OLYMPIA SPINNING &
WEAVING MILLS LIMITED

ANNUAL REPORT
June 30, 2017

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CONTENTS

Olympia Spinning & Weaving Mills Ltd. ★ KARACHI

COMPANY INFORMATION

BOARD OF DIRECTORS		
CHIEF EXECUTIVE	:	**MR. M. WAQAR MONNOO (Executive)**
CHAIRMAN	:	**MRS. GHAZALA WAQAR (Non-Executive)**
DIRECTORS	:	MR. SIRAJ SADIQ MONNOO (Executive)
	:	MR. SYED AYAZUDDIN (Non-Executive)
	:	MR. SYED INAMUDDIN AHMED (Non-Executive)
	:	MR. UMAR ILYAS SHAFI (Independent)
	:	MR. ARSHAD IQBAL (Non-Executive)
AUDIT COMMITTEE MEMBERS		
CHAIRMAN (INDEPENDENT)	:	MR. UMAR ILYAS SHAFI
MEMBER (NON-EXECUTIVE)	:	MR. SYED AYAZUDDIN
MEMBER (NON-EXECUTIVE)	:	MR. SYED INAMUDDIN AHMED
HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE	:	
CHAIRMAN (NON-EXECUTIVE)	:	MR. SYED INAMUDDIN AHMED
MEMBER (NON-EXECUTIVE)	:	MRS.GHAZALA WAQAR
MEMBER (INDEPENDENT)		MR. UMAR ILYAS SHAFI
CFO & COMPANY SECRETARY	:	MR. ASIM JAFFERY
LEGAL ADVISOR	:	M/S. MAKHDOOM & CO. BARRISTERS & ADVOCATE
AUDITORS	:	MUSHTAQ & COMPANY CHARTERED ACCOUNTANTS 407-408, COMMERCE CENTRE, HASRAT MOHANI ROAD, KARACHI.
BANKERS	:	UNITED BANK LTD
	:	ASKARI BANK LTD
	:	SONERI BANK LTD
	:	ALLIED BANK LTD
	:	BANK AL-FALAH LTD.
REGISTERED OFFICE	:	PLOT NO. H/23/3, LANDHI INDUSTRIAL AREA, LANDHI, KARACHI.

Olympia Spinning & Weaving Mills Ltd. KARACHI

VISION STATEMENT

We aim to offer high quality products both in Pakistan and abroad by continuously improving our products quality by keeping the most technologically advanced production machinery.

MISSION STATEMENT

We strive to achieve market leadership through technological edge, distinguished by quality and customer satisfaction, and emphasis on employees long term welfare and ensure adequate return to shareholders.

We further wish to contribute to the development of the economy and the country through harmonized Endeavour.

Olympia Spinning & Weaving Mills Ltd. KARACHI

DIRECTORS REPORT

The Directors have pleasure in presenting their Annual Report along with audited accounts of the Company for year ended June 30, 2017 for your consideration and approval.

OPERATING REVIEW:

The operating results of the period under review has resulted in net loss before taxation of Rs.3,801,015/- with net sales of Rs. 77,782,303 as compared to the last year's sale of Rs. Nill/-

	30 JUNE 2017	30 JUNE 2016
Appropriations is as under:		
Net loss before taxation	3,801,015	(63,661,552)
Taxation	(7,808,828)	(651,030)
Net loss for the year after taxation	(11,609,844)	(64,312,582)
Un-appropriated (loss) brought forward	(1,214,545,311)	(1,555,931,178)
Re-measurements adjustment of Post Retirement obligation	(2,390)	-
Net Effect of surplus on revaluation of fixed assets Transferred to accumulated profit	2,876,546	405,698,446
Accumulated (loss) carried forward	(1,223,281,000)	(1,214,545,311)
EPS	(0.97)	(5.36)

FINANCIAL RESULTS:

The financial results for the year ended June 30, 2017 have shown net loss after tax of Rs.11,609,844\-. The management started Paper manufacturing business from November 2016 and started renting out factory space. The loss from Paper business is mainly attributable to the low sale prices, high cost of inputs and low demand. Whereas the renting business flourishes as the property is located at the hub of Karachi main korangi area.

The auditors gave some remarks for which our Para wise reply is as follow:

(a) The auditor has given their remarks on adverse financial position of the company and appropriateness of the going concern assumption. The management very briefly explains in note 1.2 various mitigating factors that are in company's favor to be a going concern with a feasible future. The main points that strongly support appropriateness of going concern assumptions are as follows:

(i) The company has become operational and has started earning revenue which will grow in future. The management has also leased out Paper business to hedge the business risk of Paper business. The result will be availability of steady cash flows for servicing of debt and to enter into new ventures. The principal line of business is now being changed to renting/leasing of company property for which legal formalities are in process.

(ii) The company is not at risk of insolvency in near future since majority of its financing with Banks are restructured. United Bank already restructured the balance amount in four year long term loan whereas loan installments of Soneri Bank will start from 1st Quarter of 2019. The company is paying Bank Alfalah a token monthly payment towards principal as some Short term facilities as agreed in restructuring agreement are not provided yet due to which an overdue amount of Rs 51 million stands. In our opinion remarks of the Auditors are not justified. The company is negotiating for new payment terms with Bank Alfalah.

Due to start of business activity, major restructuring and bilateral understanding with our creditors we see no adverse conditions that invoke use of going concern assumption in preparation of financial statement invalid.

(iii) Other mitigating factors includes settlement with major creditors and continuous support of directors and sponsors.

(b) The Auditors have once again qualified their report over not receiving their Bank Confirmation from Standard Chartered Bank. The non-compliance sending the report by Standard Chartered Bank to the Auditor is not under the control of the company therefore the qualification made by the Auditors in this regard in unjustifiable. The confirmation from Standard chartered Bank is also not material since the company is not doing any business with the bank. Moreover the Standard Chartered Bank also written off its claim over the company from its books as clearly stated in its own financial statement and company's bank statement.

(c) The auditors have given their remarks for not doing directors training program as per COCG 2012 and no Internal Auditor. In this regard, four out of seven directors are serving the company for more than 15 years and have 14 years of education been exempt from this requirement. The directors training programs for remaining directors will be setup in due course. Due to cost constrains the internal audit function is performed in-house and a full time Internal Auditor will be appointed very soon.

FUTURE PROSPECTS:

The directors are very actively working on different plans to work out the best possible solution and to smoothly sail the company out of financial crisis and as described in note 1.2.

CORPORATE SOCIAL RESPONSIBILITY:

We believe that the highest standards of corporate behavior in our society are essential to our long-term success. Therefore, your Company actively meets the social responsibilities to the nation. In the field of health the Company conducts medical camps for employees on regular basis and the emphasis remains on the diagnostic and preventive
Care.

Olympia Spinning & Weaving Mills Ltd. KARACHI

CORPORATE GOVERNANCE:

The Directors of the Company are aware of their responsibilities under the Code of Corporate Governance, incorporated in the Listing Regulations of the Stock Exchange in the country under instructions from Security & Exchange Commission of Pakistan. We are taking all the necessary steps to ensure Good Corporate Governance in the Company as required by the Code.

As a part of the compliance of the Code, we confirm the following:

1- The enclosed financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

2- Proper books of account have been maintained by the Company as required by the Companies Ordinance, 1984.

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

4- Internal Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

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

6- There are no significant doubt upon the Company's ability to continue as a going concern as describe above and in Note 1.2.

7- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

8- Key operating and financial data of last six years is annexed.

9- During the year, six board meetings were held and the attendance by each director is given hereunder:

Name of Director	No of Meetings Attended
Mr M. Waqar Monnoo	6
Mrs. Ghazala Waqar	6
Mr. Siraj Sadiq Monnoo	6
Mr. Syed Ayazuddin	6
Mr. Aamir Shamim	6
Mr. Umar Illyas Shafi	6
Mr Syed Inamuddin	6

Spinning & Weaving Mills Ltd. KARACHI

10- There were no shares bought and sale by the Directors, CEO, and CFO, Company secretary and their spouses and minor children during the year.

11- The pattern of shareholding and additional information required by the Code of Corporate Governance is annexed.

AUDITORS:

You are requested to appoint auditors for the year 2017-2018 and fix their remuneration. The present auditors M/s. Mushtaq & Co., Chartered Accountants retires and offers them for re-appointment.

ACKNOWLEDGEMENT:

I would like to place on record the Co-operation shown by our Bankers for their support and without their co-operation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factors for achieving the present results.

For and on behalf of the Board

Karachi: 6th October, 2017

M .WAQAR MONNOO
(Chief Executive/Director)

Olympia Spinning & Weaving Mills Ltd. KARACHI

ڈائریکٹرز رپورٹ

کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ اکاؤنٹس 2017جون 30ڈائریکٹرز آپ کے غور اور منظوری کے لئے
.کے ساتھ ساتھ ان کی سالانہ رپورٹ پیش کرنے میں خوشی ہو رہی ہے

:آپریٹنگ جائزہ

روپے .کی ٹیکسیشن سے پہلے خالص نقصان کے نتیجے میں ہے / Rs.3،801،015زیر جائزہ مدت کے آپریٹنگ نتائج
- /کچھ نہیں .روپے کی گزشتہ سال کی فروخت کے مقابلے میں 77.782.303 .کی خالص فروخت کے ساتھ

	30 JUNE 2017	30 JUNE 2016
:بقتہ ذیل ہے		
ٹیکسیشن سے پہلے خالص خسارہ	3.801.015	(63،661،552)
ٹیکسیشن	(7،808،828)	(651،030)
ٹیکسیشن کے بعد سال کے لئے نیٹ نقصان	(11،609،844)	(64،312،582)
آگے لایا (نقصان)غیر ونیوجت	(1،214،545،311)	(1،555،931،178)
دوبارہ پیمائش پوسٹ ریٹائرمنٹ ذمہ داری کی ایڈجسٹمنٹ	(2،390)	-
فکسڈ اثاثوں کی پنرمولین پر سرپلس کی نیول اثر جمع منافع میں منتقل	2.876.546	405.698.446
آگے کیا (نقصان)جمع	(1،223،281،000)	(1،214،545،311)
EPS	(0.97)	(5.36)

:مالیاتی نتائج

کے ٹیکس کے بعد خالص نقصان \ Rs.11،609،844کو ختم ہونے والے سال کے لئے مالیاتی نتائج 2017جون 30 -
سے کاغذ مینوفیکچرنگ کا کاروبار شروع کیا اور فیکٹری کی جگہ کرائے پر 2016انتظام کو نومبر .دکھایا گیا ہے
کاغذ کے کاروبار سے نقصان کم فروخت کی قیمتوں، اداؤں اور کم مانگ کی بڑی سرمایہ کاری کرنے .شروع کر دیا
جائیداد کے طور پر کراچی مین کورنگی کے علاقے کے مرکز میں واقع ہے .کے لئے بنیادی طور پر منسوب ہے
.کرایہ پر لینے کے کاروبار نشوونما پاتا ہے جبکہ

:ہریکٹشکوں بعض ریمارکس ہمارے پاڑہ وار جواب کے طور پر عمل ہے جس کے لئے دی

(a) انتظام .آڈیٹر کمپنی اور جا تشویش مفروضہ کے وجتی کے منفی مالیاتی پوزیشن پر ان کے ریمارکس دیئے ہیں
مختلف کم کرنے عوامل کمپنی کے حق میں ہیں کہ ایک قابل عمل مستقبل کے 1.2بہت مختصر طور نوٹ کے
مندرجہ ذیل کے طور پر اس کی سختی سے تشویش .ساتھ جا تشویش ہونے کا میں وضاحت کرتا ہے
:مفروضات جا کے وجتی کو سپورٹ اہم نکات یہ ہیں

(i) .کمپنی کی آپریشنل بن گیا ہے اور کمائی آمدنی مستقبل میں اضافہ ہو گا جس سے شروع کر دیا ہے
.انتظامیہ کو بھی کاغذ کے کاروبار کے خطرے باڑا کاغذ کاروبار لیز پر دیا گیا ہے
نتیجہ قرض کی سروسنگ کے لئے مستحکم نقد رقم کے بہاؤ کی دستیابی ہوں گی اور نئے منصوبوں
لیز قانونی /کاروبار کی پرنسپل لکیر اب کمپنی کی جائیداد کا کرایہ پر لینے .میں داخل کرنا
.ویچارکتاؤں کے عمل میں ہیں جس کے لئے پر تبدیل کر دیا جا رہا ہے

Spinning & Weaving
KARACHI

(ii) بینکوں کے ساتھ اس کی فنانسنگ کی اکثریت تعمیر نو کر رہے ہیں کے بعد سے، کمپنی مستقبل قریب
یونائیٹڈ بینک نے پہلے ہی چار سال کے طویل مدتی قرض میں .میں دوالا کے خطرے میں نہیں ہے
سہ ماہی سے شروع ہو 1stکے .2019باقی رقم پنرگٹھن سونیری بینک کے قرض کی قسطوں جبکہ
جائے گا کمپنی ہیں تنظیم نو کے معاہدے میں اس بات پر اتفاق کے طور پر بینک الفلاح کچھ مختصر
مدت کے سہولیات کے پرنسپل کی جانب ایک ٹوکن کے ماہانہ ادائیگی کو ادا کر رہی ہے نہیں فراہم
پریکشکوں کی ہماری رائے .ملین روپے سٹینڈ کی اندین رقم 51کی ابھی تک ہے جس کی وجہ سے
کمپنی کا بنک الفلاح کے ساتھ نئے ادائیگی کی شرائط کے لئے .ریمارکس میں جائز نہیں ہیں
مذاکرات کر رہا ہے.

