OLYMPIA MILLS LIMITED

ANNUAL REPORT
June 30, 2019

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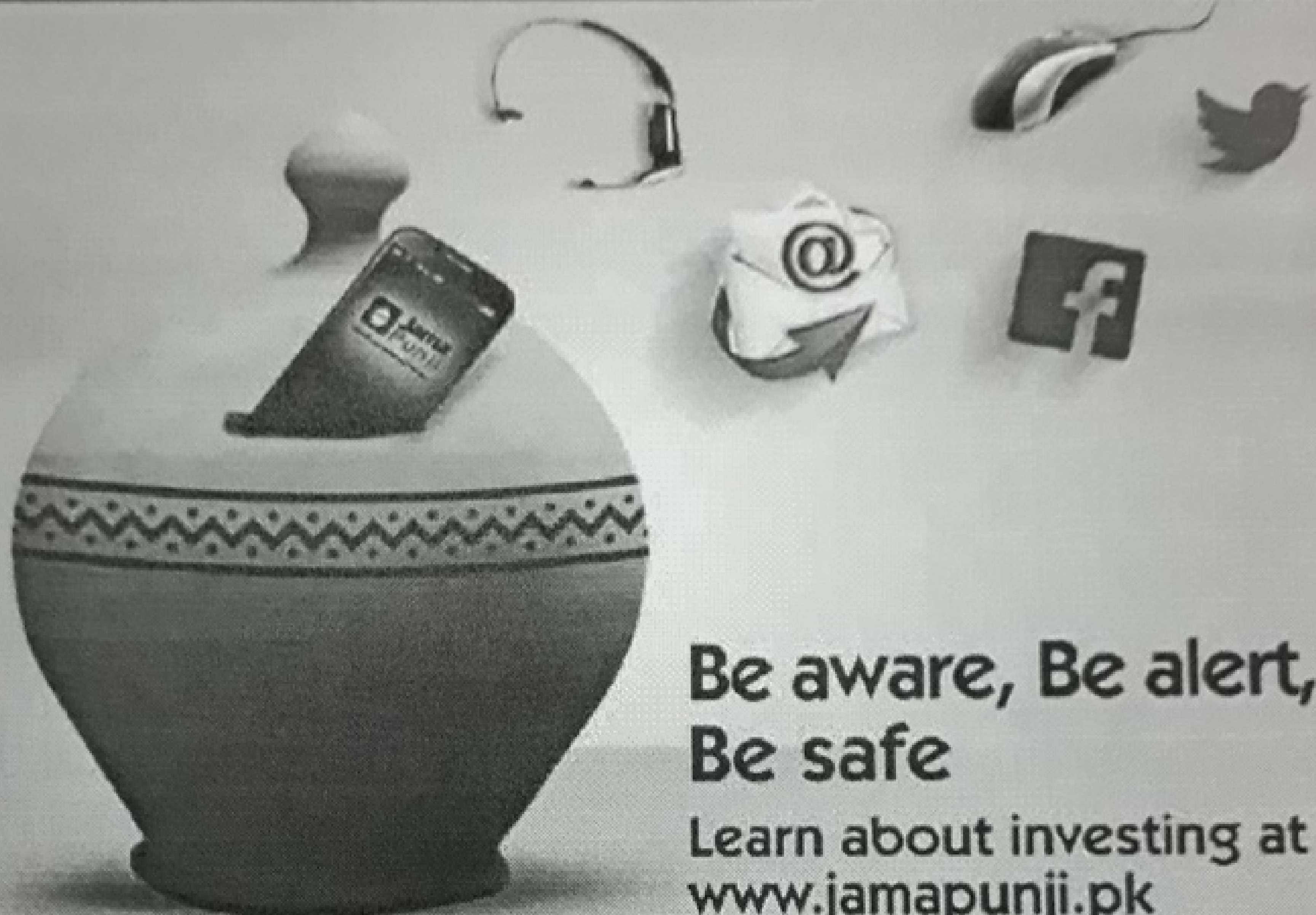

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COMPANY INFORMATION

BOARD OF DIRECTORS		
CHIEF EXECUTIVE	:	MR. M. WAQAR MONNOO (Executive)
CHAIRMAN	:	MR. SYED INAMUDDIN AHMED (Non-Executive)
DIRECTORS	:	MR. SIRAJ SADIQ MONNOO (Executive)
	:	MR. SYED AYAZUDDIN (Non-Executive)
	:	MRS. GHAZALA WAQAR (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 (INDEPENDENT)	:	MR. UMAR ILYAS SHAFI
MEMBER (NON-EXECUTIVE)	:	MRS.GHAZALA WAQAR
MEMBER (NON-EXECUTIVE)		MR. SYED INAMUDDIN AHMED
CHIEF FINANCIAL OFFICER	:	MR. ASIM JAFFERY
COMPANY SECRETARY	:	MR MUHAMMAD ASHRAF KHAN
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.

VISION STATEMENT

To become diversified Company by delivering exellence in delivering goods & services and to generate sustainable returns for all stakeholders

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.

DIRECTORS REPORT

The Directors have pleasure in presenting their Annual Report along with audited accounts of the Company for year ended June 30, 2019 for your consideration and approval.

OPERATING REVIEW:

The operating results of the period under review has resulted in net profit before taxation of Rs.63,655,555/- as compared to the last year's profit before taxation of Rs 143,372,479/-

	30 JUNE 2019	30 JUNE 2018
Appropriations is as under:		
Net Profit before taxation	63,655,555	143,372,479
Taxation	(11,654,974)	(9,819,862)
Net Profit/ (loss) for the year after taxation	52,000,581	133,552,617
Un-appropriated (loss) brought forward	(1,089,053,740)	(1,223,281,000)
Effect of change in accounting policy	(1,064,432)	-
Re-measurements adjustment of Post Retirement obligation	18,906	(7,645)
Net Effect of surplus on revaluation of fixed assets Transferred to accumulated profit	-	682,289
Accumulated (loss) carried forward	(1,038,098,685)	(1,089,053,740)
EPS	4.33	11.13

FINANCIAL RESULTS:

The financial results for the year ended June 30, 2019 have shown net profit after tax of Rs.52,000,581\-. The decrease in profit was due to decrease in other income which contains income of non-reoccurring nature. During the year, the company has managed to secure full & final settlement with Bank Alfalah Ltd. The company with the financial support from directors has fully paid off Bank Alfalah Limited. The settlement with remaining Cotton ginners are under process. The major risks attributable to business are changing economic conditions, government policies and law and order situation.

The auditors has given remarks over financial stability of the company by pointing towards the use of going concern assumption and also for not receiving Bank confirmation from Standard Chartered Bank.

The management's use of going concern assumption in preparation of financial statement is supported by very strong mitigating factors including change of principal line of business, profitable operations, settlement with bank and creditors & continuous support from directors and sponsors. The Auditors negative remarks are mainly related to losses of our previous textile spinning business and its related liabilities which was closed in year 2014. The Company is under litigation with Standard Chartered Bank as disclosed in the accounts due to which the Standard Chartered Bank is avoiding reply to Auditors' direct Bank Confirmation. No reply by Standard Chartered is not the responsibility of the Company.

The Company has also appointed full time Company Secretary and Head of Internal Audit in September 2019 for meeting the internal and regulatory requirements.

FUTURE PROSPECTS:
The directors are concentrating on repayments of all company debts after which the company will be in a position to explore new options.

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.

RELATED PARTY TRANSACTIONS
During the year, the Company carried out transactions with its related parties. Details of these transactions are disclosed in notes to financial statements.

CORPORATE GOVERNANCE:
The Company has taken all necessary steps to ensure Good Corporate Governance. As part of Compliance of the Listed Companies (Code of Corporate Governance) Regulations, 2017 ("CCG"), the Directors are pleased to state as follows:

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 Act, 2017.

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. Umar Illyas Shafi	6
Mr Syed Inamuddin	6
Mr Arshad Iqbal	6

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 except for Mrs Hina Siraj Monnoo who bought 23,500 shares at average price of Rs 5.25 per share during the year which was presented in subsequent board meetings and to PSX.

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

12- The name of directors & composition of committees of BOD are disclosed in Annual Report.

13- The directors have waive off their fees & remuneration.

AUDITORS:

You are requested to appoint auditors for the year 2019-2020 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

Siraj Sadiq Monnoo
Director

M .Waqar Monnoo
Chief Executive/Director

Karachi: 3rd October, 2019

ڈائریکٹرز رپورٹ

ڈائریکٹرز کو اپنے سالانہ رپورٹ کے ساتھ آڈٹ اکاؤنٹس جو کہ سال کے آخر جون ۳۰، ۲۰۱۹ء میں آپ کے غور اور منظوری پر پیش کرنے میں خوشی محسوس ہو رہی ہے۔

عملیاتی جائزہ:

عملیاتی نتائج کے جائزہ پر ٹیکس سے پہلے خالص منافع -/63,655,555 روپے رہا جو کہ پچھلے سال کے مقابلے میں ٹیکس سے پہلے منافع -/143,372,479 روپے رہا۔

تقسیم درج ذیل ہیں۔	جون ۳۰، ۲۰۱۹ء	جون ۳۰، ۲۰۱۸ء
ٹیکس سے پہلے خالص نفع	63,655,555	143,372,479
ٹیکسیشن	(11,654,974)	(9,819,862)
ٹیکس کے بعد سالانہ خالص نفع	52,000,581	133,552,617
غیر مختص (نقصان) آگے کیا ہوا	(1,089,053,740)	(1,223,281,000)
اکاؤنٹنگ پالیسی تبدیل کرنیکے اثرات	(1,064,432)	-
نوکری سے فارغ ہونے کے بعد کی دوبارہ پیائش کی ارجسٹمنٹ	18,906	(7,645)
مقرر اثاثوں کی دوبارہ قیمت پر اضافے کے اثرات جمع منافع میں منتقل	-	682,289
آگے کیا گیا جمع (نقصان)	(1,038,098,685)	(1,089,053,740)
فی شیئر کمائیں	4.33	11.13

مالیاتی نتائج:

سال کے آخر میں جون ۳۰، ۲۰۱۹ء میں مالیاتی نتائج ٹیکس کے بعد خالص نفع -/52,000,581 روپے ظاہر ہوا۔ منافع میں کمی دوسری آمدنی میں کمی جس میں غیر بار بار تبدیل ہونے والی آمدنی کی وجہ سے تھی۔ سال کے دوران، کمپنی بینک الفلاح لمیٹیڈ کیساتھ مکمل اور حتمی تصفیے کو محفوظ کرنے میں کامیاب ہے۔ کمپنی کے ڈائریکٹرز کی مالی امداد کی مدد سے بینک الفلاح لمیٹیڈ کو مکمل طور پر معاوضہ دے دیا ہے۔ بقیہ سوتی جینز کے ساتھ تصفیہ کا عمل جاری ہے۔ کاروبار سے وابستہ سب سے بڑا خطرہ معاشی حالات، حکومتی پالیساں اور امن وامان کی صورتحال میں حالات کو تبدیل کرنا ہے۔

