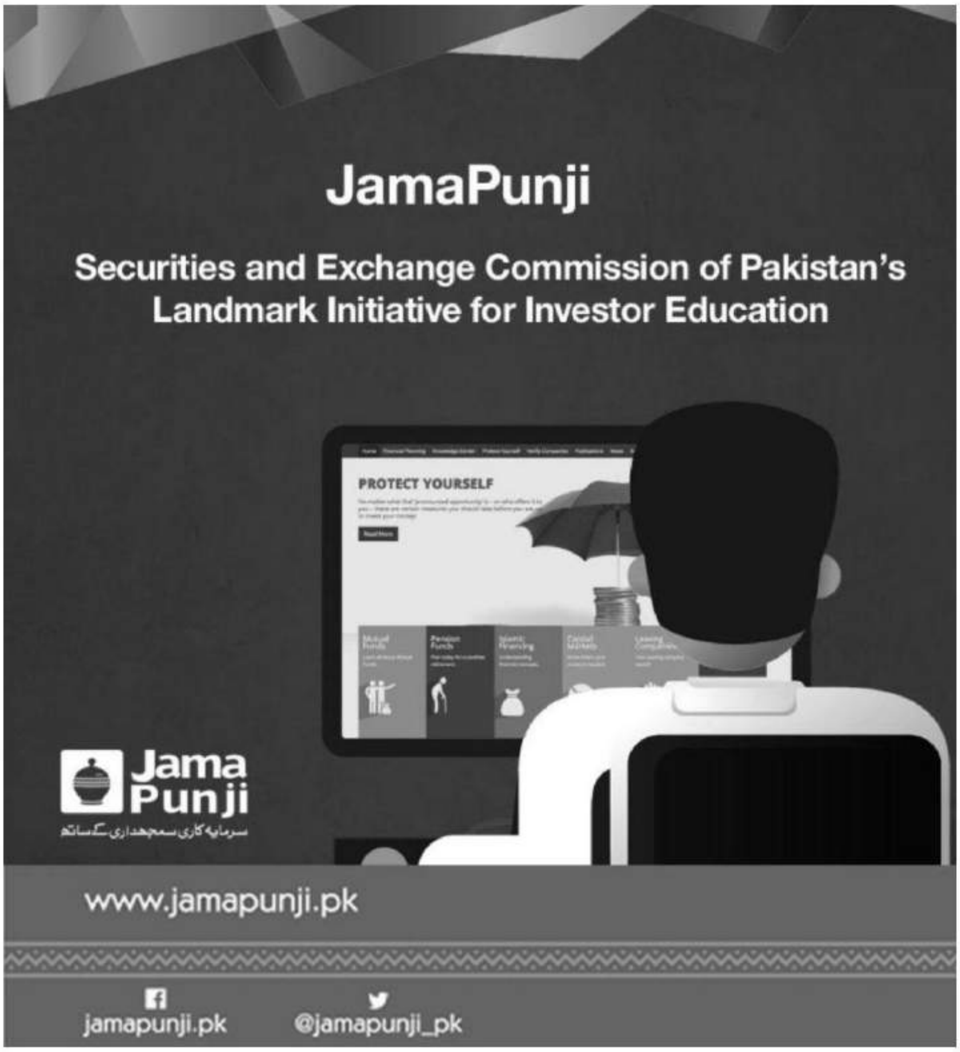
TÜV CERT
ISO 9002 APPROVED

ANNUAL REPORT
2018

Khurshid Spinning Mills Limited

بسم الله الرحمن الرحيم

In the name of ALLAH,
The Most Beneficent,
The Most merciful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VISION STATEMENT

- We aim at maintaining the confidence of our valued customers by fulfilling their needs, demands and stipulations.
- We will achieve consistent financial performance which creates value for the shareholders.
- Our organization encourages employee participation that also helps us to achieve quality results.
- We believe in innovative technology applications to achieve continuous improvement and ability to avail the required opportunities.
- We intend to involve all employees in the development and implementation of quality systems, which will be reviewed periodically to ensure their effectiveness.
- We aim to improve the profitability of our company through improved efficiency and cost controls.
- We will take effective measures so as to protect the environment and contribute towards the economic strength of the country and function as a good corporate citizen.

MISSION STATEMENT

We aim to strive for market leadership, to maintain full confidence of our customers, ensure continuous improvement in profitability and at maintenance of industry standards by striving for quality products and introduction of innovative quality applications.

COMPANY INFORMATION

Board of Directors	Mr. Muhammad Ashraf	Chairman
	Mr. Muhammad Iqbal	Chief Executive Officer
	Mr. Zeeshan Saeed	Director
	Mr. Muhammad Shahbaz Ali	Director
	Mr. Faseeh Uzaman	Director
	Khawaja Amer Khurshid	Director
	Khawaja Asem Khurshid	Director
Audit Committee	Mr. Zeeshan Saeed	Chairman
	Khawaja Asem Khurshid	Member
	Mr. Muhammad Shahbaz Ali	Member
HR and Remuneration Committee	Mr. Muhammad Shahbaz Ali	Chairman
	Mr. Muhammad Iqbal	Member
	Mr. Faseeh Uzaman	Member
CFO/Company Secretary	Mr. Ali Mudassar	
Auditors	Riaz Ahmad and Company Chartered Accountants 560-F, Raja Road, Gulistan Colony, Faisalabad.	
Bankers	National Bank of Pakistan The Bank of Punjab Meezan Bank Limited Habib Metropolitan Bank Limited	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore.	
Registered/Head Office	133-134, Regency the Mall, Faisalabad.	
Mills	35 Kilometer, Sheikhupura Road, Faisalabad.	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the members, holding Ordinary Shares of Khurshid Spinning Mills Limited, will be held on Saturday, October 27, 2018 at its Registered Office, 133-134, Regency the Mall, Faisalabad at 11:30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of last Annual General Meeting held on October 31, 2017.

2. To receive, consider and adopt the Audited Financial Statements of the companyfor the year ended June 30, 2018.

3. To appoint the auditors and fix their remuneration for the next financial year ending 30th June, 2019.The retiring auditors Messers Riaz Ahmad and Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.

OTHER BUSINESS:

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

BY ORDER OF THE BOARD

COMPANY SECRETARY

Dated: October 4, 2018
Faisalabad.

NOTES:

1. The share transfer books of the Company shall remain closed from October 25, 2018 to November 01, 2018 (both days inclusive). Transfers received in order at Registered Office of the Company or our Share Registrar, M/s Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore by the close of business on 24 October, 2018 will be considered in time.

2. A member entitled to attend and vote at this meeting may appoint a person/representative as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy and Power of Attorney or other authority under which it is signed or notarially certified copy of the Power of Attorney must be received at Registered Office of the Company, duly stamped, signed and witnessed no later than 48 hours before the meeting. An instrument of Proxy applicable for meeting is attached herewith.

3. Shareholderswhose shares are deposited with Central Depository System (CDS) are requested to bring their Computerized National Identity Card (CNIC) along with their Account Number in CDS for verification. In case of corporate entity, the Board of Director's Resolution / Power of Attorney with specimen signatures of the nominee shall be produced (unless provided earlier) at the time of the meeting.

4. Pursuant to Finance Act, 2018, the company is liable to withhold income tax @ 15 % from the filers and 20 % from the Non- Filers under the provisions of Section 150 of the Income Tax Ordinance, 2001, kindly ensure your status from Active Tax Payer's List, available at FBR's website, before disbursement of Dividend by the Company. Individuals without CNIC(s) will be treated Non-Filers, since their Status cannot be verified from FBR.

5. SECP vide SRO 787(1)/2014 dated September 8, 2014 has provided an option to receive audited financial statements electronically through email.Hence, member who hold shares in physical form and are interested in receiving the annual reports electronically in future are required to submit their e-mail addresses and consent for electronic transmission to the Shares Registrar of the company. Physical Share Holders are required to provide immediately their "International Bank Account Number (IBAN" containing the title of Account, along with name of Bank, Branch name, and address, since the Company is required to pay cash Dividend through electronic mode, directly into the bank accounts of its shareholder.

6. In compliance with SECP,the audited financial statements and reports of the Company for the year ended June 30, 2018, & notice of AGM on 27th October 2018 are being placed on the company's website: www.khurshidgroup.com.pk for the information and review of shareholders.

7. Shareholders may participate in the meeting Via Video link facility if the company receives consent at least 07 days before the date of meeting from shareholders, holding an aggregate 10 % or more shareholding residing in any other City, to participate through Video link the company will arrange the facility in that city. In this regard, it is requested to fill the following Form and submit at the registered address.

   "I/We _______being a member of Khurshid Spinning Mills Limited, holder of ________ ordinary Shares vide folio no. ______ hereby for video conference facility at _______."

