذمہ داری سمجھتے ہیں۔ بورڈ کے طے کردہ وٹرن کے مطابق، کمپنی قدر پیدا کرنے اور کارپوریٹ گورننس کے لیے عالمی پولی ایسٹریٹس کا بیج مارک بننے کی خواہش رکھتی ہے۔

کمپنی توقع رکھتی ہے کہ قدر کی تخلیق، حفاظت، ماحولیات اور لوگوں کے اپنے اہداف کو حاصل کرنے کے لیے ضروری اقدامات کر کے اپنے وٹرن کو پورا کرے گی۔ کارپوریٹ گورننس کی شرائط کی تعمیل سے متعلق آڈیٹرز کے سرٹیفکیٹ کو سالانہ رپورٹ کا حصہ بنایا گیا ہے۔

سال کے دوران، کمپنی نے پائیداری کے مختلف پہلوؤں میں کئی اقدامات کئے۔ تدریقاتی سطح پر، کمپنی نے مستقبل کا تصور کرنے کے لیے ایک منظر نامے کی منصوبہ بندی کی مشق کا آغاز کیا، جس میں معاشی، ریگولیشنز اور اسٹیک ہولڈرز کے منظر ناموں کو دیکھتے ہوئے ہمارے اگلے وٹرن اور ایکشن پلان کو تیار کیا گیا۔ پائیداری کے مختلف پہلوؤں کو زیادہ توجہ مرکوز کرنے کے لیے، کمپنی نے بورڈ، اس کی کمیٹیوں اور انتظامیہ کے درمیان کرداروں کی واضح حد بندی کے ساتھ حکومتی نظام کو سجا کیا ہے۔ سال کے دوران ماحولیات کے لیے سرمایہ کاری کے منصوبوں میں نمایاں پیش رفت ہوئی ہے۔ مندرجہ ذیل مخصوص بیانات یہاں دیئے جا رہے ہیں۔

کمپنی نے توانائی کے تحفظ کے اقدامات شروع کیے ہیں اور توانائی کی کارکردگی کو بہتر بنانے کے لیے اقدامات جاری رکھے ہوئے ہیں۔ R&D میں ہماری ماحولیاتی تحقیقی ٹیم وسائل کی کارکردگی کو بہتر بناتے ہوئے ہمارے کاموں کے ماحولیاتی اثرات کو کم کرنے کے منصوبوں پر مسلسل کام کر رہی ہے۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ کمپنی نے اپنی کوششوں کے نتیجے میں کافی بہتری حاصل کی ہے۔

ہیومن ریسورس مینجمنٹ کلیدی فیصلوں کو نہ صرف انسانی وسائل کے حوالے سے بلکہ مجموعی طور پر کاروبار کو اپناتا ہے۔ ریٹرز زندگی، کام کی ثقافت، ملازمین کی مصروفیت، پیداوری، تاثیر اور کارکردگی کو بہتر بنانے پر مرکوز ہے۔ سال کے دوران، افرادی قوت کی ضروریات کو پورا کرنے اور کمپنی کو بیرونی حقائق کے ساتھ تازہ ترین رکھنے کے لیے متعدد ملازم مرکوز پالیسیاں شروع کی گئیں۔

جسمانی اور جذباتی بہبود، اور پیشہ ورانہ مشاورت کی خدمات جیسی پالیسیاں ملازمین کی بدلتی ہوئی ضروریات کے مفاد میں شروع کی گئیں۔ کمپنی نے افرادی قوت کو مصروف رکھنے کے لیے متعدد کارروائیاں شروع کیں۔ پیشہ ورانہ تنوع کو بڑھانے، ٹیم کی افرادی قوت کے لیے زیادہ سہولیات فراہم کرنے، ملازمین کی مہارتوں کو بہتر بنانے اور ملازمین کی پیداوری صلاحیت کو بڑھانے کے لیے اقدامات کیے جا رہے ہیں۔ مزید برآں، تربیت اور روزگار کے قابل بنانے کے ذریعے مثبت کارروائی کی حمایت کرنے کے لیے پالیسیاں نافذ کی جا رہی ہیں۔

## بورڈ کی کمیٹیاں

## محاسبی کمیٹی

نام رکن	عہدہ رکن
۱۔ جناب یاسین ایم سیانی چیئرمین	(آزاد ڈائریکٹر)
۲۔ جناب محمد رشید ظاہر ممبر	(نان ایگزیکٹو ڈائریکٹر)
۳۔ جناب ذیشان فیراستہ ممبر	(نان ایگزیکٹو ڈائریکٹر)

## انسانی وسائل کمیٹی

نام رکن	عہدہ رکن
۱۔ جناب شاہد حمید چیئرمین	(آزاد ڈائریکٹر)
۲۔ جناب نور الدین فیراستہ ممبر	(چیف ایگزیکٹو آفیسر)
۳۔ جناب ذیشان فیراستہ ممبر	(نان ایگزیکٹو ڈائریکٹر)

- کمپنی کی بنیادی سرگرمیاں مصنوعات کی تیاری اور فروخت کے طور پر مستقل رہیں۔ زیر جائزہ سال کے دوران متعدد پیشرفت ہوئی جن میں بنیادی ڈھانچے کی ترقی اور لاگت میں کمی کے مقصد کے ساتھ مینوفیکچرنگ لائنوں کی تجدید کاری شامل ہے۔ ماہانہ پیداواری منصوبوں کے لیے مارکیٹنگ کے رجحان کی نگرانی کے ذریعے اسٹریٹیجک جائزہ لیا گیا تاکہ بہاؤ کی طلب کو پورا کرنے کے لیے بلا تعطل فراہمی کو یقینی بنایا جاسکے۔
- کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں آئی ہے۔
- بیرونی آڈیٹرز نے 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے صاف (Unqualified) آڈٹ رپورٹ جاری کی ہے۔
- روپالی پولی ایسٹریٹس لینڈ کوئی غیر ملکی کمپنی نہیں ہے اور اس کی کوئی ہولڈنگ یا ذیلی کمپنی نہیں ہے۔
- 30 جون 2024 تک شیئر ہولڈنگ کا بیٹرن منسلک ہے۔
- سال کے آخر میں فی شیئر آمدنی (24.14) روپے تھی۔
- مالی سال 2023-24 کے دوران اہم کامیابیوں کے ساتھ ساتھ ترقی کی راہ میں حائل رکاوٹوں کو اس رپورٹ میں تفصیل سے بیان کیا گیا ہے۔ سال کے دوران کمپنی مینجمنٹ کی جانب سے بورڈ آف ڈائریکٹرز کی رہنمائی میں کئی اقدامات کیے گئے تاکہ پونٹ کو منافع بخش بنانے اور اسے برقرار رکھنے کے لیے معاشی آلات کے طور پر کام کیا جاسکے۔ مالی سال 2023-24 کو متعدد چیلنجوں کا سامنا کرنا پڑا اور ناموافق کلیدی عوامل کی وجہ سے ہماری فروخت کی آمدنی ہماری توقعات کے مطابق نہیں بڑھ سکی۔ غیر مستحکم عالمی اور گھریلو اقتصادی ماحول کی وجہ سے زیر جائزہ سال کے دوران نچلے درجے کے نتائج نے منفی پوزیشن ظاہر کی ہے۔
- کمپنی کا تاریخی قرض کی ادائیگی اور سروسنگ ریکارڈ بہترین ہے اور اس کی انتظامیہ نے کبھی بھی ایسی صورت حال پیدا نہیں ہونے دی جو قرض کی ادائیگی میں ڈیفالٹ کا باعث بنے۔
- کمپنی کے اندرونی کنٹرول مضبوط ہیں۔ کمپنی نے باقاعدہ نگرانی کے لیے چیک اینڈ بیلنس کے ساتھ آپریشنل اور تجارتی سرگرمیوں کے تمام شعبوں میں سائونڈ سسٹم اور کنٹرول نافذ کیے ہیں خریداری کے طریقہ کار اور ایس او پیز بھی درست ہیں اور ہر مرحلے پر چیک اینڈ کنٹرول کو یقینی بنایا گیا ہے۔ یہ نظام آسانی سے اور کامیابی کے ساتھ کام کر رہا ہے جس میں ترسیل کے نظام الاوقات کے مطابق تقاضوں کو پورا کرنے میں تاخیر کا کوئی عنصر نہیں ہے مختلف سرگرمیوں کے ایس او پیز کا باقاعدگی سے جائزہ لیا جاتا ہے اور جہاں ہموار نظام کے کام کرنے کی ضرورت ہوتی ہے وہاں بہتری کے لیے رکاوٹوں کو دور کیا جاتا ہے۔ کوویڈ کی مدت کے دوران، کمپنی مناسب ایس او پیز پر پوری طرح عمل کر رہی ہے۔
- کمپنی کے مالی سال کے اختتام یعنی 30 جون 2024 اور رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو مادی طور پر متاثر کرنے والی کوئی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔ ٹیکس میں حکومت کی طرف سے عائد کردہ نیا سپر ٹیکس بھی شامل ہے اور اس کا اطلاق مالی سال 2021-22 سے ہوتا ہے۔ تاہم، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی کی وجہ سے آنے والے ادوار میں نتائج دباؤ میں ہوں گے۔
- کمپنی کے کاروبار کو موجودہ سال میں دھچکا لگا جس کے نتیجے میں خالص نقصان ہوا۔ انتظامیہ بحالی اور ترقی کی طرف مستقل طور پر آگے بڑھنے کے لئے سخت کوشش کر رہی ہے۔ مجموعی طور پر ناسازگار مارکیٹ کے حالات میں علاقائی ممالک سے کم لاگت اور بلکی کوالٹی کے پی ایس ایف، پی ایف وائی اور کپڑے کی ڈسٹنگ شامل ہے۔ نقصان کی بڑی وجہ باہر سے آنے والے دھاگے پر سے اینٹی ڈسٹنگ ڈیوٹی کو ختم کر دینا ہے۔
- کمپنی کے کاروبار کی بحالی اور ترقی کی طرف مسلسل بڑھ رہا ہے۔ مجموعی طور پر ناسازگار مارکیٹ کے حالات میں علاقائی ممالک سے کم لاگت پی ایس ایف اور پی ایف وائی کپڑے کی ڈسٹنگ شامل ہے۔ ملک کے سیاسی اور معاشی حالات مثبت سمتوں میں طے ہونے تک سست روی کے اثرات کو پورا کرنے میں مزید وقت لگے گا۔

## ڈائریکٹرز کا معاوضہ:

مالی سال 2023-24 کے دوران موجودہ بورڈ کی تنخواہ یا دیگر مراعات کی تفصیل درج ذیل ہے۔

ڈائریکٹرز کی فیس کی مجموعی رقم	تعداد	دیگر مراعات
ایگزیکٹو ڈائریکٹرز: چیف ایگزیکٹو آفیسر (جناب نور الدین فیراستہ)	ایک	کوئی نہیں چیف ایگزیکٹو آفیسر اپنی پہلی تقرری کے بعد سے کمپنی کار کے علاوہ کوئی تنخواہ نہیں لے رہے۔
آزاد ڈائریکٹران	دو	کوئی نہیں
غیر ایگزیکٹو ڈائریکٹران	پانچ	کوئی نہیں

بورڈ وقتاً فوقتاً معاوضے کی پالیسی کا جائزہ لیتا ہے اور ایک اچھی طرح سے طے شدہ معاوضے کی پالیسی موجود ہے۔

## محاسب

میسرز آر ایس ایم او ایس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس کو 23 اکتوبر 2023 کو تعینات کیا گیا۔ میسرز آر ایس ایم او ایس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔

بورڈ کو میسرز آر ایس ایم او ایس حیدر لیاقت نعمان چارٹرڈ اکاؤنٹنٹس کو بطور آڈیٹر کمپنی کے کی دوبارہ تقرری برائے سال 2024-25 کے لیے اپنی آڈٹ کمیٹی سے سفارشات موصول ہوئی ہیں۔

## شیئر ہولڈنگ کا نمونہ

30 جون 2024 کو کمپنی میں شیئر ہولڈنگ کی تفصیل منسلک ہے۔

## دیگر افشاء

ڈائریکٹرز کی اس رپورٹ کے ابتدائی حصوں میں کمپنی کی کارکردگی کو کافی تفصیل سے بیان کیا گیا ہے، تاہم، کمپنیز ایکٹ 2017 کے سیکشن 227، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی رول بک کی شرائط کے تحت کچھ لازمی اجزاء کے مخصوص انکشاف کی وضاحت یہاں کی گئی ہے

30 جون 2024 کو ختم ہونے والے مالی سال کے دوران، کمپنی کے ڈائریکٹرز درج ذیل تھے۔ ڈائریکٹرز کی کل تعداد: 08 (سات مرد اور ایک خاتون)۔

کیٹگری	اسماء
ا۔ آزاد ڈائریکٹرز	جناب یاسین ایم سیانی جناب شاہد حمید
ب۔ نان ایگزیکٹو ڈائریکٹرز	جناب محمد رشید ظاہر محترمہ امینہ فیراستہ جناب شہزاد فیراستہ جناب ذیشان فیراستہ جناب عبدالحئی
ج۔ ایگزیکٹو ڈائریکٹرز	جناب نور الدین فیراستہ

## طویل مدتی استحکام کی ضرورت

پائیدار سرمایہ کاری اور توسیع کے لیے، حکومت کے لیے طویل مدتی اقتصادی اور توانائی کی پالیسیوں پر عمل درآمد کرنا بہت ضروری ہے جو استحکام فراہم کرتی ہیں اور پولیسٹر صنعت کے مفادات کا تحفظ کرتی ہیں۔ واضح، مستقل پالیسیاں نہ صرف سرمایہ کاروں کے اعتماد کو تقویت دے دیں گی بلکہ مقامی صنعت کی ترقی کی حوصلہ افزائی بھی کریں گی۔

## درآمد کا متبادل

پی ایف ڈی اور پی ایس ایف سیکٹرز درآمدی متبادل میں کلیدی عمل دخل کے طور پر نمایاں صلاحیت رکھتے ہیں، جس کا مقصد ڈمپ شدہ درآمدات کی وجہ سے غیر ملکی زرمبادلہ کی خاطر خواہ کی کو کم کرنا ہے۔ مقامی پیداوار کو فروغ دے کر، ہم نہ صرف پولیسٹر کی صنعت کو فائدہ پہنچا سکتے ہیں بلکہ معاشی خود کفالت اور پبلک کو فروغ دیتے ہوئے قومی معیشت میں مثبت کردار ادا کر سکتے ہیں۔

## نتیجہ

اگرچہ موجودہ معاشی حالات کی وجہ سے PSF اور PFY کی مانگ سست رہ سکتی ہے، لیکن اگر صنعت کو درپیش چیلنجوں سے نمٹنے کے لیے مناسب اقدامات کیے جائیں تو مستقبل بہتر ہو سکتا ہے بوجہ موثر پالیسیوں کو نافذ کرنے اور ضروری تحفظات فراہم کرنے سے، حکومت ایک فروغ پزیر پولیسٹر سیکٹر کو فروغ دینے میں مدد کر سکتی ہے جو مقامی صنعت کاروں اور وسیع تر معیشت دونوں کو سپورٹ کرتا ہے۔

## رسک مینجمنٹ

شعبہ جاتی تحفظات کی وجہ سے، کمپنی موروثی خطرات کا شکار ہے۔ وہ خطرات جو کمپنی سٹرٹیجک اور آپریشنل سطحوں پر لینے کے لیے تیار ہے، نیز ان کا انتظام کرنے کی اس کی صلاحیت، پائیدار قدر پیدا کرنے کی اس کی صلاحیت کا تعین کرنے کے لیے اہم ہیں۔ کمپنی کی رسک مینجمنٹ عملی کا مقصد یہ یقینی بنانا ہے کہ ان خطرات کی فوری شناخت اور ان سے نمٹا جائے۔ رسک مینجمنٹ کے طریقہ کار کی نگرانی کا مجموعی چارج بورڈ آف ڈائریکٹرز کے پاس ہے۔ یہ یقینی بناتا ہے کہ انتخاب کمپنی کی حکمت عملی اور خطرے کی رواداری کے مطابق ہوں۔ بورڈ کو کمپنی کو درپیش اہم آپریشنل اور مالیاتی خطرات کے بارے میں باقاعدگی سے اپ ڈیٹ کیا جاتا ہے۔

چیف ایگزیکٹو آفیسر اور سینئر مینجمنٹ، جو روزمرہ کے رسک مینجمنٹ آپریشنز کے انچارج ہوتے ہیں، رسک مینجمنٹ کے عمل کے حصے کے طور پر تمام خطرے والے علاقوں کا قانونی و قانونی جائزہ لیتے ہیں۔ بورڈ انتظامیہ کی حوصلہ افزائی کرتا ہے کہ وہ کمپنی کے منافع، بیلنس شیٹ، سرمائے اور لیویڈیٹی پر شدید واقعات کے ممکنہ اثرات کی پیش گوئی کرنے کے لیے ایک مضبوط طریقہ کار تیار کرے۔ اس سے رسک مینجمنٹ کے پورے فریم ورک کو مزید بڑھانے میں مدد ملے گی۔

بورڈ کمپنی کے رسک مینجمنٹ کے عمل اور کنٹرولز کی دیکھ بھال کرتا ہے، نیز اہم خطرات، جیسے کریڈٹ رسک، لیویڈیٹی اور فنڈنگ رسک، مارکیٹ رسک، پروڈکٹ رسک، اور ساکھ کے خطرے کے حوالے سے کمپنی کی رسک پروفائل اور حکمت عملی کا جائزہ لیتا ہے۔ اس طرح کے خطرات کا مشاہدہ کرنے اور ان کو کم کرنے کے معیارات، پالیسیوں اور طریقہ کار کے طور پر۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضوابط ۲۰۱۹ کی تعمیل میں، کمپنی کے پاس رسک مینجمنٹ پالیسی ہے۔ یہ کمپنی کے اندر جو اب دی اور نگرانی کے کئی درجات فراہم کرتا ہے اور ہر بڑے خطرے پر مخصوص مینیجرز کو کنٹرول تفویض کرتا ہے۔

بورڈ تنظیم کے رسک مینجمنٹ کے پورے طریقہ کار کا نگران ہے۔ کاروباری اکائیوں اور کارپوریٹ فنکشنز خطرات کو ادراک جاتی انداز میں حل کرتے ہیں جو کمپنی کے اہداف کے مطابق ہو۔ ہمارا اندرونی آڈٹ بھی فعال طور پر اپنا کردار ادا کرتا ہے۔ کاروباری رسک کو منظم کرنے کے لیے کمپنی کے ڈویژنوں میں اس فنکشنل مشغولیت اور مواصلات کا استعمال کیا جاتا ہے۔ سینئر مینجمنٹ بڑے پیمانے پر خطرے کی تشخیص کے نتائج پر بحث کرتی ہے تاکہ یہ تعین کیا جاسکے کہ کن حفاظتی اقدامات کی ضرورت ہے۔

## بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کے موجودہ ممبران کا انتخاب 27 اکتوبر 2021 کو ہوا تھا اور اس کے بعد سے بورڈ میں کوئی تبدیلی نہیں ہوئی ہے جو موجودہ کمپوزیشن لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، ۲۰۱۹ کی دفعات کے مطابق ہے۔ ہم اس سال ہونے والے انتخابات میں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے آواز، خواتین کے زمرہ اور دیگر زمروں کے مطابق انتخابات کے حوالے سے جاری کردہ ہدایات کی تعمیل کریں گے۔

بورڈ مجموعی طور پر بورڈ اور اس کے انفرادی اراکین کے لیے مناسب خصوصیات، مہارتوں اور تجربے کا تعین کرتا ہے جس کا مقصد مختلف پس منظر اور کاروبار، حکومت، تعلیم اور عوامی خدمات میں تجربہ رکھنے والا بورڈ ہونا ہے۔ تمام ڈائریکٹرز سے جن خصوصیات کی توقع کی جاتی ہے ان میں آزادی، دیانتداری، اعلیٰ ذاتی اور پیشہ ورانہ اخلاقیات، درست کاروباری فیصلہ، غور و فکر میں تعمیری طور پر حصہ لینے کی صلاحیت اور اجتماعی طور پر اختیار استعمال کرنے کی خواہش شامل ہیں۔ بورڈ آف ڈائریکٹرز نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کی موجودہ معاوضے کی پالیسی کا قانونی جائزہ لیتا رہتا ہے۔

## مالی سال 2023-24 کے لیے سیلز ریویو اور منافع کا تجزیہ

مالی سال 2023-24 میں، کمپنی نے سیلز ریویو میں 9 فیصد کمی کا سامنا کیا، جو 1.04 بلین روپے کی آمدنی سے کم ہو گئی۔ 2023 میں سیلز آمدنی 11.53 بلین روپے سے کم ہو کر 2024 میں 10.49 بلین روپے ہو گئی۔ یہ کمی بنیادی طور پر درج ذیل وجوہات کے باعث ہوئی:

- ڈاؤن اسٹریٹیم ہارکیٹ میں سست روی: مارکیٹ میں سست مانگ نے فروخت کے مواقع کو کم کر دیا۔
- فروخت کی قیمتوں میں ناموافق اتار چڑھاؤ: قیمتوں میں تغیر نے آمدنی کو مزید متاثر کیا۔
- dumped درآمدات کی بلند سطح: مارکیٹ کم قیمتوں پر کم معیار کے پولیسٹر فلامنٹ یارن (PFY) سے بھر گئی، جس سے مقامی مینوفیکچررز کو نقصان پہنچا اور اس کے نتیجے میں مسابقتی قیمتوں کا تعین نہ ہوا۔

## معاشی حالات کے اثرات

مہنگائی کی مسلسل بلند شرحوں نے صارفین کی قوت خرید کو ختم کر دیا، جس کا سیلز کے حجم پر نقصان دہ اثر پڑا، جس سے کمپنی کو درپیش چیلنجز مزید بڑھ گئے۔

## خام منافع اور Profitability میں کمی

کمپنی کے خام منافع میں نمایاں کمی دیکھی گئی، جو مالی سال 2022-23 میں 195.52 ملین روپے سے گر کر مالی سال 2023-24 میں 23.37 ملین روپے رہا۔ اس ڈرامائی کمی نے منافع کی مجموعی کمی کو بہت کم کر دیا۔

## نقصانات کی تفصیل

اوپر والے چیلنجوں کے نتائج کی بنا پر

- کمپنی نے قبل از ٹیکس 890.59 ملین روپے کا نقصان اٹھایا جو کہ مالی سال 2022-23 میں 314.11 ملین روپے تھا۔
- ٹیکس کے حساب کتاب کے بعد کمپنی نے، بعد از ٹیکس 822.51 ملین روپے کا نقصان سے اٹھایا جو مالی سال 2022-23 میں 184.83 ملین نقصان کے مقابلہ میں بہت زیادہ ہے۔

مالی سال 2023-24 میں کمپنی نے کے لیے کافی چیلنجز کا سامنا کیا، جس کی وجہ بنیادی طور پر بیرونی مارکیٹ کے دباؤ، افراط زر، اور بڑھتے ہوئے مالی اخراجات کی وجہ سے آمدنی اور منافع میں کمی آئی ہے۔ مارکیٹ کو مستحکم کرنے اور مسابقت کو بڑھانے کے لیے اسٹریٹیجک مداخلتوں اور اقدامات کی ضرورت بحالی اور مستقبل کی ترقی کے لیے ناگزیر ہے۔

## پاکستان میں موجودہ معاشی و سیاسی تناظر

پاکستان اس وقت ایک شدید معاشی بحران کا سامنا کر رہا ہے جس کی نشاندہی بلند افراط زر، سست معاشی سرگرمی اور اہم عوامی مالیاتی عدم توازن کی وجہ سے ہے۔ یہ چیلنجز محمول جاری سیاسی غیر یقینی صورتحال کی وجہ سے بڑھ گیا ہے، جو ملک کی معاشی مشکلات کو مزید بڑھاتا ہے۔

سیاسی عدم استحکام مختلف سطحوں پر اثر انداز ہو رہا ہے۔ ذاتی، کاروباری اور حکومتی۔ سیاسی استحکام کی بحالی کے لیے واضح پالیسی اعلانات کی اشد ضرورت ہے جو مقامی اور غیر ملکی سرمایہ کاروں کے درمیان اعتماد کو فروغ دے سکیں۔ گھریلو کاروبار اس وقت بلند افراط زر اور input لاگت میں اضافے کے بوجھ کو برداشت کر رہے ہیں جب تک کہ حکومت صنعتی ترقی کو از سر فروغ دینے کے لیے قطعی پالیسیاں قائم نہیں کرتی۔

## پولیسٹر سیکٹر کے لیے مستقبل کا جائزہ

### امید کی کرن

غیر ملکی زرمبادلہ کی کمی کو دور کرنے کے لیے حکومت کی جاری کوششوں سے ملک بھر میں اقتصادی سرگرمیوں میں اضافہ متوقع ہے، جو پولیسٹر کی صنعت کے لیے اچھا ہے۔ پیشین گوئیاں آنے والے سالوں میں پولیسٹر فلامنٹ یارن (PFY) کی مانگ میں اضافے کی نشاندہی کرتی ہیں، جس سے مارکیٹ کے حالات میں ممکنہ اضافہ ہوگا۔

### ڈپنگ اب بھی ایک کاٹنا

اس مثبت نقطہ نظر کے باوجود، غیر منصفانہ قیمت والی درآمدی مصنوعات کی مسلسل آمد، جسے عام طور پر ڈمپڈ ایپورٹس کہا جاتا ہے، مقامی مینوفیکچررز کے لیے ایک اہم چیلنج بنی ہوئی ہے۔

ان کم لاگت درآمدات کی مسلسل موجودگی ملکی پیداوار کی مسابقت کو روکتی ہے، جس سے حکومت کے لیے ڈپنگ کے طریقوں کے خلاف فیصلہ کن کارروائی کرنا ضروری ہو جاتا ہے۔

## پنجاب میں گیس / آرائل این جی کی قلت

پنجاب میں صنعتی شعبے کو گزشتہ دو سالوں میں گیس / آرائل این جی کی شدید قلت کا سامنا ہے۔ پنجاب نیگسٹائل انڈسٹری کو سپلائی یا تو مکمل طور پر روک دی گئی ہے، کم پریشر پرفراہم کی گئی ہے، یا منظور شدہ بوجھ کا تقریباً 50 فیصد کم کر دیا گیا ہے۔ ہمارے سمیت، بہت سے نیگسٹائل اینڈسٹری کو کافی حد تک کم صلاحیتوں پر کام کرنے پر مجبور کیا گیا ہے جس کی وجہ سے پیداوار میں خاطر خواہ نقصان ہوا ہے۔

## عمل کی ضرورت

آمدات پر مبنی اقتصادی ترقی کو برقرار رکھنے کے لیے ضروری ہے کہ برآمدات پر مبنی ویلیو چینز کو فروغ دیا جائے اور اس کی حمایت کی جائے، جس سے طویل مدت میں پوری قوم کو فائدہ پہنچے گا۔ توانائی کی موجودہ غیر مستحکم صورتحال پاکستان بھر میں کاروباری اداروں کے لیے کافی چیلنجز کا باعث ہے۔ گیس اور آرائل این جی کی محدود دستیابی، کیمیسٹری پاور پروڈکشن سے وابستہ بلند لاگت کے ساتھ، نیگسٹائل سمیت صنعتوں کے لیے ایک سنگین خطرہ ہے۔

خلاصہ یہ کہ نیگسٹائل انڈسٹری کو درپیش توانائی کی فراہمی کے چیلنجوں سے نمٹنا، اپنی مسابقت کو برقرار رکھنے اور معیشت میں مسلسل شراکت کو یقینی بنانے کے لیے ضروری ہے حکومت کو RCET کے فوائد کو بحال کرنے، توانائی کی قیمتوں کو مستحکم کرنے، اور اس اہم شعبے کی ترقی کو آسان بنانے کے لیے گیس / RLNG کی قابل اعتماد فراہمی کو یقینی بنانے کے لیے فوری کارروائی کرنی چاہیے۔ ایسا کرنے سے، پاکستان اپنی نیگسٹائل انڈسٹری کو مضبوط کر سکتا ہے، برآمدات کو فروغ دے سکتا ہے اور بالآخر طویل مدتی معاشی استحکام اور ترقی کو فروغ دے سکتا ہے۔

## مالیاتی کارکردگی اور ورکنگ کیپٹل مینجمنٹ

زیر نظر مالی سال میں، آپ کی کمپنی نے کامیابی کے ساتھ اپنی ورکنگ کیپٹل کی تجدید کی، جس میں فنڈ پر مبنی اور غیر فنڈ پر مبنی دونوں سہولیات شامل ہیں۔ اس میں اسلامی بینکاری اور روایتی فنانسنگ دونوں کو استعمال کرنے کے لیے مختلف بینکوں کے ساتھ تمام ضروری دستاویزات کی ضروریات کو پورا کرنا شامل ہے۔

## KIBOR کے اتار چڑھاؤ کا اثر

یہ اجاگر کرنا ضروری ہے کہ کمپنی کے قلیل مدتی قرضوں کی لاگت کراچی انٹرنیشنل بینک آف ریٹ (KIBOR) میں اتار چڑھاؤ سے منسلک ہے۔ یہ تعلق کمپنی کے کیش فلو کو مارک اپ ریٹ کے خطرے سے دوچار کرتا ہے۔ پچھلے سال کے دوران، KIBOR کی شرحوں میں متواتر اور نمایاں اضافہ ہوا ہے، جس کے نتیجے میں کمپنی کے بینک قرضوں پر مارک اپ کی شرحوں میں خاطر خواہ اضافہ ہوا ہے۔

## معیاری اور پائیداری کا عزم

خام مال کا صحیح معیار، جدید ترین پیداواری ساز و سامان اور ایک ہنرمند افرادی قوت کے ساتھ، جس میں پیشہ ورانہ اور تکنیکی صلاحیتیں بھی شامل ہیں، اعلیٰ معیار کی مصنوعات تیار کرنے کی ہماری صلاحیت میں اہم کردار ادا کرتی ہے۔ افضلیت کے لیے یہ عزم انسانی ماحولیاتی معیارات، خاص طور پر OEKO-TEX® اسٹینڈرڈ 100 کی سختی سے پابندی سے ظاہر ہوتا ہے۔

## OEKO-TEX® سرٹیفیکیشن

ہمیں یہ اعلان کرتے ہوئے فخر ہے کہ ہم نے OEKO-TEX® اسٹینڈرڈ 100 کے تحت کامیابی کے ساتھ اپنے سرٹیفیکیشن کی تجدید کی ہے، جو مصنوعات کے معیار اور حفاظت کے لیے ہماری لگن کی تصدیق کرتا ہے۔ یہ سرٹیفیکیشن اس بات کو یقینی بناتا ہے کہ ہماری مصنوعات نقصان دہ مادوں سے پاک ہیں اور انسانی صحت کے لیے محفوظ ہیں، نیگسٹائل کی صنعت میں ایک بھرور منہ صنعت کار کے طور پر ہماری پوزیشن کو مضبوط کرتی ہے۔

## یکسوئی اور توجہ

کوالٹی کنٹرول پر ہماری توجہ اور بین الاقوامی معیارات کی پابندی نہ صرف ہماری مصنوعات کی پیشکشوں کو بڑھاتی ہے بلکہ پائیداری اور صارفین کی حفاظت کے لیے ہماری وابستگی سے ہم آہنگ ہوتی ہے۔ معیاری خام مال، جدید ٹیکنالوجی اور ہنرمند افرادی قوت میں مسلسل سرمایہ کاری کر کے، ہم صنعت میں اعلیٰ ترین معیارات کو برقرار رکھتے ہوئے اپنے صارفین کی ابھرتی ہوئی ضروریات کو پورا کرنے کے لیے تیار ہیں۔

## خام مال کی قیمتوں کا جائزہ

پورے مالی سال 2023-24 کے دوران، اہم خام مال (Purified Terephthalic Acid) PTA اور (Mono Ethylene Glycol) MEG کی قیمتوں میں اتار چڑھاؤ رہا۔

## پی ٹی اے کی قیمتیں:

جولائی 2023: US\$830 فی میٹرک ٹن، جون 2024: US\$830 فی میٹرک ٹن، اوسط قیمت مالی سال 2023-24: US\$852 فی میٹرک ٹن، اوسط قیمت مالی سال 2022-23: US\$899 فی میٹرک ٹن۔

## ایم ای جی کی قیمتیں:

جولائی 2023: US\$485 فی میٹرک ٹن، جون 2024: US\$535 فی میٹرک ٹن، اوسط قیمت مالی سال 2023-24: US\$525 فی میٹرک ٹن، اوسط قیمت مالی سال 2022-23: US\$550 فی میٹرک ٹن۔

4 ستمبر 2023 کو NTC کی تکمیل کے بعد، 19 ستمبر 2023 کو ایک ساعت ہوئی۔ کمیشن نے نتیجہ اخذ کیا کہ زیر جائزہ پروڈکٹ کا دائرہ تبدیل کر کے FDY اور رنگین PFY کو چھوڑ کر، صرف Drawn Textured Yarn (DTY) کو شامل کیا گیا ہے۔ نتیجتاً، ڈپنگ مارجن اور نقصان کے حوالے سے پہلے کے تعین کو غیر مناسب تصور کیا گیا، جس کی وجہ سے 7 نومبر 2023 کو چین اور ملائیشیا سے PFY درآمدات کے خلاف ایٹنی ڈپنگ تحقیقات اور ڈیوٹیوں کو ختم کر دیا گیا۔ تاہم، کمیشن نے کہا کہ گھر یلو صنعت DTY کے لیے نئی درخواست دائر کرنے کا حق رکھتی ہے۔

اصل تحقیقات کے خاتمے کے بعد، گھر یلو صنعت نے ان برطر فیوں کو ایٹنی ڈپنگ ٹریبونل میں چیلنج کیا، یہ دلیل دیتے ہوئے کہ کمیشن نے ٹریبونل کے ریمانڈ آرڈر کے دائرہ کار سے تجاوز کیا۔

29 مارچ 2024 کو، گھر یلو صنعت نے چین سے PFY درآمدات کے خلاف ایٹنی ڈپنگ تحقیقات شروع کرنے کے لیے NTC کو ایک تازہ درخواست جمع کرائی۔ 26 مئی 2024 کو درخواست کا جائزہ لینے کے بعد، NTC نے طے کیا کہ تحقیقات کی ضمانت دینے کے لیے کافی بنیادیں موجود ہیں۔

جولائی 2024 میں، نئی درخواست کی منظوری کے بعد، گھر یلو صنعت نے ایٹنی ڈپنگ ٹریبونل میں سابقہ برطر فیوں کے خلاف دائر کردہ اپنی درخواستیں واپس لے لیں۔ تاہم درآمد کنندگان نے ایک بار پھر اس تازہ درخواست کا مقابلہ کیا ہے۔

ہم ڈپنگ کی نئی تحقیقات شروع کرنے کا فیصلہ کرنے پر کمیشن کا شکریہ ادا کرنا چاہیں گے، کیونکہ ٹیکسٹائٹس شوہد بتاتے ہیں کہ PFY کی ڈپنگ جاری ہے۔ اس کے باوجود، ہم تحقیقات کے دائرہ کار سے FDY اور رنگین دھاگے کے اخراج کے حوالے سے اپنے خدشات کا اظہار کرتے ہیں، کیونکہ یہ گھر یلو صنعت کو غیر منصفانہ تجارتی طریقوں سے بچانے کی کوششوں کو نقصان پہنچا سکتی ہے۔

## پولیسٹر فلامنٹ یارن (PFY) پر ریگولیشن اور کسٹم ڈیوٹی سے متعلق موجودہ خدشات

وجودہ تناظر میں، درآمد کنندگان اور تاجروں کی جانب سے ریگولیشن ڈیوٹی (RD) کو واپس لینے اور پولیسٹر فلامنٹ یارن (PFY) کی درآمد پر کسٹم ڈیوٹی کم کرنے کی کوششیں گھر یلو PFY مینوفیکچررز کے لیے ایک سنگین تشویش کا باعث ہیں۔ 2017 اور 2022 کے درمیان، درآمد کنندگان اور تاجروں نے نوٹیفائیڈ ایٹنی ڈپنگ ڈیوٹی (10 ADDs) ارب روپے سے زائد ادا نہ کیا۔ اس چوری میں مبینہ طور پر چھوٹے حلف ناموں کی بنیاد پر متعدد دہائی کورس سے حکم امتناعی حاصل کر کے جو قانونی نظام سے انحراف کیا، حالانکہ ادائیگیوں میں تاخیر کی یہ تمام کوششیں بالآخر ناکام ہو گئیں، جس کے نتیجے میں احکام امتناعی کو برخواست کر دیا گیا۔ نتیجتاً، ڈیوٹیوں کا اہم اور حکومت کو جمع کرانے کی ضرورت ہے۔ ان ADDs کو وصول کرنے میں ناکامی نے گھر یلو صنعت کو غیر منصفانہ قیمتوں کی درآمدات کے خطرے سے دوچار کر دیا ہے، جس سے ADD اقدامات کے اصل مقاصد کو نقصان پہنچا ہے۔