آڈیٹرز نے کمپنی کے مالیاتی استحکام پر کاروبار کے جاری رہنے والے نقطہ کی طرف اشارہ کیا ہے اور اسٹینڈرڈ چارٹرڈ بینک سے تصدیق موصول نہیں ہو پائی۔

انتظامیہ نے فائنینشل اسٹیٹمنٹ کو جاری رہنے والے ارادے کو ظاہر کیا ہے جس کے تائید بہت مضبوط تخفیف عوامل جیسا کہ کاروبار کے اصولی لکیر میں تبدیلی، منافع بخش عمل، قرض دہندگاہ کے ساتھ منافع بخش آپریشن تصفیہ اور ڈائریکٹرز اور کفیل سے مستقل تعاون شامل ہے۔ آڈیٹرز نے منفی نتیجہ اخذ کیا ہے کہ جس کی وجہ ہمارے پچھلے اسپنگ ٹیکسٹائل کے کاروبار میں نقصان اور اس سے متعلق قرض ہے جو

کہ 2014ء میں بند ہو چکا ہے۔ اسٹینڈرڈ بینک کا آڈیٹر کو براۓ راست بینک کا تصدیق نامہ نہ دینے کی وجہ کمپنی اور اسٹینڈرڈ چارٹیڈ بینک کے درمیان قانونی چارہ گوئی ہے اسٹینڈرڈ چارٹیڈ کا جواب نہ دینا کمپنی کی ذمہ داری نہیں ہے۔

کمپنی نے پورے وقت کیلئے کمپنی سیکریٹری اور اندورنی آڈیٹر کے سربراہ کو ستمبر 2019ء سے اندورنی اور نگرانی کی ضرورت کو پورا کرنے کیلئے بھرتی کرلیا ہے۔

مستقبل کے امکانات:

ڈائریکٹرز تمام کمپنیوں کے قرضے کی واپسی پر توجہ دے رہیں ہیں۔ جس کے بعد کمپنی میں اختیارات دریافت کرنے کی پوزیشن میں آجائے گی۔

کارپوریٹ سماجی ذمہ داری:

ہمیں یقین ہے کہ ہمارے معاشرے میں کارپوریٹ رویۓ اعلیٰ ترین معیارات ہماری طویل مدتی کامیابی کے لیے ضروری ہے۔ لہٰذا آپ کی کمپنی قوم کی سماجی ذمہ داری والے کام کو پورا کررہی ہے صحت کے شعبے میں کمپنی مستقل مزاجی کے ساتھ صحت کے کیمپ کا انعقاد اور تشخیص اور احتیاطی دیکھ بھال پر زور دیتی ہے۔

متعلقہ فریقوں سے لین دین:

سال کے دوران کمپنی نے متعلقہ فریقوں سے لین دین کی ہے۔ لین دین کی تفصیلات مالی بیانات کے نوٹس میں انکشاف کیا گیا ہے۔

کارپوریٹ گورنس:

کمپنی بہترین کارپویٹ گورنس کے تمام ضروری اقدامات اُٹھاتی ہے۔ درج ذیل کمپنیوں کی تعمیل (کارپوریٹ گورنس کا کوڈ) قانون ۲۰۱۷ء ("CCG") کے حصے دار کی حیثیت سے ڈائریکٹرز حسب ذیل بیان کرنے کے لئے خوش ہیں۔

۱) مسلک مالیاتی بیانات، کمپنی کی انتظامیہ کی طرف سے ایمانداری سے تیار کردہ امور کے ریاست، اس کے عملیاتی، نقد رقم کے بہاؤ اور ایکویٹی میں تبدیلیوں کا نتیجہ پیش کرتے ہیں۔

۲) مناسب کتابی کھاتے کمپنی کی طرف سے برقرار رکھا گیا ہے جو کہ کمپنی ایکٹ ۲۰۱۷ء کی ضرورت ہے۔

۳) مناسب اکاؤنٹنگ پالیسیوں کو مسلسل مالی بیانات اور اکاؤنٹنگ بیانات کی تیاری میں عمل درآمد کیا گیا ہے جو کہ مناسب اور دانشمندانہ فیصلے پر مبنی ہے۔

۴) انٹرنیشنل مالیاتی رپورٹنگ معیارات (IFRS) جو کہ پاکستان میں قابل عمل ہے اس کو مالیاتی بیانات بنانے میں پیروی کی گئی ہے اور کسی بھی روانگی کی تیاری میں مناسب طور پر انکشاف کیا گیا ہے۔

۵) اندرونی کنٹرول کے نظام کے ڈیزائن کو مکمل اور موثر طریقے سے نافذ اور نگرانی کی گئی ہے۔

۶) کمپنی کے کاروبار کو جاری رہنے والے صلاحیت پر کوئی قابلِ ذکر شک نہیں ہے جیسا کہ اُوپر نوٹ نمبر 1.2 میں بیان کیا گیا ہے۔

۷) درج کے قواعد وضوابط میں تفصیلی طور پر کارپوریٹ گورنس کے بہترین طریقوں میں سے کوئی بڑے مواد کی روانگی نہیں ہوئی۔

۸) کلیدی عملیاتی اور مالیاتی ریکارڈ چھ سال کا شامل کیا گیا ہے۔

۹) سال کے دوران، چھ بورڈ اجلاس منعقد کیے گئے اور ہر ڈائریکٹر کی طرف سے حاضری نیچے دی گئی ہے۔

ڈائریکٹر کا نام	ملاقاتوں کی شرکت
مسٹر ایم وقار منوں	۶
مسز غزالہ وقار	۶
مسٹر سراج صادق منوں	۶
مسٹر سید ایاز الدین	۶
مسٹر عمر الیاس شفیع	۶
مسٹر سید انعام الدین	۶
مسٹر ارشد اقبال	۶

۱۰) سال کے دوران ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری اور ان کی بیگمات اور نابالغ بچوں کی طرف سے کسی حصص کی خرید وفروخت نہیں کی گئی سوائے حنا سراج منوں کے جنہوں نے 23,500 حصص جو کہ 5.25 اوسطاً پر خریدا ہے جو آئندہ ہونے والی بورڈ میٹنگ اور PSX کو پیش کی جائے گے۔

۱۱) شیئر ہولڈرز کا پیٹرن اور اضافی معلومات جو کہ کوڈ آف کارپوریٹ گورنس کی ضرورت سے شامل کیا گیا ہے۔

۱۲) ڈائریکٹرز اور بی او ڈی کی کمیٹیوں کی تشکیل کے نام کی سالانہ رپورٹ میں انکشاف کیا گیا ہے۔

۱۳) ڈائریکٹر نے اپنی فیس اور سہولیات لینے سے اجتناب کر دیا ہے۔

آڈیٹرز:

آپ سے گزارش ہے کہ ۲۰۲۰ - ۲۰۱۹ء کے لیے آڈیٹرز کی تقرری اور ان کے معاوضے کو مقرر کرنے کی درخواست ہے موجودہ آڈیٹر میسرز مشتاق اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس کی مدت ختم ہوگئی ہے اور انہیں دوبارہ تقرری کیلئے پیش کرتے ہیں۔

اعتراف:

میں اس بات کو ظاہر کرنا پسند کرتا ہوں کہ ہمارے بینکاروں کے تعاون اور حمایت کے بغیر موجودہ نتائج حاصل نہیں ہو سکتے تھے۔ کمپنی کی جانب سے عملے کے ارکان اور کارکنوں کی لگن اور وفاداری بھی موجودہ نتائج کے حصول کے لئے اہم عوامل میں سے ایک ہے۔

بورڈ کے لئے اور بورڈ کی جانب سے

ایم وقار منوں
ڈائریکٹر/ چیف ایگزیکٹو

سراج صادق
ڈائریکٹر

مورخہ ۳، اکتوبر ۲۰۱۹ء، کراچی۔

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

1. The board of Directors met 6 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.

Karachi: 3rd October, 2019

SYED INAMUDDIN AHMED
Chairman of BOD

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

(Rupees in Million)

YEAR ENDED JUNE 30, 2019	2019	2018	2017	2016	2015	2014
OPERATING RESULTS						
Sales net	80.90	104.57	97.41	-	77.01	1,971.66
Gross profit	45.49	37.13	6.08	(38.60)	(104.86)	(194.08)
Operating expenses	30.89	120.59	(71.33)	(23.47)	16.19	56.30
Operating profit	76.38	157.71	77.41	(62.08)	(118.11)	(222.80)
Finance cost	(12.73)	(14.34)	(81.21)	(1.58)	107.79	130.93
Profit/(Loss) before tax	63.66	143.37	(3.80)	(63.66)	(225.90)	(353.73)
Taxation	-11.65	(9.82)	(7.81)	(0.65)	0.53	7.91
Profit /(Loss) after tax	52.00	133.55	(11.61)	(64.31)	(226.00)	(361.64)
FINANCIAL POSITION						
Paid-up Capital	120.00	120.00	120.00	120.00	120.00	120.00
Retained earnings/(loss)	-509.28	(560.24)	(693.78)	(589.06)	(1,552.35)	(1,336)
Total equity	-389.28	(440.24)	(573.78)	(469.06)	(1,432.35)	(1,216)
Long term finances	489.24	525.04	885.70	619.85	1,293.77	1,223.34
Deferred liability	0.32	0.20	0.07	0.02	0.26	0.08
Current liabilities	704.07	754.99	572.90	778.53	1,211.89	1,162.25
Total assets	804.34	840.00	884.88	929.34	1,926.99	2,124.33
Fixed assets (Net)	721.48	748.16	769.02	826.27	1,794.89	1,845.22
Long term deposits	3.79	3.60	3.55	3.44	3.41	3.41
Current assets	79.07	88.24	112.32	99.63	128.70	275.70
RATIOS						
Gross profit to sales % (Excluding Depreciation)	0.48	0.943	(0.004)	-	(73.00)	(7.25)
Gross profit to sales % (Including Depreciation)	0.56	0.70	(0.17)	-	(136.18)	(9.84)
Cost of sales to sales %	0.44	1.02	1.17	-	(236.18)	(109.84)
Net profit to sales %	0.64	2.50	(0.15)	-	(293.35)	(17.94)
Earning/(loss) per shares in Rs.	4.33	11.13	(0.97)	(5.36)	(18.83)	(30.14)
Earning/(loss) to equity %	(0.13)	(0.30)	0.01	0.06	15.77	29.08
Admin expenses to net sales %	0.21	0.36	0.14	-	21.03	2.86
Return on fixed assets before tax %	0.09	1.90	(0.02)	(0.08)	(12.75)	(19.41)
Return on total assets before tax %	12.64	0.159	(0.013)	(6.85)	(11.72)	(16.65)
Debt equity ratio %	(1.39)	(1.50)	(0.88)	(0.83)	127.12	107.72
Current ratio	0.11	0.12	0.20	0.13	0.11	0.24
Quick ratio	0.10	0.12	0.18	0.13	0.11	0.14
Turn over to fixed assets times	0.11	0.76	0.10	-	0.04	1.08
Turn over to total assets times	0.10	0.06	0.09	-	0.04	0.93