   ____
   Signature of Member

CHAIRMAN'S REVIEW

On behalf of the Board of Directors, I feel pleasant to share with you the performance of the company for the year ended 30 June 2018. Performance of Spinning Industry is remained unimpressive during the year due to high prices of raw material, high cost of production and uncertain economic policies and business conditions. Due to which most of the spinning units have suffered heavy losses from last many years.

In this difficult scenario, the management has decided to continue its operations on lease due to heavy accumulated losses and non-availability of working capital. We are paying our debts successfully and we believe there is no question of lack of going concern of the company.

I would like to take this opportunity to thank our valued shareholders, financial institutions and employees for their support and trust. We are confident that we will perform better and our results will be favorable in future.

For and on behalf of the Directors

Muhammad Ashraf
Chairman

DIRECTORS REPORT TO THE MEMBERS

The Directors of the Company are pleased to submit 33rd annual report of the Company, comprising of the audited financial statements for the year ended June 30, 2018 along with Auditors' Report thereon and other required information prescribed under the Code of Corporate Governance and Companies Ordinance 1984 (Now Companies Act 2017. The Financial results of the Company are summarized hereunder:

	2018	2017
	(RUPEES IN THOUSAND)	
REVENUE	37,001	47,748
ADMINISTRATIVE EXPENSES	(2,187)	(2,023)
OTHER EXPENSES	(28,985)	(32,205)
FINANCE COST	(10,152)	(15,806)
LOSS BEFORE TAXATION	(4,323)	(2,286)
TAXATION	1,076	2,202
LOSS AFTER TAXATION	(3,247)	(84)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	(0.246)	(0.006)

Financial results for the year ended June 30, 2018 shows loss after taxation of Rupees 3.247 million as compared to previous year's loss after taxation of Rupees 0.084 million. There has been no production operation since October 2011 due to overdue debts and non-availability of working capital.

Future Outlook

Spinning industry is the strong pillar of textile industry in the country and plays vital role for development of the economy of the country. Currently, it is very difficult time for spinning industry due to decline in cotton crop, high cost of production, high tariff energy cost, dumping of Indian yarn at low prices and disproportionate selling prices of local yarn, uncertain economic policies and business conditions, unfavorable textile policy which directly affected the textile industry especially spinning industry. Due to these reasons, most of the spinning units are facing heavy losses from past many years. In view of the above, the management of your Company has decided to continue its operations on lease which were given to Messrs Beacon Impex (Pvt.) Limited at monthly lease rent of Rupees 3.000 million. The operations are being carried out by the lessee and proper arrangements have been made by the lessee to keep the assets in good condition. The lessee has also given loan amounting to Rupees 208.559 million to your Company for payment of overdue liabilities of banks, creditors and for Balancing, Modernization and Replacement of plant and machinery and related equipment of the company to keep these assets in working condition and to enhance productivity.

The directors of the Company are fully aware of the affairs of the company and are making their strenuous efforts to improve overall performance of the company, cost controls and internal expenses to a minimum level to reduce the losses of the Company.

Dividend
Since the Company has accumulated losses, therefore, the directors have not recommended any dividend for the year.

Loss per share
Loss per share for the year ended June 30, 2018 was Rupees 0.246.

Key operating and financial data
Key operating and financial data for last 06 years in summarized form is annexed.

Qualifications by the Auditors
The qualification made by the auditors for the going concern is based due to heavy accumulated losses of Rupees 455.572 million. To keep the assets in good running condition, the management has leased out the operating fixed assets of the Company at monthly lease rent of Rupees 3.000 million. Moreover, the lessee has also given interest free loan amounting to Rupees 208.559 million to the Company for the payment of overdue liabilities of banks, creditors and for Balancing, Modernization and Replacement (BMR) of plant and machinery and related equipment of the Company. The management has also settled / paid overdue liabilities of majority banks and also arranged rescheduling of unpaid liabilities with The Bank of Punjab and has successfully paid Rupees 228.396 million from total rescheduled amount of Rupees 350.534 million up to 30 June 2018.
In view of favorable settlement/rescheduling of overdue debts with financial institutions, continuation of operations on lease, the management feels there is no question of lack of going concern of the Company. Moreover, the existing lessee of plant and machinery and other facilities located at mills of the Company i.e. M/s Beacon Impex (Private) Limited is willing to acquire ordinary shares of the Company from the sponsors of the Company and hence control of the Company. After the planned acquisition of ordinary shares from sponsors and hence control of the Company, M/s Beacon Impex (Private) Limited will take following steps:

- Discontinue the existing lease arrangement
- Immediately start the commercial spinning business operations of the Company

Auditors
The auditors Messrs Riaz Ahmad & Company, Chartered Accountants retired and being eligible for re-appointment. The Board of Directors has been suggested by the Audit Committee, the re-appointment of Messrs Riaz Ahmad & Company, Chartered Accountants, as auditors of your company for the next financial year.

Pattern of Shareholding
Pattern of shareholding as on June 30, 2018 is annexed.

Compliance with the Code of Corporate Governance
The "Statement of Compliance with the Code of Corporate Governance" is annexed.

Statement on Corporate and Financial Reporting Framework

a) The financial statements, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

b) Proper books of accounts of the Company have been maintained.

c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

a) There are no significant doubts upon the Company's ability to continue as a going concern.

Board of Directors and Audit Committee Meetings

During the year under review five meetings were held and number of meetings attended by each Director is as follows:

Name of Directors	Number of meetings attended
Mr. Muhammad Ashraf	5
Muhammad Iqbal	5
Khawaja Asem Khurshid	4
Khawaja Amer Khurshid	4
Mr. Zeeshan Saeed	5
Mr. Muhammad Shahbaz Ali	5
Mr. Faseeh Uzaman	5

Likewise, five meetings of the Audit Committee were held during the year, with the following attendance:

Name of Directors	Number of meetings attended
Mr. Zeeshan Saeed	5
Khawaja Asem Khurshid	5
Mr. Muhammad Shahbaz Ali	5

Acknowledgment

We would like to take this opportunity to express my appreciation to the employees of the company for their hard work and commitment. We would also like to express our gratitude to the valued shareholders and financial institutions for extending their co-operation.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Faisalabad
October 04, 2018

ZEESHAN SAEED
Director

MUHAMMAD IQBAL
Chief Executive Officer

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز مالی سال 30 جون 2018 کی 33 ویں رپورٹ آپ کی خدمت میں پیش کر رہے ہیں۔ جس کے ساتھ آڈیٹرز رپورٹ اور دوسری معلومات کوڈ آف کارپوریٹ گورننس اور کمپنی آرڈیننس 1984 (موجودہ کمپنی ایکٹ 2017) کے مطابق لف ہیں۔

مالیاتی نتائج کا خلاصہ درج ذیل ہیں۔

	2018	ہزار روپوں میں	2017
آمدنی	37,001		47,748
انتظامی اخراجات	(2,187)		(2,023)
دیگر اخراجات	(28,985)		(32,205)
فنانس اخراجات	(10,152)		(15,806)
قبل از ٹیکس نقصان	(4,323)		(2,286)
ٹیکس	1,076		2,202
بعد از ٹیکس نقصان	(3.247)		(84)
فی حصص نقصان روپوں میں	(0.246)		(0.006)

زیر جائزہ مالی سال 30 جون 2018 کے اختتام پر بعد از ٹیکس نقصان 3.247 ملین روپے ہے۔ جبکہ اس کے برعکس مالی سال 30 جون 2017 میں بعد از ٹیکس نقصان 0.084 ملین روپے میں تھا۔ آپ کی کمپنی نے اکتوبر 2011 سے کوئی پیداوار نہیں کی ہے۔ پیداوار نہ ہونے کی وجہ فنڈز کی قلت اور زائد قرضے ہیں۔

مستقبل کے امکانات

سپننگ انڈسٹری ملکی معشیت کا اہم ستون ہے۔ اور ملکی معشیت کو مضبوط بنانے میں مرکزی کردار ادا کر رہی ہے۔ اس وقت سپننگ انڈسٹری پر مشکل وقت ہے۔ جس کی وجہ کپاس کی پیداوار میں کمی، زائد پیداواری لاگت، بڑھتی ہوئی توانائی کی قیمتیں، انڈیا کی طرف سے دھاگے کی درامدات، غیر یقینی معاشی حالات، غیر موزوں ٹیکسٹائل پالیسی نے دھاگے کی انڈسٹری کو متاثر کیا ہے اس کی وجہ سے ملک کی بیشتر سپننگ انڈسٹری پچھلے کئی سالوں سے نقصان اٹھا رہی ہے۔ ان سب کی وجہ سے کمپنی کی منیجمنٹ نے فیصلہ کیا ہے کہ کمپنی کو میسرز ہیکن ایمپیکس پرائیویٹ لمیٹڈ کو ماہانہ کرایہ داری 3.000 ملین روپوں میں رہنے دیا جائے۔