ہمارے قرض دہندگان کے ساتھ کاروباری سرگرمی، اہم تنظیم نو اور دوطرفہ مفاہمت کی شروع کرنے
کے لئے کی وجہ سے ہم کوئی منفی حالات باطل مالی تفصیلات کی تیاری میں تشویش مفروضہ جا
کے استعمال پکارتے ہیں کہ دیکھتے ہیں.

(iii) دیگر کم کرنے عوامل اہم قرض دہندگان اور ڈائریکٹرز اور سپانسرز کی مسلسل حمایت کے ساتھ
تصفیہ بھی شامل ہے.

(b) پریکشکوں ایک بار پھر اسٹینڈرڈ چارٹرڈ بینک کی جانب سے ان کے بینک کی توثیق حاصل نہیں کے دوران
عدم تعمیل آڈیٹر کو اسٹینڈرڈ چارٹرڈ بینک کی طرف سے رپورٹ بھیجنے .ان کی رپورٹ کوالیفائی کر لیا ہے
.کی کمپنی اس وجہ جواز میں اس سلسلے میں پریکشکوں کی طرف سے بنائی قابلیت کے کنٹرول میں نہیں ہے
سٹینڈرڈ کی تصدیق کے چارٹرڈ بینک نے بھی مادی نہیں ہے کے بعد سے کمپنی کے بینک کے ساتھ کسی بھی
اس کے علاوہ اسٹینڈرڈ چارٹرڈ بینک نے بھی اثار کمپنی پر اس کے دعوے کو اس .کاروبار نہیں کر رہا ہے
.کی کتابوں سے واضح طور پر اس کی اپنی مالی تفصیلات اور کمپنی کے بینک کے بیان میں بتایا گیا ہے لکھا

(c) اور کوئی اندرونی آڈیٹر کے مطابق ڈائریکٹرز ٹریننگ پروگرام نہیں کر رہا کے ان COCG 2012پریکشکوں
سال کے لئے کمپنی کی 15اس سلسلے میں، چار سات سے باہر ڈائریکٹرز سے زیادہ .ریمارکس دیئے ہیں
باقی ڈائریکٹرز کے .سال اس ضرورت سے مستثنی کیا گیا ہے 14خدمت کر رہے ہیں اور تعلیم کے
لاگت محدود کرنے کی وجہ سے .ڈائریکٹرز تربیتی پروگراموں کی وجہ سے کورس میں سیٹ اپ ہو جائے گا
اندرونی آڈٹ تقریب میں اپنے گھر میں اور ایک مکمل وقت اندرونی آڈیٹر بہت جلد تقرر کیا جائے گا کارکردگی
.کا مظاہرہ کر رہا ہے

:مستقبل کے امکانات

ڈائریکٹرز بہت فعال طور پر بہترین ممکنہ حل سے باہر کام کرنے کے لئے مختلف منصوبوں پر کام کر رہے ہیں اور
.میں بیان کیا 1.2آسانی مالی بحران سے باہر کمپنی کے سفر کرنے کے لئے اور اس کو نوٹ کیجیئے

:کارپوریٹ سماجی ذمہ داری

ہمیں یقین ہے کہ ہمارے معاشرے میں کارپوریٹ رویے کے اعلی ترین معیارات ہماری طویل مدتی کامیابی کے لئے
صحت کمپنی کے میدان .لہذا، آپ کی کمپنی فعال طور پر قوم کو سماجی ذمہ داریوں کو پورا کرنا .ضروری ہیں
مینمستقل بنیاد پر ملازمین کے لیے میڈیکل کیمپ کا انعقاد اور زور تشخیصی اور احتیاطی پر رہتا ہے
.دیکھ بھال

:کارپوریٹ گورننس

کمپنی کے ڈائریکٹر کارپوریٹ گورننس کے کوڈ کے تحت اپنی ذمہ داریوں کو پاکستان کی سلامتی اور ایکسچینج کمیشن
ہم کے طور پر کوڈ .کی ہدایات کے تحت ملک میں اسٹاک ایکسچینج کی فہرست سازی کے ضابطے میں شامل آگاہ ہیں
.کی طرف سے ضروری کمپنی میں گڈ کارپوریٹ گورننس کو یقینی بنانے کیلئے تمام ضروری اقدامات اٹھا رہے ہیں

:کوڈ کی تعمیل کے ایک حصے کے طور پر، ہم اس بات کی تصدیق مندرجہ ذیل

Spinning & Weaving Mills Ltd
KARACHI

1- منسلک مالیاتی بیانات، کمپنی کی انتظامیہ کی طرف سے تیار کافی امور کے اس کی ریاست، اس کے آپریشنز، نقد رقم کے بہاؤ اور ایکوئٹی میں تبدیلیوں کا نتیجہ پیش کرتے ہیں.

2- 1984اکاؤنٹ کی مناسب کتابیں کمپنی کی طرف سے برقرار رکھا کر دیا گیا ہے کے طور پر کمپنیز ارڈیننس کی طرف سے کی ضرورت ہے.

3- مناسب اکاؤنٹنگ پالیسیوں کو مسلسل مالی بیانات اور اکاؤنٹنگ بیانات کی تیاری میں لاگو کیا گیا ہے مناسب اور دانشمندانہ فیصلے پر مبنی ہیں.

4- ، پاکستان میں اس کو قابل (IFRS)مناسب طور پر انکشاف کیا گیا ہے سے اندرونی مالیاتی رپورٹنگ معیارات عمل نے مالی بیانات اور کسی بھی روانگی کی تیاری میں پیروی کی گئی ہیں.

5- اندرونی کنٹرول کے نظام کے ڈیزائن میں آواز ہے اور مؤثر طریقے سے نافذ کیا اور نگرانی کی گئی ہے.

6- میں وضاحت کے طور پر ایک جا تشویش کے طور پر جاری رکھنے کے لئے کمپنی کی 1.2اوپر اور نوٹ صلاحیت پر کوئی قابل ذکر شک نہیں ہے.

7- لسٹنگ کے قواعد و ضوابط میں تفصیلی طور پر، کارپوریٹ گورننس کے بہترین طریقوں میں سے کوئی مواد روانگی ہوئی ہے.

8- کلیدی آپریٹنگ اور گزشتہ چھ سال کے مالیاتی ڈیٹا قبضہ کر لیا جاتا ہے.

9- سال کے دوران، چھ بورڈ اجلاس منعقد کیا گیا تھا اور ہر ڈائریکٹر کی طرف سے حاضری معرفت ہذا میں دی گئی ہے:

ڈائریکٹر کے نام	کوئی کے اجلاسوں میں شرکت کی
مسٹر ایم وقار مونلو	6
محترمہ غزالہ وقار	6
جناب سراج صادق مونلو	6
جناب سید ایزودان	6
جناب عامر شمیم	6
جناب عمر اللیاس شفیع	6
جناب سید اناموداں	6

10- سال کے دوران ڈائریکٹرز، سی ای او، اور سی ایف او، کمپنی سیکرٹری اور ان کی بیویوں اور نابالغ بچوں کی طرف سے خریدا اور فروخت کے کوئی حصص تھے.

11- تازہ بولڈنگ اور کارپوریٹ گورننس کے کوڈ کی طرف سے کی ضرورت اضافی معلومات کی طرز پر قبضہ کر لیا جاتا ہے.

:پریکشکوں

KARACHI

.کے لئے پریکشکوں کی تقرری اور ان کے معاوضے کو ٹھیک کرنے کی درخواست کی جاتی ہے 2017-2018آپ سال مشتاق اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس سیوانیورٹ اور دوبارہ تقرری کے لئے انہیں پیش کرتا .ے / Mموجودہ پریکشکوں ہے.

:اعتراف

میں ریکارڈ تعاون ان کے تعاون سے ان کی حمایت کے لئے اور بغیر ہمارے بینکاروں کی طرف سے ظاہر کئے گئے، وفاداری اور کمپنی کی جانب عملے کے ارکان .حال نتائج حاصل کیے جا سکتے تھے پر رکھنے کے لئے پسند کریں گے .اور کارکنوں کی لگن بھی موجود نتائج کے حصول کے لئے اہم عوامل میں سے ایک ہے

کے لئے اور بورڈ کی جانب

وقار مونئو
(ڈائریکٹر /چیف ایگزیکٹو)

2017اکتوبر، 6thپر :کراچی

CHAIRMAN REVIEW ON BOARD'S OVERALL PERFORMANCE U/S 192 OF COMPANIES ACT 2017

1. The board of Directors met 7 times during the year dealing with routine business matters as well as other matters.

2. The board received proper agendas and supporting papers in a timely manner for its Board Meetings.

3. All Directors fully participated in the meetings and made valuable contributions in decision making process of the Board.

4. The Board's various committees are meeting regularly to strengthen the functions of the Board.

5. Looking ahead, with improved regulatory climate, the Board will sail the company into a profitable undertaking.

Ghazala Waqar.

Karachi: 6th October, 2017

MRS.GHAZALA WAQAR
(Chairman)

STATISTICAL SUMMARY OF KEY OPERATING & FINANCIAL DATE FOR LAST SIX YEARS.

(Rupees in Million)

OPERATING RESULTS

YEAR ENDED JUNE 30, 2017	2017	2016	2015	2014	2013	2012
Sales net	77.78	-	77.01	1,971.66	2,634.36	2,278.47
Gross profit.	(13.55)	(38.60)	(104.86)	(194.08)	193.55	139.30
Operating expenses	90.96	(23.47)	16.19	56.30	155.08	71.80
Operating profit	77.41	(62.08)	(118.11)	(222.80)	62.97	74.84
Finance cost	(81.21)	(1.58)	107.79	130.93	148.68	162.37
Profit/(Loss) before tax	(3.80)	(63.66)	(225.90)	(353.73)	(85.71)	(87.53)
Taxation	(7.81)	(0.65)	0.53	7.91	21.92	21.94
Profit /(Loss) after tax	(11.61)	(64.31)	(226.00)	(361.64)	(107.62)	(109.46)

FINANCIAL POSITION

Paid-up Capital	120.00	120.00	120.00	120.00	120.00	120.00
Retained earnings/(loss)	(1,219.70)	(1,210.97)	(1,552.35)	(1,336.23)	(965.15)	(815.73)
Total equity	(1,099.70)	(1,090.97)	(1,432.35)	(1,216.23)	(845.15)	(695.73)
Long term finances	885.70	619.85	1,293.77	1,223.34	1,220.62	1,131.16
Deferred liability	0.07	0.02	0.26	0.08	9.39	5.07
Current liabilities	572.90	778.53	1,211.89	1,162.25	1,086.39	1,117.51
Total assets	884.88	929.34	1,926.99	2,124.33	2,514.99	2,637.49
Fixed assets (Gross)	798.27	939.91	2,021.29	2,021.29	2,110.52	2,092.21
Accumulated depreciation	29.25	113.64	226.40	176.07	154.30	96.72
Fixed assets (Net)	769.02	826.27	1,794.89	1,845.22	1,956.22	1,995.50
Long term deposits	3.55	3.44	3.41	3.41	3.41	5.06
Long Term Investment	-	-	-	-	-	44.67
Current assets	112.32	99.63	128.70	275.70	555.36	592.27

RATIOS

Gross profit to sales % (Excluding Depreciation)	(0.004)	-	(73.00)	(7.25)	9.58	8.61
Gross profit to sales % (Including Depreciation)	(0.17)	-	(136.18)	(9.84)	7.35	6.11
Cost of sales to sales %	1.17	-	(236.18)	(109.84)	(92.65)	(93.89)
Net profit to sales %	(0.15)	-	(293.35)	(17.94)	(3.25)	(3.84)
Earning/(loss) per shares in Rs.	(0.97)	(5.36)	(18.83)	(30.14)	(8.97)	(9.12)
Earning/(loss) to equity %	0.01	0.06	15.77	29.08	10.14	12.58
Admin expenses to net sales %	0.14	-	21.03	2.86	5.89	3.15
Return on fixed assets before tax %	(0.02)	(0.08)	(12.75)	(19.41)	(4.39)	(4.39)
Return on total assets before tax %	(0.013)	(6.85)	(11.72)	(16.65)	(3.41)	(3.32)
Debt equity ratio %	(0.88)	(0.83)	127.12	107.72	83.75	76.67
Current ratio	0.20	0.13	0.11	0.24	0.51	0.53
Quick ratio	0.18	0.13	0.11	0.14	0.22	0.31
Turn over to fixed assets times	0.10	-	0.04	1.08	1.35	1.14
Turn over to total assets times	0.09	-	0.04	0.93	1.05	0.86