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2019

No. of Shareholders		Shareholding				Total Shares Held
173	Holding	from	001	to	100	8,423
120	---do---	from	101	to	500	35,130
34	---do---	from	501	to	1,000	33,900
77	---do---	from	1,001	to	5,000	228,920
19	---do---	from	5,001	to	10,000	144,331
16	---do---	from	10,001	to	15,000	78,796
4	---do---	from	15,001	to	20,000	74,000
4	---do---	from	20,001	to	25,000	88,500
1	---do---	from	25,001	to	30,000	30,000
2	---do---	from	30,001	to	35,000	65,000
1	---do---	from	35,001	to	40,000	36,000
3	---do---	from	40,001	to	45,000	130,000
1	---do---	from	45,001	to	50,000	46,000
1	---do---	from	50,001	to	55,000	55,000
1	---do---	from	65,001	to	70,000	70,000
1	---do---	from	70,001	to	75,000	71,000
1	---do---	from	85,001	to	90,000	89,000
2	---do---	from	100,001	to	105,000	204,500
1	---do---	from	170,001	to	175,000	174,500
1	---do---	from	175,001	to	180,000	180,000
1	---do---	from	1,150,001	to	1,155,000	1,151,655
1	---do---	from	1,875,001	to	1,880,000	1,878,570
1	---do---	from	2,300,001	to	2,305,000	2,300,025
1	---do---	from	4,825,001	to	4,830,000	4,826,750
467						**12,000,000**

Categories Shareholders	No. of Shareholders	Shares Held	Percentage
Financial Institutions	1	25	0.0002%
Individuals	458	11,766,869	98.06%
Joint Stock Companies	7	229,051	1.91%
Other Companies	3	4,055	0.03%
	469	**12,000,000**	**100%**

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2019

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	15.65475
(2) Mrs. Ghazala Waqar	Director	1,151,660	9.59717
(3) Mr. Siraj Sadiq Monnoo	Director	2,300,025	19.16688
(4) Mrs. Hina Siraj Sadiq	Director's Spouse	4,826,750	40.22292
(5) Mr. Syed Ayazuddin	Director	5,000	0.04167
(6) Mr. Umar Ilyas Shafi	Director	2,500	0.02083
(7) Mr. Syed Inamuddin	Director	2,500	0.02083
(8) Mr. Arshad Iqbal	Director	2,500	0.02083
Executives		None	None
Public Sector, Joint Stock Companies and Corporations			
(1) Trustee National Bank of Pakistan Employees Pension fund		3,918	0.03265
(2) Trustee National Bank of Pakistan Employees Benevolent fund		137	0.00114
(3) National Bank Of Pakistan		25	0.00021
(4) Fateh Textile Mills Ltd.		50	0.00042
(5) Fikrees (Private) Limited		1,000	0.00833
(6) Pearl Securities Limited		20,500	0.17083
(7) Maple Leaf Capital Limited		1	0.00001
(8) Salim Sozer Securities (Pvt) Ltd		174,500	1.45417
(9) MRA Securities Limited-MF		33,000	0.27500
(10) Investment Corproration of Pakistan		450	
Abandoned properties & Other Companies.			
(1) Abandoned Properties Organization.		200	0.00167
Shareholders holding 10% or more voting interest in the Listed Companies			
(1) Muhammad Waqar Monnoo.		1,878,570	15.65475
(2) Mr. Siraj Sadiq Monnoo.		2,300,025	19.16688
(3) Mrs. Hina Siraj Sadiq		4,826,750	40.22292

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2017 FOR THE YEAR ENDED 30TH JUNE, 2019

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

1. The total number of directors are 7 as per the following:
a. Male: 6
b. Female: 1

2. The composition of board is as follows:

Category	Names
Independent Director	Mr Umar Illyas Shafi
Non-Executive Directors	(i) Mrs Ghazala Waqar (ii) Mr Syed Ayazuddin (iii) Mr Syed Inamuddin Ahmed (iv) Mr Arshad Iqbal
Executive Directors	(i)Mr.M.Waqar Monnoo (ii) Mr Siraj Sadiq Monnoo

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

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

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

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

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

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

9. Four of the following directors meet the exemption criteria of the director's training program with more than 20 years of experience as Directors and relevant education requirements.
(i)Mr.M.Waqar Monnoo
(ii) Mr Siraj Sadiq Monnoo
(iii) Mrs Ghazala Waqar
(iv) Mr Syed Ayazuddin

Two directors will obtain certification of Director's training program in next financial year ending 30 June 2020.

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. The company subsequent to Balance sheet date has appointed full time Company Secretary and Head of Internal Audit.

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

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

Audit Committee	HR and Remuneration Committee
(i) Mr Umar Illyas Shafi (Chairman) (ii) Mr Syed Ayazuddin (iii) Mr Syed Inamuddin Ahmed	Mrs Ghazala Waqar (Chairman) (ii) Mr Umar Illyas Shafi (iii) Mr Syed Inamuddin Ahmed

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

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
a) Audit Committee -4
b) HR and Remuneration Committee -1

15. The board has set up an effective internal audit function managed internally but due to cost constrains did not appoint suitably qualified and experienced Internal Auditor as required by Code. The company subsequent to Balance sheet appointed full time Head of Internal Audit.

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

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

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

FOR AND BEHALF OF THE BOARD OF DIRECTORS

SYED INAMUDDIN AHMED
CHAIRMAN

M.WAQAR MONNOO
CHIEF EXECUTIVE

Karachi: 03nd October, 2019

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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 Listed Companies (Code of Corporate
Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of **Olympia Mills Limited** (the Company) for the year ended **June 30, 2019** in accordance with the requirements of regulation 40 of the Regulations.

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

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

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

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Islamabad Office: 313. First floor millennium heights, F-11/1, Islamabad Tel: 051-2224970

Following instances of non-compliance with the requirements of the code were observed which are not stated in the statement of compliance:

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations 2017.	Non-Compliance
09	During the year, no director attended Director's Training Program and four directors meeting the exemption criteria have not yet claimed their exemption.
15	Head of Internal Audit has not been appointed.
10	Company Secretary has not been appointed.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2019.

Karachi:
Date: 03 OCT 2019

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

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of the members of Olympia Mills Limited will be held at 3.00 p.m.on Friday 25 October, 2019 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 October 25, 2018.
2 To receive, consider and adopt Audited Accounts for the year ended 30th June, 2019 together with Auditor's and Director's Report thereon.
3 To appoint Auditors for the year ending 30th June, 2020 and to fix their remuneration.
4 To transact any other business as may be placed before the meeting with the permission of the Chairman.

By Order of the Board

Karachi: October 3, 2019

Chief Executive

Notes:

(i) The Register of Members of the Company will remain closed from October 19, 2019 to October 25, 2019 (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.

(iii) 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.
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 and have not yet submitted photocopy of their CNIC are requested to send the same to the Share Registrar of Company Najeeb Consultants (Private) Limited, 405 Commerce Centre Hasrat Mohani Road, Karachi at the earliest. CDC Shareholders are requested to submit their CNIC directly to their broker (Participant)/CDC Investor account services.

D Pursuant to Section 134(1)(b) of the Companies Act, 2017, if the Company receives a request from member(s) holding an aggregate ten percent (10%) or more shareholding residing at another city, such member(s) may request a video conferencing facility for the purposes of participating in the meeting at such a location by sending a request to the Company at least 10 (ten) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to the availability of such facility in that city.

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

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

G The audited financial statements of the Company for the year ended June 30, 2019 have been made available on the Company's website www.olympiamills.com in addition to annual and quarterly financial statements for the prior years.

OLYMPIA MILLS LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JUNE 30, 2019

MUSHTAQ & COMPANY
CHARTERED ACCOUNTANTS

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Gulberg III,
Lahore
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Independent Auditors' Report To The Members Of Olympia Mills Limited

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of **Olympia Mills Limited**, which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters referred to in paragraph (a) to (b), the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 June, 2019 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

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

a. Balance with Standard Chartered bank amounting to Rs. 6.519 million remains unconfirmed. We have not received bank confirmation, due to which we were unable to satisfy ourselves as to the correctness of the reported balance by performing other alternate auditing procedure as mentioned in note 20.1.

b. As described in Note 1.2 to the financial statements, the financial statements have been prepared on going concern basis. The company has ceased the operations of spinning unit since May 21, 2014 the company has earned profit for the year ended June 30, 2019 of Rupees

m

52.00 million and as of that date, reported accumulated losses of Rupees 1,038.09 million. The company's current liabilities exceeded its current assets by Rupees 625.00 million as of that date. These conditions along with adverse key financial ratios, shows the company's inability to comply with loan agreements and pay debts on due dates. Discontinuance of operations indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. These circumstances 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 liabilities in the normal course of business. 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.

Key Audit Matter

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

S. No.	Key audit matter	How the matter was addressed in our audit
1.	As disclosed in note 11.1 to 11.3 to the annexed financial statements. The Company has contingent liabilities in respect of imposition of regulatory duty, settlement of cross currency swap contracts and chargeability of Sindh sales tax. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant	We undertook number of procedures to verify the appropriateness of contingencies in the financial statements. This included, among others: • We followed the progress of each case and the Company's estimate of the cost to be incurred; • We reviewed the key elements of the methodology employed by management in challenging reasonableness of the cost estimates; • We considered the impact on future case costs from changes arising in the regulatory environment, • We obtained confirmations from legal advisors for current status on pending previous cases and any new case filed during

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	management judgments and estimates to assess the same including related financial impacts, we considered contingent liabilities as a key audit matter.	the year; • Checked orders by relevant authority on previous lawsuits / cases appearing in the financial statements.