میسرز ہیکن ایمپیکس پرائیویٹ لمیٹڈ آپ کی کمپنی کے تمام بقایا جات کی بہت اچھی طرح دیکھ بھال اور ان کی مرمت کیلیے آنے والے تمام اخراجات بھی خود ادا کر رہی ہے۔ اور کرایہ دار نے کمپنی کے واجبات ادا کرنے کے لئے 208.559 ملین روپے بھی دیے ہیں۔ جن سے بنکوں، وصول کنندوں اور کمپنی کے اثاثے کو اچھی حالت میں رکھنے میں مدد ملی ہے۔

کمپنی کے ڈائریکٹرز کمپنی کے معاملات سے بخوبی واقف ہیں اور اپنی تمام توانائیاں بروکار لا رہے ہیں۔ تا کہ کمپنی کے حالت بہتر بنا سکیں، اخراجات کو کم رکھیں تا کہ کمپنی کو کم سے کم نقصان ہو

منافع ادا کیا

کمپنی کے خسارے کی وجہ سے ڈائریکٹرز نے منافع نہ دینے کی سفارش کی ہے۔

فی حصص نقصان

مالی سال 30 جون 2018 مین فی حصص نقصان 0.246 روپے تھا۔

کلیدی اپریٹنگ اور مالیاتی اعداد شمار

کمپنی کے پچھلے چھ سالوں کے مالیاتی اعداد شمار لف ہیں۔

آڈیٹرز کے تحفظات

آڈیٹروں نے کمپنی کے جمع شدہ نقصان 455.572 ملین روپوں کی وجہ سے کمپنی کے مستقبل پر تحفظات کا اظہار کیا ہے۔ کمپنی کے اثاثہ جات کی اچھی حالت میں رکھنے کیلیے کمپنی نے مل 3.000 ملین روپے ماہانہ پر دیا ہے۔ کرایہ دار نے بلاسود قرضہ 208.559 ملین روپے بھی کمپنی کو دیے ہیں۔ جس سے وہ اپنے بنکوں کو ادائیگیاں اور اپنے اثاثہ جات اور مشینوں کی دیکھ بھال کر سکے۔ اور بنک آف پنجاب کے ساتھ 350.534 ملین روپے کے قرضے کو Re-schedule کیا ہے۔ جس میں سے کمپنی نے 228.396 ملین روپے کامیابی سے ادا کر دیے ہیں۔ ان مالیاتی اداروں کی اچھی ادائیگوں اور اپریشن کو کرایہ داری پر چلانے کی وجہ سے بورڈ آف ڈائریکٹرز یہ سمجھتے ہیں کہ کمپنی کے مستقبل کو کوئی خدشہ لاحق نہیں ہے۔ مزید براں کہ موجودہ کرایہ دار میسرز ہیکن ایمپیکس پرائیویٹ لمیٹڈ نے سپانسرز سے حصص خریدنے کی خواہش کا اظہار کیا ہے۔ اور حصص خریدنے کے بعد میسرز ہیکن ایمپیکس پرائیویٹ لمیٹڈ موجودہ کرایہ داری نظام کو ختم کر دے گی۔ اور کمپنی اپنے پیداوار کا آغاز کر دے گی۔

آڈیٹرز

موجودہ آڈیٹرز ریاض احمد اینڈ کمپنی چارٹرڈ اکاونٹنٹس نے بعد از ریٹائرمنٹ اور اہلیت کی بنا پر خود کو دوبارہ تقرری کیلیے پیش کیا ہے بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی نے ریاض احمد اینڈ کمپنی چارٹرڈ اکاونٹنٹس کو دوبارہ اگلے مالی سال کیلیے تقرری کی سفارش کی ہے

شیئر ہولڈرز کی ترتیب

30 جون 2018 کی شیئر ہولڈر کی ترتیب لف ہے۔

کوڈ آف کارپوریٹ گورننس

کوڈ آف کارپوریٹ گورننس کا بیانیہ لف ہے

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کا بیانیہ

1- کمپنی کی انتظامیہ کی طرف سے تیار کئے جانے والے مالیاتی سٹیٹمنٹس منصفانہ طور پر کمپنی کے امور، اپریشنز کے نتائج، کیش فلوز اور ایکویٹی میں تبدیلی بیان کرتے ہیں

2- کمپنی کے اکاؤنٹس کی بکس کی معقول دیکھ بھال کی گئی ہے

3- مناسب اکاؤنٹنگ پالسیوں کو مالی بیانات کی تیاری میں لاگو کیا گیا ہے۔ اور اکاؤنٹنگ تخمینے معقول، دانشمندانہ فیصلوں پر مبنی ہیں

4- بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جو پاکستان میں بھی لاگو ہیں ان کی تمام فنانشل اسٹیٹمنٹس میں مکمل پیروی کی گئی ہے۔

5- اندرونی کنٹرول کے نظام کا ڈیزائن بلکل ٹھیک ہے اور اسے اچھے طریقے سے لاگو اور مانیٹر کیا گیا ہے۔

6- کمپنی کے جاری رہنے کی صلاحیت پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں

بورڈ کے اجلاس اور حاضری

2017-18 میں بورڈ آف ڈائریکٹرز نے درج ذیل ملاقاتیں کیں۔ حاضریوں کا ریکارڈ درج ذیل ہے۔

ڈائریکٹرز کے نام	حاضری
جناب محمد اشرف	05
جناب محمد اقبال	05
خواجہ عاصم خورشید	04
خواجہ عامر خورشید	04
جناب ذیشان سعید	05
جناب محمد شہباز علی	05
جناب فصیح الزمان	05

آڈٹ کمیٹی نے زیر جائزہ مالی سال کے دوارن ملاقاتیں کی۔ جن کی تفصیلات درج ذیل ہیں

ڈائریکٹرز کے نام	حاضری
جناب ذیشان سعید	05
خواجہ عاصم خورشید	05
جناب محمد شہباز علی	05

اعتراف

بورڈ آف ڈائریکٹرز مالیاتی اداروں، شیئر ہولڈرز اور اپنے ملازمین کی لگن اور محنت کی قدر کرتا ہے

بورڈ آف ڈائریکٹرز کی جانب سے

محمد اقبال	جناب ذیشان سعید	فیصل آباد
چیف ایگزیکٹو آفیسر	ڈائریکٹر	04 اکتوبر 2018

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017
For the year ended 30 June 2018

Khurshid Spinning Mills Limited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2017 ("the Regulations") in the following manner:

1. The total number of directors areseven as per the following.
   a. Male: Seven
   b. Female: Exempted for the current term

2. The composition of the Board of Directors ("the Board") is as follows:

Category	**Name**
Independent Directors	Mr. Muhammad Ashraf
	Mr. Muhammad Iqbal
	Mr. Zeeshan Saeed
	Mr. Muhammad Shahbaz Ali
	Mr. Faseeh Uzaman
Non-Executive Directors	Khawaja Asem Khurshid
	Khawaja Amer Khurshid

3. Directors have confirmed that none of them is serving as a Director on more than five 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the 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 of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.

9. No training program for the directors of the Company was arranged during the year as requiredby Rule 20 ofthe Regulations. However, we shallcomply this requirement in next financial year.

10. The Board has approved appointment of Company Secretary and Chief Financial Officer, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

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

12. The Board has formed committees comprising of members given below:
    a) Audit Committee

Mr. Zeeshan Saeed	(Chairman)
Khawaja Asim Khurshid	(Member)
Mr. Muhammad Shahbaz Ali	(Member)

a) HR and Remuneration Committee

Mr. Muhammad Shahbaz Ali	(Chairman)
Mr. Muhammad Iqbal	(Member)
Mr. Faseeh Uzaman	(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 of the aforesaid committees were as per following:

    a) Audit Committee: Five meetings during the financial year ended 30 June 2018

    b) HR and Remuneration Committee: One meeting during the financial year ended 30 June 2018

15. The Board has not set up an effective internal audit functionthat is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

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

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

18. The Company Secretary and Chief Financial Officer are the same person. However the Company shall appoint a different person as Company Secretary in the next financial year.