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2017

ADDITIONAL INFORMATION

SHAREHOLDER'S CATEGORY		Total Shares	Percentage
Associated Companies, Undertakings and related parties (Name-wise).		None	None
Directors, CEO and their Spouse and Minor Children (Name-wise)		-	
1 Muhammad Waqar Monnoo	Chairman and Chief Executive / Director	1,878,570	15.65
2 Mrs. Ghazala Waqar	Director	1,151,660	9.60
3 Mr. Siraj Sadiq Monnoo	Director	2,300,025	19.17
4 Mrs. Hina Siraj Sadiq	Director's Spouse	4,803,250	40.03
5 Mr. Syed Ayazuddin	Director	5,000	0.042
6 Mr. Umar Ilyas Shafi	Director	2,500	0.021
7 Mr. Syed Inamuddin	Director	2,500	0.021
8 Mr. Aamir Shamim	Director	2,500	0.021
Executives		None	None
Public Sector, Joint Stock Companies and Corporations			
1 Trustee National Bank of Pakistan Employees Pension fund		3,918	0.0327
2 Trustee National Bank of Pakistan Employees Benevolent fund		137	0.0011
3 National Bank Of Pakistan		25	0.0002
4 Fateh Textile Mills Ltd.		50	0.0004
5 Fikree's (SMC-PVT) Limited		1,000	0.01
6 Investment Corporation of Pakistan		450	0.0038
7 Shadab Innovations (Pvt) Ltd		2,000	0.0167
8 Maple Leaf Capital Ltd		1	0.0000
9 Time Securities (Pvt) Ltd		70,000	0.5833
10 NCC-Presettlement Account		2,000	0.0167
11 Salim Sozer Securities (Pvt) Ltd		50,000	0.4167
12 Din Capital Ltd		32,000	0.2667
13 MRA Securities (Pvt) Ltd		17,500	0.1458
Abandoned properties & Other Companies.			
(1) Abandoned Properties Organization.		200	0.0017
Shareholders holding 10% or more voting interest in the Listed Companies			
(1) Muhammad Waqar Monnoo.		1,878,570	15.65
(2) Mr. Siraj Sadiq Monnoo.		2,300,025	19.17
(3) Mrs. Hina Siraj Sadiq		4,803,250	40.03

KARACHI

FORM - A

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2017

No. of Share	Shareholding					Total Shares Held
185	Holding	from	001	to	100	8,557
121	---do---		101	to	500	35,029
33	---do---		501	to	1,000	32,900
72	---do---		1,001	to	5,000	202,514
18	---do---		5,001	to	10,000	143,000
8	---do---		10,001	to	15,000	101,000
4	---do---		15,001	to	20,000	73,000
5	---do---		20,001	to	25,000	124,500
1	---do---		25,001	to	30,000	30,000
4	---do---		30,001	to	35,000	129,000
3	---do---		35,001	to	40,000	110,500
1	---do---		40,000	to	45,000	44,000
2	---do---		45,001	to	50,000	100,000
3	---do---		65,001	to	70,000	206,500
1	---do---		75,001	to	80,000	75,500
1	---do---		95,001	to	100,000	100,000
1	---do---		350,001	to	355,000	350,500
1	---do---		1,150,001	to	1,155,000	1,151,655
1	---do---		1,875,001	to	1,880,000	1,878,570
1	---do---		2,300,001	to	2,305,000	2,300,025
1	---do---		4,800,001	to	4,805,000	4,803,250
467						**12,000,000**

Categories Shareholders	No. of Shareholders	Shares Held	Percentage
Financial Institutions	1	25	0.0002%
Individuals	454	11,821,169	98.51%
Joint Stock Companies	9	174,551	1.45%
Other Companies	3	4,255	0.04%
	467	**12,000,000**	**100%**

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS
407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 32638521-4 Fax: 32639843
Branch Office: 20-B, Block-G, Gulberg-III, Lahore. Tel: 35884926 Fax: 35843360
Email Address: mushtaq_vohra@hotmail.com

leading edge alliance

REVIEW REPORT TO THE MEMBERS

On the Statement of Compliance with Best Practices of the Code of Corporate Governance

We have reviewed the enclosed statement of compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Olympia Spinning & Weaving Mills Limited** for the year ended June 30, 2017 to comply with the Code contained in regulation No. 5.19 of the Rule book of Pakistan Stock Exchange Limited.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the statement of compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not and to highlight any non-compliance with the requirement of the Code. 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 Code.

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

The Code requires the Company to place before the Audit Committee and upon recommendation of audit committee, places before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the statement of compliance does not appropriately reflect the status of the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2017.

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

Paragraph reference	Description
9	Appropriate arrangement to carry out Director training program has not been carried out as specified in clause (xi) of CCG.
10	Appropriate arrangement for the appointment of Head of Internal Audit has not been carried out as specified in clause (xiv) of GCC

KARACHI:
Date:

MUSHTAQ & COMPANY
Chartered Accountants
Engagement Partner:
Mushtaq Ahmed Vohra
FCA

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE PERIOD ENDED 30TH JUNE, 2017

This statement is being presented to comply with the Code of Corporate Governance contained in listing Regulation of the Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Board comprises seven directors including CEO. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board. At present the board includes following:

Category	Names
Independent Director	Mr Umar Ilyas Shafi
Executive Directors	Mr M.Waqar Monnoo
	Mr Siraj Sadiq Monnoo
Non-Executive Directors	Mrs Ghazala Waqar
	Mr Syed Inamuddin Ahmed
	Mr Amir Shamim
	Mr Syed Ayazuddin

The independent directors meets the criteria of independence under clause 5.19.1 of the CCG.

2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.

3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred on the Board during the year.

5. The Company has prepared a 'Code of Conduct' and ensures that appropriate steps have been taken to disseminate it through the company along with its supporting policies and procedures.

6. 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.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive and non-executive directors, have been taken by the Board.

8. All the meetings of the Board were presided over by the Chairman and, in the absence, by a director elected by the Board for this Purpose and the board met at least once in every quarter. Written notices of the Board meetings along with the agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

Olympia Spinning & Weaving Mills Ltd. KARACHI

9. The Board arranged in house orientation courses for its directors during the year to apprise them of their duties and responsibilities and to brief them regarding amendments in the Companies Ordinance / Corporate Laws.

10. During the year, the Board has approved the appointment of Chief Financial Officer and Company Secretary including their remuneration and terms and conditions of employment.

11. The directors' report for this year ended June 30, 2017 has been prepared in compliance with the requirements of the Code and it fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by CEO and acting CFO before approval of the Board.

13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.

14. The Company has complied with all the corporate and financial reporting requirements of the Code.

15. The Board has formed an audit committee. It comprises of three members, chairman of whom is independent director and two members are non executive directors of the company.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been framed and advised to the committee for compliance.

17. The board formed Human Resource and Remuneration Committee (HR&R). It comprises of three non-executive directors.

18. The Board has set-up an effective internal audit function within the company. Unfortunately due to closure of spinning business and financial constraints, no Internal Audits were conducted during the year.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, 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 Institute of Chartered Accountants of Pakistan.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The "closed Period", prior to the announcement of interim/final results and business decisions, which may material affect the market price of the company's securities, was determined and intimated to directors, employees and stock exchange.

22. Material/price sensitive information has been disseminated among all the market participants at once through stock exchanges.

Olympia Spinning & Weaving Mills Ltd. KARACHI

23. The company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.

24. We confirm that all other material principles enshrined in the Code of Corporate Governance have been complied with.

FOR AND BEHALF OF THE BOARD OF DIRECTORS

Ghazala Waqar

MRS GHAZALA WAQAR
CHAIRMAN

M. WAQAR MONNOO
CHIEF EXECUTIVE

Karachi: 06th October, 2017

Olympia Spinning & Weaving Mills Ltd. KARACHI

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of the members of Olympia Spinning & Weaving Mills Limited will be held at 5:00 p.m.on Monday 30 October, 2017 at the registered office of the company at H-23/3 Landhi Industrial Area Karachi to transact the following business:

Ordinary Business:

1 To confirm the minutes of the last General Meeting held on March 10, 2017.

2 To receive, consider and adopt Audited Accounts for the year ended 30th June, 2017 together with Auditor's and Director's Report thereon.

3 To appoint Auditors for the year ending 30th June, 2018 and to fix their remuneration.

Special Business

4 To consider the change of name of the company from "Olympia Spinning & Weaving Mills Limited" to "Olympia Mills Limited" and if thought fit by the shareholders to pass with or without modifications following resolution as Special Resolution"
"Resolved that subject to approval of SECP, the name of the company be and is hereby approved to be change from "Olympia Spinning & Weaving Mills Limited" to "Olympia Mills Limited".
Further Resolved that in the Memorandum & Article of Association the old name of the company be and is hereby replaced by its new name "Olympia Mills Limited".
"Further Resolved the Chief Executive & Company Secretary of the company be and is hereby authorised to do all acts, deeds and things as may deem necessary in this regard".

5 To obtain post approval from shareholders in respect of leasing/renting of abundant available space of Factory building & Paper Machinery to various parties as required under Section 183(3) and to pass with the approval of Shareholders following resolution as Special Resolution:
"Resolved that the company is hereby authorised to lease out/rent out available Factory building and Plant & Machinery as and when required."
"Further Resolved the Chief Executive & Company Secretary of the company be and is hereby authorised to do all acts, deeds and things as may deem necessary in this regard".

Other Business

6 To transact any other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Chief Executive

Karachi: 6th October, 2017

Notes:

(i) The Register of Members of the Company will remain closed from 24 October 2017 to 30 October 2017 (both days inclusive), members are requested to notify change of addresses (if any)

(ii) A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The instrument appointing a Proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of the power of attorney must be received at the Registered Office of the Company duly stamped, signed and witnessed not later than 48 hours before the meeting.

(iv) Central Depository Company account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A For Attending the Meeting

1 In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall, authenticate his identity by showing his original National Identity Card (NIC) or original Passport at the time of attending the Meeting.

2 In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B For Appointing Proxies

1 In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.

2 The proxy form shall be witnessed by two persons whose name, addresses and NIC numbers shall be mentioned on the form.

Olympia Spinning & Weaving Mills Ltd KARACHI

3 Attested copies of NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
4 The proxy shall produce his original NIC or original passport at the time of the Meeting.
5 Members are requested to notify immediately changes, if any, in their registered addresses.

C In order to comply with the requirements of SECP SRO 831 (1)/2012 dated July 2, 2012, members who hold shares in physical form an have not yet submitted photocopy of their CNIC are requested to send the same to the Share Registrar of Company Najeeb & Consultant (Private) Limited, 405 Commerce Centre Hasrat Mohani Road, Karachi at the earliest. CDC Shareholders are requested to submit thei CNIC directly to their broker (Participant)/CDC Investor account services.

D Shareholders who hold shares in physical form are requested to provide option for dividend mandate to our share registrar in order t comply with the requirements of SECP Circular 18 of 2012 dated June 05, 2012. CDC shareholders are requested to submit thei dividend mandate directly to their broker (Participant)/CDC Investor account services.

E (1) "The Government of Pakistan through Finance Act, 2017 has made certain amendments in section 150 of the Income Tax Ordinance 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These ta rates are as under:

(a) For filers of income tax returns: 15%
(b) For non-filers of income tax returns: 20%

To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 20%, all the shareholders whose name are not entered into the Active Tax payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised t make sure that their names are entered into ATL before the date for payment of the cash dividend otherwise tax on their cash dividen will be deducted @20% instead @ 15%.The Joint shareholders are requested to submit their shareholding portion with identification o principal shareholder and Joint holder for deduction of taxes within 10 days of publication of this notice otherwise it will assumed that th shares are equally held by Joint shareholders.

2 For any query/problem/information, the investors may contact the company on phone Numbers 021-35080923-24, e-mail addresse finance@olympiaspinning.com. and the relevant officer Mr. Ashraf of he Company and the Share Registrar Mr. Mohammad Sarfaraz o Najeeb Consultants (Private) Limited.