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

Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

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determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

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

The engagement partner on the audit resulting in this independent auditor's report is **Mushtaq Ahmed Vohra, FCA.**

Karachi.
Dated: ______________

MUSHTAQ & COMPANY
Chartered Accountants

OLYMPIA MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	NOTES	JUNE 30, 2019 RUPEES	JUNE 30, 2018 RUPEES
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
13,000,000 (2018: 13,000,000) Ordinary shares of Rs.10 each.		130,000,000	130,000,000
Issued, subscribed and paid up capital	4	120,000,000	120,000,000
Revaluation surplus on Property, Plant and Equipment	6	525,238,488	525,238,488
Revenue Reserve		3,580,053	3,580,053
Unappropriated loss		(1,038,098,685)	(1,089,053,740)
		(389,280,144)	(440,235,199)
NON CURRENT LIABILITIES			
Long term financing	7	489,240,588	525,037,318
Deferred liabilities	8	315,090	202,366
CURRENT LIABILITIES			
Trade and other payables	9	288,740,865	317,324,857
Short-term borrowings	10	365,076,577	303,566,971
Current portion of - long term financing	7	50,250,000	134,100,002
		704,067,442	754,991,830
CONTINGENCIES AND COMMITMENTS	11	-	-
		804,342,977	**839,996,315**
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	12	60,896,723	70,290,020
Investment Property	13	660,585,436	677,872,707
Long term deposit	14	3,793,482	3,595,162
CURRENT ASSETS			
Trade debts	15	7,238,062	12,953,190
Short Term Investment	16	34,096,000	34,096,000
Loans and advances	17	104,000	511,094
Income tax and Sales tax Refundable	18	6,628,878	9,663,879
Other receivables	19	24,214,871	24,380,536
Cash and bank balances	20	6,785,524	6,633,725
		79,067,335	88,238,424
		804,342,977	**839,996,315**

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2019

	NOTES	For the year ended June 30, 2019 RUPEES	For the year ended June 30, 2018 RUPEES
Revnue from Rental/Lease Income	21	80,897,566	66,633,655
Direct Operating Expenses	22	(35,405,338)	(28,669,289)
Profit from principal line of business		45,492,228	37,964,367
Income from Paper Manufacturing Business			
Sales of Paper	23	-	53,399,174
Cost of Sales	24	-	(54,252,175)
Gross loss from paper buisness		-	(853,001)
		45,492,228	37,111,365
Administrative & general expenses	25	(17,233,210)	(19,427,894)
Other Income	26	13,125,751	57,180,947
Gain on Extinguishment of debt	27	35,000,000	83,312,875
Other Expenses	28	-	(465,684)
		30,892,541	120,600,244
Operating Profit		**76,384,770**	**157,711,610**
Finance Cost	29	(12,729,215)	(14,339,131)
Profit before taxation		**63,655,555**	**143,372,479**
Taxation - Current	30	(11,540,283)	(11,280,025)
Taxation - Prior		(114,691)	1,460,163
Net Profit for the year after taxation		**52,000,581**	**133,552,617**
Earning per share - Basic and diluted	31	4.33	11.13

The annexed notes form an integral part of these financial statements
Property, plant and equipment

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	NOTE	For the year ended June 30, 2019 RUPEES	For the year ended June 30, 2018 RUPEES
Profit for the year		52,000,581	133,552,617
Other comprehensive income for the year			
Items that will not be reclassified to Profit & Loss			
Gain on remeasurement of staff retirement benefits	8.1	18,906	(7,645)
Total comprehensive Income for the year		**52,019,487**	**133,544,972**

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

	PAID UP CAPITAL	RESERVE			SURPLUS ON REVALUATION OF PROPERTY,PLANT AND EQUIPMENT	TOTAL
		REVENUE RESERVE	ACCUMULATED (LOSS)	SUB TOTAL		
	RUPEES					
Balance as at 01-07-2017	120,000,000	3,580,053	(1,223,281,000)	(1,219,700,947)	525,920,777	(573,780,170)
Profit for the year	-	-	133,552,617	133,552,617	-	133,552,617
Other comprehensive income for the year	-	-	(7,645)	(7,645)	-	(7,645)
Transfer from surplus on revaluation of property, plant & equipment on account of incremental depreciation	-	-	682,289	682,289	(682,289)	-
Balance as at 30-06-2018	**120,000,000**	**3,580,053**	**(1,089,053,740)**	**(1,085,473,686)**	**525,238,488**	**(440,235,199)**
Effect of changes in accounting policy due to adoption of IFRS 9 - note 3.1.2			(1,064,432)	(1,064,432)	-	(1,064,432)
Adjusted Balance as at 30-06-2018	**120,000,000**	**3,580,053**	**(1,090,118,172)**	**(1,086,538,118)**	**525,238,488**	**(441,299,631)**
Profit for the year	-	-	52,000,581	52,000,581	-	52,000,581
Other comprehensive income for the year	-	-	18,906	18,906	-	37,812
Balance as at 30-06-2019	**120,000,000**	**3,580,053**	**(1,038,098,685)**	**(1,034,518,631)**	**525,238,488**	**(389,280,144)**

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019

	NOTES	For the year ended June 30, 2019 RUPEES	For the year ended June 30, 2018 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	32	40,852,179	66,404,333
Taxes paid - net of refund received		(7,535,720)	(7,124,846)
Finance cost paid		(3,025,945)	(1,689,887)
Long term deposits		(198,320)	(106,680)
Net cash from operating activities		30,092,194	57,482,920
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		2,900,000	2,860,000
Payments for capital expenditure		-	(25,155,670)
Net cash used in investing activities		2,900,000	(22,295,670)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finance		(94,350,002)	(6,058,635)
Short term borrowings		61,509,606	22,983,265
Net cash used in financing activities		(32,840,396)	16,924,630
Net increase in cash and cash equivalents		151,798	52,111,880
Cash and cash equivalents at the beginning of the year		6,633,725	5,851,182
Cash and cash equivalents at the end of the year.	20	**6,785,524**	**6,633,725**

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
Notes to and forming part of the financial statements
For the year ended 30th June 2019

1 THE COMPANY AND ITS OPERATIONS

1.1 STATUS & NATURE OF BUISNESS

The company was incorporated in Pakistan as a public limited company on October 28, 1960 under the Companies Act, 1913 (Now the Companies Act, 2017), and its shares are quoted on the Pakistan Stock Exchange. The principal line of business is renting/leasing of company's fixed assets. The registered office of the company is situated at H-23/3,Landhi Industrial Area , Landhi Karachi.

1.2 The company has earned a profit during year ended June 30, 2019 of Rupees 52.000. million (June 30, 2018: Profit of Rupees 133.552 million) and as of that date, reported accumulated losses of Rupees 1,038.098 million (June 30, 2018: Rupees. 1,089.053 million). The current liabilities exceeded its current assets by Rupees 625.000 million (June 30, 2018: Rupees 666.753 million) as of that date. These conditions along with adverse key financial ratios and legal cases against the company indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. However management assesses the reliability of going concern assumption in preparation of these financial statement and concluded that it is still in going concern due to settlement of nearly all bank borrowing, inflows of positive cash flows from business, settlement with creditors and support from directors/sponsors. Accordingly, these financial statements have been prepared on going concern assumption.

1.3 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

(i) The company has paid off long term loan of Bank Alfalah which was made possible through major contribution from directors

(ii) New Accounting Standards IFRS 9 and IFRS 15 become applicable. However there is no major impact from these standards on the financial statements of the company.

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

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise stated in respective policies.

2.2 Statement of compliance

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

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

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

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.

2.5 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments)	January 1, 2020
IAS 8	Accounting policies , changes in accounting estimates and errors (Amendments)	January 1, 2020
IAS 12	Income Taxes (Amendments)	January 1, 2019
IAS 19	Employee benefits (Amendments)	January 1, 2019
IAS 23	Borrowing costs (Amendments)	January 1, 2019
IAS 28	Investment in Associates and Joint Ventures (Amendments)	January 1, 2019
IFRS 3	Business combinations (Amendments)	January 1, 2019
IFRS 9	Financial instruments (Amendments)	January 1, 2019
IFRS 16	Leases	January 1, 2019
IFRIC 23	Uncertainty Over Income Tax Treatments	January 1, 2019

The management anticipates that the adoption of the above standards , amendments and interpretations in future periods , will have no material impact on the financia statements other than the impact on presentation/disclosures. The management is in the process of assessing the impact of changes laid down by IFRS 16 and its effec on its financial statements.

Further, the following new standards and interpretations have been issued by the International Accounting Standards Boards (IASB),which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1 First -time Adoption of International Financial Reporting Standards
IFRS 14 Regulatory Deferral Accounts
IFRS 17 Insurance Contracts
The following interpretations issued by the IASB have been waived of by SECP:
IFRIC 4 Determining whether an arrangement contains lease
IFRIC 12 Service concession arrangements

3 SUMMARAY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Adoption of new accounting standards IFRS 9 and IFRS 15 with Change of Accounting Policies

The company has adopted two new accounting standards IFRS 15 "Revenue from Contracts with Customers" and IFRS 9 "Financial Instruments" during the current financial year. This has resulted in a change in accounting policies of the Company for financial instruments and revenue recognition. The changes are discussed as follows:

3.1.1 IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time requires judgement. IFRS 15 "Revenue from Contracts with Customers" provides a unified five-step model for determining the timing, measurement and recognition of revenue. IFRS 15 includes a comprehensive set of disclosure requirements including quantitative information about contracts with customers to understand the nature , amount , timing and uncertainty of revenue. The standard supersedes IAS 18"Revenue",IAS 11 "Construction Contracts" and the number of revenue related interpretations. IFRS 15 permits either a full retrospective or a modified retrospective approach for adoption. The Company elected the modified retrospective method and applied the standard retrospectively to only the most current period presented in the financial statements. Accordingly, the information presented for the previous corresponding period has not been restated.

The management has concluded that revenue from sale of goods be recognized at the point in time when control of the asset is transferred to the customer, which is when the goods are dispatched to the customer, Invoices are generated and revenue is recognized at that point in time, as the control has been transferred to the customers. Invoices are usually payable with 30 days. No discounts, Sales commission and return are offered. The above is generally consistent with the timing and amounts of revenue the Company recognized in accordance with the previous standard, IAS 18. Revenue from providing services is recognized in the accounting period in which the services are rendered Accordingly, the adoption of IFRS 15 did not have an impact on the timing and amounts of revenue recognition of the Company.

The Company is engage in business of earning revenue from leasing/Renting of its fixed assets which is outside the scope of IFRS-15. However the company earns some revenue from its tenants for Utilities used and maintenance services provided which is recognized in accordance with IFRS 15. Therefore, adoption of IFRS 15 at 01 July 2018,did not have an effect on the financial statements of the Company.

3.1.2 IFRS 9 "Financial Instruments"

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement bringing together aspects of the accounting for financial instruments: classification and measurement and impairment.

Classification and measurement

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, held for trading and available for sale. IFRS 9, classifies financial assets in the following three categories:
-fair value through other comprehensive income (FVOCI);
-fair value through profit or loss (FVTPL); and
-measured at amortized cost.

IFRS 9 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach for classification, measurement and impairment. This means that the cumulative impact, if any, of the adoption is recognized in unappropriated profit as of July 1, 2018 and comparatives are not restated. Details of these new requirements as well as their impact on the Company's financial statements are described below:

This new standard requires the Company to assess the classification of financial assets in its statement of financial position in accordance with the cash flow characteristics of the financial assets and the relevant business model that the Company has for a specific class of financial asset.

IFRS 9 no longer has an "Available for Sale" classification for financial assets. IFRS 9 has different requirements for debt and equity financial assets.
Debt instrument should be classified and measured at either:
(i) amortized cost, where the effective interest rate method will apply;
(ii) fair value through other comprehensive income (FVTOCI), with subsequent recycling to the profit or loss upon disposal of the financial asset; or
(iii)fair value through profit or loss (FVTPL).
Investment in equity instruments, other than those to which consolidation or equity accounting applies should be classified and measured at:
(i) fair value through other comprehensive income (FVTOCI), with no subsequent recycling to the profit or loss upon disposal of the financial asset; or
(ii) fair value through profit or loss (FVTPL).