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

Muhammad Ashraf
Chairman Of The Board

Muhammad Iqbal
Chief Executive Officer

FAISALABAD
04 OCTOBER, 2018

KEY OPERATING AND FINANCIAL DATA

	2018	2017	2016	2015	2014	2013
	(RUPEES IN THOUSAND)					
Summary of Statement of Profit or Loss						
(Loss) / profit before taxation	(4,323)	(2,286)	(23,999)	(36,144)	(19,406)	23,944
Taxation	1,076	2,202	3,378	6,627	9,444	12,993
(Loss) / profit after taxation	(3,247)	(84)	(20,621)	(29,517)	(9,962)	36,937
Summary of Statement of Financial Position						
Total assets	390,355	413,361	437,392	457,283	473,185	508,928
Long term financing / loans	125,767	140,230	164,927	188,915	431,613	462,657
Deferred liabilities	57,200	63,870	71,374	77,830	87,096	97,103
Current liabilities	362,425	363,195	357,243	332,409	82,804	76,100
Net assets	(155,037)	(153,934)	(156,152)	(141,871)	(128,328)	(126,932)
Represented by:						
Share capital	131,748	131,748	131,748	131,748	131,748	131,748
Equity portion of shareholders' loan	13,335	13,335	13,335	13,335	13,335	13,335
Surplus on revaluation of plant, equipment and investment properties - net of deferred income tax	155,452	164,389	174,225	180,745	192,188	202,795
Accumulated loss - net off equity portion of shareholders' loan	(455,572)	(463,406)	(475,460)	(467,699)	(465,599)	(474,810)
	(155,037)	(153,934)	(156,152)	(141,871)	(128,328)	(126,932)
Ratios:						
Gross loss to sales %age	N/A	N/A	N/A	N/A	N/A	N/A
Loss before tax to sales %age	N/A	N/A	N/A	N/A	N/A	N/A
Loss after tax to sales %age	N/A	N/A	N/A	N/A	N/A	N/A
Current ratio	1:0.030	1:0.020	1:0.012	1:0.005	1:0.002	1:0.005

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Khurshid Spinning Mills Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("the Regulations") prepared by the Board of Directors of Khurshid Spinning Mills Limited("the Company") for the year ended 30 June 2018 in accordance with the requirements of Regulation 40 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

The Company has not complied with the financial reporting and corporate compliance requirements of the Regulations. The financial statements of the Company have not been prepared in accordance with the requirements of the approved accounting standards as applicable in Pakistan. Therefore, the financial statements do not give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of the loss, its comprehensive loss, its changes in equity and its cash flows for the year then ended.

Based on our review, except for the above instance of non-compliance, 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 30 June 2018.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance:

Paragraph Reference	Description
9	The Company has not made any arrangement to carry out training program for their directors
10	The Board of Directors has not appointed head of Internal Audit
18	Chief Financial Officer and the Company Secretory is the same person

Riaz Ahmad & Co.

RIAZ AHMAD & COMPANY
Chartered Accountants
Faisalabad
Date: October 04, 2018.

INDEPENDENT AUDITOR'S REPORT

To the members of Khurshid Spinning Mills Limited

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Khurshid Spinning Mills Limited ("the Company"), which comprise the statement of financial position as at 30 June 2018, 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 to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matterdiscussed in the Basis for Adverse Opinion section of our report,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 do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of state of the Company's affairs as at 30 June 2018 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The Company has accumulated lossesof Rupees 445.571 million as of 30 June 2018.Its total liabilities exceeded its total assets by Rupees 155.037 million and its current liabilities exceeded its current assets by Rupees 351.507 million as of 30 June 2018. The Company has suspended its operations since October 2011 due to non-availability of financing for its own operations. The management of the Company did not provide us its assessment of going concern assumption used in preparation of these financial statements and the future financial projections indicating the economic viability of the Company. These events indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business. These financial statements (and notes thereto) do not disclose this fact. These financial statements have been prepared on the going concern basis.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics 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 adverse opinion.

Key Audit Matters

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

Information other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, we have concluded that the other information is materially misstated for the same reasons.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) except for the effects of the matter discussed in the Basis for Adverse Opinion section of our report, proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) except for the effects of the matter discussed in the Basis for Adverse Opinion section of our report, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) except for the effects of the matter discussed in the Basis for Adverse Opinion section of our report, investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mubashar Mehmood.

Riaz Ahmad & Co.

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
Date: October 04, 2018.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	NOTE	2018	2017	2016
		(RUPEES IN THOUSAND)		
			Restated	Restated
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital				
17 000 000 (2017: 17 000 000) ordinary shares of Rupees 10 each		170,000	170,000	170,000
Issued, subscribed and paid up share capital				
13 174 800 (2017: 13 174 800) ordinary shares of Rupees 10 each fully paid in cash		131,748	131,748	131,748
Capital reserves				
Equity portion of shareholders' loan		13,335	13,335	13,335
Surplus on revaluation of plant, equipment and investment properties - net of deferred income tax	3	155,452	164,389	174,225
Accumulated loss		(455,572)	(463,406)	(475,460)
Total equity		(155,037)	(153,934)	(156,152)
LIABILITIES				
NON-CURRENT LIABILITIES				
Long term financing	4	85,884	103,001	130,175
Long term loans	5	39,883	37,229	34,752
Deferred income tax liability	6	57,200	63,870	71,374
		182,967	204,100	236,301
CURRENT LIABILITIES				
Accrued liabilities and other payables	7	120,716	111,577	111,189
Short term borrowings	8	208,559	208,559	208,559
Current portion of long term financing	4	22,481	35,840	33,276
Provision for taxation		10,669	7,219	4,219
		362,425	363,195	357,243
TOTAL LIABILITIES		545,392	567,295	593,544
CONTINGENCIES AND COMMITMENTS	9			
TOTAL EQUITY AND LIABILITIES		390,355	413,361	437,392

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

	NOTE	2018	2017	2016
		(RUPEES IN THOUSAND)		
ASSETS				
NON-CURRENT ASSETS				
Plant and equipment	10	263,580	292,715	325,099
Investment properties	11	110,124	107,623	102,179
Long term deposits		5,733	5,733	5,733
		379,437	406,071	433,011
CURRENT ASSETS				
Loans and advances	12	8,901	5,410	2,418
Sales tax recoverable		1,801	1,801	1,801
Cash and bank balances	13	216	79	162
		10,918	7,290	4,381
TOTAL ASSETS		390,355	413,361	437,392

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018	2017
		(RUPEES IN THOUSAND)	
INCOME	14	37,001	47,748
ADMINISTRATIVE EXPENSES	15	(2,187)	(2,023)
OTHER EXPENSES	16	(28,985)	(32,205)
FINANCE COST	17	(10,152)	(15,806)
LOSS BEFORE TAXATION		(4,323)	(2,286)
TAXATION	18	1,076	2,202
LOSS AFTER TAXATION		(3,247)	(84)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)	19	(0.246)	(0.006)

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	(RUPEES IN THOUSAND)	
LOSS AFTER TAXATION	(3,247)	(84)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(3,247)	(84)

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

		RESERVES					
		CAPITAL RESERVES					
	SHARE CAPITAL	EQUITY PORTION OF SHAREHOLDERS' LOAN	SURPLUS ON REVALUATION OF PLANT, EQUIPMENT AND INVESTMENT PROPERTIES - NET OF DEFERRED INCOME TAX	SUB-TOTAL	ACCUMULATED LOSS	TOTAL	TOTAL EQUITY
	(RUPEES IN THOUSAND)						
Balance as at 30 June 2016	131,748	13,335	-	13,335	(475,460)	(462,125)	(330,377)
Impact of restatement - Note 2.5.1	-	-	174,225	174,225	-	174,225	174,225
Balance as at 30 June 2016-restated	131,748	13,335	174,225	187,560	(475,460)	(287,900)	(156,152)
Transfer from surplus on revaluation of plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	(12,138)	(12,138)	12,138	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	2,302	2,302	-	2,302	2,302
Loss for the year	-	-	-	-	(84)	(84)	(84)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(84)	(84)	(84)
Balance as at 30 June 2017-restated	131,748	13,335	164,389	177,724	(463,406)	(285,682)	(153,934)
Transfer from surplus on revaluation of plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	(11,081)	(11,081)	11,081	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	2,144	2,144	-	2,144	2,144
Loss for the year	-	-	-	-	(3,247)	(3,247)	(3,247)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(3,247)	(3,247)	(3,247)
Balance as at 30 June 2018	131,748	13,335	155,452	168,787	(455,572)	(286,785)	(155,037)

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

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(4,323)	(2,286)
Adjustments for non-cash charges and other items:		
Depreciation	29,135	32,384
Gain on remeasurement of fair value of investment properties	(2,501)	(5,444)
Finance cost	10,152	15,806
	32,463	40,460
Working capital changes		
(Increase) / decrease in loans and advances	(39)	10
Increase in trade and other payables	9,139	388
Cash generated from operations	41,563	40,858
Finance cost paid	(2,166)	(4,273)
Income tax paid	(3,452)	(3,002)
Net cash generated from operating activities	35,945	33,583
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(35,808)	(33,666)
Net cash used in financing activities	(35,808)	(33,666)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	137	(83)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	79	162
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 13)	216	79

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

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. THE COMPANY AND ITS OPERATIONS

1.1 Khurshid Spinning Mills Limited is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office was situated at Universal House, West Canal Road, Farooqabad, Faisalabad. However, subsequent to the reporting date on 01 August 2018, it was changed to 133-134, Regency The Mall, Faisalabad. The Company manufactures and deals in all types of yarn.