موجودہ 5 فیصد RD، جسے دسمبر 2022 میں اقتصادی رابطہ کمیٹی (ECC) نے منظور کیا تھا، گھر یلو پروڈیوسرز کو ڈمپ شدہ درآمدات سے بچانے اور PFY پر ADDs کی چوری کو روکنے کے لیے لاگو کیا گیا تھا۔ یہ ریگولیشن اور کسٹم ڈیوٹی گھر یلو پروڈیوسرز کے لیے ایک برابری کا میدان پیدا کرنے، غیر ملکی درآمد کنندگان کی طرف سے حاصل ہونے والے غیر منصفانہ فوائد کو کم کرنے میں اہم رہے ہیں جو سبسڈی سے فائدہ اٹھاتے ہیں۔ وہ گھر یلو صنعت کو غیر منصفانہ مسابقت سے بچانے میں اہم کردار ادا کرتے ہیں۔

مارکیٹ کی موجودہ صورت حال کے پیش نظر، گھر یلو PFY صنعت کی ترقی اور استحکام کو برقرار رکھنے کے لیے RD اور کسٹم ڈیوٹی کو برقرار رکھنا اور کمزور طور پر بڑھانا ضروری ہے۔ اس موڈ پر ان فرائض کو کم کرنا یا ختم کرنا مقامی صنعت کاروں کو درپیش چیلنجوں کو بڑھادے گا۔ مزید برآں، یہ RD کے خلاف وکالت کرنے والے درآمد کنندگان اور تاجروں کے مقاصد کے بارے میں شکوک پیدا کرتا ہے، کیونکہ بہت سے لوگوں پر ADDs سے بچنے کا شہ ہے۔

## توانائی کی فراہمی کے مسائل کی وجہ سے پاکستان ٹیکسٹائل انڈسٹری کو درپیش چیلنجز

پاکستان میں ٹیکسٹائل کی صنعت اور اس سے منسلک ویلیو چین، قومی معیشت کا ایک اہم ستون ہے، جو برآمدات کے ذریعے خاطر خواہ زر مبادلہ پیدا کرتی ہے۔ اپنی توانائی کی ضروریات کو پورا کرنے کے لیے، اس شعبے نے اپنے توانائی کے ذرائع کو متنوع بنایا ہے، جس میں فرس آئل، کونڈ، اور گیس/RLNG جیسے وسائل کا استعمال کرتے ہوئے قومی گرڈ اور کیسیٹیو پاور جرنیشن دونوں پر انحصار کیا گیا ہے۔ تاہم، صنعت کا ایک اہم حصہ قومی گرڈ سے بجلی کی ناقابل بھروسہ فراہمی کی تلافی کے لیے گیس/RLNG پر مبنی کیسیٹیو پاور پلانٹس پر بہت زیادہ انحصار کرتا ہے۔

## پالیسی کی تبدیلیوں اور توانائی کے بڑھتے ہوئے اخراجات کے اثرات

تاریخی طور پر، قومی گرڈ سے بجلی کی مستقل اور مستحکم فراہمی اور علاقائی مسابقتی توانائی ٹریف (RCET) پر کیسیٹیو پاور جرنیشن کے لیے گیس/RLNG تک رسائی برآمدی صنعتوں کے لیے سب سے زیادہ نفع دہانی توانائی کے ذرائع تھے۔ بد قسمتی سے، پچھلے دو سالوں میں، حکومت نے RCET کے فوائد کو جو پہلے برآمدات پر کمزور شعبوں کو دیا گیا تھا، بند کر دیا ہے اور بجلی کے نرخوں میں اضافہ کر دیا ہے۔ مزید برآں، خام تیل کی قیمتوں میں عالمی اتار چڑھاؤ نے فرس آئل اور کونڈ کے قیمتوں میں خاطر خواہ اضافہ کیا ہے، جس سے ٹیکسٹائل انڈسٹری کے لیے ان وسائل کے ذریعے کیسیٹیو پاور پیدا کرنا معاشی طور پر ناقابل عمل ہو گیا ہے۔

ایکسپورٹ پر مبنی ویلیو چین کو برقرار رکھنے کے لیے مسابقتی نرخوں پر بجلی اور آرائل این جی/گیس کی بلا تھقل فراہمی اہم ہے۔ تاہم، پچھلے سال کی رکاوٹوں نے اس شعبے پر خاص طور پر PFY اور PSF مینوفیکچررز کے لیے بہت منفی اثرات مرتب کیے ہیں، کیونکہ ان کی توانائی کی قیمتوں میں نمایاں اضافہ ہوا ہے۔



پولیسٹر فلامنٹ یارن (پی ایف وائی) صنعت کو درپیش چیلنجز، جیسے کہ اعلیٰ افراط زر، بڑھتی ہوئی شرح سود، اور بڑھتی ہوئی توانائی کی لاگت، کو آپریشنل بہتری اور لاگت کی کارکردگی کے اقدامات کے ذریعے منظم کیا جا سکتا ہے۔ یہ مسائل، اگرچہ سنگین ہیں، لیکن بنیادی طور پر صنعت کی مسابقت کو کمزور نہیں کرتے، کیونکہ تمام پی ایف وائی بنانے والے ایک جیسی شرائط کے تابع ہیں۔

تاہم، ڈپنگ اور اس کی قیمت کے اثرات سے ہونے والا نقصان کہیں زیادہ شدید ہے۔ یہ مقامی مینوفیکچررز کو ایک نازک حالت میں دھکیل دیتا ہے، جو کہ انتہائی گہما گہما اور لائف سپورٹ پر ہونے کے مترادف ہے۔ غیر ملکی برآمد کنندگان کی ڈپنگ کی حکمت عملی گھر یلو پروڈیوسروں کے لیے مسابقتی رہنما تقریباً ناممکن بنا دیتی ہے، جو مقامی صنعت کو کمزور کرنے اور بالآخر ختم کرنے کے لیے ایک سست لیکن جان بوجھ کر ذریعہ کے طور پر کام کرتی ہے۔ آج ہمارے مقامی پروڈیوسروں کے ساتھ بالکل ایسا ہی ہو رہا ہے۔

بدقسمتی سے، چین PFY پر پاکستان کی اینٹی ڈپنگ ڈیوٹی (ADD) کو تکنیکی وجوہات کی بناء پر بنا دیا گیا، جس سے گھر یلو صنعت کو قیمتوں کا شکار کرنے کے طریقوں کا خطرہ لاحق ہو گیا۔ اس کے نتیجے میں مقامی مینوفیکچررز پر خاصا دباؤ پڑا ہے، جو مصنوعی طور پر کم قیمت کی درآمدات کا مقابلہ کرنے کے لیے جدوجہد کر رہے ہیں۔ پاکستان میں ایسے اقدامات کی بحالی ملکی صنعت کو مزید نقصان سے بچانے کے لیے بہت ضروری ہے۔

اس لیے ضروری ہے کہ نیشنل ٹیرف کمیشن (NTC) چین سے درآمدات پر پانچ سال کی مدت کے لیے خاطر خواہ اینٹی ڈپنگ ڈیوٹی عائد کرے۔ یہ مقامی صنعتوں کو غیر منصفانہ مسابقت سے ضروری دفاع فراہم کرے گا اور انہیں بحالی اور ترقی کا موقع دے گا۔ مزید برآں، یہ بہت ضروری ہے کہ ان اینٹی ڈپنگ ڈیویٹیوں کی مناسب وصولی اور نافذ کو یقینی بنانے کے لیے ایک مضبوط اور خامیوں سے پاک نظام نافذ کیا جائے، اس بات کو یقینی بناتے ہوئے کہ ان کا مؤثر طریقہ سے اور مکمل تعین کیا جائے۔ یہ نقطہ نظر مقامی مارکیٹ کی حفاظت کرے گا اور مقامی صنعت کاروں کے لیے ایک منصفانہ مسابقتی ماحول پیدا کرے گا۔

چین سے پولیسٹر فلامنٹ یارن (PFY) کے ڈپنگ کی تحقیقات کے لیے ہم نے اپنی حالیہ درخواست میں پہلے ہی تفصیلی ڈیٹا اور ثبوت نیشنل ٹیرف کمیشن (NTC) کو جمع کرائے ہیں۔ NTC کی طرف سے 24 مئی 2024 کو قبول کی گئی درخواست مقامی PFY مینوفیکچررز پر ڈپنگ کے نقصان کا اثرات کو نمایاں کرتی ہے۔ ہم نے NTC سے باضابطہ طور پر درخواست کی ہے کہ وہ اینٹی ڈپنگ ڈیویٹیوں کو بحال کرے تاکہ گھر یلو صنعت کو مزید نقصان سے بچایا جاسکے اور اس کی طویل مدتی پائیداری کو یقینی بنایا جاسکے۔

## رنگین PFY مصنوعات تیار کرنے کی گھر یلو صنعت کی صلاحیت کے بارے میں غلط فہمی

پولیسٹر فلامنٹ یارن (PFY) مصنوعات، خاص طور پر رنگین قسمیں تیار کرنے کی گھر یلو صنعت کی صلاحیت کے بارے میں ایک بڑی غلط فہمی پائی جاتی ہے۔ بہت سے لوگوں کا خیال ہے کہ مقامی مینوفیکچررز کے پاس ضروری انفراسٹرکچر، ٹیکنالوجی اور economies of scale کی کمی ہے جو غیر ملکی پروڈیوسروں، خاص طور پر چین جیسے ممالک سے آنے والے، کم قیمتوں پر یہ مصنوعات فروخت کو ناممکن دیتی ہے۔ مزید برآں، یہ خیال کیا جاتا ہے کہ رنگین مصنوعات کی متنوع اقسام تیار کرنے کے لیے خصوصی آلات اور مہارت کی ضرورت ہوتی ہے، جو مقامی مارکیٹ میں آسانی سے دستیاب نہیں ہیں۔ یہ مفروضہ درآمد کنندگان کو اس نتیجے پر پہنچاتا ہے کہ ایسی عدم دستیابیاں مقامی مینوفیکچررز کی درآمدی مصنوعات کے مقابلے میں مسابقت کو متاثر کرتی ہیں جو جدید ٹیکنالوجی اور خاطر خواہ سرکاری سبسڈی سے فائدہ اٹھاتی ہیں۔

تاہم ان غلط فہمیوں کا انہی ضروری ہے۔ حقیقت یہ ہے کہ گھر یلو صنعت کے پاس رنگین مصنوعات کی متنوع اقسام تیار کرنے کے لیے ضروری بنیادی ڈھانچہ اور ٹیکنالوجی موجود ہے۔ مقامی مینوفیکچررز مارکیٹ کی مانگ کو مؤثر طریقے سے پورا کرنے کی صلاحیت رکھتے ہیں، لیکن انہیں ڈمپ شدہ درآمدات کے خلاف اپنی مسابقت کو بڑھانے کے لیے حکومت سے تعاون کی ضرورت ہوتی ہے۔ اس تعاون کے بغیر، ان مصنوعات کی تیاری میں صنعت کی نااہلی کا تقیبن بے بنیاد ہے اور گھر یلو شعبے میں ترقی اور جدت کے امکانات کو کمزور کرتا ہے۔

## پولیسٹر فلامنٹ یارن پر اینٹی ڈپنگ ڈیوٹی اور حالیہ پیش رفت کا جائزہ

نیشنل ٹیرف کمیشن (NTC) نے اگست 2017 میں چین اور ملائیشیا سے پولیسٹر فلامنٹ یارن (PFY) کی درآمدات پر اینٹی ڈپنگ ڈیوٹی (ADDs) اس بات کا تقیبن کرنے کے بعد لگائی کہ ڈپنگ ہو رہی ہے اور اس سے مقامی مینوفیکچررز کو کافی نقصان ہو رہا ہے۔ ان ڈیویٹیوں کا نفاذ ان کے متعارف ہونے کے بعد سے قانونی چارہ جوئی کا شکار ہے، یارن ٹریڈرز نے مختلف عدالتوں اور اینٹی ڈپنگ ایپیلیٹ ٹریبونل (ٹریبونل) میں فضول اپیلیں دائر کی ہیں۔

3 دسمبر 2021 کے فیصلے میں، ٹریبونل نے درخواست گزاروں کی طرف سے اٹھائے گئے اعتراضات کی دوبارہ چھان بین کرنے کے لیے معاملے کو دوبارہ NTC کو بھیج دیا۔ اس ہدایت کے بعد، NTC نے دوبارہ تفتیش کی اور 26 جنوری 2022 کو ایک جتنی تقیبن جاری کیا، جس کے نتیجے میں ADD کی شرحیں اصل 3.25- 11.35 فیصد سے کم کر کے 2.78- 6.82 فیصد ہو گئیں۔ اس کی نتیجے میں یارن ٹریڈرز نے ٹریبونل میں مزید مقدمات دائر کر دیے، جس نے 20 دسمبر 2022 کو اپنی رپورٹ میں مخصوص پیراگراف (de novo) غور کرنے کے لیے معاملے کو NTC کے پاس واپس بھیج دیا۔

اس مدت کے دوران، NTC نے مزید غور کے لیے ٹریبونل کی درخواست کا حوالہ دیتے ہوئے ADDs کی وصولی کو روک دیا۔ گھر یلو PFY مینوفیکچررز نے ٹریبونل سے وضاحت طلب کی، جس نے NTC کے فیصلوں کو برقرار رکھا۔

ADDs کے لیے پانچ سال کی مدت کے بعد، 24 اگست 2022 کو، NTC نے یہ جائزہ لینے کے لیے کہ آیا ADDs کو جاری رہنا چاہیے Sunset Review کی کارروائی شروع کی۔ تاہم، اس جائزے نے مکمل طور پر تیار شدہ یارن (FDY) کو تفتیش شدہ اشیاء کی فہرست سے خارج کر دیا ہے۔

مقامی پولیسٹر سٹیپل فائبر (PSF) اور پولیسٹر فلامنٹ یارن (PFY) صنعتیں توانائی کی بلند قیمتوں اور خاص طور پر چین اور انڈونیشیا سے سستی درآمدات کی وجہ سے نمایاں طور پر متاثر ہوئی ہیں۔ یہ صنعتیں بڑھتے ہوئے غیر مستحکم ماحول میں کام کر رہی ہیں، جس کی نشاندہی بڑھتے ہوئے افراط زر اور بڑھتی ہوئی پیداواری لاگت سے ہوتی ہے۔ ڈمپ شدہ درآمدات میں اضافے نے مقامی طور پر تیار کردہ PSF اور PFY کی مانگ کو شدید طور پر کم کر دیا ہے، جس سے کمپنیاں پیداوار کو کم کرنے پر مجبور ہیں۔ اس کی کمی کی وجہ سے آپریشنل اخراجات میں اضافہ ہوا ہے، جس کا انتظام کرنا حکومت کی جانب سے علاقائی طور پر مسابقتی توانائی کے نرخوں اور ٹیکسٹائل سیکٹر کو پہلے دی گئی زیورینٹنگ کے خاتمے کے باعث مشکل ہو گیا ہے۔ نتیجتاً، ان صنعتوں پر مالی دباؤ تیز ہو گیا ہے، جس سے ان کی منافع کو برقرار رکھنے کی کوششیں پیچیدہ ہو گئی ہیں۔

مالی سال 2023-24 کمپنی کے لیے اہم مشکلات کا دور رہا ہے۔ فروخت کے حجم اور آمدنی دونوں میں کمی آئی، جس کے نتیجے میں مجموعی مارجن کم ہوئے جو آپریشنل اخراجات کو پورا کرنے کے لیے ناکافی تھے، جس کے نتیجے میں نمایاں نقصانات ہوئے۔

ان مشکلات کے باوجود، کمپنی نے حکمت عملی کی منصوبہ بندی اور آپریشنل موافقت کی بدولت پلک دکھائی ہے۔ اگرچہ خام مال کی بڑھتی ہوئی قیمتیں، کرنسی کی قدر میں کمی، اور توانائی کے زیادہ اخراجات نے مارجن کو مجبوز دیا ہے، فروخت کی قیمتوں کو ایڈجسٹ کرنے کی کوششوں نے ان میں سے کچھ چیلنجوں کو کم کرنے میں مدد کی ہے۔ تاہم، تاریخی طور پر بلند شرح سود کی وجہ سے فروخت کا حجم اور مالیاتی لاگت میں اضافہ، جو تقریباً 22 فیصد کے ارد گرد رہا، بالآخر کمپنی کے لیے خالص نقصان کا باعث بنا۔

## پولیسٹر مارکیٹ کے لیے مشکل وقت

مالی سال 2023-24 میں، ملک میں مجموعی اقتصادی بحالی نے ہمارے زیریں صارفین کی مانگ میں نمایاں کمی کی۔ یہ سست مانگ سخت لیکویڈیٹی حالات کی وجہ سے مزید بڑھ گئی، جس نے کاروبار کی قوت خرید کو تنگ کر دیا اور فنانسنگ تک رسائی کو مزید مشکل بنا دیا۔ مزید برآں، ہماری مصنوعات کو پاکستانی منڈیوں میں کم قیمتوں پر فروخت ہونے والی ڈمپڈ درآمدات سے سخت مقابلے کا سامنا کرنا پڑا، جس سے مانگ پر مزید دباؤ پڑا۔

بڑھتی ہوئی لاگت کو پورا کرنے کے لیے مصنوعات کی قیمتوں میں اضافہ کرنے کی کمپنی کی صلاحیت اس گرتی ہوئی مانگ جو نتیجہ ہے سستا ڈیمینڈ مقابل، کی وجہ سے شدید طور پر محدود تھی، کیونکہ نیچے ہمارے کے صارفین کے پاس کسی بھی اضافی اخراجات کو جذب کرنے کی صلاحیت کی کمی تھی۔ نتیجتاً، بڑھتی ہوئی لاگت نے پچھلے مالی سال کے مقابلے میں مجموعی مارجن کو نمایاں طور پر کم کر دیا۔ کم مجموعی مارجن میں کمی کمپنی کے آپریشنل اخراجات کو پورا کرنے کے لیے ناکافی تھے، جو افراط زر اور بڑھتی ہوئی شرح سود سے بہت زیادہ متاثر ہوئے تھے۔ نتیجتاً، کمپنی نے مالی سال میں خالص خسارہ ریکارڈ کیا۔