The following table presents the transitional impact of that adoption of IFRS 9 have on the opening statement of financial position of the Company as of July 1, 2018:

		IMPACT OF IFRS 9			
Asset Class	**Carrying amount as reported under IAS 39**	**Reclassification and remeasurement due to IFRS 9**	**Loss Allowance**	**Total Impact of IFRS 9**	**Carrying amount as reported under IFRS 9**
Current Assets					
Trade debts-gross	12,953,190	-	-	-	12,953,190
Loss Allowance	-		(287,450)	(287,450)	(287,450)
	12,953,190	-	(287,450)	(287,450)	12,665,740
Loans & Advances	511,094	-	-	-	511,094
Loss Allowance	-		(340,777)	(340,777)	(340,777)
	511,094	-	(340,777)	(340,777)	170,317
Other Receivables	29,622,055	-	-	-	29,622,055
	(5,241,519)	-	(436,205)	(436,205)	(5,677,724)
	24,380,536	-	(436,205)	(436,205)	23,944,331
Impact on current assets	37,844,820	-	(1,064,432)	(1,064,432)	36,780,388
Capital & Reserves					
Accumulated loss	(1,089,053,740)	-	(1,064,432)	(1,064,432)	(1,090,118,172)

IFRS 9 introduces the Expected Credit Loss (ECL) model, which replaces the incurred loss model of IAS 39 whereby an allowance for doubtful debt was required only in circumstances where a loss event has occurred. By contrast, the ECL model requires the Company to recognize an allowance for doubtful debt on all financial assets carried at amortized cost (including, for example, trade debts and other receivables), as well as debt instruments classified as financial assets carried at fair value through other comprehensive income, since initial recognition, irrespective whether a loss event has occurred. For trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance while general 3-stage approach for other financial assets where applicable. The adoption of the ECL requirements of IFRS 9 did not result in any difference in the existing impairment allowances of the Company's debt financial assets.

Assessment of financial impact of measurement requirements on adoption of IFRS 9 as at July 1, 2018 do not change the carrying value of financial instruments.

3.2 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, 2019 using the Projected Unit Credit Method.

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

3.3 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.

3.4 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.

3.5 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.

3.6 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.

e) Revaluation Surplus

A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity.However, the increase is recorded in the statement of profit or loss to the extent it reverses a revaluation deficit of the same asset previously. A decrease as a result of revaluation is recognized in the statement of profit or loss however, a decrease is recorded in statement of other comprehensive income to the extent of any credit balance entry in revaluation surplus in respect
of same assets.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and the depreciation based on assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to unappropriated profit.

f) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments received under operating leases are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

3.7 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.

3.8 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 expenses.
Waste	At net realizable value

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

3.9 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.

3.10 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.

3.11 Financial instruments
All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instruments. All the financial assets are derecognized at the time when the Company losses control of the contractual rights that comprises the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specific in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

(i) Financial assets
Classification
Effective July 1,2018, the company classifies its financial assets in the following measurement categories;
a) Amortized cost where the effective interest rate method will apply;
b) fair value through profit or loss;
c) fair value through other comprehensive income.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash follows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading ,this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when its business model for managing those assets changes.

Recognition and derecognition
Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement
At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transection costs that are directly attributable to the acquisition of the financial asset. Transection costs of financial assets carried at FVTPL are expensed in statement of profit or loss.
Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:
a) Amortized cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
b) Fair value through other comprehensive income (FVTOCI)
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets ' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss and recognized in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through or loss (FVTPL)
Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is substantially measured at FVTPL is recognized in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets
A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:
- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks an rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the assets.
In that case, the Company also recognizes an associated liability. The transferred asset and the associated lability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to reply.

Impairment of financial assets
Effective July 1,2018, the Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
Following are financial instruments there are subject to the ECL model:
- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balance

Simplified approach for trade debts
The Company recognizes life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of further economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Recognition of loss allowance
The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Regardless of the analysis above , a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

Write off
The company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to reply the amount.

Financial liabilities
Classification, initial recognition and subsequent
(ii) The Company classifies its financial labilities in the following categories:
- a fair value through profit or loss; and
- Other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial labilities , also include directly attributable transaction costs. The subsequent measurement of financial labilities depends on their classification, as follows:

a) Fair value through profit or loss
Financial labilities at fair value through profit or loss include financial labilities held-trading and financial labilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.
b) Amortized cost
After initial recognition, other financial labilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities
A financial liability is derecognized when the obligation under the lability is discharged or cancelled or expires. When an existing financial liabilities is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

(iii) **Off-Setting financial assets and financial liabilities**
Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set off the recognized amounts, and the Company either intends to settle on a net basis, or realize the asset and settle the lability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

3.12 Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;
- In the principal market for the asset or liability ; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or lability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized with the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or labilities;
- Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and labilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant labilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.13 Revenue recognition
Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable ,excluding discounts, rebates, and sales tax or duties . The company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognized:

i Rental income are recognized at straight-line basis over the lease term except for contingent rental income which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognized as an expense over the lease term on the same basis as the lease income. Incentives for lease to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease ,where , at the inception of the lease, the directors are reasonably certain that the tenant will exercise the option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the statement of comprehensive income when the right to receive them arises.

ii Interest income is recognized as it accrues using the effective interest rate method.

iii Dividend income is recognized when the right to receive dividend is established

iv Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

v Revenue from Service income is recognisd when service are rendered.

3.14 Derivative Financial Instruments

These are initially recognized at cost and are subsequently premeasured 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.

3.15 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.

3.16 Dividend and appropriation to reserves

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

3.17 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.

3.18 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.

3.19 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 Act 2017.

3.20 Investment Property

Investment properties are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a written down value method to allocate the depreciable amounts over the estimated useful lives . The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date.

The transfer from owner occupied property to investment property is made when and only when, there is a change in use, evidenced by the end of owner occupation. However when an owner occupied property becomes an investment property because its use has changed, the transfer to the investment property is at its book value .On the date of such transfer, surplus on account of revaluation of property, plant and equipment's remains intact & no transfers from revaluation surplus shall be made to retained earning. Upon disposal, any surplus will directly transferred to retained earnings. However any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the profit and loss account.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalized and the carrying amounts of the replaced components are recognized in profit or loss. The cost of maintenance, repairs and minor improvements is recognized in profit or loss when incurred. Rental income from investment property is recognized on straight line basis over the period of tenancy.

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
4 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
2,200,000 (2018: 2,200,000) Ordinary shares of Rs.10 each allotted for consideration paid in cash		22,000,000	22,000,000
200,000 (2018: 200,000) Ordinary shares of Rs 10 each allotted as bonus shares		2,000,000	2,000,000
9,600,000 (2018: 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
5 RESERVES			
Revenue reserve		3,580,053	3,580,053
Accumulated loss		(1,038,098,685)	(1,089,053,740)
Surplus on revaluation of fixed assets	6	525,238,488	525,238,488
		(509,280,144)	(560,235,199)
6 SURPLUS ON REVALUATION OF FIXED ASSETS			
Balance as at July 01, 2018		525,238,488	525,920,777
Transfer to equity on account of incremental depreciation		-	(682,289)
Balance as at June 30,2019		525,238,488	525,238,488

6.1 The company revalued its Land & Building on market value basis in year December 2016 conducted by K.G.Traders , an independent value which result in downward valuation of Rs 93.103 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 Values 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.

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
7 LONG TERM FINANCING			
From banking companies - secured			
Term Finance			
United Bank Ltd.	7.1	24,083,983	32,583,983
Askari Bank Ltd.	7.2	149,132,998	165,983,000
Bank AlFalah Ltd.	7.3	-	104,000,000
		173,216,981	302,566,983
Frozen Markup			
United Bank Ltd.	7.1	222,272,000	222,272,000
Askari Bank Ltd.	7.2	119,888,598	119,888,598
		342,160,598	342,160,598
Deferred Markup			
United Bank Ltd.		4,129,997	2,666,198
Askari Bank Ltd.		19,983,012	11,743,541
		24,113,009	14,409,739
Less:			
Over due installments subsequently paid		(4,750,000)	-
Current maturity of long term financing		(45,500,000)	(134,100,002)
		(50,250,000)	(134,100,002)
		489,240,588	525,037,318

7.1 United Bank Limited (Loans)
On March 17, 2017, bank has restructured the balance amount of Rs 39.8 million into a four year long term loan payable in 24 installments with markup accruing at cost of the funds of the bank. The cost of fund so accrued shall be paid in two installments i.e. on December 25, 2020 and March 25, 2021. Upon receipt of full amount , the recoverable markup of Rs 222.272 million will be waived off. The term loan is secured by Memorandum of deposit of titled deeds of 90 million. The above modifications shall be incorporated in the Consent Deccree/Settlement Agreement dated December 29,2010 by the Bank.

7.2 Askari Bank Ltd. (Term Finance)
The five year restructured term loan will be payable in 28 installments starting from January 2018 and ending on December 2022. The markup will be accrued at cost of fund of the bank and shall be payable after the payment of principal in four equal installments in year 2023. All the frozen markup of Rs 119.888 million up to 30th June 2015 will be waived off if the company pay the entire principal amount within time. The loan is secured by first pari passu charge by way of mortgage of Rs 150m over company land and building, ranking charge of Rs 40 m over receivables and personal guarantee of three directors. The above modifications shall be incorporated in the Consent Deccree/Settlement Agreement April 01,2010 by the bank.

7.3 Bank Alfalah Ltd. (Term Finance)
The company during the period paid off the balance amount of principal under the agreed arrangement. The balance principal amount of Rs 35 million was waived off by bank upon payment of full settlement amount by the company. 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 Bank on receipt of settlement amount has issued NOC for release of all the charges registered with SECP.

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
8 DEFERRED LIABILITIES			
Staff retirement benefit-gratuity	8.1	315,090	202,366
Deferred tax	8.2	-	-
		315,090	202,366

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
8.1 Movement in the net liability recognized in the balance sheet			
(a) Opening net liability		202,366	67,733
Expense for the year		131,630	126,988
Remeasurement recognized in other comprehensive income		(18,906)	7,645
		315,090	202,366
Benefits paid during the year		-	-
Closing net liability		315,090	202,366
(b) **Expense recognized in the profit and loss account excluding actuarial loss**			
Current service cost		102,792	120,957
Interest cost		28,838	6,031
		131,630	126,988
(c) **Expense recognized in other comprehensive income**			
Net actuarial loss / (gain) recognized in the balance sheet		(18,906)	7,645
(d) **Movement in the present value of defined benefit obligation**			
Present value of defined benefit obligation		176,555	41,922
Current service cost		102,792	120,957
Interest cost		28,838	6,031
Actuarial (loss) / gain		(18,906)	7,645
Benefits paid		-	-
		289,279	176,555
(e) **Gratuity expenses have been allocated as follows**			
Cost of goods manufactured		-	-
Administrative expenses		131,630	126,988
		131,630	126,988

(f) **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.

(g) **Principal actuarial assumption**

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

	2019	2018
	%	%
Discount rate	14.25	8
Expected rate of increase in salary	5	5

(h) **Sensitivity analysis of actuarial assumptions**

The calculation of defined benefit obligation is sensitive to assumptions given above. The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of change in respective assumptions by 100 basis point.