1.2 Going concern assumption

The Company has accumulated loss of Rupees 455.572 million (2017: Rupees 463.406 million), its total liabilities exceed its total assets by Rupees 155.037 million (2017: Rupees 153.934 million) and its current liabilities exceed its current assets by Rupees 351.507 million (2017: Rupees 355.905 million). Moreover, the Company's operations are suspended since October 2011 due to overdue debts and non-availability of working capital which raise doubts about the Company being a going concern. Therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The management has leased out the operating fixed assets along with investment properties of the Company as mentioned in Note 10.1.3. Now operations are being carried out by the lessee and proper arrangements are made by the lessee to keep the assets in good condition. The lessee has also given loan to the Company to manage its affairs in the best interest of the Company as mentioned in Note 8. The management believes that in view of favorable conditions and settlement / rescheduling of liabilities with the bank, the Company would be able to continue as a going concern. Consequently, these financial statements have been prepared on a going concern basis and do not include any adjustments that may be necessary, should the Company be unable to continue as a going concern.

1.3 On 07 May 2018, Beacon Impex (Private) Limited made a public announcement of intention to acquire 67.2546% shares of the Company. The time period of the public announcement will expire on 03 November 2018.

1.4 Summary of significant transactions and events affecting the Company's financial position and performance

a) Due to applicability of the Companies Act, 2017 to the financial statements of the Company, some of the amounts reported for the previous period have been reclassified and restated. For detailed information please refer to Note 2.1(b) and Note 2.5.1.

b) For a detailed discussion about the Company's performance, please refer to the Directors' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

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

b) Preparation of financial statements under the Companies Act, 2017

The fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for preparation of these financial statements. The Companies Act, 2017 (including its fourth schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements. Change in accounting policy of surplus on revaluation of plant, equipment and investment properties (Note 2.5.1) and additional disclosures include but are not limited to, particulars of immovable assets of the Company (Note 11.3) etc.

c) Accounting convention

These financial statements have been prepared under the historical cost convention, except for certain plant and equipment and investment properties which are carried at their fair value.

d) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Provision for doubtful receivables

The Company reviews its receivable balances against any provision required for any doubtful balances on an ongoing basis. The provision is made while taking into consideration expected recoveries, if any.

e) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2017:

International Accounting Standard (IAS) 7 (Amendments), 'Statement of Cash Flows' (effective for annual periods beginning on or after 01 January 2017). Amendments have been made to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The aforesaid amendments have resulted in certain additional disclosures in the Company's financial statements.

IAS 12 (Amendments), 'Income Taxes' (effective for annual periods beginning on or after 01 January 2017). The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments have no significant impact on the Company's financial statements.

The application of the above amendments does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

f) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are other amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2017 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

g) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards, interpretations and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2018 or later periods:

IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 01 July 2018). A finalized version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 'Financial Instruments: Recognition and Measurement'. Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner as under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk. The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognized. It introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures. The requirements for the de-recognition of financial assets and liabilities are carried forward from IAS 39. The management of the Company is in the process of evaluating the impacts of the aforesaid standard on the Company's financial statements.

IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 July 2018). IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are: identify the contract with the customer; identify the performance obligations in the contract; determine the transaction price; allocate the transaction price to the performance obligations in the contracts; and recognize revenue when (or as) the entity satisfies a performance obligation. Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. The aforesaid standard is not expected to have a material impact on the Company's financial statements.

Amendments to IFRS 9 (effective for annual periods beginning on or after 01 January 2019) clarify that for the purpose of assessing whether a prepayment feature meets the Solely Payments of Principal and Interest ('SPPI') condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. The amendments are not likely to have significant impact on the Company's financial statements.

IFRS 15 (Amendments), 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after 01 July 2018). Amendments clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations and licensing) and to provide some transition relief for modified contracts and completed contracts. The aforesaid amendments are not expected to have a material impact on the Company's financial statements.

IAS 40 (Amendments), 'Investment Property' (effective for annual periods beginning on or after 01 January 2018). The amendments clarify that an entity shall transfer a property to, or from investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have a significant impact on the Company's financial statements.

IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019). The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'. It specifically considers: whether tax treatments should be considered collectively; assumptions for taxation authorities' examinations; the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and the effect of changes in facts and circumstances. The interpretation is not expected to have a material impact on the Company's financial statements.

On 12 December 2017, IASB issued Annual Improvements to IFRSs: 2015-2017 Cycle, incorporating amendments to four IFRSs more specifically in IAS 12 'Income Taxes' and IAS 23 'Borrowing Costs', relevant to the Company. The amendments are effective for annual periods beginning on or after 01 January 2019. The amendments have no significant impact on the Company's financial statements and have therefore not been analyzed in detail.

On 29 March 2018, the IASB issued a revised Conceptual Framework. The new Framework reintroduces the terms stewardship and prudence; introduces a new asset definition that focuses on rights and new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument; removes from the asset and liability definitions references to the expected flow of economic benefits - this lowers the hurdle for identifying the existence of an asset or liability and puts more emphasis on reflecting uncertainty in measurement; discusses historical cost and current value measures, and provides some guidance on how the IASB would go about selecting a measurement basis for a particular asset or liability; states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances will the IASB use other comprehensive income and only for income or expenses that arise from a change in the current value of an asset or liability; and discusses uncertainty, de-recognition, unit of account, the reporting entity and combined financial statements. The Framework is not an IFRS and does not override any standard, so nothing will change in short term. The revised Framework will be used in future standard-setting decisions, but no changes will be made to current IFRSs. Preparers might also use the Framework to assist them in developing accounting policies where an issue is not addressed by an IFRS. It is effective for annual periods beginning on or after 01 January 2020 for preparers that develop an accounting policy based on the Framework.

h) Standards and amendments to published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2018 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Provisions

Provisions are recognized when the Company has a 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 obligations and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

2.3 Employee benefit

The Company has curtailed the unfunded gratuity scheme for its employees due to the discontinuance of the Company's operations since the financial year ended 30 June 2012.

2.4 Taxation

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.5 Plant, equipment and depreciation

Operating fixed assets

All operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except those subject to revaluation which are stated at revalued amount less accumulated depreciation and any identified impairment loss. Capital work-in-progress is stated at cost less any recognized impairment loss. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the construction / erection period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of profit or loss during the period in which they are incurred.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Change in accounting policy

The specific provision in the repealed Companies Ordinance, 1984 relating to the surplus on revaluation of fixed assets has not been carried forward in the Companies Act, 2017. Previously, section 235 of the repealed Companies Ordinance, 1984 specified the accounting treatment and presentation of the surplus on revaluation of fixed assets, which was not in accordance with the IFRS Standards requirements. Accordingly, in accordance with the requirements of IAS 16, 'Property, Plant and Equipment', surplus on revaluation of fixed assets would now be presented under equity.

Following the application of IAS 16, the Company's accounting policy for surplus on revaluation of plant and equipment stands amended as follows:

Increases in the carrying amounts arising on revaluation of plant and equipment are recognised, net of deferred income tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognised in the statement of profit or loss, the increase is first recognised in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of deferred income tax, is reclassified from surplus on revaluation of plant and equipment to accumulated loss.

The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated.

2.5.1 The effect of change in accounting policy is summarized below:

	As at 30 June 2017			As at 30 June 2016		
	As previously reported	As restated	Restatement	As previously reported	As restated	Restatement
	---(RUPEES IN THOUSAND)---					
Effect on statement of financial position						
Surplus on revaluation of plant, equipment and investment property - net of deferred income tax	164,389	-	(164,389)	174,225	-	(174,225)
Share capital and reserves	-	164,389	164,389	-	174,225	174,225
Effect on statement of changes in equity						
Surplus on revaluation of plant, equipment and investment property - net of deferred income tax	-	164,389	164,389	-	174,225	174,225

There was no impact on statement of profit or loss, on statement of comprehensive income and on statement of cash flows as a result of the retrospective application of change in accounting policy.

Depreciation

Depreciation on plant and equipment is charged to statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 10.1. Depreciation is charged from the month in which asset is available for use and upto the month preceding the month of disposal. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

De-recognition

An item of plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of profit or loss in the year the asset is de-recognized.

2.6 Investment properties

Land and buildings held to earn rental income are classified as investment properties. Investment properties are carried at fair value which is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The valuation of the properties is carried out with sufficient regularity.

Gain or loss arising from a change in the fair value of investment properties is included in the statement of profit or loss for the year in which it arises.