## مقامی پولیسٹر انڈسٹری اور ڈمپڈ امپورٹس

جیسا کہ اکثر مختلف فورمز پر یہ واضح کیا جاتا رہا، مقامی پولیسٹر فلامنٹ یارن (PFY) صنعت کو درآمد شدہ PFY خاص طور پر چین سے شدید مقابلے کا سامنا ہے۔ پاکستانی منڈیوں میں چینی پروڈیوسرز کی طرف سے "ڈپٹنگ" کے عمل نے گھریلو PFY صنعت کے لیے ایک ناروا مسابقتی ماحول پیدا کیا ہے، جس سے اس کے امکانات کو شدید نقصان پہنچا ہے اور اس کی پائیداری کو خطرہ ہے۔ اس غیر منصفانہ تجارتی رویے نے گھریلو پیداوار کے لئے رکاوٹیں پیدا کی ہیں، جو اس وقت 50 فیصد سے بھی کم صلاحیت پر کام کر رہی ہے۔ اگر یہ رجحان جاری رہا تو اس سے ملک میں بے روزگاری بڑھنے سے ممکنہ روزگار میں کمی واقع ہو سکتی ہے۔

چین 40 بلین ٹن کی وسیع PFY پیداواری صلاحیت اس کے پروڈیوسروں کو بین الاقوامی منڈیوں میں انتہائی کم قیمتوں پر اضافی مصنوعات کو "ڈمپ" کرنے کی اجازت دیتی ہے اکثر مجموعی لاگت سے کم جب انویسٹری بڑھ جاتی ہے، اس طرح غیر ملکی منڈیوں کو غیر مستحکم کر دیتا ہے۔ ان کی تقریباً 80 فیصد فروخت مقامی طور پر ہوتی ہے اور ان کے PFY کا صرف 15-10 فیصد برآمد ہوتا ہے، چینی پروڈیوسر اپنے مریٹ پر بڑھتی ہوئی سلسلہ پر انحصار کرتے ہوئے منافع کو برقرار رکھتے ہیں۔ چینی PFY کے 90 فیصد سے زیادہ پروڈیوسرز کے پاس اپنا خام مال (PTA اور Paraxylene (PX)) کی پیداوار ہے، جو PFY کے لیے خام مال ہے۔ PFY کی پیداوار میں کمی کرنے سے ان کی پوری production chain کو نقصان پہنچے گا، جس سے وہ مقامی طور پر PFY کی بلند قیمتوں سے منافع حاصل کرتے ہوئے درآمدات پر نقصان اٹھا سکتے ہیں۔ چینی مینوفیکچررز PFY کی مقامی فروخت کے مقابلے میں پاکستانی درآمدات کے لیے انتہائی امتیازی اور غیر منصفانہ قیمتوں کے تعین کی پالیسی پر عمل پیرا ہیں، انہوں نے پاکستان کی مقامی مارکیٹ میں بڑا حصہ لیا ہوا ہے اور ملکی صنعت کو شدید نقصان پہنچا رہے ہیں۔

چین اور انڈونیشیا سے ڈمپ شدہ درآمدات کی آمد نے پولیسٹر فلامنٹ یارن (PFY) کی تیاری میں مصروف گھریلو صنعتی یونٹوں کو بری طرح متاثر کیا ہے، جو کہ بنائی، بنائی، اور ہوزری کی صنعتوں کے لیے ایک اہم خام مال ہے، نیز پولیسٹر سٹیپل فائبر (PSF)، جو کتان کی صنعت کے لیے بہت اہم ہے۔ نتیجے کے طور پر، ان میں سے بہت سے مقامی یونٹس کو یا تو بند کرنے پر مجبور کیا گیا ہے یا اپنے کاروبار کو نمایاں طور پر کم کرنا پڑا ہے۔

ان مقامی صنعتوں کے مفادات کے تحفظ اور ان کی ترقی کو فروغ دینے کے لیے حکومتی مداخلت کی اشد ضرورت ہے۔ ڈپٹنگ پی ایف ڈائی اور پی ایف ایف کی درآمدات پر انتہائی ڈپٹنگ اقدامات، ریگولیشنری actions اور اضافی کسٹمز ڈیوٹی کا نفاذ مقامی مینوفیکچررز کو یکساں مہموامید ان فراہم کرے گا۔ اس طرح کے حفاظتی اقدامات نہ صرف مقامی کاروباروں کو غیر منصفانہ مقابلے سے بچائیں گے بلکہ انہیں پیداواری صلاحیت بڑھانے اور نئے منصوبوں میں سرمایہ کاری کرنے کی ترغیب بھی دیں گے۔ اس کے نتیجے میں، مقامی افرادی قوت کے لیے روزگار کے مواقع پیدا ہوں گے اور درآمدی مصنوعات پر انحصار کم کر کے غیر ملکی ذخائر کو بچانے میں مدد ملے گی۔

یہ اجاگر کرنا ضروری ہے کہ چین سے پی ایف ڈائی کی آمد نے پولیسٹر فلامنٹ یارن (PFY) کی تیاری میں مصروف گھریلو صنعتی یونٹوں کو بری طرح متاثر کیا ہے، جو کہ بنائی، بنائی، اور ہوزری کی صنعتوں کے لیے ایک اہم خام مال ہے، نیز پولیسٹر سٹیپل فائبر (PSF)، جو کتان کی صنعت کے لیے بہت اہم ہے۔ نتیجے کے طور پر، ان میں سے بہت سے مقامی یونٹس کو یا تو بند کرنے پر مجبور کیا گیا ہے یا اپنے کاروبار کو نمایاں طور پر کم کرنا پڑا ہے۔

## ممبران کیلئے ڈائریکٹرز کی رپورٹ

بہت خوشی کے ساتھ ہم بورڈ آف ڈائریکٹرز کی جانب سے آپ کو کمپنی کے چوبیسویں سالانہ اجلاس عام میں گرجوشی سے خوش آمدید کہتے ہیں۔ ہمیں 30 جون 2024 کو ختم ہونے والے مالی سال کے سالانہ آڈٹ شدہ مالی نتائج ڈائریکٹرز کی رپورٹ کے ساتھ پیش کرنے پر بھی خوشی ہے۔ ذیل میں، ہم کمپنی کے سالانہ نتائج سے اہم مالی جھلکیوں کا ایک جائزہ فراہم کرتے ہیں

### مالیاتی نتائج

--- روپے ہزاروں میں ---

قبل از ٹیکس منافع	(890,585)
ٹیکس	68,080
بعد از ٹیکس منافع	(822,505)
فی حصص منافع - (بنیادی اور مزید آمیز شدہ)	روپے (24.14)

### مجموعی جائزہ

ملک پائیدار ترقی کے حصول کے لیے مالیاتی خسارے، بیرونی قرضوں پر انحصار، اور ساختی اصلاحات کی ضرورت سے دوچار ہے۔

گزشتہ مالی سال میں پاکستان کی معاشی کارکردگی خاصی خراب رہی حکومت کی طرف سے مالی سال 2023-24 کے آغاز میں مقرر کردہ ترقی کے اہداف حاصل نہیں کیے گئے، اور اس کے نتیجے میں، تمام معاشی شرکت داروں نے کم سے کم ترقی کی۔ یہ ایک آفاقی سچائی ہے کہ معاشی استحکام قومی خود مختاری کی کلید ہے۔ صنعتی شعبے نے مالی سال 2023-24 میں معمولی 1.21 فیصد اضافہ کیا، مینوفیکچرنگ میں صرف 2.42 فیصد اضافہ ہوا۔

معاشی کارکردگی میں کمی میں کئی عوامل کا فرما ہیں۔ ان میں حکومت کی جانب سے صنعتی تحفظ اور پائیداری پر توجہ نہ دینے کی وجہ سے گھریلو صنعتوں کی محدود ترقی، نجی شعبے کی کم سرمایہ کاری، تاریخی طور پر بلند شرح سود، معاشی غیر یقینی صورتحال، امن و امان کی بگڑتی ہوئی صورتحال، عدم استحکام اور جاری سیاسی بحران شامل ہیں۔ مزید برآں، روس یوکرین جنگ کا اثر نمایاں رہا ہے، خاص طور پر ایندھن کی اونچی قیمتوں کے ذریعے، جس کا مختلف شعبوں میں ضرب اثر پڑا ہے۔ ایندھن کی بلند قیمتوں نے نہ صرف پیٹرولیم مصنوعات کی براہ راست کھپت کو کم کیا ہے بلکہ بجلی کی پیداوار اور قیمتوں کا تعین، صنعتی طلب، سامان کی نقل و حمل، اور کئی دیگر شعبوں جیسے کہ تعمیرات اور کان کنی کو بھی متاثر کیا ہے۔

پاکستان کی سرمایہ کاری سے جی ڈی پی کا تناسب مالی سال 24 میں 13.14 فیصد تک گر گیا، جو مالی سال 23 میں 14.13 فیصد سے کم ہو گیا، جس کی بڑی وجہ سیکڑا ڈووالی میکرو اکنامک پالیسیاں اور سیاسی غیر یقینی صورتحال ہے۔

مہنگائی کے دباؤ نے نجی شعبے کے کاروباروں کے لیے چیلنجز کو بڑھا دیا، صارفین کی قوت خرید میں کمی اور ایشیا کی طلب میں کمی، جس کے نتیجے میں ملک کے مینوفیکچرنگ سیکٹر کو نقصان پہنچا اور کاروبار کرنے کی لاگت میں اضافہ ہوا۔ مہنگائی اور توانائی کی قیمتوں کو صل کے بغیر ملک کی معاشی ترقی تعطل کا شکار رہے گی۔

پاکستان کی معیشت 2023 کے اسٹینڈ بائی انتظام (SBA) کو پورا کرنے کے لیے حکومت کی کوششوں کی مدد سے مالی سال 2024 میں استحکام کے مرحلے میں داخل ہوئی، جس سے معاشی استحکام بحال کرنے اور بیرونی دباؤ کو کم کرنے میں مدد ملی۔ ریونیو اکٹھا کرنے میں حکومت کی کوششیں اور اسٹیٹ بینک کی سخت مالیاتی پالیسی اس پیشرفت کو آگے بڑھانے کے لیے ضروری ہے۔

اگرچہ افراط زر بلند ہے، لیکن یہ کم ہو رہا ہے۔ سال بہ سال (YoY) افراط زر جون 2024 میں 12.6 فیصد ریکارڈ کیا گیا جو دسمبر 2023 میں 29.7 فیصد تھا۔ سخت مالیاتی پالیسیوں، مالی استحکام، سازگار عالمی اجناس کی قیمتیں، اور پچھلے اوار سے اعلیٰ بنیاد کے اثر سے افراط زر کا رجحان کمی کی طرف ہے۔

افراط زر میں بہتری دیکھتے ہوئے اسٹیٹ بینک آف پاکستان نے جون 2024 میں پالیسی ریٹ میں 150 basic points کمی کر کے 20.5 فیصد کر دی۔ چونکہ افراط زر کے بجٹ کے اقدامات اور متوقع توانائی کی قیمتوں میں اضافے سے خطرات لاحق ہوتے ہیں مالیاتی پالیسی کمیٹی توقع کرتی ہے کہ پہلے کی مالیاتی سختی درمیانی مدت کے ہدف 5-7 فیصد کے ساتھ افراط زر کو کنٹرول میں رکھے گی۔

عالمی سطح پر اعتماد بلند بحالی کے آثار کے باوجود، یوکرین اور غزہ جیسے تنازعات کی وجہ سے جغرافیائی سیاسی تناؤ، افراط زر کی تقاوت، اور اجناس کی قیمتوں میں کمند اتار چڑھاؤ جیسے خطرات کرنسی کی قدر میں مزید کمی اور پیداواری لاگت میں اضافے کا باعث بن سکتے ہیں۔



# Certificate

## OEKO-TEX® STANDARD 100

### RUPALI POLYESTER LIMITED

is granted the OEKO-TEX® STANDARD 100 certification  
and brought to use the trademark.

**Color:**  
For positive identification

**PRODUCT CLASS:**  
Color of 100% Jersey



This certificate (0002081220) is valid until  
31.03.2025.

#### SUPPORTING DOCUMENTS

- Test report: 2024101240
- Declaration of conformity in accordance with  
EN ISO 9001: Leg. required by OEKO-TEX®
- OEKO-TEX® Form 001 (see 0101)

As a responsible manufacturer, we have been tested and  
certified according to the OEKO-TEX® Standard 100.

The certificate is based on the test results and the compliance of  
the manufacturer with the OEKO-TEX® Standard 100 requirements.

Printed on 100% recycled paper, 100% FSC®.



# Certificate

## OEKO-TEX® STANDARD 100

### RUPALI POLYESTER LIMITED

is granted the OEKO-TEX® STANDARD 100 certification  
and the right to use the trademark

#### SCOPE

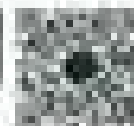
Non-woven fabric used for clothing production  
complying with the requirements of OEKO-TEX®  
STANDARD 100

#### PRODUCT CLASS

Non-woven fabric



STANDARD  
100



10000  
10000

This certificate (OEKO-TEX®) is valid until  
30.04.2025

#### SUPPORTING DOCUMENTS

- 1. Technical file: 2024/02/01
- 2. Declaration of conformity in accordance with  
EN ISO 18301 as required by OEKO-TEX®  
in OEKO-TEX® Textile Care Code

Signature of  
Responsible person



As a responsible manufacturer, OEKO-TEX® uses only cotton  
and other natural fibers in its products.

The certificate is issued on the basis of a comprehensive  
analysis of the product and the manufacturer's  
production process.

OEKO-TEX® INSTITUTION, 10000, 10000

# Notice of 44<sup>th</sup> Annual General Meeting

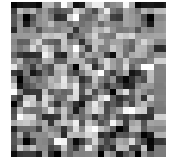
Notice is hereby given that the Forty Fourth (44th) Annual General Meeting (AGM) of Rupali Polyester Limited ("the Company") will be held at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore on Monday, 28 October 2024 at 10:30 a.m. (Physical / Zoom) to transact the following business:

## Ordinary Business:

- 1) To confirm the minutes of Forty Third (43rd) Annual General Meeting of the Company held on 23 October 2023.
- 2) To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors and Auditors Reports thereon for the year ended 30 June 2024.

In accordance with Section 223(7) of the Companies Act, 2017, the Audited Financial Statements of the Company have been uploaded on the Company's website which can be downloaded from the following link and QR enabled code:

[https://rupaligroup.com/pdf\\_files/Annual%20Report%202024.pdf](https://rupaligroup.com/pdf_files/Annual%20Report%202024.pdf)



- 3) To elect eight (8) Directors of the Company as per the number fixed by the Board of Directors of the Company under Section 159(1) of the Companies Act, 2017 for a term of three (3) years commencing from 30 October 2024.

The following are the names of retiring Directors, who are eligible for re-election:

- |                           |                              |
|---------------------------|------------------------------|
| 1. Mr. Nooruddin Feerasta | 2. Mr. Muhammad Rashid Zahir |
| 3. Mrs. Aymna Feerasta    | 4. Mr. Shehzad Feerasta      |
| 5. Mr. Zeeshan Feerasta   | 6. Mr. Yaseen M. Sayani      |
| 7. Mr. Shahid Hameed      | 8. Mr. Abdul Hayee           |

- 4) To appoint Auditors of the Company and to fix their remuneration. The retiring Auditors M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants being eligible have offered themselves for reappointment.

## Special Business:

- 5) (a) To approve transactions conducted with associated companies (related parties) for the year ended 30 June 2024 by passing, with or without modification, the following special resolution:

**"RESOLVED THAT** the following transactions conducted with associated companies (related parties) for the year ended 30 June 2024 be and are hereby ratified, approved and confirmed:

Name of related parties and basis of relationship	Nature of Transactions	Amount in Rs. '000		
		Purchases/ Sales	Payments/ Receipts	Others
Rupafil Limited - Associated Company by virtue of common directorship	Purchases Sales Payments Receipts	1,484,521 767,308	1,491,203 772,326	-
Rupali Nylon (Pvt.) Limited - Associated Company by virtue of common directorship	Purchase Payments	396	396	-
Soneri Bank Limited - Associated Company by virtue of common directorship	Profit on Bank deposits	-	-	13,593
ALNU Trust - Related party by virtue of major shareholding in the Company	Loan obtained Repayment of loan	-	-	885,000 30,000

- (b) To authorize Chief Executive Officer of the Company to approve transactions with related parties for the year ending 30 June 2025 by passing, with or without modification, the following special resolution:

**“RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorized to approve the transactions to be conducted with related parties on case to case basis during the year ending 30 June 2025.

**FURTHER RESOLVED THAT** these transactions shall be placed before the shareholders in the next general meeting for their ratification/approval.”

**Other Business:**

- 6) To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

Lahore:  
18 September 2024

By order of the Board

  
S. Ghulam Shabbir Gilani  
Company Secretary

**Notes:**

**1. Share Transfer Books:**

Share transfer books of the Company will remain closed from 21 October 2024 to 28 October 2024 (both days inclusive). Transfers received at the registered office or Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500 before close of business on 18 October 2024 will be treated in time for the purpose of attending and voting at the 44th AGM.

**2. Election of Directors**

**2.1** In accordance with Section 159 (1) of the Companies Act, 2017 (“the Act”), the Board of Directors of the Company in its meeting held on 18 September 2024 has fixed the number of Directors as eight (8) to be elected in the AGM. The retiring Directors are eligible to offer themselves for re-election.

**2.2** Any person who seeks to contest the election to the office of a director, whether the retiring director or otherwise, shall file the following documents with the Company at its Registered Office located at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore, not later than 14 days before the date of AGM:

- a. Notice of his / her intention to offer himself / herself for the election to the Office of Director in terms of section 159(3) of the Act, selecting any one category stated below in which he/ she intends to contest in accordance with the amendments made by the SECP in Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the “CCG Regulations”) through S.R.O. 906(I)/2023 dated July 07, 2023:
  - a. Independent Directors
  - b. Female Director
  - c. Other Directors
- b. Consent to act as Director on Form 9 of Companies Regulations, 2024 under Section 167 of the Act;
- c. A detailed profile along with his/her office address as required under SRO 1196(1)2019 dated 3 October 2019 issued by the Securities and Exchange Commission of Pakistan (SECP);
- d. Declaration in respect of being compliant with the requirement of the CCG Regulations and meets the eligibility criteria as set out in Section 155 of the Act, to act as director or an independent director of a listed Company;
- e. Declaration that he is not ineligible to become director of a listed Company under Section 153 (read with Section 177) of the Act, or any other applicable law;

- f. That he/she is not serving as a director, including as an alternate director in more than seven listed companies;
- g. A director must be holding qualification shares of the Company at the time of filing his / her consent to act as director. The aforesaid qualification shall not be applicable for instances mentioned in Section 153(i) of the Act;
- h. Attested copy of valid CNIC and NTN

**2.3** Independent directors will be elected through the process of election of directors in terms of Section 159 of the Act and he/she shall meet the criteria laid down in Section 166 of the Act, the Companies (Manner and Selection of Independent Directors) Regulations, 2018 and Guide Book on Corporate Governance and Frequently Asked Question dated 5 June 2020, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an Independent Director:

- a. A declaration of independence in terms of requirements of Section 166(2) of the Act read with Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
- b. Undertaking on non-judicial stamp paper that he / she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018;

Minority shareholders are encouraged to participate to elect director if the criteria as specified in law is met.