	1% Increase	1% decrease
Discount Rate	5,842	(7,089)
Salary Increase	(9,769)	8,463

(i) **Historical information**

	2019 RUPEES	2018 RUPEES	2017 RUPEES	2016 RUPEES	2015 RUPEES
Present value of the defined obligation	289,279	176,555	41,922	23,421	260,009

(j) **Reconciliation**

	June 30, 2019	June 30, 2018
Present value of defined benefit obligation	289,279	176,555
	289,279	176,555

(k) The expected gratuity expense for the year ending June 30, 2020 works out to Rs.143,495/-

(L) The weighted average duration of defined benefit obligation is 19 years.

8.2 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 and taxed as Separate block of income for Income from Property. Therefore, any timing differences arising during the year are not expected to reverse in future periods.

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES

9 TRADE AND OTHER PAYABLES

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
Trade creditors		117,234,625	139,866,812
Due to associated undertaking	9.1	103,643,022	111,111,579
Rent Deposit	9.2	18,498,412	17,288,500
Advance From Customers		2,403,190	3,125,702
Withholding tax payable		625,543	627,491
Accrued expenses		2,257,304	2,662,904
Regulatory Duty Payable	11.1	24,089,788	24,089,788
Worker's profit participation fund	9.3	10,345,143	8,908,243
Infrastructure Cess Payable-net	9.4	9,643,838	9,643,838
		288,740,865	317,324,857

9.1 This includes Rs.103.643 million (2018: Rs.111.112 million) payable to Olympia Power Generation (Pvt) Ltd in respect of power services received.

9.2 These deposits are under the term of tenancy agreement and integral part of company's principal line of business.

9.3 Worker's profit participation fund

Balance at the beginning of the year		8,908,243	8,096,195
Interest cost		1,436,900	812,048
Balance at the end of the year		10,345,143	8,908,243

9.4 Infrastructure Cess-net

Infrastructure cess payable		21,665,371	21,665,371
Infrastructure cess receivable	9.4.1	(12,021,533)	(12,021,533)
		9,643,838	9,643,838

9.4.1 As a matter of prudence ,the company has recognized a provision of estimated infrastructure cess liability in light of Supreme 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 million remain unattended by ETO which related to cess decleared illegal by supreme court from 1994 to 2006.

10 SHORT TERM BORROWINGS

Loan from Director	10.1	365,076,577	303,566,971
		365,076,577	303,566,971

10.1 The Loan from Directors is unsecured,interest free and payable on demand.

11 CONTINGENCIES AND COMMITMENTS

Contingencies

11.1 The Company has filed ICA No. 953 of 213 before the Honourable Islamabad High Court against the judgement dated 22.07.2013 passed in W.P. No 3076 of 2013 for 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.

11.2 The company has filed a Suit No. 05 of 2018 (old Suit No.B-63 of 2008) 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.

11.3 The Company with others filed a Suit 2459/2016 in the High Court of Sindh against chargeability of Sindh Sales tax on Rent. The Sindh High Court grants stay order dated 18.11.2016 to the company and subsequently declared Sindh Sales tax on rent illegal through its Judgement . The Sindh Revenue Board (SRB) has filed an appeal in the Supreme Court of Pakistan against the decision of the Sindh High Court, whereby, the High Court was pleased to hold that no sales tax is applicable on immovable property where there is no element of services. The appeal is currently pending adjudication. The management is confident of a favorable outcome in this regard, therefore no provision has been made.

11.4 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 CP No.3384 of 2011 in Sindh High Court. As per legal opinion, there is a firm chance of favorable outcome.Therefore,no provision has been made.

11.5 Cross corporate Guarantee issued in favor of M/s Olympia Power Generation, associated company, amounting to Rs. 32.5 million to Sui Southern Gas Company Ltd for supply of gas

11.6 Guarantee issued to Excise and Taxation Officer by Soneri bank on behalf of the company amounting to Rs.25.796 million.

12 PROPERTY, PLANT AND EQUIPMENT

Operating Assets	12.1	60,896,723	70,290,020

12.2 The Company enters into an operating lease arrangement for Paper Plant and related items with M/s Perfect paper Mills for initial period of 10 Years. The arrangement can be terminated by either party by giving three months notice. The company will charge lease charges on the basis of Rs.2.75 per kg on monthly production . In addition to this, Olympia Power Generation (Pvt.) Ltd. will supply power to lessee on same terms as it provided to company. On 28 June 2019 the Company & Perfect Paper Mills enter into a revised 11 months renewable leased/rent agreement under which the leased charges are now bifurcated into Rent of Land & Building and Rent of Machinery components amounting to Rs 1.667 million per month. The effective date of the agreement is 1 July 2019.

12.1 PROPERTY PLANT AND EQUIPMENTS

2019

PARTICULARS	COST (RUPEES) AS AT 7/1/2018	ADDITION	REVALUATION	DELETION	TRANSFER	AS AT 6/30/2019	RATE %	DEPRECIATION (RUPEES) AS AT 7/1/2018	FOR THE YEAR	TRANSFER	DELETION	AS AT 6/30/2019	W.D.V. AS AT 6/30/2019
OWNED:													
OFFICE EQUIPMENT	10,141,057	-	-	-	-	10,141,057	10%	7,423,823	271,723	-	-	7,695,546	2,445,511
FACTORY TOOLS & EQUIPMENT	6,035,843	-	-	-	-	6,035,843	10%	3,652,909	238,294	-	-	3,891,203	2,144,640
FURNITURE & FIXTURE	6,195,732	-	-	-	-	6,195,732	10%	4,799,830	140,590	-	-	4,940,420	1,255,312
MOTOR VEHICLE	8,339,649	-	-	-	-	8,339,649	20%	5,255,815	617,167	-	-	5,872,982	2,466,667
ARMS & AMMUNITION	67,375	-	-	-	-	67,375	10%	46,559	2,082	-	-	48,641	18,734
TOTAL RUPEES-OWNED	**30,779,656**	-	-	-	-	**30,779,656**		**21,166,937**	**1,269,855**	-	-	**22,436,792**	**8,342,864**
PAPER PLANT & MACHINERY	65,487,862	-	-	-	-	65,487,862	10%	9,370,825	5,611,704	-	-	14,982,529	50,505,333
MOTOR TRUCK	5,363,248	-	-	(2,563,248)	-	2,800,000	20%	802,983	813,020	-	(864,529)	751,474	2,048,526
TOTAL RUPEES-LEASED OUT	**70,851,110**	-	-	**(2,563,248)**	-	**68,287,862**		**10,173,808**	**6,424,723**	-	**(864,529)**	**15,734,003**	**52,553,859**
TOTAL RUPEES JUNE- 2019	**101,630,766**	-	-	**(2,563,248)**	-	**99,867,518**		**31,340,745**	**7,694,579**	-	**(864,529)**	**38,170,795**	**61,696,723**

12.1.1 Depreciation has been allocated as under:

	JUNE -2019	JUNE -2018
Cost of Sales	-	6,608,640
Administrative Expenses	1,269,855	1,350,927
Operating Lease	6,424,723	5,033,393
	7,694,579	12,992,960

12.1.2 DISPOSAL OF FIXED ASSETS

2019

S.NO.	Particulars	COST	Accumulated Depreciation	Book Value	Sale Price	Gain/(Loss)	Mode of Disposal	Acquirer
	Leased Motor vehicles:							
1	Truck JV-3000	2,563,248	864,529	1,698,719	2,900,000	1,201,281	Insurance Claim	Jubilee General Insurance
	Total Rupees	**2,563,248**	**864,529**	**1,698,719**	**2,900,000**	**1,201,281**		

12.1.3 Had there been no revaluation the net book value of land and factory building & Plant & Machinery at June 30, 2019 would have been as follows.

	JUNE -2019	JUNE -2018
Land	218,390	218,390
Factory building on lease hold land	273,253,798	303,615,351
Carrying Value	273,472,188	303,833,641

12.1 PROPERTY PLANT AND EQUIPMENTS

2019

PARTICULARS	COST (RUPEES)						RATE	DEPRECIATION (RUPEES)					W.D.V.
	AS AT 7/1/2018	ADDITION	REVALUATION	DELETION	TRANSFER	AS AT 6/30/2019	%	AS AT 7/1/2018	FOR THE YEAR	TRANSFER	DELETION	AS AT 6/30/2019	AS AT 6/30/2019
OWNED:													
OFFICE EQUIPMENT	10,141,057	-	-	-	-	10,141,057	10%	7,423,823	271,723	-	-	7,695,546	2,445,511
FACTORY TOOLS & EQUIPMENT	6,035,843	-	-	-	-	6,035,843	10%	3,652,909	238,293	-	-	3,891,203	2,144,640
FURNITURE & FIXTURE	6,195,732	-	-	-	-	6,195,732	10%	4,789,830	140,590	-	-	4,930,420	1,265,312
MOTOR VEHICLE	8,339,649	-	-	-	-	8,339,649	20%	5,253,815	617,167	-	-	5,870,982	2,468,667
ARMS & AMMUNITION	67,375	-	-	-	-	67,375	10%	46,559	2,082	-	-	48,641	18,734
TOTAL RUPEES-OWNED	30,779,656	-	-	-	-	30,779,656		21,166,937	1,269,855	-	-	22,436,793	8,342,864
PAPER PLANT & MACHINERY	65,487,862	-	-	-	-	65,487,862	10%	9,370,825	5,611,704	-	-	14,982,529	50,505,333
MOTOR TRUCK	5,363,248	-	-	(2,563,248)	-	2,800,000	20%	802,983	813,020	-	(864,529)	751,474	2,048,526
TOTAL RUPEES-LEASED OUT	70,851,110	-	-	(2,563,248)	-	68,287,862		10,173,808	6,424,723	-	(864,529)	15,734,002	52,553,860
TOTAL RUPEES JUNE- 2019	101,630,766	-	-	(2,563,248)	-	99,067,518		31,340,745	7,694,579	-	(864,529)	38,170,795	60,896,723

2.1.1 Depreciation has been allocated as under:

	JUNE -2019	JUNE -2018
Cost of Sales	-	6,608,640
Administrative Expenses	1,269,855	1,350,927
Operating Lease	6,424,723	5,033,393
	7,694,579	12,992,960

2.1.2 DISPOSAL OF FIXED ASSETS

2019

S.NO.	Particulars	COST	Accumulated Depreciation	Book Value	Sale Price	Gain/(Loss)	Mode of Disposal	Acquirer
Leased Motor vehicles:								
1	Truck JV-3010	2,563,248	864,529	1,698,719	2,900,000	1,201,281	Insurance Claim	Jubilee General Insurance
	Total Rupees	2,563,248	864,529	1,698,719	2,900,000	1,201,281		

2.1.3 Had there been no revaluation the net book value of land and factory building & Plant & Machinery at June 30, 2019 would have been as follows.