3 The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respectiv participants. Whereas corporate physical shareholders should send a copy of their NTN certificate to the company or its Share Registra i.e. Mr. Mohammad Sarfaraz of Najeeb Consultants (Private) Limited. The Shareholders while sending NTN or NTN certificates, as th case may be, must quote company name and their respective folio numbers. "

F SECP vide SRO 787 (1)/2014 dated September 08, 2014 has provided an option for shareholders to receive audited financial statement along with notice of annual General meeting electronically through email, Hence, members who hold shares in physical form and ar interested in receiving the annual reports and notice of annual general meeting electronically in future are required to submit their emai addresses and consent for electronic transmission to the share registrar of the company , CDC shareholders are requested to submit thei email address and consent directly to their broker (Participant)/CDC Investor account services.

G Members may participate in the meeting via video-link facility if the company received the demand from shareholders holding 10% or more shareholding and residing at a geographical location outside Karachi at least 10 days prior to the date of the meeting in writing.

H **Statement under Section 134(3) of Companies Act 2017**
This Statement sets out material facts concerning Special Business to be transacted at the Annual General Meeting of the company to be held on 30 October 2017.

(i) **Information about the change in name of company**
Due to closure of Spinning unit of the company and commencement of Paper & other businesses it is essential that the name of the company to be changed. The directors have no interest in the special business except to the extent of their shareholding as shareholder.

(ii) **Information about Lease out/Rent out of Factory Building and Paper Plant & Machinery-Post Approval**
The company has abundant factory space of around 300,000/-sq.ft available which is located at prime location of karachi.The Memorandum & Article of the company already allows the leasing/rent business but to comply with the requirements of Section 183(3), this post approval has been formally sought from the shareholders. The management has also decided to leased out the Paper Plant to cover the risk of wild fluctuations in prices of paper cost components as the company requires a steady flow of revenue to service its debt more smoothly and to make room for diversification in different buisnesses.
The directors have no interest in the special business except to the extent of their shareholding as shareholder.

Olympia Spinning & Weaving Mills Ltd. KARACHI

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS
407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 32638521-4 Fax: 32639843
Branch Office: 20-B, Block-G, Gulberg-III, Lahore. Tel: 35884926 Fax: 35843360
Email Address: mushtaq_vohra@hotmail.com

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Olympia Spinning & Weaving Mills Limited** as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by the management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verifications, we report that:

a) The company has ceased the operation of spinning unit since May 21, 2014 and during the year, the company incurred loss of amounting to Rs. 11.675 million (2016: Rs. 64.312 million) and as of that date, reported accumulated losses of Rs. 1,223.346 million (2016: Rs 1,214.545 million). The current liabilities exceeded its current assets by Rs. 460.583 million (2016: Rs. 678.899 million). This results in severe liquidity crisis and inability of the company to comply with loan agreements and inability to pay long term financing from financial institutions amounting to Rs. 51.000 million and curtailment of working capital lines by financial institutions, discontinuance of operations and disposal of fixed assets. Also, during the year, company acquired paper production plant and subsequent to date of financial statement, company has leased it out mentioned in note 38 (Event after Balance sheet Date). These conditions along with adverse key financial ratios and legal cases against the company as mentioned in note 12 (Contingencies and Commitment) give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future and therefore, the company may be unable to realize its assets and discharge its liability in a normal course of business. However, management assesses the reliability of going concern assumption in preparation of these financial statements and the financial statements have been prepared on going concern basis, but in our judgment, management's use of going concern assumption in these financial statements is inappropriate.

b) Balance with Standard Chartered amounting to Rs. 6.058 million remains unconfirmed. Confirmation was sent. We were also unable to satisfy ourselves as to the correctness of the reported balances by performing other alternate auditing procedures and mentioned in note 12 (contingencies and commitment).

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Email Address: mushtaq_vohra@hotmail.com

c) Except for the paragraph (a) and (b) above and its effects on financial statements, in our opinion, proper books of accounts have been kept by the company as required by the Companies ordinance, 1984;

d) in our opinion;

i. Except for the paragraph (a) and (b) above and its effects on financial statements, the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied.

ii. the expenditure incurred during the year was for the purpose of the company's business; and

iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;

e) In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the inappropriate going concern assumption and other matters discussed in paragraph (a) to (b), the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof do not conform with approved accounting standards as applicable in Pakistan, and do not give the information required by the Companies Ordinance, 1984, in the manner so required and respectively do not give a true and fair view of the state of the company's affairs as at June 30, 2017 and of the loss, comprehensive loss, its cash flows and changes in equity for the year then ended; and

f) In our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Karachi.
Dated: ________ ___

MUSHTAQ & COMPANY
Chartered Accountants
Engagement Partner:
Mushtaq Ahmed Vohra,
FCA

OLYMPIA SPINNING & WEAVING MILLS LIMITED
BALANCE SHEET
AS AT JUNE 30, 2017

	NOTES	JUNE 30, 2017 RUPEES	JUNE 30, 2016 RUPEES
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
13,000,000 (2016: 13,000,000) Ordinary shares of Rs.10 each.		130,000,000	130,000,000
Issued, subscribed and paid up capital	5	120,000,000	120,000,000
Reserves	6	(1,219,700,947)	(1,210,965,258)
		(1,099,700,947)	(1,090,965,258)
Surplus on revaluation of property, plant and equipment	7	525,920,777	621,900,373
NON CURRENT LIABILITIES			
Long term financing	8	885,695,818	619,849,387
Deferred liabilities	9	67,733	23,421
CURRENT LIABILITIES			
Trade and other payables	10	409,387,700	433,180,938
Short-term borrowings	11	85,211,041	62,227,776
Current portion of - long term financing		78,300,000	283,120,983
		572,898,740	778,529,697
CONTINGENCIES AND COMMITMENTS	12	-	-
		884,882,122	929,337,619
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	13	769,021,704	826,268,971
Long term deposit	14	3,545,162	3,438,482
CURRENT ASSETS			
Stock in trade	15	9,358,230	-
Trade debts	16	23,173,864	-
Other financial assets	17	34,096,000	34,096,000
Loans and advances	18	1,883,626	13,539,992
Income tax and Sales tax Refundable	19	9,494,410	14,954,722
Other receivables	20	25,845,649	31,188,269
Cash and bank balances	21	8,463,475	5,851,182
		112,315,254	99,630,165
		884,882,122	929,337,619

The annexed notes from 1 to 40 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Olympia Spinning & Weaving Mills Ltd. KARACHI

OLYMPIA SPINNING & WEAVING MILLS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	NOTE	For the year ended June 30, 2017 RUPEES	For the year ended June 30, 2016 RUPEES
Sales (net)	22	77,782,303	-
Cost of Sales	23	(91,335,680)	(38,602,832)
Gross (Loss)		**(13,553,377)**	**(38,602,832)**
Administrative Expenses	24	(11,206,008)	(6,669,788)
Other Income	25	135,466,964	168,937,094
Other Operating Expenses	26	(33,299,083)	(185,741,113)
		90,961,873	(23,473,806)
Operating Profit/ (Loss)		**77,408,495**	**(62,076,638)**
Finance Cost	27	(81,209,512)	(1,584,913)
Profit before taxation		**(3,801,015)**	**(63,661,551)**
Taxation - Current	28	(5,744,422)	(662,582)
- Prior		(2,064,406)	11,552
Net (Loss) for the year after taxation		**(11,609,844)**	**(64,312,581)**
(Loss) per share - Basic and diluted	29	**(0.97)**	**(5.36)**

The annexed notes from 1 to 40 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Olympia Spinning & Weaving Mills Ltd. KARACHI

OLYMPIA SPINNING & WEAVING MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2017

	NOTE	For the year ended June 30, 2017 RUPEES	For the year ended June 30, 2016 RUPEES
(Loss) for the year ended after taxation		(11,609,844)	(64,312,581)
Other Comprehensive Loss:			
Remeasurement of post retirement benefit obligation		(2,390)	-
Total comprehensive (Loss) for the year		**(11,612,234)**	**(64,312,581)**

The annexed notes from 1 to 40 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Olympia Spinning & Weaving Mills Ltd. KARACHI

OLYMPIA SPINNING & WEAVING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Note	PAID UP CAPITAL	REVENUE RESERVE	ACCUMULATED LOSS	TOTAL
		RUPEES			
Balance as at 01-07-2015		120,000,000	3,580,053	(1,555,931,177)	(1,432,351,125)
Total comprehensive loss for the year ended June 30, 2016		-	-	(64,312,581)	(64,312,581)
Transfer from surplus on revaluation of property, plant & equipment on account of incremental depreciation		-	-	6,221,102	6,221,102
Realization of Surplus on revaluation of property, plant & equipment on		-	-	399,477,344	399,477,344
Balance as at 30-06-2016		**120,000,000**	**3,580,053**	**(1,214,545,311)**	**(1,090,965,260)**
Total comprehensive loss for the year ended June 30, 2017		-	-	(11,612,234)	(11,612,234)
Transfer from surplus on revaluation of property, plant & equipment on account of incremental depreciation		-	-	2,876,546	2,876,546
Balance as at 30-06-2017		**120,000,000**	**3,580,053**	**(1,223,281,000)**	**(1,099,700,949)**

The annexed notes from 1 to 40 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Spinning & Weaving Mills Ltd. KARACHI Olympia

OLYMPIA SPINNING AND WEAVING MILLS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Note	For the year ended June 30, 2017 RUPEES	For the year ended June 30, 2016 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	30	16,904,746	9,565,946
Taxes paid - net of refund received		(7,124,846)	5,355,986
Finance cost paid		(1,689,887)	(1,584,913)
Long term deposits		(106,680)	(30,000)
Net cash from operating activities		7,983,334	13,307,019
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		2,860,000	-
Fixed capital expenditure		(25,155,670)	-
Net cash used in investing activities		(22,295,670)	-
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finance		(6,058,635)	(15,247,765)
Short term borrowings		22,983,265	1,728,315
Net cash used in financing activities		16,924,630	(13,519,450)
Net increase in cash and cash equivalents		2,612,294	(212,431)
Cash and cash equivalents at the beginning of the year		5,851,182	5,146,160
Cash and cash equivalents at the end of the year.	21	8,463,475	5,851,182

The annexed notes from 1 to 40 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Olympia Spinning & Weaving Mills Ltd. KARACHI

1 The Company and its Operations

1.1 THE COMPANY AND ITS OPERATIONS:

The company was incorporated in Pakistan as a public limited company on October 28, 1960 under the Companies Act, 1913 (Now the Companies Ordinance, 1984), and its shares are quoted on the Pakistan Stock Exchange. On 14 November 2016, the Company notified to SECP for the commencement of Paper Manufacturing Business as Principal Line of business under Section 32 of the Companies Ordinance,2016. The registered office of the company is situated at H-23/3, Landhi Industrial Area, Landhi Karachi.

1.2 During the year, the company incurred loss of amounting to Rs. 11.609 million (2016: Rs. 64.312 million) and as of that date, reported accumulated losses of Rs. 1,223.281 million (2016: Rs 1,214.545 million). The current liabilities exceeded its current assets by Rs. 460.583 million (2016: Rs. 678.899 million). These conditions along with adverse key financial ratios and legal cases against the company as mentioned in note 12 (Contingencies and Commitment) give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future and therefore, the company may be unable to realize its assets and discharge its liability in a normal course of business. However, management assesses the reliability of going concern assumption in preparation of these financial statement and the financial statements have been prepared on going concern basis on following factors.

1.2.1 REVENUE GENERATION MITIGATING FACTORS

(i) Paper Manufacturing Business

The Company Started paper manufacturing business from November 2016 . Previously the shareholders of the company in an EOGM held in year 2012 approved the business of Paper Manufacturing subject to fulfilling of legal formalities. All the borrowers provided their consent to the company except for the Standard Chartered Bank,against which the company had filed a complaint with Banking Ombdudman. During the current period Standard Charterd Bank has also issued NOC for paper business against the order of the Banking Ombdudman in favor of the company. However, subsequent to balance sheet date, company leased its paper production facility to Perfect Paper Mills as mentioned in note 38 (Event after Balance sheet Date) and discontinued its operation.

(ii) Renting of unused factory space

The company after Debt-swap settlement arrangement with bankers have sufficient space availalble for rent which is expected to generate annual cashflows around Rs 40-45 million.

1.2.2 FINANCIAL & DEBT RESTRUCTURING FACTORS

(i) Restructuring of Entire Bank Borrowing by Executing a Debt-Asset Swap arrangement

All our borrowers entrust our commitment agreed to restructure all our borrowings that existed at 30 June 2015 through a Debt-Asset Swap arrangement with conditional write off of Frozen markup of Rs 388.318 million subject to the payment of principal as per schedule agreed with the banks. During the current year United Bank Limited has restructured our balance amount of Rs 39.8 m into a four year term finance with flexible repayment plan and markup payable at the end of term. The outsbalance payable to Askari Bank Ltd and Soneri Bank Ltd will become after 31 December 2018.