The final list of contesting directors will be circulated not later than seven days before the date of said meeting, in term of section 159 (4). Further, the website of the Company will be updated with the required information.

### 3. Prohibition of grant of gifts to Shareholders

The Securities and Exchange Commission of Pakistan (the "SECP"), through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/ lunches/takeaway/packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties.

### 4. Zoom Link

In line with the guidelines of the Securities and Exchange Commission of Pakistan, the Company will convene this AGM in Physical as well as through Zoom link for convenience of the Participants while ensuring compliance with the quorum requirements and request to the Members to consolidate their attendance and voting at the AGM through proxies.

Shareholders/Proxy holders interested in attending the AGM through Zoom are hereby requested to get themselves registered with the Company Secretary office by sending an email with subject: "Registration for AGM" at info@rupaligroup.com" at least 48 hours before the AGM:

Name of Shareholder	CNIC Number	Folio Number/CDC Account No.	Cell Phone No.	Email Address

The special arrangement for attending the 44th AGM through electronic means will be as under:

Members will be registered, after verification as per the above requirement and will be provided a Zoom link by the Company via email provided by them.

The login facility will remain open from 10:20 a.m. till conclusion of the meeting.

The shareholders are also encouraged to send their comments/suggestions, related to the Agenda items of the Annual General Meeting on the above mentioned email address or WhatsApp/SMS on 0323-4123854 or 0300-4799881 by 24 October 2024 before close of business hours (5.00 pm).



**5. Proxy Holders**

A member entitled to attend and vote at this meeting may appoint another member as his or her proxy to attend and vote. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. Proxy Form attached.

**CDC Account Holders**

Accountholders/sub-account holders holding book entry securities of the Company in Central Depository System (CDS) of Central Depository Company of Pakistan Limited (CDC) who wish to attend the Annual General Meeting are requested to please bring their original Computerized National Identity Card (CNIC) or original passport with a photocopy duly attested by their bankers alongwith participant's I.D. number and their account number in CDS for identification purposes.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee together with the original proxy form duly filled in must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. The nominees shall produce their original CNIC or original passport at the time of attending the meeting for identification purpose.

**6. Submission of copy of CNIC (Mandatory)**

In order to comply with the directives of Securities and Exchange Commission of Pakistan issued from time to time, the shareholders are requested to kindly send photocopy of their CNICs to us immediately at our address "Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore-54000 or our Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500". The shareholders who have already provided CNIC to us need not re-submit it unless the CNIC is expired. Corporate shareholders are requested to provide their National Tax Numbers (NTN). In case of non-submission of copy of CNIC, the unclaimed dividend shall remain withheld.

**7. Availability of Audited Financial Statements on Company's Website**

Notice of 44th AGM along with audited financial statements of the Company for the year ended 30 June 2024 and other mandatory reports, have also been made available on the Company's website [www.rupaligroup.com](http://www.rupaligroup.com) in line with the regulatory requirements along with the QR enabled code and weblink. AGM notice was also published in the newspapers in addition to its notification to the PSX. The shareholders who wish to receive the hard copies may request to the Company Secretary / Share Registrar and the Company shall provide the same within one week of such demand.

**8. Circulation of Audited Financial Statements through email**

Shareholders who desire to receive Audited Financial Statements through email are advised to give their formal consent as a written notice alongwith valid copy of CNIC and email address to the Company Secretary/Share Registrar at the below mentioned email IDs. For convenience of the Members a standard request form has also been placed on the Company's website:

Company Secretary: [shabbir.gilani@rupaligroup.com](mailto:shabbir.gilani@rupaligroup.com)  
THK Associates: [aa@thk.com.pk](mailto:aa@thk.com.pk)

**9. Unclaimed dividend and shares**

Pursuant to Section 244 of the Act, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it became due and payable shall rest with the Federal Government after compliance of procedures prescribed under the Act. In this respect, we had already initiated the process and concerned shareholders were advised vide our notices to claim their unclaimed dividend/shares. However, only few shareholders have claimed their pending entitlements so far.

Shareholders are again advised to approach the Company's Share Registrar to claim their pending dividend/shares at the earliest failing which the Company shall proceed further in terms of requirement of Section 244(2) (a) & (b) of the Act.

**10. Consent for the Facility of video-link**

Members may participate in the meeting via video-link facility. In compliance with Section 134(1)(b) of the Companies Act, 2017, if the Company receives a demand from members holding an aggregate 10% or more shareholding residing at a geographical location outside Lahore to participate in the meeting through video link at least 7 days prior to the date of meeting, the Company will arrange video link facility in that city.

In this regard, Members who wish to participate through video-link facility, should send a duly signed request as per the following format to the Registered Address of the Company.

I/we \_\_\_\_\_ of \_\_\_\_\_ being a member of Rupali Polyester Limited holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio / CDC Account No. \_\_\_\_\_ hereby opt for video link facility at \_\_\_\_\_.

Signature of Member

#### 11. E-Voting on Special Business Resolutions:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (“the Regulations”) amended through SRO 2192(I)/2022 dated December 05, 2022, SRO 906(I)/2023 dated July 07, 2023 and any other amendments issued by the Securities and Exchange Commission of Pakistan (“SECP”) members of the Company will be allowed, as applicable, to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming 44th Annual General Meeting to be held on 28 October 2024, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

#### 12. Procedure for Voting Through Postal Ballot:

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address 241-242 Upper Mall Scheme, Anand Road, Lahore or email at shabbir.gilani@rupaligroup.com or info@rupaligroup.com on or before 25 October 2024 during working hours (upto 5.00 pm). The signature on the ballot paper shall match the signature on CNIC. This postal Poll paper is also available for download from the website of the Company at www.rupaligroup.com and also attached to this Notice and published in newspapers. Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding Authority.

#### 13. Deposit of Physical Shares into CDC Account

The SECP, through its letter No. CSD/ED/Misc./2016-639-640 dated 26 March 2021, has advised all listed companies to adhere to the provision of Section 72 of the Companies Act, 2017 (the “Act”), which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act.

In accordance with the requirement of Section 72 of the Companies Act, 2017 (the Act) every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Act. The shareholders having physical shares may open CDC sub-account with any of the broker or investor account directly with CDC to place their physical shares into scrip-less form.

#### 14. Code of Conduct at AGM

Shareholders are requested to observe the conduct as per Regulation 55(2) of the Companies Regulations, 2024 while attending the meeting.

Shareholders are requested to notify any change in their addresses immediately.

#### Statement under Section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning the special business to be transacted at the Forty Fourth Annual General Meeting of Rupali Polyester Limited to be held on 28 October 2024

#### Agenda Item No. 5 (a) – Transactions carried out with associated companies (related parties) during the year ended 30 June 2024 to be approved by way of Special Resolution

The transactions carried out in normal course of business with associated companies (related parties) were being approved by the Board of Directors as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act, 2017, Rule 15, Chapter IV of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule 5.6.6(a) of the PSX Regulations.

However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the associated companies, the quorum of directors could not be formed for approval of these transactions pursuant to Section 207 of the Companies Act, 2017 and, therefore, these transactions have to be approved by the shareholders in General Meeting.

**Agenda Item No. 5 (b) – Authorization to Chief Executive Officer for Related Party Transactions to be carried out with associated companies (related parties) during the year ending 30 June 2025 to be approved by way of special resolution**

The Company shall be conducting Related Party Transactions with associated companies (related parties) during the year ending 30 June 2025 in the normal course of business. The majority of Directors shall be interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, these transactions with associated companies (related parties) shall have to be approved by the shareholders.

In order to ensure smooth operations during the year, the shareholders may authorize the Chief Executive Officer to approve transactions with associated companies (related parties) on case to case basis for the year ending 30 June 2025.

The summary of commercial reasons, nature and scope of Related Party Transactions are explained in the proposed resolution. However, these transactions shall be placed before the shareholders in the next General Meeting for their approval/ratification.

**Statement under Section 166 (3) of the Companies Act, 2017**

This statement sets out the material facts relating to justification for choosing the appointees for appointment as independent directors.

In compliance with Section 166 (3) of the Companies Act, 2017, consent papers will be accepted from those persons who are in compliance with Section 166 (2) of the Companies Act, 2017, and other applicable regulations.

The Directors are interested in the above resolutions to the extent of their common Directorship and shareholding in the associated companies.

## RUPALI POLYESTER LIMITED BALLOT PAPER

Ballot Paper for voting through post for the Special Businesses at the 44th Annual General Meeting to be held on 28 October 2024, at 10:30 a.m. at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore by post and through video conferencing.

Phone: +92-42-RUPALI (787-254)

Website: [www.rupaligroup.com](http://www.rupaligroup.com).

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	Name and CNIC of Authorized Signatory

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below (delete as appropriate);

Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolution(s) (FOR)	I/We dissent to the Resolution(s) (AGAINST)
<p><b>Resolutions For Agenda Item No. 5:</b></p> <p>a. To approve transactions conducted with associated companies (related parties) for the year ended 30 June 2024.</p> <p>b. To authorize Chief Executive Officer of the Company to approve transactions with Related Parties for the year ending 30 June 2025</p>			

### Notes:

- Duly filled ballot paper should be sent to the Chairman, Rupali Polyester Limited, Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore or e-mail at [shabbir.gilani@rupaligroup.com](mailto:shabbir.gilani@rupaligroup.com) / [info@rupaligroup.com](mailto:info@rupaligroup.com)
- Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Ballot paper should reach the Chairman or Company Secretary within business hours (upto 5.00 pm) on or before Friday, 25 October, 2024. Any Postal Ballot received after this date, will not be considered for voting.
- Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
- In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
- Ballot Paper form has also been placed on the website of the Company at: [www.rupaligroup.com](http://www.rupaligroup.com). Members may download the Ballot paper from the website.

\_\_\_\_\_  
Shareholder / Proxy holder Signature/Authorized Signatory  
(In case of corporate entity, please affix company stamp)

# Statement of Compliance

## with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company - Rupali Polyester Limited  
 Year Ended - 30 June 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are eight (8) as per the following

- a. Male: 7
- b. Female: 1

2. The composition of board is as follows:

Category	Names
a) Independent Directors*	Mr. Yaseen M. Sayani Mr. Shahid Hameed
b) Non-Executive Directors	Mr. Muhammad Rashid Zahir Mrs. Aymna Feerasta Mr. Shehzad Feerasta Mr. Zeeshan Feerasta Mr. Abdul Hayee
c) Executive Director	Mr. Nooruddin Feerasta
d) Female Directors	Mrs. Aymna Feerasta

\* The fraction of one third is not rounded up as the total no of directors are limited, hence two independent directors are significant and, in our view, serve the purposes of the regulation.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
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 policies along 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 Companies Act, 2017 (the Act) and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the 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 the Regulations;

9. The Board arranged Directors' Training program for the following:

Name	Designation
Mr. Nooruddin Feerasta	CEO/Executive Director
Mr. Muhammad Rashid Zahir	Non Executive Director
Mr. Shehzad Feerasta	Non Executive Director/ Chairman
Mr. Zeeshan Feerasta	Non Executive Director
Mr. Yaseen M. Sayani	Independent Director
Mr. Abdul Hayee	Non Executive Director

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorse the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) **Audit Committee:**

1.	Mr. Yaseen M. Sayani	Chairman
2.	Mr. Muhammad Rashid Zahir	Member
3.	Mr. Zeeshan Feerasta	Member

b) **HR and Remuneration Committee:**

1.	Mr. Shahid Hameed	Chairman
2.	Mr. Nooruddin Feerasta	Member
3.	Mr. Zeeshan Feerasta	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
- a) Audit Committee, quarterly  
b) HR and Remuneration Committee, quarterly
15. The Board has set up an effective internal audit function. The audit staff is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with 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, the 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 regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;

19. Explanation for non-compliance with a requirement, other than the Regulations 3,6,7,8,27,32,33 and 36 are stated below.

Formation of nomination committee and risk management committee is under consideration, of the Board.

Reference to Para 9 above, remaining two directors will complete their training (if reelected in forthcoming Election of Directors), however, they are conversant with their roles and responsibilities and policies and procedures of the Company.

For and on behalf of the Board of Directors



**Shehzad Feerasta**  
Chairman



**Muhammad Rashid Zahir**  
Director

Lahore:18 September 2024

# Gender Pay Gap Statement under SECP's Circular 10 of 2024

## for the year ended 30 June 2024

Rupali Polyester is an equal opportunity employer and strongly believes that the Company's ongoing progress and success are largely driven by its employees, without any discrimination based on gender, caste, creed, or origin. We are committed to provide fair and equitable compensation to all employees within the same cadre. The Company fosters a positive and collaborative environment for Employee-Employer relationship. The Company believes in employing female workforce depending upon their calibre, capabilities in relevant operational functions and more important than all the enthusiastic dedication to cope up with the work load.

The new Board of Directors after assuming its office pursuant to their election in forthcoming AGM will continue to review the previous Board's policy framework prepared by the previous Board towards Gender Diversity Policy.



**REVIEW REPORT ON THE STATEMENT OF COMPLIANCE  
CONTAINED IN THE LISTED COMPANIES'  
CODE OF CORPORATE GOVERNANCE REGULATIONS, 2018**

We have reviewed the enclosed Statement of Compliance with the Listed Companies' Code of Corporate Governance Regulations, 2018 (the Regulations) prepared by the Board of Directors (the Board) of Royal Indusair Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of Regulation 34 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of the Company. Our responsibility is to review whether the Statement of Compliance reflects the intent 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. It neither is limited primarily to questions of the Company's personnel and review of internal documents prepared by the Company to comply with the Regulations.

In 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's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal control, the Company's internal governance procedures and risk.

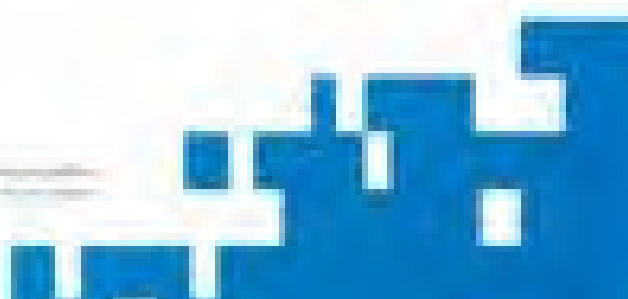
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for its review and approval, the related party transactions. We are very impressed and have checked compliance of this requirement to the extent of the approval of the related party transactions by the Board upon recommendation of the Audit Committee.

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, 2024.

*Prakash K. Gupta*  
**Prakash K. Gupta**  
MEMBER AVAIL HYDERABAD CHARTERED ACCOUNTANTS

*[Signature]*

**ENGAGEMENT PARTNER:** *manish sharma*  
Place: Lahore  
Date:  
UDR# CR202410000000000000



**INDEPENDENT AUDITORS' REPORT  
 TO THE MEMBERS OF RUPALI POLYTEXTILE LIMITED  
 REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

12-10-2024

www.rsmcpa.com.bd

**Opinion**

We have audited the annual financial statements of Rupali Polytextile Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes comprising material accounting policy information 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 purpose of the audit.

In our opinion that to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof, comply with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (NCL Act 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss, total comprehensive loss, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance to 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.

We have discussed the matters identified below as the Key Audit Matters:-



No. / Seq.	Key Audit Matter	How was audit addressed the key audit matter
D.	<p><b>Revenue recognition</b></p> <p>(Refer para 24 to the annexed financial statements)</p> <p>The Company's main source of revenue from the sale of polymer products which has been disclosed in Para 25 to the financial statements.</p> <p>System that the sale of goods is completed when the Company transfers the performance obligation under the contract by transferring the physical goods to the customer. Revenue recognition criteria has been explained in Note 4.12 to the financial statements.</p> <p>We identified system recognition as a key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue recognition may not have been recognized based on the satisfaction of the performance obligation under the contract with the customer as per with the accounting policy adopted or may not have been recognized in the appropriate period.</p>	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- assessed the appropriateness of the Company's accounting policies for revenue recognition and compliance of these policies with applicable accounting standards;</li> <li>- obtained an understanding of and assessed the design and operating effectiveness of controls designed to ensure that revenue is recognized appropriately based on the stated accounting policy;</li> <li>- compared, on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to ensure whether revenue has been recognized in the appropriate accounting period;</li> <li>- checked, on a sample basis, the recorded sales transactions with underlying supporting documents;</li> <li>- performed analytical procedures on financial and non-financial information and</li> <li>- assessed the adequacy of related disclosures in the financial statements.</li> </ul>
E.	<p><b>Deferred tax asset</b></p> <p>(Refer para 7 to the annexed financial statements)</p> <p>The Company has recognized deferred tax as impact of unpay tax credits and unpay tax losses. Deferred tax assets on such items have been recognized as it is probable that sufficient taxable profits will be available in future. Below table explains the their utilization on the basis of the filed applications prepared by the management.</p>	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the Company's process of preparing the deferred tax working;</li> <li>- Performed recalculation of working of deferred tax asset;</li> <li>- Reviewed the amount of available tax credits and unpay tax losses in accordance with the provisions of Income Tax Ordinance, 2001.</li> </ul>



<p>due to the significant level of judgment and estimates required in preparing these provisions in areas, the reasonability of deferred tax assets and the appropriateness of any amounts involved, we consider it to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>- Obtained the latest projections and reviewed the management's assumptions and movements about availability of sufficient future taxable profits; and</li> <li>- Assessed the appropriateness of accounting policy in respect of recognition of deferred tax assets and adequacy of the disclosure made by the Company in the financial statements.</li> </ul>
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### Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and to bring to attention 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 inconsistency of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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



## auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

In part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and exercise 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 to our auditor's report to the related disclosures in the financial statements (i.e. 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 the 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.