	JUNE -2019	JUNE -2018
Land	218,310	218,310
Factory building on lease hold land	273,253,798	303,615,331
Carrying Value	273,472,108	303,833,641

12.1.4 PROPERTY PLANT AND EQUIPMENTS

2018

PARTICULARS	COST (RUPEES) AS AT 7/1/2017	ADDITION	REVALUATION	DELETION	TRANSFER	AS AT 6/30/2018	RATE %	DEPRECIATION (RUPEES) AS AT 7/1/2017	FOR THE YEAR	TRANSFER	DELETION	AS AT 6/30/2018	W.D.V. AS AT 6/30/2018
OWNED													
LAND	505,000,000	-	-	-	(505,000,000)	-		-	-		-	-	
FACTORY BUILDING	195,435,000	-	-	-	(195,435,000)	-	10%	3,755,725	4,831,368	(8,587,093)	-	-	-
PAPER PLANT & MACHINERY WITH RELATED EQUIPMENT	63,422,862	-	-	-	(63,422,862)	-	10%	3,416,008	1,512,502	(4,928,510)	-	-	-
OFFICE EQUIPMENT	10,141,057	-	-	-	-	10,141,057	10%	7,121,908	301,915	-	-	7,423,823	2,717,234
FACTORY TOOLS & EQUIPMENT	6,035,843	-	-	-	-	6,035,843	10%	3,388,139	264,779	-	-	3,652,909	2,382,934
FURNITURE & FIXTURE	6,195,732	-	-	-	-	6,195,732	10%	4,633,619	156,211	-	-	4,789,830	1,405,902
MOTOR VEHICLE	11,976,317	2,208,750	-	(3,282,170)	(2,563,248)	8,339,649	20%	6,892,836	899,487	(211,906)	(2,317,602)	5,253,815	3,085,834
ARMS & AMMUNITION	67,375	-	-	-	-	67,375	10%	44,246	2,313	-	-	46,559	20,816
TOTAL RUPEES-OWNED	**798,274,186**	**2,208,750**	-	**(3,282,170)**	**(766,421,110)**	**30,779,656**		**29,252,481**	**7,959,566**	**(13,727,509)**	**(2,317,602)**	**21,166,937**	**9,612,719**
PAPER PLANT & MACHINERY	-	2,065,000	-	-	63,422,862	65,487,862	10%	-	4,442,316	4,928,509.53	-	9,370,825	56,117,037
MOTOR TRUCK	-	2,800,000	-	-	2,563,248	5,363,248	20%	-	591,077	211,906	-	802,983	4,560,265
TOTAL RUPEES-LEASED OUT	-	**4,865,000**	-	-	**65,986,110**	**70,851,110**		-	**5,033,393**	**5,140,416**	-	**10,173,809**	**60,677,301**
TOTAL RUPEES JUNE- 2018	**798,274,186**	**7,073,750**	-	**(3,282,170)**	**(700,435,000)**	**101,630,766**		**29,252,481**	**12,992,960**	**(8,587,093)**	**(2,317,602)**	**31,340,746**	**70,290,020**

12.1.5 Depreciation has been allocated as under

	JUNE -2018	JUNE -2017
Cost of Sales	6,608,640	13,217,467
Administrative Expenses	1,350,927	918,698
Operating Lease	5,033,393	-
	12,992,960	14,136,165

12.1.6 DISPOSAL OF FIXED ASSETS

2017-18

S.NO.	Particulars	COST	Accumulated Depreciation	Book Value	Sale Price	Gain/(Loss)	Mode of Disposal	Acquirer
Motor vehicles:								
1	AUQ-346	1,106,210	793,993	312,217	870,000	557,783	Negociation	Syed Hammad Uddin
2	AUT-070	1,065,960	769,343	296,617	350,000	53,383	Negociation	Paracha
3	APZ-974	450,000	284,783	165,217	200,000	34,783	Negociation	Mateen
4	CT-9483	660,000	469,485	190,515	450,000	259,485	Negociation	Mr. Umair
	Total Rupees	3,282,170.00	2,317,602.00	964,568.00	1,870,000.00	905,434.00		

12.1.7 Had there been no revaluation the net book value of land and factory building & Plant & Machinery at June 30, 2018 would have been as follows.

Land	218,310	218,310
Factory building on lease hold land	303,615,331	337,350,368
As at 30th June 2018	303,833,641	337,568,678
As at 30th June 2017	337,568,678	337,568,678

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
		June 30,2019	June 30,2018
13 INVESTMENT PROPERTY			
Investment Property	13.1	660,585,436	700,435,000

	Land	Building	Total
13.1 Cost as at 01-07-2018	505,000,000	195,435,000	700,435,000
Accumulated Depreciation as at 01-07-2018	-	(22,562,293)	(22,562,293)
Written down Value as at 30-06-2018	505,000,000	172,872,707	677,872,707
Depreciation charge for the year	-	(17,287,271)	(17,287,271)
Written down Value as at 30-06-2019	505,000,000	155,585,436	660,585,436

13.2 Investment Property comprises Land measuring around 14 acres & building situated at Landhi Industrial area. The fair value of the investment property according to most recent valuation based on market values of surrounding properties are as follows:

	Assessed value	FSV
Land	860,615,702	688,492,562
Building	185,242,875	148,194,300
Total	1,045,858,577	836,686,862

	Notes	June 30, 2019	June 30, 2018
14 LONG TERM DEPOSITS			
K.E.S.C.		1,829,694	1,829,694
Other deposits		1,963,788	1,765,468
		3,793,482	3,595,162
15 TRADE DEBTS			
Unsecured-Considered good			
Trade debts		7,238,062	12,953,190
Considered Doubtful		287,450	-
Less - Expected Credit Loss	15.1	(287,450)	-
		-	-
		7,238,062	12,953,190
15.1 Movement of expected credit loss			
Opening Balance as per IAS 39		-	-
Effect of changes in accounting policy due to adoption of IFRS 9 - note 3.1.2		287,450	-
Opening Balance as per IFRS 9		287,450	-
Expected Credit Loss			
Closing balance		287,450	-
16 SHORT TERM INVESTMENT- AT AMORTIZED COST			
Term Deposits Cross Currency Swap	16.1	8,300,000	8,300,000
Term Deposits - ETO & SSGC	16.2	25,796,000	25,796,000
		34,096,000	34,096,000

16.1 The above deposit had been held by bank as collateral security against Cross currency swap contract. This carries markup at the average rate ranging Nil (2018 :5.50 % p.a.). In year 2018, Standard Chartered Bank write off TDR of Rs 8.3 million against its disputed liability as disclose in Note 11.2 against which a suit is pending in Sindh High Court.

16.2 These represents TDR held by banks, under lien as security margins for guarantees issued to Excise and Taxation Officer. These TDR's carries markup at the rate ranging from 4.10 % to 6.60 % approx. per annum (2018: 5.75 % to 8 %). Refer note no 11.6.

	June 30, 2019	June 30, 2018
17 LOANS AND ADVANCES		
Unsecured-considered good		
To Employees		
Advance/Loan to Employees	104,000	170,317
To suppliers		
Considered Doubtful	340,777	340,777
Less - Expected Credit Loss	(340,777)	-
	-	340,777
	104,000	511,094
17.1 Movement of expected credit loss		
Opening Balance as per IAS 39	-	
Effect of changes in accounting policy due to adoption of IFRS 9 - note 3.1.2	340,777	-
Opening Balance as per IFRS 9	340,777	-
Expected Credit Loss	-	-
Closing balance	340,777	-

17.2 Advances and Loans to employees are as per the company policy.

m

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
18 INCOME TAX AND SALES TAX REFUNDABLE			
Sales tax refundable-net		1,869,032	784,779
Income tax refundable			
Opening Balance		8,879,100	9,494,410
Withholding Tax deducted during the year		7,535,720	9,204,552
Refund during the year		-	-
Less: Provision For Taxation		(11,654,974)	(9,819,862)
		4,759,846	8,879,100
		6,628,878	9,663,879
19 OTHER RECEIVABLES			
Other Receivables-considered good		270,540	436,205
Other Receivables-considered doubtful		436,205	-
Less - Expected Credit Loss		(436,205)	-
		-	-
Claims receivables	19.1	29,185,850	29,185,850
Less - Expected Credit Loss	19.2	(5,241,519)	(5,241,519)
		23,944,331	23,944,331
		24,214,871	24,380,536

19.1 The company has filed a Suit No.1447 of 2011 against suppliers for cancellation of raw material contracts.As per legal opinion, there is a firm chance of favourable outcome.

19.2 Movement of expected credit loss			
Opening Balance as per IAS 39		5,241,519	5,241,519
Effect of changes in accounting policy due to adoption of IFRS 9 - note 3.1.2		436,205	-
Opening Balance as per IFRS 9		5,677,724	5,241,519
Expected Credit Loss		-	
Closing balance		5,677,724	5,241,519

20 CASH AND BANK BALANCES			
Cash in hand		5,123	23,392
Cash at bank-SCB Disputed	20.1	6,519,183	6,519,183
Cash at bank in current accounts		261,218	91,150
		6,785,524	6,633,725

20.1 This bank account is maintained with Standard Chartered Bank. The bank debited its disputed claim as disclosed in Contingent liability note and periodically credit interest on TDR held. During the year Standard Chartered wrote off the whole of its claims against the company against securities held despite the fact that a litigation is pending in Sindh High Court to date. The amount of Rs 6.519 m represents interest earned on TDR's held illegally by bank.

21 REVENUE FROM LEASE/RENTAL INCOME			
Revenue from Rent		55,648,793	51,170,088
Revenue from Amenities & Utilities		9,299,642	3,424,117
Revenue from Leasing of Plant & Machinery		15,949,131	12,039,450
		80,897,566	66,633,655
22 Direct operating Expenses			
Insurance		1,059,711	370,799
Taxes & Fee		401,340	405,413
Repair & Maintenance		-	1,606,246
Utilities Charges		6,058,188	3,901,637
Salaries & Benefit		4,174,105	3,376,601
Depreciation expenses-Leased Assets		6,424,723	5,033,393
Depreciation expenses-Investment Property	13.1	17,287,271	13,975,200
		35,405,338	28,669,289
23 SALES			
Fluting Paper		-	53,399,174
24 COST OF SALES		-	53,399,174
Raw material consumed	24.1	-	19,542,162
Stores and spare parts consumed	24.2	-	1,099,797
Salaries, wages and benefits		-	2,260,213
Utilities Charges (Water & Sui gas)	24.3	-	1,069,995
Power Charges		-	11,149,342
Steam consumption		-	6,934,832
Vehicle running and maintenance		-	93,190
Repairs and maintenance		-	184,500
Insurance		-	-

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
Miscellaneous Expenses			
Depreciation		-	123,161
Cost of goods manufactured	12.1.1	-	6,608,640
Finished goods		-	49,065,832
Opening			
Closing		-	5,186,343
			-
Cost of sales		-	5,186,343
		-	54,252,175

24.1 RAW MATERIAL CONSUMED

Opening stock			
Purchases		-	2,777,645
		-	16,815,036
Transfer to trading account		-	19,592,681
Closing stock		-	(50,519)
			-
		-	**19,542,162**

24.2 STORES AND SPARES CONSUMED

Opening stock			
Purchases		-	-
Available		-	1,099,797
Consumed		-	1,099,797
		-	**1,099,797**

24.3 This amount represent proportionate utilities charged to Administrative expenses based on appropriate allocation on determine by management.