(ii) Settlement with Cotton Ginners and Store Parties

Due to severe liquidity crisis, the company started negotiation with cotton ginners and other creditors during last year to settle their dues amicably. We are please to inform you that majority of cotton ginners and parties understand our position and agreed on bilateral settlement terms. The negotiation with remaining creditors are in process. As a result of our firm assurances not a single creditor gone to Court for initiating recovery proceedings.A major partion of creditors has been settlement. The balance amount is expected to be settled within a year.

(iii) Support of Directors, Sponsors and Olympia Power Generation (Pvt) Limited

Directors of the company have committed that if in case any additional funds are required for running the business of the company, will be provided by the sponsors and directors. Moreover Olympia Power will provide continuous support to the company by sale of electricity.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except for measurement of certain financial assets and financial liabilities at fair value and recognition of employee benefits at present value.

2.2 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 (the Ordinance), provision of and directive issued under the Ordinance. In case requirements differ, the provisions or directives of the Ordinance shall prevail.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the company's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest Rupee.

2.4 Use Of Estimates And Judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Olympia Spinning & Weaving Mills Ltd.
KARACHI

3 **Standards, interpretations and amendments to approved accounting standards that are not yet effective**

The Company has adopted the following revised standards and amendments of IFRs which became effective for the current year:

IFRS 10-Consolidated Financial Statements,IFRS 12 disclosure of Interests in other entities and IAS 27 separate financial statements:
Investment Entities:Applying the consolidation exception (Amendment)
IFRS 11-Joint Arrangements:Accounting for acquisition of interest in joint operation (Amendment)
IFRS 1-Presentation of financial statement Disclosure initiative (Amendment)
IFRS 16-Property,Plant and Equipment and IAS 38 Intangiable Assets:Clarification of acceptable method of deprecition and amortization(Amendment)
IAS 16-Property,Plant and Equipment IAS 41 Agricuture-Agriculture:Bearer Plants (amendment)
IAS 27-e Financial Statements: Equity method in separe financial statements(Amendment)

Annual improvements to IFRS 2014-2014 Cycle

IFRS 5-Non-current Assets held for sale and discounted operations-Changes in methods of disposal
IFRS 7-Financial Instruments:Disclosures -Serving contracts
IFRS 7-Financial Instruments:Disclsoures -Applicability of the offsetting disclosures to condensed interim financial statements
IAS 19-Employee Benefits-Discount rate-reginal market issue
IAS 34-Interm Financial Reporting -Disclosure of information elsewhere in the interm financial report

The adoption of the above revised standards,amendments and improvements does not have any material effect on theses financial statements.

Standards,amendments and improvements to approved accounting standards that are not effective

Standard or Interpretation	Effective Date(Annual Periods Begning on or after)
IFRS 2 Share -Classification and Measurement of Share- based Payments Transactions(Amendment)	January 1, 2018
IFRS 10 Consolidation Financial Statements and IAS 28 Investment in Associates and Joint Ventures-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet finalized
IAS 7-Financial Instruments:Disclosures Initiative (Amendment)	January 1, 2017
IAS 12 Income Taxes-Recognition of deferred Tax Assets for Unrealized Losses (Amendments)	January 1, 2017
IAS 4 -Insurance contracts:Applying IFRS 9 Financial Instruments with IFRs 4 Insurance	January 1, 2018
IFRIC 22-Foreign currency trnsections and advance consideration	January 1, 2018
IFRIC 23- Uncertainity over Income tax treatment	January 1, 2019

The company expects that the adoption of the above standards and amendments will not have any material impact on the company's financial statements in the period of initial application.

Futher,the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standard or Interpretation	IASB Effective Date(Annual Periods Begning on or after)
IFRS 9-Financial Instruments: Classification and Measurements	January 1, 2018
IFRS 14-Regulatory Deferral Accounts	January 1, 2018
IFRS 15-Revenue from Contracts with Customers	January 1, 2018
IFRS 16-Leases	January 1, 2019
IFRS 17- Insurance Contracts	January 1, 2021

The company expects that above new standards will not have any material impact to the company's financial statement s in the period of initial application.

Olympia Spinning & Weaving Mills Ltd.
KARACHI

4 Summary of Significant Accounting Policies

4.1 Defined benefit plan

The company operates an unfunded gratuity plan for all of its permanent employees, who attain the minimum qualification period for entitlement to gratuity. Provision is made on the basis of actuarial valuation. The most recent actuarial valuation was carried out effective from June 30, 2017 using the Projected Unit Credit Method.

Any Remeasurement of post retirement benefit obligation recognized during the year if any, recognized in "Statement of Comprehensive Income."

4.2 Taxation

Current

Provision for current taxation is made on the taxable income, if any, after taking into account tax credit and tax rebate available.

Deferred

Deferred tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. The carrying amount of all deferred tax assets are reviewed at each balance sheet date and reduced to the extent, if it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

4.3 Trade and other payables

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

4.4 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.5 Property, plant and equipment

a) Owned

Property plant and equipment except land, Building and Plant & Machinery are stated at cost less accumulated depreciation and impairment loss, if any. Land, Building and Plant & Machinery are stated at revalued amount less accumulated depreciation and impairment loss, if any. Depreciation on additions during year is charged on pro-rata basis when the asset is acquired or capitalized. Similarly the depreciation on deletion is charged on pro-rata basis up to the period when the assets is derecognized. The company reviews the rate of depreciation, useful life, residual value of assets for possible impairment on annual basis. Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charges and impairment. Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

b) Leased Assets subject to finance lease

Assets subject to finance lease are initially recorded at the lower of present value of minimum lease payment under the lease agreement and the fair value of the leased asset. The related obligations under the lease less financial charges allocated to future period are shown as a liability. Financial charges are allocated to accounting period in a manner to provide constant periodic rate of charge on the outstanding liability. Capitalized or leased assets are depreciated on the same basis and on the same rate as owned assets. Income arising from sales and lease back transaction, if any, is deferred and is amortized equally over the lease period.

c) Capital work in progress

Capital work in progress is stated at cost and represents expenditure on fixed assets in the course of construction and installation. Transfers are made to relevant fixed assets category as and when assets are available for use intended.

d) Impairment of fixed assets

In accordance with IAS 36, assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may be recoverable. Whenever the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognized in the profit and loss account.

4.6 Stores, spares and loose tools

These are valued at lower of cost and net realizable value. Cost is determined by moving average method. Items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.7 Stock in trade

These are valued at lower of cost and net realizable value (NRV) except waste which is valued at NRV, cost is determined as follows:

Raw material	Yearly average except those in transit which are stated at cost comprising invoice value plus other charge incurred thereon.
Work in process & Finished goods	Raw material cost plus appropriate Manufacturing Cost.
Waste	At net realizable value

Net realizable value signifies the selling price prevailing in the market less selling expenses incidental to sales.

Olympia Spinning & Weaving Mills Ltd. KARACHI

4.8 Trade debts

Trade debts originated by the Company are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

4.9 Cash and cash equivalent

Cash in hand, cash at bank and short-term deposits, which are held to maturity, are carried at cost. For the purpose of cash flow statements, cash equivalent are short-term highly liquid instrument that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in values.

4.10 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or losses on derecognition of the financial assets and financial liabilities are taken to profit and loss account currently. Financial assets are stated at their nominal value as reduced by the appropriate allowances for estimating irrecoverable amount. Mark up bearing financial liabilities are recorded at the gross proceeds received. Other financial liabilities are stated at their nominal value.

4.11 Offsetting of financial assets and liabilities

A financial asset and financial liability is offset and the net amount is reported in the balance sheet if the company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

4.12 Revenue recognition

Sales are recognized on dispatch of goods to the customers. Dividend income is recognized when right to receive dividend is established. Rental income is recognized on accrual basis.

4.13 Derivative Financial Instruments

These are initially recognized at cost and are subsequently remeasured at their fair value. The method of recognizing gain or loss depends on whether the derivative is designated as a hedging instrument and if so, the nature of the item being hedged. Derivatives (Other than designated as hedging instrument) with positive market values (unrealized gains) are included in other assets and derivate with negative market values (unrealized).Losses are included in other liabilities in the balance sheet. The resultant gain and losses are included in the income currently.

4.14 Borrowing

Borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance costs are accounted for on an accrual basis and are shown as accrued finance cost to the extent of the amount remaining unpaid.

4.15 Dividend and appropriation to reserves

The dividend distribution and appropriation to reserves is recognized in the period in which, these are approved.

4.16 Borrowing costs

Mark up, interest and other charges on borrowing are capitalized up to the date of commissioning of the related property, plant and equipment acquired out of the proceeds of such borrowings. All other mark up, interest and other charges are charged to profit and loss account.

4.17 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses on translation are recognized in the profit and loss account. All non - monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.18 Transactions with related party

Transactions with related parties are priced at comparable uncontrolled market price. All transactions involving related parties arising in the normal course business are conducted at arm's length using valuation modes, as admissible. Parties are said to be related when they meet the definition as provided in the Companies Ord. 1984.

Spinning & Weaving Mills Ltd.
KARACHI

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
5 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
2,200,000 (2016: 2,200,000) Ordinary shares of Rs.10 each allotted for consideration paid in cash		22,000,000	22,000,000
200,000 (2016: 200,000) Ordinary shares of Rs.10 each allotted as bonus shares		2,000,000	2,000,000
9,600,000 (2016: 9,600,000) Ordinary shares of Rs. 10 each issued as right shares		96,000,000	96,000,000
		120,000,000	120,000,000
6 RESERVES			
Revenue reserve		3,580,053	3,580,053
Accumulated loss		(1,223,353,960)	(1,214,545,311)
		(1,219,773,907)	(1,210,965,258)
7 SURPLUS ON REVALUATION OF FIXED ASSETS			
Balance as at June 30, 2016		621,900,373	1,093,347,470
Reversal of Revaluation Surplus on Revaluation of Plant & Machinery		(93,103,050)	(65,748,651)
Realization of Surplus on disposal of fixed asset during the period		-	(399,477,344)
Transfer to equity on account of incremental depreciation		(2,876,546)	(6,221,102)
Balance as at June 30,2017		525,920,777	621,900,373

7.1 The company revalued its Land & Building on market value basis conducted by K.G.Traders , an independent value which result in downward valuation of Rs 89.184 million which was off set against the previous surplus.
In the previous year the company revalued its Plant & Machinery on the basis of taking average value of three valuations conducted by Al-Hadi Financial, K.G.Traders and Sadruddin Associates, independent Valuers on September 3,2015, September 8,2015 and August 25,2015 respectively on the request of Banks which result in downward valuation of Rs 243.180 million on FSV basis, out of which Rs 65.748 million off set the previous surplus.

7.2 The company revalued its Land, Factory Building and Plant and Machinery on market value basis by an independent value M/S Consultancy Support & Services, Management Consultant on 21st February 2012. The revaluation resulted in a cumulative surplus of Rs. 45.306 (M).The company revalued its Land, Factory building & plant & machinery in 2009 which resulted in surplus of 223.989(M), 50.941(M) & 49.515(M) respectively. The revaluation was carried out under market value basis by an independent value Messer Consultancy Support & Service Management Consultants . The company revalued its leasehold land in 2008 & in 2005 by Messer Imran Associate & Messer Consultancy Support & Service Management Consultants respectively which resulted in net surplus of 252.122(M) & 151.635(M) respectively. The company has further revalued its factory building in the year 2006 by Consultancy Support & Services, Management Consultants, which resulted increase in net surplus of Rs. 122.681 (M).

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
8 LONG TERM			
From banking companies - secured			
Term Finance			
United Bank Ltd.	8.1	36,883,983	39,848,983
Askari Bank Ltd.	8.2	175,983,000	127,395,414
Bank AlFalah Ltd.	8.3	151,000,000	155,000,000
Soneri Bank Ltd.	8.4	210,904,875	192,407,375
		574,771,858	514,651,772
Frozen Markup			
United Bank Ltd.	8.1	222,272,000	222,272,000
Askari Bank Ltd.	8.2	119,888,598	119,888,598
Soneri Bank Ltd.	8.4	46,158,000	46,158,000
		388,318,598	388,318,598
Markup Payable-UBL		905,362	
From related party - unsecured			
Directors / Sponsors loan		85,211,041	59,872,259
Less: Transfer to short term borrowing	11.1	(85,211,041)	(59,872,259)
		-	-
Current maturity of long term financing	8.5	(78,300,000)	(283,120,983)
		(78,300,000)	(283,120,983)
		885,695,818	619,849,387

8.1 **United Bank Limited (Loans)**

Olympia Spinning & Weaving Mills Ltd. KARACHI

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES

The company had entered into restructuring agreement with bank to restructure the outstanding ptincipal liabilities Rs. 460 million by entering into a Debt- Asset Swap (DAS araangement) under which it adjust its principal liability by Rs 420.20 m through acquisition of 10.72 acres of land along with building therefore redcuing the outstanding principal to Rs 39.8 m . Upon receipt of full amount within one year, amount of recoverable markup of Rs 222.272 million will be waived off. Accordingly all the securities charges held by the UBL will be release except for the Memorandum of deposit of titled deeds which is reduced from Rs 575.396 million to Rs. 90 million. Lately, bank vide letter dated March 17, 2017, bank has restructured the balance amount of Rs 39.8 million into a four year long term loan payabe in 24 installments with markup accruing at cost of the funds at rate of transaction period prescribed by SBP. The cost of fund so accrued shall be paid in two installments i.e. on December 25, 2020 and March 25, 2021.