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Audited  
Financial Statements  
for the year ended 30 June 2024



# Statement of Financial Position

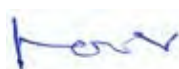
as at 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	7,121,367	7,016,059
Investment properties	6	800,000	750,000
Long term security deposit		4,481	4,281
Deferred tax asset	7	440,359	379,382
		<b>8,366,207</b>	<b>8,149,722</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools	8	1,128,897	1,178,522
Stock in trade	9	2,541,632	2,078,450
Trade receivables - unsecured & considered good	10	27,429	257
Advances, deposits, prepayments and other receivables	11	800,559	493,424
Tax refunds due from government - income tax		171,218	168,182
Cash and bank balances	12	260,598	35,767
		<b>4,930,333</b>	<b>3,954,602</b>
<b>TOTAL ASSETS</b>		<b>13,296,540</b>	<b>12,104,324</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		350,000	350,000
35,000,000 Ordinary shares of Rs. 10 each.			
Issued, subscribed and paid up capital	13	340,685	340,685
Capital reserves			
Share premium	14	71,490	71,490
Surplus on revaluation of land	15	5,697,866	5,697,866
Revenue reserves			
General reserve		1,664,125	1,664,125
Accumulated losses		(1,166,622)	(337,512)
		<b>6,607,544</b>	<b>7,436,654</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred liabilities			
Staff retirement gratuity	16	318,957	267,853
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	2,144,900	1,778,978
Short-term borrowings	18	3,981,857	2,425,217
Accrued markup on borrowings		148,611	90,855
Unclaimed dividend		4,599	4,893
Provision for taxation-Income tax		90,072	99,874
	19	<b>6,370,039</b>	<b>4,399,817</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,296,540</b>	<b>12,104,324</b>

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



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Profit or Loss

for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
Sales - net	20	10,485,055	11,526,866
Cost of sales	21	10,461,685	11,331,350
<b>Gross profit</b>		23,370	195,516
Other income	22	133,825	246,658
		157,195	442,174
Distribution costs	23	29,903	30,192
Administrative expenses	24	230,814	225,132
Finance costs	25	632,975	340,916
Other operating expenses	26	22,500	14,888
		916,192	611,128
<b>Loss before income tax and minimum tax differential</b>		(758,997)	(168,954)
Minimum tax differential (levy)	27	(131,588)	(145,157)
Loss for the year before taxation		(890,585)	(314,111)
Provision for taxation	28	68,080	129,283
Loss for the year		(822,505)	(184,828)
		2024	2023
Earnings per share - basic and diluted (Rupees per share)	29	(24.14)	(5.43)

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



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	2024	2023
		(Rupees in '000')	
Loss for the year		(822,505)	(184,828)
<b>Other comprehensive loss</b>			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of retirement benefit obligations	16.1	(9,303)	(8,105)
Related deferred tax	7	2,698	2,350
		(6,605)	(5,755)
<b>Total comprehensive loss for the year</b>		<b>(829,110)</b>	<b>(190,583)</b>

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



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Changes in Equity

## for the year ended 30 June 2024

	Capital reserves		Revenue reserves		Total			
	Issued, subscribed and paid up capital	Share premium	Surplus on revaluation of land	Sub-total		General reserve	Accumulated losses	Sub-total
<b>Balance as at July 01, 2022</b>	340,685	71,490	5,697,866	5,769,356	1,664,125	23,414	1,687,539	7,797,580
----- (Rupees in '000) -----								
Total comprehensive income	-	-	-	-	-	-	-	-
<b>Loss for the year</b>	-	-	-	-	-	(184,828)	(184,828)	(184,828)
Other comprehensive loss for the year	-	-	-	-	-	(5,755)	(5,755)	(5,755)
Transaction with owners; Final dividend for the year ended June 30, 2022 at Rs. 5 per share	-	-	-	-	-	(190,583)	(190,583)	(190,583)
<b>Balance as at June 30, 2023</b>	340,685	71,490	5,697,866	5,769,356	1,664,125	(337,512)	1,326,613	7,436,654
Total comprehensive income	-	-	-	-	-	-	-	-
<b>Loss for the year</b>	-	-	-	-	-	(822,505)	(822,505)	(822,505)
Other comprehensive loss for the year	-	-	-	-	-	(6,605)	(6,605)	(6,605)
<b>Balance as at June 30, 2024</b>	340,685	71,490	5,697,866	5,769,356	1,664,125	(829,110)	497,503	6,607,544

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



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Cash Flows


## for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>A) Cash flow from operating activities</b>			
Loss before income tax and minimum tax differential		(758,997)	(168,954)
Adjustments for:			
Depreciation on property, plant and equipment	5.1.3	161,449	147,992
Gain on remeasurement of fair value of investment property	6	(50,000)	(148,000)
Provision for staff retirement benefits	16.1	68,195	53,477
Interest income	22	(15,577)	(12,838)
Balances written back	22	(26,008)	-
Finance cost	25	632,975	340,916
		771,034	381,547
<b>Cash flow before working capital changes</b>		<b>12,037</b>	<b>212,593</b>
Working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		49,625	43,639
Stock in trade		(463,182)	(169,947)
Trade receivables		(27,172)	5,927
Advances, deposits and receivables		(307,135)	(9,457)
Increase / (decrease) in current liabilities			
Trade and other payables		391,930	(863,523)
		(355,934)	(993,361)
<b>Cash flow from operations</b>		<b>(343,897)</b>	<b>(780,768)</b>
Income tax paid		(134,625)	(168,948)
Staff retirement benefits paid		(26,393)	(12,385)
Finance cost paid		(575,219)	(254,814)
<b>Net cash flow from operating activities</b>		<b>(1,080,134)</b>	<b>(1,216,915)</b>
<b>B) Cash flows from investing activities</b>			
Additions in property, plant and equipment		(266,758)	(254,024)
Interest income received		15,577	12,838
Long term security deposits paid		(200)	-
<b>Net cash flow from investing activities</b>		<b>(251,381)</b>	<b>(241,186)</b>
<b>C) Cash flows from financing activities</b>			
Dividend paid		(294)	(168,666)
Short-term borrowings obtained - net		1,556,640	1,567,854
<b>Net cash flow from financing activities</b>		<b>1,556,346</b>	<b>1,399,188</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>		<b>224,831</b>	<b>(58,913)</b>
Cash and cash equivalents at the beginning of the year		35,767	94,680
<b>Cash and cash equivalents at the end of the year</b>		<b>260,598</b>	<b>35,767</b>

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



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

## 1 Status and nature of business

Rupali Polyester Limited (the Company) was incorporated in Pakistan on 24 May 1980 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange. The Company is principally engaged in manufacture and sale of polyester products. The registered office is located at 241-242 Upper Mall Scheme, Anand Road, Lahore, in the province of Punjab and regional office is situated at 1st floor, Gul Tower, I.I Chandigarh Road, Karachi, in the province of Sindh. The manufacturing facility is situated at 30.2 KM Lahore - Sheikhpura Road, Sheikhpura, in the province of Punjab.

## 2 Basis of preparation

### 2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies.

### 2.2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of Companies Act, 2017. Approved accounting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) as issued by the Institute of Chartered Accountants of Pakistan (ICAP); 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 or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.3 Functional and presentational currency

These financial statements have been prepared in Pakistani Rupees, which is the Company's functional and presentational currency.

### 2.4 Use of judgments, estimates and assumptions

The preparation of financial statements in conformity with approved accounting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	Policy Note
- Useful lives, residual values and depreciation method of property, plant and equipment	4.1
- Fair value of freehold land and investment property	4.1 & 4.3
- Impairment loss of non-financial assets other than inventories	4.2
- Provision for diminution in value of 'stores, spares and loose tools' and 'stock in trade'	4.4 & 4.5
- Provision for expected credit losses	4.6.4
- Staff retirement benefits	4.13
- Provision for current and deferred taxation	4.20
- Revenue from contracts with customers	4.21

### 3 Standards, amendments to standards and interpretations

#### 3.1 Standards, amendments to standards and interpretations becoming effective in current year

The following standards, amendments to standards and interpretations have been effective and are mandatory for financial statements of the Company for the periods beginning on or after July 01, 2023 and therefore, have been applied in preparing these financial statements.

##### i. IAS 1 – Presentation of Financial Statements

The IASB has issued 'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements in the following ways:

- An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- Several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- The amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and

The amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1. Once the entity applies the amendments to IAS 1, it is also permitted to apply the amendments to IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023. Application of these amendments do not have any significant impact on the Company's financial statements.

##### ii. IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The IASB has published 'Definition of Accounting Estimates' to help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

uncertainty.

The IASB clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for annual periods beginning on or after 1 January 2023. Application of these amendments do not have any significant impact on the Company's financial statements.

### iii. IAS 12 – Income Taxes

The IASB has published 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)' that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. Accordingly, the initial recognition exemption, provided in IAS 12.15(b) and IAS 12.24, does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

The IASB has issued amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. The amendments introduce an exception to the requirements in the standard that an entity does not recognise and does not disclose information about deferred tax assets and liabilities related to the OECD pillar two income taxes.

An entity applies the exception and the requirement to disclose that it has applied the exception immediately upon issuance of the amendments; the remaining disclosure requirements are required for annual reporting periods beginning on or after 1 January 2023.

Application of these amendments do not have any significant impact on the Company's financial statements.

### 3.2 Standards, amendments to standards and interpretations becoming effective in the current year but not relevant

There are certain new standards, amendments to standards and interpretations that became effective during the year and are mandatory for accounting periods of the Company beginning on or after July 01, 2023 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these financial statements.

### 3.3 Standards, amendments to standards and interpretations becoming effective in future periods

The following standards, amendments to standards and interpretations have been published and are mandatory for the Company's accounting periods beginning on or after the effective dates specified therein.

#### i. IAS 1 – Presentation of Financial Statements

The IASB has issued 'Classification of Liabilities as Current or Non-current (Amendments to IAS 1)' providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments in Classification of Liabilities as Current or Non-current (Amendments to IAS 1) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:



## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability; paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The IASB has further modified the requirements introduced by 'Classification of Liabilities as Current or Non-current' on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances. Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2024. The amendments are to be applied retrospectively in accordance with IAS 8. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### ii. IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures

The IASB has published 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments in Supplier Finance Arrangements:

- Do not define supplier finance arrangements. Instead, the amendments describe the characteristics of an arrangement for which an entity is required to provide the information. The amendments note that arrangements that are solely credit enhancements for the entity or instruments used by the entity to settle directly with a supplier the amounts owed are not supplier finance arrangements.
- Add two disclosure objectives. Entities will have to disclose in the notes information that enables users of financial statements:

to assess how supplier finance arrangements affect an entity's liabilities and cash flows and

to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

- Complement current requirements in IFRSs by adding to IAS 7 additional disclosure requirements about:

the terms and conditions of the supplier finance arrangements;

for the arrangements, as at the beginning and end of the reporting period:

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

- a) the carrying amounts of financial liabilities that are part of the arrangement and the associated line item presented;
- b) the carrying amount of financial liabilities disclosed under a) for which supplier have already received payment from the finance providers;
- c) the range of payment due dates (for example, 30 to 40 days after the invoice date) of financial liabilities disclosed under a) and comparable trade payables that are not part of a supplier finance arrangement; and

the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of the arrangement

The IASB decided that, in most cases, aggregated information about an entity's supplier finance arrangements will satisfy the information needs of users of financial statements.

- Add supplier finance arrangements as an example within the liquidity risk disclosure requirements in IFRS 7.

An entity applies these amendments for annual reporting periods beginning on or after 1 January 2024. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### iii. IFRS 16 Leases

The IASB has issued amendments for 'Lease Liability in Sale and Leaseback' that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for sale.

Lease Liability in a Sale and Leaseback Amendments' requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease. The amendments also include one amended and one new illustrative example.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### 3.4 Standards, amendments to standards and interpretations becoming effective in future periods but not relevant

There are certain new standards, amendments to standards and interpretations that are effective from different future periods as specified therein, but are considered not to be relevant to the Company's operations, therefore, not disclosed in these financial statements.

### 3.5 Standards issued by IASB but not applicable in Pakistan

Following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

IFRS 1 - First-time adoption of International Financial Reporting Standards

IFRS 18 - Presentation and Disclosures in Financial Statements

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

IFRS S2 Climate-related Disclosures

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 4 Material accounting policy information

The accounting policies adopted in the preparation of these financial statements are set out below:

#### 4.1 Property, plant and equipment

##### Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land, which is stated at revalued amount. Cost includes expenditures directly attributable to the acquisition of an asset.

Depreciation on property, plant and equipment is charged on reducing balance method at the rates stated in Note 5 to these financial statements. Depreciation charge commences from the month in which asset is available for use and no depreciation is charged during the month of disposal.

Residual values and the useful lives are reviewed at each date of statement of financial position and adjusted if expectations differ significantly from previous estimates. Normal repairs and maintenance are charged to profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized, when it is probable that future economic benefits will flow to the Company.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount of the relevant assets and are recognized in statement of profit or loss.

Any revaluation increase arising on the revaluation of an item of property, plant and equipment is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on revaluation of an item of Property, plant and equipment is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. In case of the sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the accumulated loss. The revaluation reserve is not available for distribution to the Company's shareholders.

##### Capital work in progress

Capital work-in-progress is stated at cost accumulated to the reporting date less impairment losses, if any. It consists of expenditure incurred, advances made and other directly attributable costs in respect of property, plant and equipment in the course of their construction and installation. Transfers are made to relevant operating fixed assets category as and when assets are available for use.

#### 4.2 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized, as an expense in the profit and loss account. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flows have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized previously. Reversal of an impairment loss is recognized immediately in the profit or loss.

### 4.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference between the carrying amount and fair value of this item at the date of transfer is recognized in equity as a revaluation reserve for investment property. However, if fair value gain reverses a previous impairment loss, the gain is recognized in the profit and loss account. Upon the disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings, the transfer is not made through statement of profit or loss.

If an investment property becomes owner-occupied or stock-in-trade, it is reclassified as property, plant and equipment or stock-in-trade and its fair value at the date of reclassification becomes its cost for accounting purpose for subsequent recording.

### 4.4 Stores, spares and loose tools

These are valued at lower of cost, using Weighted Average Cost method, and estimated net realizable value. Provision is made for slow moving and obsolete stores and spares. Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

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

### 4.5 Stock in trade

All stocks are stated at lower of cost and estimated net realizable value. Cost is determined as follow:

Stock Type	Valuation Method
Raw material	Weighted average cost
Work in process	Average manufacturing cost including appropriate overheads
Finished goods	Average manufacturing cost including appropriate overheads
Stock in transit	Cost comprising invoice value plus other expenses paid thereon
Waste/Scrap	Net realizable value

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

Cost comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labor and a proportion of appropriate manufacturing overheads.

Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to be incurred for its sale.

### 4.6. Financial instruments

#### 4.6.1 Measurement of financial asset

##### Initial measurement

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition, except FVTPL which is measured at fair value.

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification, as follows:

##### Debt Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

##### Equity Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income and are never reclassified to the statement of profit or loss. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

##### Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest markup or dividend income, are recognized in the statement of profit or loss.

##### Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

##### Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalents.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### Derecognition

The Company derecognizes the financial assets when the contractual rights to the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred assets.

### 4.6.2 Financial liabilities

#### Initial recognition

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as follows:

#### Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

#### Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost using the effective interest rate method. Gain and losses are recognized in statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process

#### Derecognition

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or expire.

### 4.6.3 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 the Company has currently 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. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

### 4.6.4 Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### 4.7 Trade debts

Trade debts are amounts due from customers for sales made during the ordinary course of business. Trade debts and other receivables are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortized cost using the effective interest method less expected credit losses. Bad debt are written off when identified.

### 4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, current accounts, deposit accounts and foreign currency accounts.

### 4.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

### 4.10 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 4.11 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

### 4.12 Contract balances

#### 4.12.1 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time. Upon receipt of such certification from a customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets. (Refer note 4.6.4)

#### 4.12.2 Contract liabilities

A contract liability is the obligation to transfer property to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e. transfers control of the related property to the customer).

### 4.13 Staff retirement benefits

#### 4.13.1 Defined benefit plan - Gratuity

The Company operates an unapproved unfunded defined benefit gratuity plan for all employees having a service period of more than one year for workers and two years for other employees. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuations carried out on a periodic basis or when there is a significant change. The most recent valuation was carried out as at June 30, 2024 using the "Projected Unit Credit Method".

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately to profit or loss.

#### 4.13.2 Defined contribution plan - Provident fund

The Company operates an approved provident fund scheme which covers all permanent employees. Equal monthly contributions are made by the Company and employees. Contribution is made by the Company at the rate of 8.33 % of basic salary.

### 4.14 Compensated absences

The Company accounts for compensated absences in the accounting period in which these are earned.

### 4.15 Foreign currency transactions and translation

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 statement of financial position date. Foreign exchange gains and losses on translation are recognized in statement of profit or loss. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

### 4.16 Borrowing costs

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which such costs are capitalized as part of the cost of that asset.



## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 4.17 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

### 4.18 Contingent liabilities

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### 4.19 Related party transactions and transfer pricing

Transactions with related parties are carried at arm's length on price determined using the comparable uncontrolled price method except for those transactions which, in exceptional circumstances, are specifically approved by the Board.

### 4.20 Taxation

#### Current:

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions, if any.

#### Deferred:

Deferred tax is recognized using the liability method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forwarded unused tax losses and tax credits, if any, to the extent that it is probable that the future taxable profits will be available against which the asset may be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be realized. Unrecognized deferred tax asset are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is expected to be utilized or the liability is expected to be settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is charged or credited to profit or loss, except in case of items credited or charged to equity in which case it is included in equity.

### 4.21 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For this purpose, the Company:

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration, if any, and the time value of money;
- allocates the transaction price to the separate performance obligations, if applicable, on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer of control of the goods or services promised to the customer.

Determining the timing of the transfer of control – at a point in time or over time – requires judgment. Revenue is recognized by the Company on the following basis:

- Revenue from sale of goods is recognized at the point in time when control of goods is transferred to customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The control is transferred to the customer, generally, on delivery of goods which coincides with issuance of invoice to the customer
- Interest income recognized on a time proportion basis on the principal amount outstanding and at the applicable rate.
- Divided income is recognized when the right to receive dividend is established.