25 ADMINISTRATIVE & GENERAL EXPENSES

Salaries and other benefits	25.1	8,828,778	9,871,516
Rent, rates and taxes		429,896	375,989
Electric, gas and water charges	25.2	3,325,516	3,365,290
Postage, telephone and telex		331,435	335,592
Printing and stationery		99,265	151,678
Repairs and maintenance		655,210	697,501
Advertisement and publicity		45,447	74,800
Vehicle running expenses		720,350	787,342
Entertainment		621,963	660,908
Auditor's remuneration	25.3	633,000	632,880
Miscellaneous		93,879	449,346
Charity & Donation	25.4	10,000	-
Insurance Expense		168,615	674,125
Depreciation	12.1.1	1,269,855	1,350,927
		17,233,210	**19,427,894**

25.1 It includes Rs.131,630/- (June 2018: Rs.126,988 /-) in respect of staff retirement benefits.

25.1.1 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2019	2018
	Executives	
Managerial Remuneration and other Allowances	4,765,000	4,257,500
Number of Persons	2	2

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

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

25.2 This amount represent proportionate utilities charged to Administrative expenses based on appropriate allocation on determine by management.

25.3 AUDITOR'S REMUNERATION

Audit fee	500,000	500,000
Half yearly review fee	133,000	132,880
	633,000	**632,880**

25.4 No directors or executives are interested in donation.

26 OTHER OPERATING INCOME

Income From Financial Assets			
Return on Bank Term Deposits		1,526,699	1,796,848
Trading Income	26.1	146,177	470,387
Others	26.2	-	31,800,000
Gain on dispsal of Fixed Assets	12.1.2	1,201,281	905,434
Liabilities No Longer Payable :			
Creditors-Ginners		6,707,688	21,297,072
Creditors-Others		1,050,204	911,206
Advance from customer		2,493,702	-
		13,125,751	**57,180,947**

26.1 Trading Income

Sales	11,335,149	14,003,174
Cost of Sales	11,188,972	13,532,787
Gain	**146,177**	**470,387**

26.2 The receipt is utilized for making payment of investment under SRO 1065(I)/2013 and Clause 86-a(iii) of Part IV of Second Schedule in Paper Plant & Machinery and related items to the creditors.

	Notes	June 30, 2019 RUPEES	June 30, 2018 RUPEES
27 Gain on Extinguishment of debt			
Principal	7.3	35,000,000	37,154,875
Markup		-	46,158,000
		35,000,000	**83,312,875**
		35,000,000	**83,312,875**
28 OTHER EXPENSES			
Provision for disallowed sale tax		-	465,684
		-	**465,684**
29 FINANCE COST			
Interest/mark-up on			
Long term loans		11,269,749	13,504,377
Worker's profit participation fund		1,436,900	812,048
		12,706,649	14,316,425
Bank charges and commission		22,566	22,706
		12,729,215	**14,339,131**
30 TAXATION			
Current	30.1	(11,540,283)	(11,280,025)
Prior		(114,691)	1,460,163
		(11,654,974)	**(9,819,862)**

30.1 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

30.2 The numerical reconciliation between the average rate and the applicable tax rate

	2019	2018
Profit before taxation	63,655,555	143,372,479
Tax at applicable rate of 29% (2018:30%)	18,460,111	43,011,744
Tax Effect of Rental Income	(1,652,463)	(15,130,988)
Tax Effect of exempt income	-	(9,540,000)
Tax Effect of Other items	(5,152,674)	(8,520,894)
	11,654,974	9,819,862
Average Rate of tax	18.31%	6.85%

31 EARNING PER SHARE - BASIC & DILUTED

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

	2019	2018
Loss for the year in rupees	52,000,581	133,552,617
Total number of ordinary shares	12,000,000	12,000,000
Loss per share in rupees- Basic and diluted	4.33	11.13

32 CASH GENERATED FROM OPERATIONS

	2019	2018
Profit before taxation	63,655,555	143,372,479
Adjustment for non cash charges and other items		
Depreciation	24,981,849	26,968,160
Finance cost	12,729,215	14,339,131
Liabilities no longer payable-Ginners	(6,707,688)	(21,297,072)
Creditors-Others	(1,050,204)	(911,206)
Gain on disposal of fixed assets	(1,201,281)	(905,434)
Gain on Extinguishment of debt	(35,000,000)	(83,312,875)
Provision for gratuity	131,630	126,988
	(6,116,479)	(64,992,308)
Operating profit before working capital changes	57,539,075	78,380,171
(Increase)/decrease in current assets		
Stock, Store & spare parts	-	9,358,230
Trade debts	5,427,678	10,220,674
Loans and advances	66,317	1,372,532
Sales Tax	(1,084,253)	(784,779)
Other receivables	(270,540)	1,465,113
	4,139,202	21,631,770
Increase/(decrease) in current liabilities		
Trade and other payables	(20,826,098.40)	(33,607,608)
	40,852,179	**66,404,333**

33 TRANSACTION WITH RELATED PARTIES

The related parties comprises associated undertakings, directors and key management personnel.Transaction with related parties are as follows:

Name Of Related Party	Relationship	Nature Of Transaction	2019	2018
Olympia Paper Industries (Pvt) Ltd	Associated Undertaking	purchase of paper plant	-	36,222,957
Olympia Power Generation (Pvt) Ltd	Associated Undertaking	purchase of electricity	307,235	12,870,111
Olympia Power Generation (Pvt) Ltd	Associated Undertaking	Rental Income	883,368	883,368
Olympia Power Generation (Pvt) Ltd	Associated Undertaking	Loan-net	7,468,557	14,747,693

33.1 Transaction with related parties are carried out at arm's length..

	June 30, 2019 RUPEES	June 30, 2018 RUPEES

34 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.

34.1 Credit risk

34.1.1 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.76.226 million (June 30, 2018 : Rs.82.146 million), financial assets which are subject to credit risk aggregate to Rs 76.221 million (June 30, 2018 : Rs. 81.635 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:

	2019	2018
Long term deposits	3,793,482	3,595,162
Trade debts	7,238,062	12,953,190
Loans and advances	104,000	511,094
Trade deposits and short term prepayments	34,096,000	34,096,000
Other Receivables	24,214,871	24,380,536
Bank balances	6,780,401	6,610,333
	76,226,816	82,146,315

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

	2019	2018
Domestic	7,525,512	12,953,190
	7,525,512	12,953,190

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

	2019	2018
Not past due	1,285,706	12,953,190
Past due 0 - 30 days	2,418,353	-
Past due 31 - 90 days	803,804	-
Past due 90 days - 1 year	3,017,649	-
More than one year	-	-
	7,525,512	12,953,190
Impairment	(287,450)	-
	7,238,062	12,953,190

34.2 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.

2019

	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	539,490,588	539,490,588	115,600,002	134,100,002	289,790,584	-
Trade and other payables	244,036,553	244,036,553	199,957,784	44,078,769	-	-
Accrued mark up						
Short term borrowings	365,076,577	365,076,577	365,076,577	-	-	-
	1,148,603,718	1,148,603,718	680,634,363	178,178,771	289,790,584	-

2018

	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	659,137,320	659,137,320	115,600,002	134,100,002	409,437,316	-
Trade and other payables	274,055,497	274,055,497	231,413,628	42,641,869	-	-
Accrued mark up / interest						
Short term borrowings	303,566,971	303,566,971	303,566,971	-	-	-
	1,236,759,788	1,236,759,788	650,580,601	176,741,871	409,437,316	-

34.2.1 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, 2019. The rates of mark up have been disclosed in relevant notes to these financial statements.

34.3 **Market risk**

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

34.3.1 **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 2019	-	-
Trade debts 2018	-	-

The following significant exchange rates applied during the year.

	Average rates		Reporting date rates	
	2019	2018	2019	2018
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 that all other variables remain constant.

US Dollar	-	-

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

34.3.2 **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	173,216,981	302,566,983

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, 2018.

	Profit and loss	
	100 bps increase	100 bps decrease
	Rupees	
Cash flow sensitivity - variable rate instruments 2019	1,391,210	(1,391,210)
Cash flow sensitivity - variable rate instruments 2018	2,684,710	(2,684,710)

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.

35 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 an 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 compar 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 capit on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing and others sho term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

Borrowings	Rupees	904,567,165	962,704,291
Equity	Rupees	(389,280,144)	(440,235,199)
Total capital employed	Rupees	515,287,021	522,469,092
Gearing ratio	Percentage	175.55	184.26

36 MEASUREMENT OF FAIR VALUES:

The expected gratuity expense for the year ending June 30, 2020 works out to Rs.143,495/-

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or reprised periodically. International Financial Reporting Standard 13, 'Fair Value Measurements' requires the company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

Certain categories of operating fixed assets (land and buildings) are carried at revalued amounts (level 2 measurement) determined by a professional valuer based on their assessment of the market values.

37 Plant capacity and Production

	2019	2018
Fluting paper Production capacity	14 m kg p.a	14 m kg p.a
Fluting paper Production -Actual	-	1.62 m kg

The actual production depends on various factors including usage of Plant,production time,supply and demand ,availability of raw material and competitive market rates of finished product. The Plant is leased to Perfect Paper Mills.

38 NUMBER OF EMPLOYEES

	2019	2018
Total number of employees of the Company at year end	33	34
Average number of employees during the year	33	46
Total number of factory employees of the Company at year end	-	25
Average number of factory employees during the year	-	37

39 DISCLOSURE REQUIREMENTS FOR ALL SHARE ISLAMIC INDEX

The company did not avail or have any type of Islamic banking products.

40 EVENTS OCCURING AFTER THE BALANCE SHEET DATE

There are no material events that occurred after the balance sheet date

41 GENERAL

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

	Reclassification from	To (for better classification)	2018
(i)	Direct Cost (Utilities Charges)	Revenue from Amenisties & Utilities	3,424,117
(ii)	Adminstrative Expenses	Direct Cost (Taxes & fees-KMC Charges)	14,250

42 DATE OF AUTHORISATION FOR ISSUE

The Board of directors of the company authorized these financial statements for issue on ________________.

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

PROXY FORM

I/We____of____

(full address)

being member (s) of Olympia 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 25 October, 2019 at Registered Office at H-23/3, Landhi Industrial Area and at any adjournment thereof.

As witness my / our hand / seal this__________________day of______________________________2018.

____

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.

پراکسی فارم

میں / ہمیں ______________________________ of ______________________________
(مکمل پتہ)

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

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

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 25 اکتوبر، 2019 کو منعقد ہوگی۔

میرے / ہمارے ہاتھ / مہر 2018 ______________ day of ______________ this گواہ کے طور پر۔

____

موجودگی of ______________________________ میں

____

____

دستخط اور گواہ کا پتہ

صحیح ریونیو سٹیمپ لتھی مہربانی

____
اراکین کے دستخط (ے)

حصص held ______________ کے کے شیئر ہولڈر فولیو نمبر ______________ Number

شرکت بولنے 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۔

آلے کی ایک پراکسی تقرری appointer کی یا اس کے ہاتھ کے ساتھ مضمون میں ہوں گے / اس وکیل ودوت، 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۔