8.2 **Askari Bank Ltd. (Term Finance)**

The company had entered into restructuring agreement with bank to restrucutre outstanding principal Rs. 337,395 million by entering into a Debt- Asset Swap (DAS araangement) under which it adjust its principal liability by Rs 210.0 m through acquisition of entire Spinning Plant & Machinery along with Soneri Bank redcuing the outstanding principal to Rs 127.395 million which shall be payable within 18 months. During current period, on completion of sale of machinery by bank, the remaining libility is increased by 48.588 million being the amount of shortfall in sale value due to deteroting textile spinning machinery market. The entire principal liability will required be paid till 31th December 2018. In case the remaining liaiblity is not paid by the company within 18 months , the bank would consider other settlement options on merit subject to its internal approval of Bank's competent authority. All the accrued markup of Rs 119.888 million upto 30th June 2015 will be waived off if the company pay the entire peincipal amount within time. The bank will modify the consent decree in the High Court of Sindh for recording of these modifications. The loan is secured by first pari passu charge by way of mortgage of Rs 150m over company land and building, first pari passu by way of hypothecation charge of Rs. 310 million over plant and machinery, ranking charge of Rs 40 m over receivables and personal guarantee of three directors. The charge over land & building will be reduced pursuant to the acquistion of 10.72 acres of land by UBL.

8.3 **Bank AlFalah Ltd. (Term Finance)**

Bank Alflah Ltd had offered to restructure Term loan on December 09,2015 by decreasing initial installments amounts w.e.f March 2016 to facility the the company. All the remaining terms & conditions remains unchanged. Previously company had signed a restructuring agreement with Bank Alfalah Limited on 13th November 2012 through consent decree. The company will pay principal liability of Rs 192 million in 40 quarterly installments starting from 31st December 2012. The company will pay markup of Rs 83.005 million in six equal quarterly installments starting from 31 December 2020 for 10 years. The loan is secured by existing first pari passu hypothecation charge over movable assets and books debts to the extent of Rs 40m and 2nd ranking charge on land, building and spinning machinery to the extent of Rs 216 million. The overdue principal installment amounts as per original schedule is Rs. 51 million.

8.4 **Soneri Bank Ltd. (Term Finance)**

The company had entered into restrucuting agreement with bank to restructure the Outstanding liabilities (short term financing) by entering into a Debt- Asset Swap (DAS araangement) under which it adjust its principal liability by Rs 80.0 m through acquisition of entire Spinning Plant & Machinery along with Askari Bank Ltd redcuing the outstanding principal to Rs 192.407 million which shall be payable in 18 months from sale of machinery. During current period, on completion of sale of machinery by bank, the remaining libility is increased by 18.498 million being the amount of shortfall in sale value due to deteroting textile spinning machinery market. The entire principal liability will required be paid till 31th December 2018 .All the acrued markup of Rs 46.158 million upto 30th June 2015 will be waived off if the company pay the entire principal amount as term of agreement. however, if the company unable to pay the principal amount within 2 years then the same shall stand restructured as Term Finance Facility payble in 24 quarterly installments with markup to be charge at the rate of 3 month kibor or cost of funds whichever is lower. The facility is secured by first pari passu charge over company's fixed assets amounting to Rs. 147 million, ranking charge over all current and fixed assets for Rs. 294 million, legal mortgage of Rs. 0.1 million over resided property of directors, hypothecation charge on stock and book debts and personal guarantee of directors.

8.5 Current maturity includes overdue amount Rs. 51.000 million and subsequently company has paid Rs. 1.000 million.

9 **DEFERRED LIABILITIES**

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Staff retirement benefit-gratuity	9.1	67,733	23,421
Deferred tax	9.2	-	-
		67,733	23,421

9.1 **Movement in the net liability recognized in the balance sheet**

(a)	Opening net liability	23,421	260,009
	Expense for the year	41,922	23,421
	Liability written off	-	(260,009)
	Remeasurement on obligation	2,390	-
		67,733	23,421

Olympia Spinning & Weaving Mills Ltd. KARACHI

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Contribution paid		-	-
Closing net liability		67,733	23,421

(b) **Expense recognized in the profit and loss account excluding actuarial loss**

Current service cost	39,857	23,421
Interest cost	2,065	-
	41,922	23,421

(c) **General description**

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

(d) **Principal actuarial assumption**

Following are a few important actuarial assumptions used in the valuation.

	%	%
Discount rate	8	11
Expected rate of increase in salary	5	5

(e) Historical information	2017 RUPEES	2016 RUPEES	2015 RUPEES	2014 RUPEES	2013 RUPEES
Present value of the defined obligation	41,922	23,421	260,009	78,603	9,390,368

(f) The expected gratuity expense for the year ending June 30, 2018 works out to 50,000/-

9.2 The company has provided for the current tax based on normal provisions of the income tax ordinance 2001.However,the Company has not provided for deferred tax since the Company's management expects that in consonance with the past trends, future tax liabilities would continue to be finalized under the final tax Regime or no tax liability due to gross losses. The amount of deferred tax on taxable and deductable temporary difference is Rs. 36.919 million (2016: Rs. 61.274 million) and Rs. 115.825 million (2016: Rs. 94.686 million) respectively. Therefore, any timing differences arising during the year are not expected to reverse in future periods. Deferred Tax asset not recognized in the accounts amounting to Rs. 78.906 million (2016: Rs. 33.412 million) as it is not probable that future economic benefits will be available to recover Deferred tax assets.

10 TRADE AND OTHER PAYABLES

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Trade creditors	10.1	349,264,135	396,694,761
Rent Deposit	10.2	7,456,750	300,000
Advance From Customers		6,832,633	2,491,765
Withholding tax payable		797,260	612,697
Accrued expenses		2,162,447	1,559,824
Regulatory Duty Payable	12.1	24,089,788	24,089,788
Worker's profit participation fund	10.3	8,096,195	7,432,103
Infrasturcture Cess Payable	10.4	9,643,838	-
Sales Tax Payable		1,044,654	-
		409,387,700	433,180,938

10.1 Trade creditors include amount due to related parties as follows:

Olympia Power Generation (Pvt) Ltd	10.1.1	125,859,272	96,907,577
Olympia Paper Industries (Pvt) Ltd		36,246,957	9,835,311
		162,106,229	106,742,888

10.1.1 This includes Rs.125.859 million/- (2016: Rs.96.907 million) net payable to Olympia Power Generation (Pvt) Ltd and is payable on demand . The terms & conditions for conversion into loan is not decided yet.

10.2 These deposits are under the term of tenancy agreement.

10.3 **Worker's profit participation fund**

Balance at the beginning of the year	7,432,103	6,846,709
Interest cost	664,092	585,394
Allocation for the year	-	-
Balance at the end of the year	8,096,195	7,432,103

10.4 **Infrastucture Cess**

Infrastucture payable	21,665,371	-
Infrastucture receivable	(12,021,533)	(12,021,533)
	9,643,838	(12,021,533)

10.4.1 As a matter of prudence ,the company has reocgnised a provision of estimated infrastucture cess libility in light of supreme

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES

court judgement .The demand from ETO remain unreconciled since 2011 as ETO fails to provide breakup of demand.Also company's claim of Rs. 12.021 m remain unattended by ETO which related to cess declare illegal by supreme court from 1994 to 2006.

11 SHORT TERM BORROWINGS	Note	June 30, 2017	June 30, 2016
Loan from Director	11.1	85,211,040.92	59,872,258.60
Book Overdraft		-	2,355,517
		85,211,041	62,227,776

11.1 During the period, the loan agreement has been revised. Accordingly, the Loan from Directors / Sponsors is unsecured and interest free and payable on demand.

12 CONTINGENCIES AND COMMITMENTS

Contingencies

12.1 The Company with many other exporters filed a petition against the imposition of regulatory duty on its export of yarn. The court has granted interim stay order in favor of the company and allowed export of yarn without regulatory duty against post dated cheques. The unpaid amount of regulatory duty was Rs. 24 million.

12.2 The company has filed a suit in High Court of Sindh and obtained Stay Order against settlement of cross currency swap contracts of Rs. 830.5 million entered into by the company with Standard Chartered bank. The company mainly contests on provision of unwinding cost calculation, mismatched dates of settlement with its long term loans repayments and other procedural non compliance of foreign bank. No provision of unwinding cost of cross currency swap contract of Rs 293.35 million has been made in the financial statements, as the legal opinion is favorable.

12.3 The company has paid Rs.900,810 as ground rent against the demand of CDGK of Rs. 3.639 m. The company has filed a case in Sindh high couurt.As per legal opinion,there is afirm chance of favaourable outcome.

12.4 Cross corporate Guarantee issued in favor of subsidiary / associated company amounts to Rs. 52.5 million.

12.5 Guarantee issued to Excise and Taxation Officer & SSGC by bank on behalf of the company amounting to Rs.25.796 million.

13 PROPERTY, PLANT AND EQUIPMENT	Note	June 30, 2017	June 30, 2016
Operating Assets	13.1	769,021,704	826,268,971
Capital Work In Progress	13.2	-	-
		769,021,704	826,268,971

13.2 CAPITAL WORK IN PROGRESS	June 30, 2017	June 30, 2016
Opening Balance		22,675,881
Addition	-	-
Transfer		(22,675,881)
Closing Balance	-	-

14 LONG TERM DEPOSITS	June 30, 2017	June 30, 2016
K.E.S.C.	1,829,694	1,829,694
Other deposits	1,715,468	1,608,788
	3,545,162	3,438,482

15 STOCK IN TRADE	June 30, 2017	June 30, 2016
Raw material	2,777,645	-
Finished goods	5,186,343	-
Coal	1,394,242	-
	9,358,230	-

16 TRADE DEBTS	June 30, 2017	June 30, 2016
Considered good		
Local - unsecured	23,173,864	-

Olympia Spinning & Weaving Mills Ltd.
KARACHI

13.1 PROPERTY PLANT AND EQUIPMENTS

PARTICULARS	COST / REVALUATION (RUPEES) AS AT 01.07.2016	ADDITION	REVALUATION	DELETION	TRANSFER	AS AT 30.06.2017	RATE %	DEPRECIATION (RUPEES) AS AT 01.07.2016	FOR THE YEAR	REVALUATION	DELETION	TRANSFER	AS AT 30.06.2017	W.D.V AS AT 30.06.2017
OWNED														
LAND	315,444,391	-	(10,444,391)	-	-	305,000,000		-	-	-	-	-	-	305,000,000
FACTORY BUILDING	319,247,981	-	(175,682,830)	-	51,869,849	195,435,000	4%	31,901,071	9,208,863	(97,063,527)	-	39,709,318	3,755,725	191,679,275
PLANT & MACHINERY	19,719,796	50,542,422	-	(2,800,000)	(4,039,356)	63,422,862	6%	473,716	3,197,082	-	(133,941)	(120,849)	3,416,008	60,006,854
OFFICE EQUIPMENT	10,141,057	-	-	-	-	10,141,057	10%	6,786,447	335,461	-	-	-	7,121,908	3,019,149
FACTORY TOOLS & EQUIPMENT	6,035,843	-	-	-	-	6,035,843	10%	3,093,950	294,189	-	-	-	3,388,139	2,647,704
FURNITURE & FIXTURE	6,195,732	-	-	-	-	6,195,732	10%	4,460,031	173,568	-	-	-	4,633,619	1,562,113
MOTOR VEHICLE	11,187,969	2,563,248	-	(1,774,900)	-	11,976,317	20%	7,812,975	407,099	-	(1,327,238)	-	6,892,836	5,083,481
ARMS & AMMUNITION	67,375	-	-	-	-	67,375	10%	41,676	2,570	-	-	-	44,246	23,129
ELECTRIC & PIPE FITTING	51,869,849	-	-	-	(51,869,849)	(0)	10%	39,071,136	638,182	-	-	(39,709,318)	-	-
TOTAL RUPEES June - 2017	939,909,993	53,105,670	(186,127,221)	(4,574,900)	(4,039,356)	798,274,186		113,641,022	14,257,815	(97,063,527)	(1,461,179)	(120,849)	29,252,482	769,021,704