2.7 Impairment

a) Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

b) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.9 Foreign currencies

These financial statements are presented in Pak Rupees, which is the Company's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date, while the transactions in foreign currency during the year are initially recorded in functional currency at exchange rates prevailing at the transaction date. 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. Exchange gains and losses are recorded in the statement of profit or loss.

2.10 Financial instruments

Financial instruments carried on the statement of financial position include deposits, loans and advances, cash and bank balances, long term financing, long term loans, short term borrowings, accrued liabilities and other payables etc. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instruments at fair value through profit or loss" which are measured initially at fair value.

Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement and de-recognition is charged to the profit or loss currently. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

2.11 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.12 Share Capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as of deduction, net of tax.

2.13 Accrued liabilities and other payables

Accrued liabilities and other amounts payable are initially recognized at fair value, which is normally the transaction cost.

2.14 Other receivables

Other receivables are carried at original invoice value less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year end. Receivables considered bad are written off when identified.

2.15 Revenue recognition

Revenue from rental income is recognized when rent is accrued.

2.16 Borrowing costs

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing cost, if any, is capitalized as part of the cost of that asset.

2.17 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.18 Offsetting

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

		2018	2017
		(RUPEES IN THOUSAND)	
3.	**SURPLUS ON REVALUATION OF PLANT, EQUIPMENT AND INVESTMENT PROPERTIES - NET OF DEFERRED INCOME TAX**		
	Plant and equipment (Note 3.1)	99,743	109,248
	Investment properties (Note 3.2)	55,709	55,141
		155,452	164,389
3.1	**Plant and equipment**		
	Balance as on 01 July	109,248	119,652
	Add: Adjustment of deferred income tax liability due to the re-assessment (Note 6)	1,576	1,734
	Less: Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	(11,081)	(12,138)
	Balance as on 30 June	99,743	109,248

3.1.1 Revaluation of plant and machinery and power generation house of the Company was carried out on 30 June 2016 by an independent valuer, Messrs Zafar Iqbal and Company by reference to prevailing market prices. Previously revaluation was carried out by independent valuers on 30 September 1995, 11 April 2003, 17 March 2005 and 15 June 2011.

		2018	2017
3.2	**Investment properties**		
	Balance as on 01 July	55,141	54,573
	Add: Related deferred income tax liability (Note 6)	568	568
	Balance as on 30 June	55,709	55,141
4.	**LONG TERM FINANCING**		
	Secured		
	The Bank of Punjab		
	Demand Finance - I (Note 4.1 and Note 4.3)	13,416	49,224
	Demand Finance - II (Note 4.2 and Note 4.3)	94,949	89,617
		108,365	138,841
	Less: Current portion shown under current liabilities	22,481	35,840
		85,884	103,001

4.1 The Demand Finance-I is restructured by the Bank by conversion of entire principal outstanding liability of the Company including merger / transfer of principal liability of A.K. Exports (Private) Limited (an associated company) amounting to Rupees 109.073 million. The demand finance is repayable in 25 quarterly installments up to 31 March 2019 and chargeable at cost of funds rate of 5.82 percent (2017: 5.82 percent) per annum. However, actual rate of mark-up will be applicable as approved by State Bank of Pakistan from time to time.

4.2 This Demand Finance-II is restructured by the Bank by conversion of entire overdue mark-up payable by the Company including merger / transfer of mark-up liability payable by A.K. Exports (Private) Limited (an associated company) amounting to Rupees 51.209 million. This demand finance is non-interest bearing and will be repayable in 12 equal quarterly installments of Rupees 9.065 million each, commencing from 30 June 2019 after complete adjustment of principal liability as given in Note 4.1.

4.2.1 The Company has determined the amortized cost of its mark-up free demand finance using the effective interest method. Rate of cost of funds used to calculate the amortized cost is the fair market rate applicable on the financial instruments of similar nature and condition. The effective cost of funds rate is 5.82 percent (2017: 5.82 percent) per annum. The reconciliation of principal amount and carrying value is given hereunder:

	2018	2017
	(RUPEES IN THOUSAND)	
Principal outstanding	108,777	108,777
Effect of adjustment	(19,159)	(28,216)
Amortization charged to statement of profit or loss using the effective interest method (Note 17)	5,332	9,056
Carrying value as at 30 June	94,950	89,617

4.3 The Demand Finances is secured by way of creation of first exclusive equitable mortgage of Rupees 419.521 million on Company's fixed assets located at 35-Kilometers Sheikhupura Road, Faisalabad along with token registered mortgage of Rupees 0.100 million and personal guarantee of the directors of the Company.

5. LONG TERM LOANS

From sponsor directors / shareholders		
Opening balance	37,229	34,752
Add: Fair value adjustment (Note 17)	2,654	2,477
Closing balance	39,883	37,229

5.1 These represent unsecured interest free loans obtained from sponsor directors / shareholders of the Company. These loans are repayable in one bullet installment on 30 June 2020. Fair value of shareholders' loans was estimated at the present value of future cash flows discounted at effective rate of 7.13 percent (2017 : 7.13 percent) per annum.

6. DEFERRED INCOME TAX LIABILITY

Balance as on 01 July	63,870	71,374
Less:		
Transferred to surplus on revaluation of plant and equipment (Note 3.1)	1,576	1,734
Transferred to surplus on revaluation of investment properties (Note 3.2)	568	568
Deferred income tax liability on account of incremental depreciation charged during the year transferred to the statement of profit or loss	4,526	5,202
	6,670	7,504
Deferred income tax liability recognized	57,200	63,870

6.1 The Company has accumulated tax losses of Rupees 312.527 million (2017: Rupees 292.128 million) including unabsorbed depreciation as at 30 June 2018. The related deferred income tax asset amounting to Rupees 20.957 million (2017: Rupees 11.677 million) has not been recognized in these financial statements due to non-availability of sufficient future taxable profits as these temporary differences are not likely to reverse in the foreseeable future.

7. ACCRUED LIABILITIES AND OTHER PAYABLES

	2018	2017
	(RUPEES IN THOUSAND)	
Accrued liabilities	559	376
Others	120,157	111,201
	120,716	111,577

8. SHORT TERM BORROWINGS

This represents unsecured interest free loan obtained from Messrs Beacon Impex (Private) Limited (BIL) for the payment of overdue liabilities of banks, creditors and for Balancing, Modernization and Replacement (BMR) of plant and machinery and related equipment of the Company. The repayment terms and conditions have not been settled. However, BIL may demand the payment within the next financial year.

9. CONTINGENCIES AND COMMITMENTS

There was no contingent liability and commitment as at 30 June 2018 (2017: Rupees Nil).

10. PLANT AND EQUIPMENT

	2018	2017
Operating fixed assets (Note 10.1)	261,812	290,947
Capital work-in-progress (Note 10.2)	1,768	1,768
	263,580	292,715

10.1 OPERATING FIXED ASSETS

	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Power generation house	Electric installations	Factory equipment	Electric equipment and appliances	Total
	RUPEES IN THOUSAND								
At 30 June 2016									
Cost / revalued amount	606,632	1,157	3,046	17,552	67,703	18,821	5,835	2,195	722,941
Accumulated depreciation	(316,132)	(1,010)	(2,435)	(17,038)	(41,203)	(14,617)	(5,515)	(1,660)	(399,610)
Closing net book value	290,500	147	611	514	26,500	4,204	320	535	323,331
Year ended 30 June 2017									
Opening net book value	290,500	147	611	514	26,500	4,204	320	535	323,331
Depreciation charge	(29,050)	(15)	(61)	(103)	(2,650)	(420)	(32)	(53)	(32,384)
Closing net book value	261,450	132	550	411	23,850	3,784	288	482	290,947
At 30 June 2017									
Cost / revalued amount	606,632	1,157	3,046	17,552	67,703	18,821	5,835	2,195	722,941
Accumulated depreciation	(345,182)	(1,025)	(2,496)	(17,141)	(43,853)	(15,037)	(5,547)	(1,713)	(431,994)
Net book value	261,450	132	550	411	23,850	3,784	288	482	290,947
Year ended 30 June 2018									
Opening net book value	261,450	132	550	411	23,850	3,784	288	482	290,947
Depreciation charge	(26,145)	(13)	(55)	(82)	(2,385)	(378)	(29)	(48)	(29,135)
Closing net book value	235,305	119	495	329	21,465	3,406	259	434	261,812
At 30 June 2018									
Cost / revalued amount	606,632	1,157	3,046	17,552	67,703	18,821	5,835	2,195	722,941
Accumulated depreciation	(371,327)	(1,038)	(2,551)	(17,223)	(46,238)	(15,415)	(5,576)	(1,761)	(461,129)
Net book value	235,305	119	495	329	21,465	3,406	259	434	261,812
Annual rate of depreciation (%)	10	10	10	20	10	10	10	10	

10.1.1 Had there been no revaluation, the cost, accumulated depreciation and book value of the revalued assets would have been as follows:

	Cost	Accumulated depreciation	Net book value
	(RUPEES IN THOUSAND)		
Plant and machinery	269,551	169,317	100,234
Power generation house	58,765	42,688	16,077
2018	328,316	212,005	116,311
2017	328,316	199,082	129,234

	2018	2017
	(RUPEES IN THOUSAND)	
10.1.2 Depreciation charge for the year has been allocated as follows:		
Administrative expenses (Note 15)	150	179
Other expenses (Note 16)	28,985	32,205
	29,135	32,384

10.1.3 Plant and machinery and other facilities located at mills along with investment properties as mentioned in Note 11 have been given on lease to Messrs Beacon Impex (Private) Limited at monthly rental of Rupees 3.000 million (2017: Rupees 2.500 million).