### 4.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved by the Company's shareholders.

	Note	2024	2023
(Rupees in '000')			
<b>5 Property, plant and equipment</b>			
Operating fixed assets - owned	5.1	6,956,898	6,999,997
Stores held for capital expenditure		153,909	16,062
CWIP		10,560	-
		<b>7,121,367</b>	<b>7,016,059</b>

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

5.1 Operating fixed assets - owned	Freehold Land	Factory on freehold land	Office Buildings	Roads	Plant and Machinery	Furniture and fittings	Office equipment	Vehicles	Other assets	Total
----- Rupees in '000' -----										
As at July 01, 2022										
Cost / valuation	5,425,650	305,593	264,291	5,545	4,084,906	34,077	100,565	71,473	8,501	10,300,601
Accumulated depreciation	-	(223,314)	(130,553)	(3,942)	(2,902,056)	(25,862)	(71,444)	(45,265)	(6,132)	(3,408,568)
Net book value	<b>5,425,650</b>	<b>82,279</b>	<b>133,738</b>	<b>1,603</b>	<b>1,182,850</b>	<b>8,215</b>	<b>29,121</b>	<b>26,208</b>	<b>2,369</b>	<b>6,892,033</b>
Year ended June 30, 2023										
Opening net book value	5,425,650	82,279	133,738	1,603	1,182,850	8,215	29,121	26,208	2,369	6,892,033
Additions	-	6,519	-	-	244,948	689	3,489	-	476	256,121
Disposals	-	-	-	-	-	-	-	-	-	-
Cost / revalued amount	-	-	-	-	-	-	(19)	-	(191)	(210)
Accumulated depreciation	-	-	-	-	-	-	2	-	43	45
Depreciation charge for the year	-	(8,488)	(6,687)	(80)	(123,366)	(850)	(17)	-	(148)	(165)
Closing net book value	<b>5,425,650</b>	<b>80,310</b>	<b>127,051</b>	<b>1,523</b>	<b>1,304,432</b>	<b>8,054</b>	<b>29,553</b>	<b>20,967</b>	<b>2,457</b>	<b>6,999,997</b>
As at June 30, 2023										
Cost	5,425,650	312,112	264,291	5,545	4,329,854	34,766	104,035	71,473	8,786	10,556,512
Accumulated depreciation	-	(231,802)	(137,240)	(4,022)	(3,025,422)	(26,712)	(74,482)	(50,506)	(6,329)	(3,556,515)
Net book value	<b>5,425,650</b>	<b>80,310</b>	<b>127,051</b>	<b>1,523</b>	<b>1,304,432</b>	<b>8,054</b>	<b>29,553</b>	<b>20,967</b>	<b>2,457</b>	<b>6,999,997</b>
Year ended June 30, 2024										
Opening net book value	5,425,650	80,310	127,051	1,523	1,304,432	8,054	29,553	20,967	2,457	6,999,997
Additions	-	-	-	-	90,946	172	1,726	10,740	14,766	118,350
Disposals	-	(8,030)	(6,355)	(76)	(136,395)	(820)	(3,007)	(5,538)	(1,228)	(161,449)
Depreciation charge for the year	-	-	-	-	-	-	-	-	-	-
Closing net book value	<b>5,425,650</b>	<b>72,280</b>	<b>120,696</b>	<b>1,447</b>	<b>1,258,983</b>	<b>7,406</b>	<b>28,272</b>	<b>26,169</b>	<b>15,995</b>	<b>6,956,898</b>
As at June 30, 2024										
Cost / valuation	5,425,650	312,112	264,291	5,545	4,420,800	34,938	105,761	82,213	23,552	10,674,862
Accumulated depreciation	-	(239,832)	(143,595)	(4,098)	(3,161,817)	(27,532)	(77,489)	(56,044)	(7,557)	(3,717,964)
Net book value	<b>5,425,650</b>	<b>72,280</b>	<b>120,696</b>	<b>1,447</b>	<b>1,258,983</b>	<b>7,406</b>	<b>28,272</b>	<b>26,169</b>	<b>15,995</b>	<b>6,956,898</b>
Annual rate of depreciation	-	10%	5%	5%	10%	10%	10%	20%	10%	10%
Note	5.1.1		5.1.2							5.1.3 & 5.1.4

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

5.1.1 The fair value of the Company's freehold land is determined periodically by an independent valuer. The latest revaluation exercise was carried out as on April 11, 2022 by independent valuer M/s Hamid Mukhtar & Co. (Pvt.) Limited. The fair value was determined under 'Fair Value Hierarchy — Level 2' based on the market comparable approach that reflects recent transaction prices for similar properties. Forced sale value of land was determined at Rs. 4,340.54 million (2023: 4,340.54 million). Had there been no revaluation, the carrying value of land would have been Rs. 21.17 million (2023: Rs. 21.17 million).

5.1.2 The land on which the Company's office building has been constructed is in the name of a close relative of directors of the Company. The land has been provided to the Company free of cost for a period of 30 years ending on April 2034. Upon expiry, the contract may either be renewed with mutual consent or the office building will be transferred to the owners.

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

	Note	2024	2023
(Rupees in '000')			
Cost of sales	21	145,729	132,174
Distribution costs	23	786	791
Administrative expenses	24	14,934	15,027
		<u>161,449</u>	<u>147,992</u>

5.1.4 Particulars of immovable properties of the Company are as follows:

Address	Total area (sq.ft)
Production plant at 30.2 km Lahore - Sheikhpura Road, Sheikhpura	5,252,029
Office building at 1st floor, Gul Tower, I.I Chundrigar Road, Karachi	2,439

## 6 Investment properties

### Land

	Note	2024	2023
(Rupees in '000')			
Opening balance		750,000	602,000
Fair value gain recognized during the year		50,000	148,000
Closing balance	6.1 & 6.2	<u>800,000</u>	<u>750,000</u>

6.1 The fair value of the investment property is determined by an independent valuer, M/s Hamid Mukhtar & Co. (Pvt.) Limited as at June 30, 2024. The fair value has been determined under 'Fair Value Hierarchy — Level 2' based on the market comparable approach that reflects recent transaction prices for similar properties. Forced sale value of land has been determined at Rs. 680 million (2023: 637.5 million).

6.2 The land is located at property number S.42 - R/3/1, Race Course Road, Lahore measuring 27,225 Sq. ft.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>7 Deferred tax asset</b>			
Opening balance		379,382	252,413
Recognized during the year through statement of profit or loss		58,279	124,619
other comprehensive income		2,698	2,350
	7.1	<b>440,359</b>	<b>379,382</b>
<b>7.1 It comprises of the following:</b>			
Taxable temporary differences in respect of:			
Difference in accounting and tax bases of property, plant and equipment		(246,079)	(252,262)
Deductible temporary differences in respect of:			
Provision for gratuity		92,498	77,677
Tax losses carried forward		297,095	102,225
Minimum tax credit u/s 113		296,845	451,742
		<b>440,359</b>	<b>379,382</b>
<b>8 Stores, spares and loose tools</b>			
Stores		166,153	184,258
Stores in transit		21,310	5,409
Spares		933,876	981,538
Loose tools		7,558	7,317
		<b>1,128,897</b>	<b>1,178,522</b>
<b>9 Stock in trade</b>			
Raw and packing materials		1,078,536	1,095,320
Stock in transit		7,716	120,212
Work-in-process		82,883	109,563
Finished goods	9.1	1,372,497	753,355
		<b>2,541,632</b>	<b>2,078,450</b>
<b>9.1</b> It include stock which cost Rs. 1,133.63 million (2023: Rs. 408.103 million) carried at net realizable value.			
<b>10 Trade Receivables - Unsecured &amp; Considered Good</b>			
Receivable from customers		25,805	257
Receivable from related party	10.1	1,624	-
		<b>27,429</b>	<b>257</b>
<b>10.1</b> These represent receivable on account of sales made to related party-Rupafil Limited. The maximum aggregate amount during the year with respect to month end balances was Rs 293.09 million (2023: Nil).			
<b>11 Advances, Deposits, Prepayments and Other Receivables</b>			
Considered good			
Advances to employees			
against salary	11.1	66	39
against expenses		2,585	155
Advances to suppliers		13,078	33,623
LC fee and expenses		23,279	8,056
Advances to related parties	11.2	69	31
Sales tax refundable		733,990	423,878

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	2024	2023
	(Rupees in '000')	
Accrued interest income	1,141	-
Prepayments	1,903	-
Other receivables	24,448	27,642
	<b>800,559</b>	<b>493,424</b>

**11.1** Loans have been granted under staff loan policy, as temporary financial assistance, to staff. These are secured against the gratuity payable to employees and are recoverable in 12 equal monthly installments. These loans carry mark-up at the rate of 25% per annum (2023: 25% per annum).

**11.2** These represent payments against purchases and expenses made on behalf of related parties. These are unsecured and interest free. The detail along with maximum aggregate amounts with respect to month end balances, is as follows:

	Maximum aggregate amount		Balances	
	2024	2023	2024	2023
	(Rupees in '000')			
Rupafil Limited	30,482	100,293	69	-
Rupafil Powergen (Pvt.) Limited	31	31	-	31
Rupali Nylon (Pvt.) Limited	7	-	-	-
	<b>30,520</b>	<b>100,324</b>	<b>69</b>	<b>31</b>

### 12 Cash and Bank Balances

	Note	2024	2023
		(Rupees in '000')	
Cash in hand			
Local currency		98	57
Foreign currency		42	44
		140	101
Balance with banks			
Current accounts	12.1	2,497	1,147
Deposit accounts	12.2 & 12.3	257,961	34,519
		260,458	35,666
		<b>260,598</b>	<b>35,767</b>

**12.1** This includes Rs. 51,496 (2023: Rs. 53,000) in the current account maintained with a related party, Soneri Bank Limited.

**12.2** This includes Rs. 257.96 million (2023: Rs. 34.52 million) in the saving account maintained with a related party, Soneri Bank Limited.

**12.3** These carry mark-up ranging from 11.50 % to 22.0 % per annum (2023 : 12.25 % to 21.0 % per annum).

### 13 Issued, Subscribed and Paid Up Capital

2024	2023		2024	2023
(Number of shares)			(Rupees in '000')	
9,690,900	9,690,900	Ordinary shares of Rs. 10 each		
19,933,895	19,933,895	Fully paid in cash	96,909	96,909
4,443,719	4,443,719	Fully paid other than in cash (Note 13.1)	199,339	199,339
		Allotted as bonus shares	44,437	44,437
<b>34,068,514</b>	<b>34,068,514</b>		<b>340,685</b>	<b>340,685</b>

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

**13.1** These shares were issued against non-repatriable investment.

**13.2** Detail of shares held by associated undertakings are as follows:

2024	2023		2024	2023
(Number of shares)			(Rupees in '000')	
18,415,568	18,415,568	Ordinary shares of Rs. 10 each	184,160	184,160
9,193,654	9,193,654	Feerasta Senior Trust - Parent entity	91,940	91,940
27,609,222	27,609,222	ALNU Trust - Associate	276,100	276,100

### 14 Share Premium

**14.1** The share premium can be utilized in accordance with provisions of section 81 of the Companies Act, 2017.

2024	2023
(Rupees in '000')	
<b>5,697,866</b>	5,697,866

### 15 Surplus on Revaluation of Land

### 16 Staff retirement gratuity

The scheme provides terminal benefits for all the employees of the Company who attain the minimum qualifying period. Annual charge is based on actuarial valuation carried out as at June 30, 2024 using Projected Unit Credit Method.

	Note	2024	2023
		(Rupees in '000')	
Present value of defined benefit obligation	16.1	<b>318,957</b>	267,853
<b>16.1 Present value of defined benefit obligation</b>			
Present value of defined benefit obligation at beginning		267,853	218,656
Expenses recognized in profit or loss	16.2	68,195	53,477
Benefits paid during the year		(26,394)	(12,385)
Remeasurement loss on defined benefit obligation recognized in statement of comprehensive income		9,303	8,105
		<b>318,957</b>	267,853
<b>16.2 Amount recognized in profit or loss</b>			
Current service cost		26,813	25,326
Interest cost		41,382	28,151
		<b>68,195</b>	53,477

### 16.3 Principal actuarial assumptions used in the actuarial valuations

Most recent actuarial valuation was carried out as on June 30, 2024. The principal actuarial assumptions used in the valuation are given below:

	2024	2023
Financial assumptions		
Discount rate	14.75%	16.25%
Expected rate of eligible salary increase in future years	13.75%	15.25%
Demographic assumptions		
Mortality rate	SLIC (2001-05)	SLIC (2001-05)
Retirement assumptions	Age 60	Age 60

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

Change in assumptions		Change in assumptions	
2024		2023	
Increase +100 bps	Decrease -100 bps	Increase +100 bps	Decrease -100 bps
(Rupees in '000')			

### 16.4 Sensitivity analysis

Year end sensitivity analysis on obligations

Discount rate	303,473	335,223	254,850	281,513
Salary increase rate	335,231	303,476	281,519	254,853

16.4.1 The above sensitivity analysis is based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (Projected Unit Credit Method) has been applied as for calculating the liability of gratuity.

	Note	2024	2023
(Rupees in '000')			
<b>17 Trade and other payables</b>			
Trade payables	17.1	1,766,362	1,414,191
Accrued liabilities		164,517	160,216
Worker's profit participation fund	17.2	77,399	61,492
Worker's welfare fund	17.3	-	4,419
Advance from customers	17.4	46,440	37,615
Gas Infrastructure Development Cess (GIDC) payable	17.5	61,338	61,338
Sales tax payable		13,277	27,357
Withholding tax payables		1,344	916
Retention money		950	1,317
Provident fund payable		318	378
Others		12,955	9,739
		<b>2,144,900</b>	<b>1,778,978</b>
<b>17.1</b>	These represent balance payable to related parties. The detail is as follows:		
	Trustee Badruddin Feerasta Trust	333	-
	Spintex Limited	9	11
	Trustees Feerasta Senior Trust	50	-
		<b>392</b>	<b>11</b>
<b>17.2</b>	<b>Workers' profit participation fund</b>		
	Balance at the beginning of the year	61,493	77,607
	Add: Interest on funds utilized by the Company	15,906	19,022
	Less: Paid during the year	-	(35,137)
	Balance at the end of the year	<b>77,399</b>	<b>61,493</b>
<b>17.3</b>	<b>Worker's welfare fund</b>		
	Balance at the beginning of the year	4,419	21,734
	Add: Charge for the year	-	-
	Less: Adjusted/Paid during the year	(4,419)	(17,315)
	Balance at the end of the year	<b>-</b>	<b>4,419</b>



## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>17.4</b>	<b>Reconciliation of advances from customers is set out as below:</b>		
	Opening balance	37,615	39,845
	Payments received in advance	32,398	37,615
	Transfer to revenue - included in the opening balance	(37,615)	(39,845)
		<b>32,398</b>	<b>37,615</b>
<b>17.5</b>	The payment has been suspended since last year owing to stay granted by the Honorable Sindh High Court.		
<b>18</b>	<b>Short-term borrowings</b>		
	From banking companies - under markup arrangements	2,761,738	2,060,098
	Running finances	18.1 1,220,119	365,119
	From associates - unsecured	18.2 <b>3,981,857</b>	<b>2,425,217</b>
<b>18.1</b>	The aggregate finance facilities available from various commercial banks amounted to Rs. 3,082.27 million (2023: Rs. 3,131.24 million). These carry mark-up at the rates ranging from 21.81% to 23.37% per annum (2023: 14.56% to 22.70% per annum) payable on maturity/quarterly basis in arrears and are secured against first pari passu and hypothecation charge over present and future current assets.		
<b>18.2</b>	The loan was obtained to meet working capital requirements and has been utilized accordingly. The loan is unsecured, interest free and repayable on demand.		
<b>18.3</b>	Total unfunded, facilities financing for opening letters of credit from various commercial banks available to the Company were Rs. 5362.21 million (2023: Rs. 4,150 million) secured against lien on import documents.		
<b>19</b>	<b>Contingencies and commitments</b>		
	<b>Contingencies</b>		
a.	The supplies made by the Company to its customers in Azad Jammu and Kashmir (AJ&K), during the period from November, 1997 to June, 1998, were treated as exports being zero rated u/s-4 of the Sales Tax Act, 1990. However, the Deputy Collector (Refund) on 27.06.2001 adjudged that as the appellant has not followed the procedure described u/s-131 of the Custom Act, 1969 so the supplies made to AJ&K from Pakistan cannot be treated as exports being zero rated u/s-4 ibid. The amount of impugned sales tax demand is Rs. 19.40 million (2023: Rs. 19.40 million) which was already deposited by the Company under protest. The proceedings of the said case are still pending in Appellate Tribunal Inland Revenue (ATIR), Lahore. The company is hopeful for a favorable outcome.		
b.	A Goods Declaration of Import was claimed repeatedly due to duplication of data by customs authorities. The Deputy Commissioner, Large Taxpayers Office, Lahore, charged 100% penalty and default surcharge amounting to Rs. 1.82 million on 03.12.2020. The Commissioner Inland Revenue Appeals, Lahore reduced the demand by 95% on 25.06.2022. The Company has filed an appeal on 16.07.2021 before ATIR against remaining 5% demand amount which is still pending. The company is hopeful for a favorable outcome.		
c.	The Deputy Commissioner Inland Revenue, Enforcement, LTO, Lahore passed order in original and created a demand of sales tax of Rs. 9.23 million/- by disallowing input tax of Rs. 4.31 million and charging tax on supplies to out of sector buyers amounting Rs. 4.91 million. The company filed an appeal against the impugned order before Commissioner Inland Revenue (Appeals) (CIR(A)) on February 27, 2023 which was decided on July 18, 2023. Demand of Rs. 4.91 million in respect of respect tax on supplies was deleted by CIR (A). The company has filed appeal before Income Tax Appellate Tribunal (ITAR) against upholding of demand of Rs. 4.31 million, on February 27, 2023 which is pending. The company is hopeful for a favorable outcome.		

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

- d. The Deputy Commissioner Inland Revenue, Enforcement, LTO, Lahore passed order in original and created a demand of sales tax of Rs. 1,222,667/- by disallowing input tax u/s 8 of the Sales Tax Act, 1990. The Company filed an appeal against the impugned order before CIR(A) on July 18, 2022. The CIR (A) has granted relief of Rs. 448,340/- while remaining amount of Rs. 774,327/- is upheld against which an appeal has been filed before ATIR which is pending. The company is hopeful for a favorable outcome.
- e. Certain Ex-Employees of the Company have filed cases with the Authority under Payment of Wages Act, 1936 claiming arrears/remuneration amounting to Rs. 15.538 million (2023: Rs. 18.186 million). The company is hopeful for a favorable outcome.
- f. Bank guarantees issued in favor of Sui Northern Gas Pipelines Limited amounting to Rs. 194.96 million (2023: Rs. 121.92 million) for supply of gas.