PARTICULARS	COST / REVALUATION (RUPEES) AS AT 01.07.2015	ADDITION	REVALUATION	DELETION	TRANSFER	AS AT 30.06.2016	RATE %	DEPRECIATION (RUPEES) AS AT 01.07.2015	FOR THE YEAR	REVALUATION	DELETION	TRANSFER	AS AT 30.06.2016	W.D.V AS AT 30.06.2016
OWNED														
LAND	900,689,031	-		(585,244,640)	-	315,444,391		-	-				-	315,444,391
FACTORY BUILDING	371,224,896	15,836,525		(67,813,441)	-	319,247,981	4%	47,518,089	11,642,181		(7,259,199)	-	31,901,071	267,346,910
PLANT & MACHINERY-SPINNING	663,877,695	-	(396,673,250)	(263,324,005)	(3,880,440)	-	6%	143,457,098	10,365,733	(153,492,400)	-	(330,431)	-	-
PLANT & MACHINERY OTHERS	-	15,839,356	-	-	3,880,440	19,719,796	6%	-	143,285	-		330,431	473,716	19,246,080
OFFICE EQUIPMENT	10,141,057	-	-		-	10,141,057	10%	6,413,713	372,734	-	-		6,786,447	3,354,610
FACTORY TOOLS & EQUIPMENT	6,035,843	-	-	-	-	6,035,843	10%	2,767,073	326,877	-	-		3,093,950	2,941,893
FURNITURE & FIXTURE	6,195,732	-	-	-	-	6,195,732	10%	4,267,198	192,833	-	-	-	4,460,031	1,735,681
MOTOR VEHICLE	11,187,969	-	-	-	-	11,187,969	20%	6,969,227	843,748	-	-	-	7,812,975	3,374,994
ARMS & AMMUNITION	67,375	-	-	-	-	67,375	10%	38,820	2,856	-	-	-	41,676	25,699
ELECTRIC & PIPE FITTING	51,869,849	-	-	-	-	51,869,849	10%	37,649,057	1,422,079	-	-	-	39,071,136	12,798,713
TOTAL RUPEES June - 2016	2,021,289,448	31,675,881	(396,673,250)	(714,382,081)		939,909,993		249,080,275	25,312,346	(153,492,400)	(7,259,199)	-	113,641,022	826,268,971

13.1.1 **DISPOSAL OF FIXED ASSETS** 2017

Particulars	Cost	Accumulated Depreciation	Book Value	Sale Price	Gain/(Loss)	Mode of Disposal	Acquirer
Motor Car:							
AUQ-427	1,125,710	806,828	318,882	325,000	6,118	Negociation	Mr Imran Anwar Saigal
CT-0540	539,000	417,667	121,333	150,000	28,667	Negociation	Mr Babar Khan
Motor Cycle:							
KCT-0455	66,000	64,224	1,776	3,000	1,224	Negociation	Mr Rehan Raiz
KBY-7809	44,190	38,519	5,671	6,000	329	Negociation	Mr Zeeshan Ateeq
RO PLANT							
USED RO PLANT (50,000 GPD)	2,800,000	55,693	2,744,307	2,376,000	(368,307)	Negociation	Aqua Regia (Pvt) Ltd
Total Rupees	4,574,900	1,382,931	3,191,969	2,860,000	(331,969)		-

13.1.2 Electric & Pipe fitting are transferred to factory building as they are integral part of building.

13.1.3 Depreciation has been allocated as under:

	June -2017 RUPEES	June -2016 RUPEES
Manufacturing (Cost of Sales)	13,217,467.44	23,900,155
Administrative Expenses	918,698	1,412,191
	14,136,166	25,312,346

13.1.4 Had there been no revaluation the net book value of land and factory building & Plant & Machinery at June 30, 2017 would have been

Land	218,310	218,310
Factory building on lease hold land	327,350,368	164,610,215
As at 30th June 2017	357,568,678	164,828,525
As at 30th June 2016	285,480,519	224,746,185

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
		23,173,864	-
Considered Doubtful		-	1,764,527
Less - Provision for Doubtful Debts	16.1	-	(1,764,527)
		23,173,864	-

16.1 Provision for doubtful claim receivable

Balance at the beginning of the year		1,764,527	1,764,527
Provision made during			-
Bad debts written-off during the year		(1,764,527)	-
Balance at the end of the year		-	1,764,527

17 OTHER FINANCIAL ASSETS

Term Deposits Cross Currency Swap	17.1	8,300,000	8,300,000
Term Deposits - ETO & SSGC	17.2	25,796,000	25,796,000
		34,096,000	34,096,000

17.1 The above deposit had been held by bank as collateral security against Cross currency swap contract. This carries markup at the rate 5.50% (2016 :5.50 % p.a.)

17.2 These represents TDR held by banks, under lien as security margins for guarantees issued to ETO & SSGC. These TDR are held in the name of director and and directors have requested the bank to transfer title of TDR in name of company as and when TDR will become mature. These TDR's carries markup at the rate ranging from 5.5% to 6.00% approx per annum (2016: 5.75 % to 8 %)

18 LOANS AND ADVANCES

Unsecured-considered good

Advances			
To employees			
Staff		191,152	49,000
Workers		55,000	28,000
		246,152	77,000
To suppliers			
Considered Goods		1,637,474	1,441,459
Considered Doubtful		-	244,496
Less Provision for doubtful advances	18.1	-	(244,496)
Infrastructure Cess Receivable	18.2	-	12,021,533
		1,883,626	13,539,992

18.1 Provision for doubtful advances

Balance at the beginning of the year		244,496	244,496
Provision made during the year			-
Bad debts written-off during the year		(244,496)	-
Balance at the end of the year		-	244,496

18.2 In the light of recent Supreme Court decision and on advice of company's lawyer, the company claim Infrastructure Cess from 1994 to 2006 from Excise & Taxation Department.

19 INCOME TAX AND SALES TAX REFUNDABLE

Sales tax refundable-net		-	4,776,330
Income tax refundable			
Opening Balance		10,178,392	16,185,407
Withholding Tax during the year		8,966,279	3,991,689
Refund during the year		(1,841,433)	(9,347,684)
Less: Provision For Taxation		(7,808,828)	(651,020)
		9,494,410	10,178,392
		9,494,410	14,954,722

20 OTHER RECEIVABLES

Rent Receivables & Others		1,901,318	2,002,418
Claims receivables	20.1	29,185,850	30,600,679
Less - Provision for doubtful claim receivable	20.2	(5,241,519)	(1,414,828)
		25,845,649	31,188,269

Olympia Spinning & Weaving Mills Ltd KARACHI

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES

20.1 These represent claims lodged by the company against suppliers for cancellation of raw material contracts.

	Note	June 30, 2017	June 30, 2016
20.2 Provision for doubtful claim receivable			
Balance at the beginning of the year		1,414,827	2,390,251
Provision made during the year		5,241,519	6,638,590
Bad debts written-off during the year		(1,414,827)	(7,614,014)
Balance at the end of the year		5,241,519	1,414,827
21 CASH AND BANK BALANCES			
Cash in hand		162,182	114,271
Cash at bank-SCB Disputed	21.1	6,057,848	5,602,243
Cash at bank in current accounts		2,243,445	134,668
		8,463,475	5,851,182

21.1 This bank account represents profit receivable on TDR held by Standard Chartered Bank.

	Note	June 30, 2017	June 30, 2016
22 SALES			
Local :			
Fluting Paper		77,782,303	-
		-	-
		77,782,303	-
23 COST OF SALES			
Raw material consumed	23.1	32,487,820	-
Stores and spare parts consumed	23.2	2,582,432	-
Salaries, wages and benefits	23.3	5,994,655	844,780
Utilities Charges (Water & Sui gas)		3,782,055	3,196,894
Power Charges	23.4	29,968,423	7,658,487
Steam consumption		7,682,990	-
Vehicle running and maintenance		185,690	173,964
Repairs and maintenance		265,648	1,650,200
Insurance		349,344	1,111,360
Miscellaneous overheads		5,500	66,992
Depreciation	13.1.3	13,217,467	23,900,155
Cost of goods manufactured		96,522,023	38,602,832
Finished goods			
Opening		-	-
Closing		(5,186,343)	-
		(5,186,343)	-
Cost of sales		91,335,680	38,602,832
23.1 RAW MATERIAL CONSUMED			
Opening stock		-	-
Purchases		35,265,465	-
		35,265,465	-
Closing stock		(2,777,645)	-
		32,487,820	-
23.2 STORES AND SPARES CONSUMED			
Opening stock		-	-
Purchases		2,582,432	-
Avaialble		2,582,432	-
Consumed		2,582,432	-

23.3 It includes Rs. 39,857/- (June 2016: Rs. 23,421/-) in respect of staff retirement benefits.

23.4 Power units charged to administrtive expenses amounts to Rs 2.4 million based on appropriate allocation as determine by management.

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
24 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	24.1	2,602,157	1,129,058
Rent, rates and taxes		658,055	910,669
Electric gas and water		3,488,188	1,123,869
Postage, telephone and telex		431,572	389,737
Printing and stationery		10,762	330
Legal and professional		-	120,727
Repairs and maintenance		-	6,000
Advertisement and publicity		79,200	29,700
Motor vehicle expenses		311,261	292,769
Entertainment		105,251	98,630
Auditor's remuneration:	24.2	632,880	632,880
Miscellaneous		430,904	11,557
Insurance Expense		1,537,079	511,671
Depreciation	13.1.3	918,698	1,412,191
		11,206,008	6,669,788

24.1 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Managerial Remuneration and other Allowances	-	-
Number of Persons		

(a) The Chief Executive and Directors of the company have waived off their remuneration and meeting fee.

(b) The Chief Executive and two directors of the company are provided with free use of company maintained car and Electricity & telephone at their residences.

24.2 AUDITOR'S REMUNERATION

Audit fee	500,000	500,000
Half yearly review fee	132,880	132,880
	632,880	632,880

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
25 OTHER OPERATING INCOME			
Income From Financial Assets			
Return on Bank Term Deposits		1,779,298	2,497,408
Others			
Scrap Sales		-	653,150
Rental Income		19,628,443	2,747,311
Others	25.1	25,438,234	-
Gain on fixed assets taken over by Bank		-	1,077,118
Liabilities No Longer Payable-Markup Reversed		-	41,808,460
Liabilities No Longer Payable-Creditors-Ginners		88,620,989	102,502,665
Liabilities No Longer Payable-Creditors-Others		-	17,650,983
		135,466,964	168,937,094

25.1 During the period, company acquired paper plant by investing funds under SRO 1065(I)/2013 and Clause 86-a(iii) of Part IV of Second Schedule.

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
26 OTHER OPERATING EXPENSES			
Claim receivable written off		-	5,223,762
Provision for doubtful claim receivable		5,241,520	1,414,828
Provision for doubtful debt		-	508,370
Provision for disallowed sale tax of Spinning unit		6,138,470	917,453
Provision for doubtful advances		-	244,496
Loss on disposal of fixed assets		253,722	-
Loss on Revaluation on Fixed Assets		-	177,432,204
Provision for Infrastucture Cess Payable		21,665,371	-
		33,299,083	185,741,113
27 FINANCE COST			
Interest/mark-up on			
Long term loans		905,362	-
Worker's profit participation fund		664,092	585,394
		1,569,454	585,394
Machinery Sale short fall paid by Company		12,435,542	-
Machinery Sale short fall taken to TF liabilities	8	67,084,083	-
Bank charges and commission		120,433	999,519
		81,209,512	1,584,913

Olympia Spinning & Weaving Mills Ltd. KARACHI

	Note	June 30, 2017 RUPEES	June 30, 2016 RUPEES
28 TAXATION			
Current	28.1	(5,744,422)	(662,582)
Prior		(2,064,406)	11,552
		(7,808,828)	(651,030)

28.1 Current

The Provision for taxation has been made in these financial statement on the basis of section 15 and 113 of the income tax ordinance 2001

28.2 The numerical reconciliation between the average rate and the applicable tax rate has not been presented in these financial statements as the total income is liable to tax under section 15 and 113 of income tax ordinance, 2001.