10.1.4 Forced sales value of plant and machinery and power generation house as per the last revaluation carried out on 30 June 2016 was Rupees 232.400 million and Rupees 21.200 million respectively.

10.2 Capital work-in-progress

	2018	2017
Electric installations	1,768	1,768

11. INVESTMENT PROPERTIES

	2018	2017
Balance as on 01 July	107,623	102,179
Add: Fair value gain (Note 14)	2,501	5,444
Balance as on 30 June	110,124	107,623

11.1 The fair value of investment properties, comprising freehold land and buildings thereon has been determined on 30 June 2018 by Messrs Zafar Iqbal and Company, an independent valuer.

11.2 Forced sales value of investment properties is Rupees 93.605 million (2017: Rupees 91.479 million).

11.3 Particulars of investment properties (i.e, land and buildings) are as follows:

Particulars	Location	Area of land	Covered area of buildings
		Kanals	Sq. ft.
Land and buildings	35 Kilometers Main Sheikhupura Road, Mouza Johal, Faisalabad	42.77	142 877

		2018	2017
		(RUPEES IN THOUSAND)	
12.	**LOANS AND ADVANCES**		
	Considered good:		
	Employee - against salary	39	-
	Income tax	8,862	5,410
		8,901	5,410
13.	**CASH AND BANK BALANCES**		
	Cash with banks:		
	On current accounts	159	68
	Cash in hand	57	11
		216	79
14.	**INCOME**		
	Income from non-financial assets		
	Rental income	34,500	30,000
	Credit balance written back	-	12,304
	Gain on remeasurement of fair value of investment properties (Note 11)	2,501	5,444
		37,001	47,748
15.	**ADMINISTRATIVE EXPENSES**		
	Salaries and other benefits	601	555
	Travelling and conveyance	19	-
	Advertisement, printing and stationery	92	78
	Electricity, sui gas and water	107	177
	Postage and telephone	34	51
	Rent, rates and taxes	113	127
	Repair and maintenance	9	46
	Auditors' remuneration (Note 15.1)	360	360
	Legal and professional	60	30
	Fees, subscription and periodicals	563	293
	Entertainment	52	83
	Others	27	44
	Depreciation (Note 10.1.2)	150	179
		2,187	2,023
15.1	**Auditors' remuneration**		
	Audit fee	300	300
	Half yearly review	35	35
	Out of pocket expenses	25	25
		360	360
16.	**OTHER EXPENSES**		
	Depreciation (Note 10.1.2)	28,985	32,205
17.	**FINANCE COST**		
	Mark-up on long term financing	2,073	4,270
	Amortization on demand finance calculated by using the effective interest method (Note 4.2.1)	5,332	9,056
	Fair value adjustment of loans from sponsor directors / shareholders (Note 5)	2,654	2,477
	Bank charges and commission	93	3
		10,152	15,806

	2018	2017
	(RUPEES IN THOUSAND)	

18. TAXATION

	2018	2017
Current (Note 18.1)	3,450	3,000
Deferred	(4,526)	(5,202)
	(1,076)	(2,202)

18.1 Provision for current taxation represents tax on rental income under the relevant provisions of Income Tax Ordinance, 2001. Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate is not required in view of accumulated tax losses of the Company.

18.2 The Company creates provision for tax every year. However, income tax returns were not filed by the Company during the last three years. The summary of last three years is given below:

	FINANCIAL YEAR		
	2016-17	2015-16	2014-15
	(RUPEES IN THOUSAND)		
Provision for taxation	3,000	2,400	-
Tax assessed	-	-	-

19. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share which is based on:

		2018	2017
Loss for the year	(Rupees in thousand)	(3,247)	(84)
Weighted average number of ordinary shares	(Numbers)	13 174 800	13 174 800
Loss per share	(Rupees)	(0.246)	(0.006)

20. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Long term financing (RUPEES IN THOUSAND)
Balance as at 01 July 2017	49,224
Repayment of financing	(35,808)
Balance as at 30 June 2018	13,416

21. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

21.1 No remuneration, fee or any other expenses have been paid to Chief Executive Officer and Directors of the Company for their services and no employee of the Company falls within definition of executive as defined in the 4th schedule to the Companies Act, 2017.

21.2 Aggregate amount charged in the financial statements for meeting fee to 7 (2017: 7) directors was Rupees 0.057 million (2017: Rupees 0.012 million).

22. NUMBER OF EMPLOYEES

	2018	2017
Number of employees as on 30 June	3	3
Average number of employees during the year	3	3

22.1 There is no factory employee as the production activities of the Company have been temporarily ceased.

23. TRANSACTIONS WITH RELATED PARTIES

There was no transaction with any related party during the year except for those disclosed in Note 21.2.

24. PLANT CAPACITY AND ACTUAL PRODUCTION

The Company has suspended its operations and leased out its production facilities since October 2011.

25. FINANCIAL RISK MANAGEMENT

25.1 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 Company's financial performance.

Risk management is carried out by the Company's Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk and use of non-derivative financial instruments.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company has no receivable / payable balances in foreign currency as at 30 June 2018 (2017: Rupees Nil).

(ii) 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 instrument traded in the market. The Company is not exposed to commodity price risk.

(iii) Interest rate risk

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

The Company's interest rate risk arises from long term financing. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2018	2017
	(RUPEES IN THOUSAND)	
Fixed rate instruments:		
Financial liabilities		
Long term financing	13,416	49,224

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

The Company does not possess any variable rate financial assets and liabilities as at 30 June 2018 (2017: Rupees Nil).

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2018	2017
	(RUPEES IN THOUSAND)	
Deposits	5,733	5,733
Loans and advances	39	-
Bank balances	159	68
	5,931	5,801

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2018	2017
	Short Term	Long term	Agency	(RUPEES IN THOUSAND)	
Banks					
National Bank of Pakistan	A-1+	AAA	JCR-VIS	5	5
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	1	1
The Bank of Punjab	A1+	AA	PACRA	152	61
Meezan Bank Limited	A-1+	AA+	JCR-VIS	1	1
				159	68

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) 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. At 30 June 2018, the Company had not any unavailed borrowing limits from financial institutions and Rupees 0.216 million (2017: Rupees 0.079 million) cash and bank balances. Management believes the liquidity risk to be high. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2018:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
	(RUPEES IN THOUSAND)					
Non-derivative financial liabilities:						
Long term financing	108,365	122,196	13,416	9,065	36,260	63,455
Long term loans	39,883	39,883	-	-	39,883	-
Accrued liabilities and other payables	120,716	120,716	120,716	-	-	-
Short term borrowings	208,559	208,559	208,559	-	-	-
	477,523	491,354	342,691	9,065	76,143	63,455

Contractual maturities of financial liabilities as at 30 June 2017:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
Non-derivative financial liabilities:						
Long term financing	138,841	175,168	18,968	18,968	37,517	99,715
Long term loans	37,229	37,229	-	-	-	37,229
Accrued liabilities and other payables	111,577	111,577	111,577	-	-	-
Short term borrowings	208,559	208,559	208,559	-	-	-
	496,206	532,533	339,104	18,968	37,517	136,944

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at 30 June. The rate of mark-up has been disclosed in Note 4 to these financial statements.

25.2 Financial instruments by categories

	2018	2017
	(RUPEES IN THOUSAND)	
	Loans and receivables	
Financial assets as per statement of financial position		
Deposits	5,733	5,733
Loans and advances	39	-
Cash and bank balances	216	79
	5,988	5,812
	At amortized cost	
Financial liabilities as per statement of financial position		
Long term financing	108,365	138,841
Long term loans	39,883	37,229
Accrued liabilities and other payables	120,716	111,577
Short term borrowings	208,559	208,559
	477,523	496,206

25.3 Offsetting financial assets and financial liabilities

As on the reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

25.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt.

26. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

27. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the non-financial assets that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
	-----------------------------RUPEES IN THOUSAND-----------------------			
At 30 June 2018				
Plant and machinery	-	235,305	-	235,305
Power generation house	-	21,465	-	21,465
Investment properties	-	110,124	-	110,124
Total non-financial assets	-	366,894	-	366,894
At 30 June 2017				
Plant and machinery	-	261,450	-	261,450
Power generation house	-	23,850	-	23,850
Investment properties	-	107,623	-	107,623
Total non-financial assets	-	392,923	-	392,923

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuations for its investment properties at least annually and its plant and machinery and power generation house (classified as plant and equipment) at least after every three years. The management updates the assessment of the fair value of investment properties, plant and machinery and power generation house taking into account the most recent independent valuations. The management determines the property's value within a range reasonable fair value estimates. The best evidence of fair value of freehold land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery and power generation house is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery and power generation house of the same specifications.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's investment properties at the end of every financial year and for plant and machinery and power generation house at least after every three years. As at 30 June 2018, the fair value of investment properties has been determined by Messrs Zafar Iqbal and Company. The valuation of plant and machinery and power generation house has been performed by Messers Zafar Iqbal & Company as at 30 June 2016.

Changes in fair values are analyzed at each reporting date during the annual valuation discussion between the management of the Company and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

28. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 04, 2018 by the Board of Directors of the Company.

29. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant re-arrangements have been made.

30. GENERAL

Figures have been rounded off to the nearest thousand of Rupees.

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

FORM 34

THE COMPANIES ACT, 2017
(Section 227(2)(f)
PATTERN OF SHAREHOLDING

1.1 Name of the Company **Khurshid Spinning Mills Limited**

2.1. Pattern of holding of the shares held by the shareholders as at **30-06-2018**

2.2 No. of Shareholders	----Shareholdings---- From	To	Total Shares Held
448	1	100	44,800
869	101	500	330,500
234	501	1000	211,700
181	1001	5000	479,100
40	5001	10000	276,900
19	10001	15000	258,100
8	15001	20000	140,700
4	20001	25000	90,800
4	25001	30000	111,300
3	30001	35000	97,900
3	35001	40000	110,100
1	45001	50000	50,000
1	55001	60000	57,500
3	60001	65000	186,200
1	75001	80000	75,100
1	95001	100000	99,900
1	100001	105000	101,900
1	185001	190000	190,000
1	210001	215000	211,300
1	230001	235000	235,000
1	580001	585000	580,600
1	595001	600000	599,300
2	650001	655000	1,300,700
1	855001	860000	856,900
1	1930001	1935000	1,932,000
1	2210001	2215000	2,211,500
1	2330001	2335000	2,335,000
1832			**13,174,800**

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officers, and their spouse and minor children	4,634,000	35.1732%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
2.3.3 NIT and ICP	1,091,900	8.2878%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	2,149,400	16.3145%
2.3.5 Insurance Companies	109,500	0.8311%
2.3.6 Modarabas and Mutual Funds	56,100	0.4258%
2.3.7 Share holders holding 10% or more	6,478,500	49.1734%
2.3.8 General Public		
a. Local	5,121,800	38.8757%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
Joint Stock Companies	12,100	0.0918%

6. Signature of Company Secretary	Ali Mudassar
7. Name of Signatory	Ali Mudassar
8. Designation	Company Secretary
9. NIC Number	35402-0165605-5
10 Date	30 06 2018

Khurshid Spinning Mills Limited
Catagories of Shareholding required under Code of Coprorate Governance (CCG)
As on June 30, 2018

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-	-
Mutual Funds (Name Wise Detail)		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	KHAWAJA AMER KHURSHID	2,335,000	17.7232%
2	MR. ASEM KHURSHID	2,211,500	16.7858%
3	MR. MUHAMMAD ASHRAF	10,000	0.0759%
4	MR. MUHAMMAD IQBAL	24,400	0.1852%
5	MR. ZEESHAN SAEED	20,600	0.1564%
6	MR. FASEEH UL ZAMAN	13,500	0.1025%
7	MR. MUHAMMAD SHAHBAZ ALI	13,500	0.1025%
8	MRS. SHARMEEN ASIM W/O ASEM KHURSHID	5,500	0.0417%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		2,315,000	17.5714%
Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)			
1	KHAWAJA AMER KHURSHID	2,335,000	17.7232%
2	MR. ASEM KHURSHID	2,211,500	16.7858%
3	BANKERS EQUITY LTD	1,932,000	14.6644%
4	NATIONAL BANK OF PAKISTAN	856,900	6.5041%

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

KHURSHID SPINNING MILLS LIMITED

PROXY FORM

I/We...

of...

In the district of..being a member/members of

Khurshid Spinning Mills Limited holding......................................Ordinary Share

of Rs. 10/-each hereby appoint Mr./Ms...

of..a member of

or falling him/her Mr./Ms. ....

of..who is also a member of the Company,

vide Registered Folio No. ....CDC A/C NO.......................................as

my/our proxy to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, 27 October 2018 at 11:30 A.M. at 133-134, Regency the Mall, Faisalabad - the Registered Office of the Company and at any adjournment thereof.

As witness my/our hand this........................day of...........................2018

1. Witness..............................
2. Witness..............................

Date.....................................

Place....................................

Please affix here revenue stamp or Rs. 5 and sign across

Signature should Agree with the Signature registered With the Company

IMPORTANT

A member entitled to vote at the meeting may appoint a proxy. Proxy in order to be effective must be received at Registrars/Registered Office of the Company duly signed, stamped and witnessed not later than 48 hours before the meeting.

KHURSHID SPINNING MILLS LIMITED

Notice of 33rd Annual General Meeting

BOOK POST

If undelivered please return to:

KHURSHID SPINNING MILLS LIMITED
133-134, Regency the Mall, Faisalabad.
Tel: +92-41-2610028, 2610030 Fax: +92-41-2610027

پروکسی فارم

میں/ہم۔۔۔۔۔۔۔۔۔۔۔۔۔۔از۔۔۔۔۔۔۔۔۔۔۔۔۔بحیثیت **خورشید سپننگ ملز لمیٹڈ** کے ممبر اور عام حصص یافتہ مطابق شیئر

رجسٹر فولیو/سی ڈی سی اکاؤنٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔مقرر کرتا ہوں۔۔۔۔۔۔۔۔۔۔۔۔۔۔فولیو/سی ڈی سی اکاؤنٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔

سی این آئی نمبر یا پاسپورٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔یا بصورت دیگر۔۔۔۔۔۔۔۔۔۔۔۔۔۔فولیو/سی ڈی سی اکاؤنٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔

سی این آئی نمبر یا پاسپورٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔۔۔جو کمپنی کے ممبر بھی ہیں، کو کمپنی کے ہفتہ 27 اکتوبر 2018ء کو دن 11:30 بجے منعقد ہونیوالے تینتسواں سالانہ اجلاس میں اپنی جانب سے شرکت اور رائے دہی کیلئے اپنا پروکسی مقرر کرتا ہوں۔

دستخط مورخہ 2018ء

گواہی:

1: دستخط ------------------

نام ------------------

پتہ ------------------

سی این آئی سی یا پاسپورٹ نمبر ------------------

2: دستخط ------------------

نام ------------------

پتہ ------------------

سی این آئی سی یا پاسپورٹ نمبر ------------------

5 روپے کا
محصول ٹکٹ

دستخط ------------------

(کمپنی کے پاس دستخط کے نمونے کے مطابق ہوں)

سی این آئی سی/پاسپورٹ نمبر۔۔۔۔۔۔۔۔۔۔۔۔

ضروری:

1- پروکسی فارم ہذا مکمل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم اڑتالیس (48) گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا شیئر رجسٹرار کے آفس مین میں جمع کرادیا جائے۔

2- فارم پر ممبر یا اس کا تحریراً مقرر کردہ اٹارنی دستخط کریگا۔ ممبر کارپوریشن ہونے کی صورت میں اس کی مہر فارم پر ثبت کرنی ہوگی۔

3- اجلاس میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پروکسی مقرر کرسکتا ہے تاہم کارپوریشن کسی بھی غیر ممبر کو اپنا پروکسی مقرر کرسکتی ہے۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/کارپوریشن اینٹٹی

مزید براں مندرجہ ذیل شرائط پر عمل کرنا ہوگا۔

(i) پروکسی فارم پر دو افراد کی گواہی ہونی چاہئے جن کے نام اور سی این آئی سی یا پاسپورٹ نمبر فارم پر درج ہوں۔

(ii) ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم کے ہمراہ منسلک کرنی ہوں گی۔

(iii) پروکسی اجلاس کے وقت اپنا اصل سی این آئی سی یا اصل پاسپورٹ پیش کرنا ہوگا۔

(iv) کارپوریٹ اینٹٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی معہ نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پروکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

Khurshid Spinning Mills Limited

133-134, Regency the Mall,Faisalabad
Ph: +92 41 2610030 Fax: +92 41 2610027