	Note	2024	2023
		(Rupees in '000')	
<b>Commitments</b>			
- Commitments under irrevocable letters of credit		294,196	231,402
<b>20 Sales - net</b>			
Sale of goods	20.1	12,323,052	13,597,020
Less: Sales tax		(1,775,993)	(2,008,950)
Less: Trade discount		(62,004)	(61,204)
		(1,837,997)	(2,070,154)
		<b>10,485,055</b>	<b>11,526,866</b>
<b>20.1</b> This includes sales under export facilitation scheme (EFS) amounting to Rs. 577.52 million ( 2023: Nil)			
<b>21 Cost of sales</b>			
Raw and packing material consumed	21.1	8,189,441	8,186,965
Fuel and power		1,927,615	1,929,132
Salaries, wages and amenities	21.2	542,060	505,975
Stores and spares consumed		132,199	162,208
Depreciation of operating fixed assets	5.1.3	145,729	132,174
Repair and maintenance		43,764	80,070
Running and maintenance of vehicles		43,182	37,891
Insurance		23,048	18,403
Rent, rates and taxes		2,385	2,341
Others		4,724	4,375
		11,054,147	11,059,534
Add: Opening Work-in-Process		109,563	70,373
Less: Closing Work-in-Process		(82,883)	(109,563)
		26,680	(39,190)
		<b>11,080,827</b>	<b>11,020,344</b>
Add: Opening Finished Goods		753,355	1,064,361
Less: Closing Finished Goods		(1,372,497)	(753,355)
		(619,142)	311,006
		<b>10,461,685</b>	<b>11,331,350</b>

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>21.1 Raw and packing material consumed</b>			
Opening raw and packing materials		1,215,532	773,769
Add: Purchases during the year		8,060,161	8,628,728
Less: Closing raw and packing materials		(1,086,252)	(1,215,532)
		<b>8,189,441</b>	<b>8,186,965</b>
<b>21.2</b> Salaries, wages and amenities include Rs. 54.143 million (2023: Rs. 40.749 million) in respect of staff retirement benefits and Rs. 1.182 million (2023: Rs 0.471 million) in respect of provident fund contribution.			
<b>22 Other income</b>			
<b>Income from financial assets</b>			
Interest income from banks		15,565	12,806
Mark-up income on staff loan		12	32
		<b>15,577</b>	<b>12,838</b>
<b>Income from non-financial assets</b>			
Sale of scrap - net of sales tax		42,024	85,689
Fair value gain on investment property		50,000	148,000
Balances written back-net		26,008	-
Others		216	131
		<b>118,248</b>	<b>233,820</b>
		<b>133,825</b>	<b>246,658</b>
<b>23 Distribution costs</b>			
Freight and forwarding		18,171	18,752
Salaries, wages and other benefits	23.1	8,357	8,304
Depreciation of operating fixed assets	5.1.3	786	791
Printing and stationery		208	182
Travelling and conveyance		498	422
Utilities		327	454
General repair and maintenance		151	181
Vehicle running and maintenance		441	263
Entertainment		335	340
Rent, rates and taxes		271	251
Books and subscription		203	95
Communication		81	83
Insurance		74	74
		<b>29,903</b>	<b>30,192</b>
<b>23.1</b> Salaries, wages and amenities include Rs. 0.702 million (2023: Rs. 0.636 million) in respect of staff retirement benefits and Rs. 0.021 million (2023: Rs 0.027 million) in respect of provident fund contribution.			

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000')			
<b>24 Administrative expenses</b>			
Salaries, wages and other benefits	24.1	158,780	157,771
Depreciation of operating fixed assets	5.1.3	14,934	15,027
Travelling and conveyance		9,463	8,012
Entertainment		6,363	6,465
Legal and professional charges		4,696	3,925
Utilities		6,210	8,618
Printing and stationery		3,947	3,465
Vehicle running and maintenance		8,387	4,992
Rent, rates and taxes		5,150	4,778
General repair and maintenance		2,864	3,441
Communication		1,533	1,576
Fee and subscription		3,848	1,800
Auditors' remuneration	24.2	2,013	1,945
Advertisement		417	378
Insurance		1,400	1,399
Balances written off		-	331
Miscellaneous expenses		809	1,209
		<b>230,814</b>	<b>225,132</b>

**24.1** Salaries, wages and amenities include Rs. 13.35 million (2023: Rs. 12.09 million) in respect of staff retirement benefits and Rs. 0.389 million (2023: Rs. 0.531 million) in respect of provident fund contribution.

	Note	2024	2023
(Rupees in '000')			
<b>24.2 Auditor's remuneration</b>			
Annual audit fee		1,208	1,208
Certification and review		630	577
Out of pocket charges		175	160
		<b>2,013</b>	<b>1,945</b>
<b>25 Finance costs</b>			
Mark-up / interest on:			
short-term borrowings		615,596	321,255
Workers' profit participation fund		15,908	19,022
Bank charges		1,471	639
		<b>632,975</b>	<b>340,916</b>
<b>26 Other operating expenses</b>			
Donations	26.1	22,500	10,500
Others		-	4,388
		<b>22,500</b>	<b>14,888</b>
<b>26.1 Donations along with name of donee are as follows:</b>			
Agha Khan Education Services	26.1.1	22,500	10,500
		<b>22,500</b>	<b>10,500</b>

**26.1.1** None of the directors and their spouses had any interest in the donees.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	2024	2023
	(Rupees in '000')	
<b>27 Minimum Tax Differential (Levy)</b>	<b>131,588</b>	145,157
<p>This represents portion of minimum tax paid under section 113 of the Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37. The comparative has been rearranged accordingly.</p>		
<b>28 Provision for taxation</b>		
Current tax		
For the period	9,801	4,664
For prior period	58,279	124,619
Deferred tax	<b>68,080</b>	<b>129,283</b>
<b>28.1 Relationship between accounting loss and tax expense</b>		
<p>The relationship between accounting loss and tax expense has not been presented in these financial statements as the income of the Company is subject to minimum tax differential (Refer note 27). No provision for current taxation is made in view of losses.</p>		
<b>29 Earnings per share - basic and diluted (rupees per share)</b>		
(Loss) attributable to ordinary shareholders (Rupees in '000')	(822,505)	(184,828)
Weighted average number of outstanding ordinary shares (Number in '000')	34,069	34,069
Earning per share- basic and diluted (Rupees per share)	(24.14)	(5.43)
<b>29.1</b> There is no effect of dilution on basic earning per share of the Company.		
<b>30 Financial instruments</b>		
<b>Financial assets - At amortized cost</b>		
Long term security deposits	4,481	4,281
Trade receivables	27,429	257
Other receivables	24,448	27,642
Cash and bank balances	260,598	35,767
	<b>316,956</b>	<b>67,947</b>
<b>Financial liabilities - At amortized cost</b>		
Trade and other payables	1,945,102	1,585,463
Short-term borrowings	3,981,857	2,425,217
Accrued markup on borrowings	148,611	4,753
Unclaimed dividend	4,598	3,216
	<b>6,080,168</b>	<b>4,018,649</b>

### Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

### Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### Discount / interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

### Fair value hierarchy

The company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3** Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

## 31 Financial risk management objectives

### Financial risk factors

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

Risk management is carried out by the Board of Directors (the Board).

### 31.1 Market risk

#### 31.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions in foreign currencies. The Company is exposed to foreign currency exchange risk in respect of commitments against letters of credit in foreign currency. The management does not view hedging as being financially feasible. The effect of change in currency rate would be as follows for current year's commitments as at the reporting date:

Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
	(Rupees in '000')	

#### Foreign currency sensitivity analysis

2024	+5%	11,212	11,212
	-5%	(11,212)	(11,212)
2023	+5%	2,911	2,911
	-5%	(2,911)	(2,911)

#### 31.1.2 Other price risk

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

#### 31.1.3 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the reporting date, the profit, interest and mark-up rate profile of the Company's significant financial assets and liabilities is as follows:

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

	2024	2023
	(Rupees in '000')	
<b>Variable rate financial instruments</b>		
Financial assets		
Balances with banks in deposit account	<b>257,961</b>	34,519
<b>Financial liabilities</b>		
Short term borrowings - running finance	<b>2,761,738</b>	2,060,098

### Fair value sensitivity analysis

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

Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
	(Rupees in '000')	

### Interest rate sensitivity analysis

#### Financial assets

2024	+1%	2,580	1,832
	-1%	(2,580)	(1,832)
2023	+1%	345	242
	-1%	(345)	(242)

#### Financial liabilities

2024	+1%	27,617	27,617
	-1%	(27,617)	(27,617)
2023	+1%	20,601	20,601
	-1%	(20,601)	(20,601)

### 31.2 Credit risk

Credit risk is the risk that one party to the financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from balances with banks, trade receivables, advances, deposits and other receivables. The maximum exposure to credit risk before any credit enhancement is given below:

	2024	2023
	(Rupees in '000')	
<b>Maximum exposure to credit risk</b>		
Long term security deposits	4,481	4,281
Trade receivables	27,429	257
Other receivables	24,448	27,642
Bank balances	260,458	35,666
	<b>316,816</b>	<b>67,846</b>

The Company attempts to control the credit risk by monitoring credit exposure, limiting transactions with specific customers and continuing assessment of credit worthiness of customers.

The credit risk exposure is limited in respect of bank balances as these are placed with the scheduled banks having good credit rating from international and local credit rating agencies.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 31.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities.

The Company is exposed to liquidity risk in respect of financial liabilities, set out in Note 28. These liabilities are due to mature within one year from the reporting date. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. As at June 30, 2024, the Company has unavailed borrowing limits from financial institutions of Rs. 320.53 million (2023: Rs 36.462 million) to manage the liquidity risk.

### 32 Capital risk management

The company's objectives, policies and processes for managing capital are as follows:

- To safeguard Company's ability to continue as going concern, so that it can continue to provide returns for shareholders and benefit other stakeholders; and
- To provide adequate return to shareholders by pricing the products and services commensurately with the level of risk.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The capital structure of the Company consists of equity comprising of issued share capital and unappropriated profits.

Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as debt divided by total capital. Debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' shown in the statement of financial position. The gearing ratio as at year ended June 30, 2024 and June 30, 2023 are as follows:

	2024	2023
	(Rupees in '000')	
Debt	3,981,857	2,425,217
Less: Cash and cash equivalents	(260,598)	(35,767)
Net Debts	3,721,259	2,389,450
Total Equity	6,607,544	7,436,654
Total Capital	10,328,803	9,826,104
Gearing Ratio	39%	25%

The Company is not exposed to externally imposed capital requirements.



## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 33 Transactions with related parties

The related parties comprise of major shareholder, associated undertakings, provident fund and key management personnel. Significant transactions with related parties are as follows:

Name of related parties and basis of relationship	Nature of transactions	2024	2023
		(Rupees in '000)	
<b>Soneri Bank Limited</b> Associated Company by virtue of common directorship	- Profit on bank deposits	13,593	12,806
<b>Rupali Nylon (Private) Limited</b> Associated company by virtue of common directorship	- Purchase - Payments	396 396	4,711 4,711
<b>Rupafil Limited</b> Associated company by virtue of common directorship	- Purchases - Sales - Payments - Receipts	1,484,521 767,308 1,491,203 772,326	1,787,194 330,535 1,709,017 252,386
<b>Alnu Trust</b> Related party by virtue of major shareholding in the company	- Loan obtained - Repayment of loan-	885,000 30,000	114,000 135,000
Provident fund		4,674	4,640

### 34 Remuneration to directors and executives

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive and full time working Directors and Executives of the Company are as follows

	2024	2023
	(Rupees in '000')	
Managerial remuneration	57,245	47,238
House rent	17,173	14,171
Utilities	5,724	4,724
Medical allowance	5,724	4,724
Other benefits	408	366
	<u>86,274</u>	<u>71,223</u>
Total number of persons	26	21

**34.1** The Chief Executive Officer of the Company is provided with Company maintained car for business and personal use. No meeting fee was paid to any director for attending Board meetings during the year.

## Notes comprising material accounting policy information and other explanatory information for the year ended 30 June 2024

### 35 Number of employees

Average number of employees for the year  
Total number of employees at year end

2024	2023
Number of persons	
1,237	1,337
1,176	1,262

### 36 Employees provident fund

Size of the fund  
Cost of investments made  
Fair value of investment  
Percentage of investment made

2024	2023
Unaudited Audited	
(Rupees in '000)	
25,560	22,524
25,444	22,248
25,444	22,248
99.55%	98.77%

**36.1** The funds are placed in saving account with a bank, which is related party of the Company, in accordance with the provisions of section 218 of the Companies Act, 2017 and the Rules formulated for this purpose.

### 37 Plant Capacity and Actual Production

Production capacity  
Yarn-for 75 denier  
Yarn-for 150 denier  
Fibre

Actual production  
Yarn  
Fibre

2024	2023
Units in tons	
15,156	15,156
27,649	27,649
24,000	24,000
6,670	8,749
18,600	22,111

**37.1** Actual production is planned to meet the market demand.

### 38 Date of authorization for issue

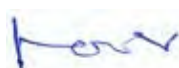
These financial statements were authorized for issue on 18 September 2024 by the Board of Directors of the Company.

### 39 General

Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.



Nooruddin Feerasta  
Chief Executive Officer



Muhammad Rashid Zahir  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Pattern of Shareholding

as at 30 June 2024

Number of Shareholders	From	Shareholding	To	Total Shares Held	Percentage
211	1	-	100	6,247	0.018
128	101	-	500	44,763	0.131
100	501	-	1,000	79,344	0.233
134	1,001	-	5,000	330,048	0.969
38	5,001	-	10,000	300,057	0.881
14	10,001	-	15,000	174,312	0.512
11	15,001	-	20,000	193,000	0.567
7	20,001	-	25,000	159,139	0.467
1	25,001	-	30,000	30,000	0.088
2	30,001	-	35,000	64,500	0.189
3	35,001	-	40,000	120,000	0.352
1	40,001	-	45,000	40,500	0.119
1	45,001	-	50,000	50,000	0.147
2	50,001	-	55,000	103,251	0.303
1	55,001	-	60,000	60,000	0.176
1	65,001	-	70,000	68,000	0.200
1	75,001	-	80,000	77,500	0.228
2	95,001	-	100,000	200,000	0.587
1	110,001	-	115,000	115,000	0.338
1	130,001	-	135,000	133,161	0.391
1	145,001	-	150,000	146,482	0.430
1	205,001	-	210,000	209,490	0.615
1	225,001	-	230,000	226,662	0.665
1	285,001	-	290,000	286,000	0.840
1	510,001	-	515,000	515,000	1.512
1	580,001	-	585,000	584,500	1.716
1	935,001	-	940,000	939,833	2.759
1	1,200,001	-	1,205,000	1,202,503	3.530
1	3,830,001	-	3,835,000	3,834,290	11.255
1	5,355,001	-	5,360,000	5,359,364	15.731
1	18,415,001	-	18,420,000	18,415,568	54.055
671		Total		34,068,514	100.000

# Pattern of Shareholding

## as at 30 June 2024

Categories of Shareholders	Number	Share Held	Percentage
Individuals	647	4,241,520	12.450
Joint Stock Companies	0	0	0.000
Investment Companies	0	0	0.000
Directors, Chief Executive Officer and their Spouses and minor Children	9	1,057,993	3.085
Mr. Nooruddin Feerasta		500	0.001
Mr. Muhammad Rashid Zahir		500	0.000
Mrs. Aamna Feerasta		500	0.001
Mr. Shehzad Feerasta		490	0.001
Mr. Zeeshan Feerasta		10	0.000
Mr. Yasseen M. Sayani		939,833	2.759
Mr. Shahid Hameed		10	0.000
Mr. Abdul Hayee		1,150	0.003
Mrs. Laila Y. Sayani w/o Mr. Yaseen M. Sayani		115,000	0.338
<b>Total:</b>		<b>1,057,993</b>	<b>3.094</b>
Executives	4	737,022	2.163
National Bank of Pakistan, Trustee Deptt	1	200	0.001
Investment Corporation of Pakistan			
Associated Companies, undertakings and related parties			
Public Sector Companies and Corporations			
Banks, DFIs, NBFIs, Insurance Companies, Modaraba & Mutual Funds	7	422,557	1.240
Foreign Investors	0	0	0.000
Co-operative Societies	0	0	0.000
Trusts	3	27,609,222	81.040
Others			
<b>Total:</b>	<b>671</b>	<b>34,068,514</b>	<b>100.00</b>

### SHARE-HOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE COMPANY

Number of Shareholders	No. of Shares Held	Percentage
Trustees Feerasta Senior Trust	18,415,568	54.05
Trustees ALNU Trust	9,193,654	26.99
<b>Total:</b>	<b>27,609,222</b>	<b>81.04</b>

### Trading in Shares During 2023-24:

Directors, CEO, CFO and Company Secretary made no sale/purchase of shares during the year.

# Proxy Form 44<sup>th</sup> Annual General Meeting



I / We \_\_\_\_\_ of \_\_\_\_\_ being member(s) of RUPALI POLYESTER LIMITED and holder of \_\_\_\_\_ Ordinary Shares. Register Folio No. \_\_\_\_\_ CDC participant I.D. No: \_\_\_\_\_ Sub-Account No: \_\_\_\_\_ CNIC No: \_\_\_\_\_ or Passport No: \_\_\_\_\_ hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him / her \_\_\_\_\_ of \_\_\_\_\_ who is / are also member(s) of RUPALI POLYESTER LIMITED as my / our proxy to attend and vote for me / on our behalf at the 44th Annual General Meeting of the Company to be held on 28 October 2024 or at any adjournment thereof.

Affix Rs.50  
Revenue  
Stamp

(Signatures should agree with the specimen signature registered with the Company)

Dated this \_\_\_\_ day of October 2024

Signature of Shareholder \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

1. WITNESS

2. WITNESS

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

CNIC No: \_\_\_\_\_

CNIC No: \_\_\_\_\_

or Passport No: \_\_\_\_\_

or Passport No: \_\_\_\_\_

## IMPORTANT:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company RUPALI POLYESTER LIMITED, Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore - 54000 not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. CDC Shareholders and their proxies should attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with the proxy form before submission to the Company. (Original CNIC / Passport is required to be produced at the time of the meeting).
5. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be submitted along with proxy form to the Company.

The Company Secretary

**Rupali Polyester Limited**

Rupali House,

241-242 Upper Mall Scheme, Anand Road,

Lahore - 54000

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ٹکٹ چسپاں کریں

کمپنی سیکرٹری  
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روپالی ہاؤس  
241-242 اپر مال سکیم، آندر روڈ،  
لاہور-54000



[rupaligroup.com](http://rupaligroup.com)

**RUPALI POLYESTER LIMITED**  
Registered Office  
Rupali House, 241 - 242 Upper Mall Scheme,  
Anand Road, Lahore - 54000 Pakistan.