29 LOSS PER SHARE - BASIC & DILUTED

There is no dilutive effect on the basic earnings per share of the company

	June 30, 2017	June 30, 2016
Loss for the year in rupees	(11,609,844)	(64,312,582)
Total number of ordinary shares	12,000,000	12,000,000
Loss per share in rupees- Basic and diluted	(0.97)	(5.36)

30 CASH GENERATED FROM OPERATIONS

	June 30, 2017	June 30, 2016
Profit/(Loss) before taxation	(3,801,015)	(63,661,551)
Adjustment for non cash charges and other items		
Depreciation	14,136,166	25,312,346
Finance cost	68,773,970	1,584,913
Finance cost-Reversed	-	(41,808,460)
Liabilities no longer payable-creditors	(88,620,989)	(102,502,665)
Liabilities No Longer Payable-Creditors-Others	-	(17,650,983)
Loss/(Gain) on disposal of fixed assets	253,722	(1,077,118)
Devaluation of fixed Assets	-	177,432,204
Disallowed Sales tax	6,211,430	-
Provision for doubtful Advances	-	244,496
Provision for doubtful debts	-	508,370
Provision for doubtful claims	5,241,520	-
Provision for Infrastucture Cess Payable	21,665,371	-
Provision for gratuity	41,922	23,421
	27,703,112	42,066,525
Operating profit before working capital changes	23,902,096	(21,595,025)
(Increase)/decrease in current assets		
Stock, Store & spare parts	(9,358,230)	-
Trade debts	(23,173,868)	74,337
Short Term Investments	-	693,056
Loans and advances	11,656,368	(12,524)
Sales Tax	(390,446)	16,706,818
Other receivables	101,100	4,636,172
	(21,165,076)	22,097,859
Increase/(decrease) in current liabilities		
Trade and other payables	14,167,726	9,063,113
	16,904,746	9,565,946

31 TRANSACTION WITH RELATED PARTIES

The related parties and associated undertakings comprise, local associated companies, directors and key management personnel. Transaction with related parties and associated undertakings other than remuneration and benefits to key management personnel under the term of their employment are as follows:

Purchase of electricity	31.1	29,062,217
Rent Income	31.2	1,197,720
Purchase of Fixed Assets from Olympia Paper Industries(Pvt) Ltd	31.3	45,500,000
Amount payable to Olympia Power Generation(Pvt) Ltd	31.1	28,951,965

31.1 This amount represents the purchase of electric power from Olympia Power Generation (Private) Limited

31.2 This amount represents the rental income from Olympia Power Generation (Private) Limited and Olympia Paper Industries (Pvt Ltd)

31.3 Transactions with associated undertakings/subsidiary are carried out on at arms length price.

Olympia Spinning & Weaving Mills Ltd KARACHI

	June 30, 2017 RUPEES	June 30, 2016 RUPEES

32 **FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES**

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

32.1 **Credit risk**

32.1.1 **Exposure to credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and short term prepayments and cash and bank balances. Out of total financial assets of Rs. 96.389 million (June 30, 2016 : Rs.87.999 million), financial assets which are subject to credit risk aggregate to Rs.94.146 million (June 30, 2016 : Rs. 82.263 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Long term deposits	3,545,162	3,438,482
Trade debts	23,173,864	-
Loans and advances	1,883,626	13,539,992
Trade deposits and short term prepayments	34,096,000	34,096,000
Other Receivables	25,845,649	31,188,269
Bank balances	8,301,292	5,736,911
	96,845,593	**87,999,654**

32.1.2 The maximum exposure to credit risk for trade debts at the balance sheet date by geographical region is as follows.

	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Domestic	23,173,864	-
	23,173,864	-

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

	June 30, 2017 RUPEES	June 30, 2016 RUPEES
Not past due	23,173,864	-
Past due 0 - 30 days	-	-
Past due 31 - 90 days	-	-
Past due 90 days - 1 year	-	-
More than one year	-	1,764,527
	23,173,864	1,764,527
Impairment	-	(1,764,527)
	23,173,864	-
Particulars of Provision for doubtful receivables		
Provision for bad debts at the beginning of year	1,764,527	1,256,157
Bad debts provision provided during the year	-	508,370
Bad debts written off during the year	(1,764,527)	-
Provision for bad debts at the end of year	-	**1,764,527**

32.2 **Liquidity risk**

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

	2017					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	963,995,818	963,995,818	51,600,000	26,700,000	885,695,818	-
Trade and other payables	409,387,700	409,387,700	367,557,879	41,829,821	-	-
Accrued mark up and inter						
Short term borrowings	-	-	-	-	-	-
	1,373,383,517	1,373,383,517	419,157,879	68,529,821	885,695,818	-

	2016					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	962,842,629	962,842,629	277,120,983	6,000,000	679,721,646	
Trade and other payables	432,680,938	432,680,938	432,680,938	-	-	-
Accrued mark up / interest	-	-	-	-	-	-
Short term borrowings	2,355,517	2,355,517	2,355,517	-	-	-
	1,397,879,084	1,397,879,084	712,157,438	6,000,000	679,721,646	-

32.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30, 2017. The rates of mark up have been disclosed in relevant notes to these financial statements.

32.3 **Market risk**

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the mark[illegible] due to

Olympia Spinning & Weaving Mills Ltd KARACHI

a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

32.3.1 Currency risk

Exposure to currency risk

The company is exposed to currency risk on trade debts and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company, primarily in US Dollar. The company's exposure to foreign currency risk is as follows.

	US Dollar	Rupees
Trade debts 2017	-	-
Trade debts 2016	-	-

The following significant exchange rates applied during the year.

	Average rates		Reporting date rates	
	2017	2016	2017	2016
US Dollar to Rupee	-	-	-	-

Sensitivity analysis

5% strengthening of Pak Rupee against the following currencies at June 30, would have increased / (decreased) equity and profit and loss by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. 5% weakening of Pak Rupee against the above currencies at periods ends would have had the equal but opposites effect on the above currencies to the amount shown below, on the basis

US Dollar	-	-

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the company.

32.3.2 Interest rate risk

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

Fixed rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Variable rate instruments		
Financial assets	34,096,000	34,096,000
Financial liabilities	660,050,632	517,030,710

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for June 30, 2015.

	Profit and loss	
	100 bps increase	100 bps decrease
	Rupees	
Cash flow sensitivity - variable rate instruments 2017	6,600,506	(6,600,506)
Cash flow sensitivity - variable rate instruments 2016	5,170,307	(5,170,307)

Fair value of financial assets and liabilities

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

Off balance sheet items

Bank guarantees issued in ordinary course of business	25,795,700	25,795,700
Letters of credit for raw material & Machinery	-	-

The effective rate of interest / mark up for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

33 CAPITAL RISK MANAGEMENT

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term financing from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

Borrowings	Rupees	963,995,818	902,970,370
Equity	Rupees	(1,099,700,947)	(1,090,965,258)

Olympia Spinning & Weaving Mills Ltd. KARACHI

Total capital employed	Rupees	(135,705,129)	(403,749,507)
Gearing ratio	Percentage	(710.36)	(169.78)

34 MEASUREMENT OF FAIR VALUES:

A number of the Company's accounting policies and disclosure require the the measurement of fair values, for both financial, if any and non-financial assets and financial liabilities. The carrying value of financial assets and financial liabilities approximates their fair values.
When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
-Level 1 Quoted prices(unadjusted) in active markets for identical assets or liabilities.
-Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or Laibility,either directly (i.e. as prices) or indirectly (i.e. derived from prices).
-Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).
If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
There were no transfers between different levels of fair values mentioned above. The respective basis of valuation at fair values are disclosed in notes to the account wherever applicable. The following table provides fair value measurement of non-recurring measurements at fair value.

30 June 2017	Level 1	Level 2	Level 3
Revalued Land & Building	-	-	Rs 700.435 million
30 June 2016			
Revalued Land ,Building & Plant & Machinery	-	-	Rs 782.791 million

35 **Plant capacity and Production**

	2017	2016
Fluting paper Production capacity	14.04 m kg per Year	-
Fluting paper Production -Actual	3.040 m kg per Year	-

The actual production depends on various factors including supply and demand ,availbility of raw material and competitive market rates of finished product.

36 NUMBER OF EMPLOYEES

	2017	2016
The number of employees of the Company were	55	3
Average employees of company were	38	4

37 DISCLOSURE REQUIREMENTS FOR ALL SHARE ISLAMIC INDEX
The company did not avail or have any type of Islamic banking products.

38 EVENT/OCCURING AFTER THE BALANCE SHEET DATE
Subsequent to the balance sheet date, the company has entered into agreement with Perfect Paper Mills to lease its paper plant facility for period of 10 years with effect from 1st October 2017. Such event is material and non adjusting.

39 GENERAL
Corresponding figures have been rearranged and reclassified, whenever necessary, for better presentation and disclosure.

	Reclassification from	To	2017	2016
1	**Loans & Advances**	**Trade & Other**		
	Infrastructure Cess Receivable	Infrastructure Cess Receivable (To net off with the liability of cess)	12,021,533	12,021,533
2	**Cost of Sales**	**Cost of Sales**		
	Utilities and Power	Power Charges (To segragate Power charges from other utilities charges)	29,968,423	7,658,487
3	**Other Operating Income**			
	Liabilities no longer payabler-Ginners	Liabilities no longer payabler-Others (To transfer to approprite classification	-	694,673
4	ADMINISTRATIVE EXPENSES	OTHER OPERATING EXPENSES		
i)	Provision for disallowed sale tax of Spinning unit	For better presentation and classification	6,138,470	917,453
ii)	Claim recivable written off	For better presentation and classification	-	5,223,762
iii)	Provision for doubtful claim receivable	For better presentation and classification	5,241,519.94	1,414,828.00
iv)	Provision for doubtful debt	For better presentation and classification	-	508,369.62

40 DATE OF AUTHORISATION FOR ISSUE
The Board of directors of the company authorized these financial statements for issue on 06 OCT 2017.

CHIEF EXECUTIVE

DIRECTOR

Olympia Spinning & Weaving Mills Ltd
KARACHI

PROXY FORM

I/We____of____
(full address)

being member (s) of Olympia Spinning & Weaving Mills Limited hereby appoint

Mr./Mrs.____of____
(full address) or failing him / her

Mr./Mrs.____of____
(full address)

(being members of the Company) as my / our Proxy to attend, act and votes for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 30 October, 2017 at Registered Office at H-23/3, Landhi Industrial Area and at any adjournment thereof.

As witness my / our hand / seal this____________________day of________________________________2017.

____

In presence of____

____

____

Signature and address of witness

Please affix Correct Revenue Stamp

____

Signature of Member(s)

Share holder's Folio No. ______________________Number of Shares held______________________

A member entitled to attend, speak and vote at a General Meeting is entitled to appoint a proxy to attend speak and vote instead of him / her.

The Instrument appointing a proxy shall be in writing under the hand of the appointer or of this / her attorney duly authorised in writing, if the appointer is a Corporation, under its common seal or the hand of an officer or attorney duly authorized. A proxy must be a member of the Company.

The instrument appointing a proxy, together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office of the company not less than 48 hours before the time of holding the Meeting.

Olympia Spinning & Weaving Mills Ltd. ★ KARACHI

پراکسی فارم

میں / ہم ________________ of ________________
(مکمل پتہ)

اولمپیا کتائی اور بنائی ملز لمیٹڈ کے رکن (زبانیں) ہونے کی وجہ سے اس طرح سے تقرر

Mr./Mrs. ________________ of ________________
یا اس میں ناکامی / اس(مکمل ایڈریس)

Mr./Mrs. ________________ of ________________
(مکمل پتہ)

میرے / ہمارے پراکسی کے طور پر (کمپنی کا رکن ہونے) میں شرکت ME / ہمارے لیے اور میں اپنے / اپنی جانب سے کام کرتے ہیں اور ووٹ کمپنی کی سالانہ جنرل میٹنگ H-23/3، لانڈھی انڈسٹریل ایریا میں اور اس کے کسی بھی التوا میں رجسٹرڈ دفتر میں 30 اکتوبر، 2017 کو منعقد ہوگی۔

میرے / ہمارے ہاتھ / مہر 2017 ________________ day of ________________ this گواہ کے طور پر۔

____

موجودگی of ________________ میں

____

____

دستخط اور گواہ کا پتہ

صحیح ریونیو سٹیمپ لگھی مہربانی

____
اراکین کے دستخط (ے)

حصص held ________________ کے کے شیئر ہولڈر فولیو نمبر ________________ Number

شرکت ہولتے ہیں اور ایک عام اجلاس میں ووٹ ڈالنے کا حق دار کسی رکن سے بات شرکت کی اور / کی بجائے اس کا ووٹ اس کے پاس ایک پراکسی مقرر کرنے کا حقدار ہے۔

الے کی ایک پراکسی تقرری appointer کی یا اس کے ہاتھ کے ساتھ مضمون میں ہوں گے / اس وکیل ودوث، تحریری اجازت appointer اس کے عام کی مہر یا ایک افسر یا وکیل مجاز کے ہاتھ کے تحت، ایک کارپوریشن ہے۔ ایک پراکسی کمپنی کا ممبر ہونا ضروری ہے۔

ساز، اٹارنی کی طاقت کے ساتھ، ایک پراکسی کی تقرری کوئی ہے تو ایک ساتھ مل کر، جس کے تحت اس پر دستخط ہونے یا ایک notarially مصدقہ کاپی کی طرف، نہیں 48 گھنٹے سے بھی کم میٹنگ کے انعقاد کا وقت سے پہلے کمپنی کے رجسٹرڈ دفتر میں جمع کیا جانا چاہئے۔

Olympia Spinning & Weaving Mills Ltd
KARACHI