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VALIKA ART FABRICS LIMITED

COMPANY INFORMATION

Board of Directors:

NASIRUDDIN VALIKA
KAMRUDDIN
KUTBUDDIN FAKHRUDDIN
ALI ASGHAR
SHIRIN
ABID VALIKA
JUMANA

Chief Executive
Director
Director
Director
Director
Director
Director

Company Secretary:

JAFFER ALI KAUKAWALA

Bankers:

M.C.B BANK LIMITED
HABIB BANK LIMITED

Auditor:

Horwath Hussain Chaudhury & Co ... Chartered Accountants
F-4/2, Mustafa Avenue, Block 9,
Behind "The Forum", Clifton,
Karachi.

Shares Department & Registered Office:

4th Floor, Valika Chambers,
Altaf Hussain Road,
Karachi.
Telephone # 021-32217820 / 021-32218193
Email : Pakvalika@gmail.com
Website : valikaartfabrics.com

Bonded Warehouse

A/1-B2, S. I. T. E.,
Manghopir Road,
Karachi.
Telephone # 021-32575722 / 021-32593172



VALIKA ART FABRICS LIMITED

DIRECTOR'S REPORT TO THE MEMBERS

The Directors of your company feel pleasure in presenting the 64th Annual Report and Audited Accounts along with Auditor's Report thereon for the year ended June 30, 2018.

Operational & Financial Result

The performance of the company remained satisfactory both in the terms of storage revenue and profitability during the year enable to meet company's direct and overhead expenses. We renewed our focus to drive growth and simultaneously enhance our services quality and satisfactory delivery for our worthy clients. Storage income for the year under review was recorded at Rs. 13,813,529 as against last year at Rs. 9,895,215 representing a healthy growth of 39%. However, operating loss for the year stood at a loss of Rs. 20,299 as compared to previous year operating profit of Rs. 1,212,093 primarily on account of writing off trade debts amounting to Rs. 1,850,000 which was receivable from M/s Agri Autos Ltd which are no longer expected to be received even after due efforts undertaken by management. The loss after taxation has been reported at Rs. (448,335) as compare to profit after taxation of Rs. 944,182 of the last year.

The summary of the operational results of the Company for the year under review along-with the comparatives for the last year are as under :

	2018	2017
	RUPEES	RUPEES
Storage Income	13,813,529	9,895,215
Direct & Administrative Expenditure	(13,833,828)	(8,683,122)
Operating Income/ (Loss)	(20,299)	1,212,093
Other Income	107,338	61,603
Profit/(loss) before tax	87,038	1,273,696
Taxation Current	(589,405)	(410,520)
Prior	39,565	76,395
Deferred	14,467	4,611
Net Profit for the year after tax	(448,335)	944,182
Earning/(Loss) per Share	(1.48)	3.12

Earning Per Share

Earning per share of Rs. (1.48) as compared to earning of Rs. 3.12 of the previous year.

Financial Highlights

Rs. @ '000'

	2018	2017	2016	2015	2014	2013
Revenue	13,921	9,957	7,504	6,234	4,279	3,384
Operating Expenses	13,834	8,683	6,425	5,532	3,894	3,865
Profit / (Loss) before Tax	87	1,274	1,079	702	385	(481)
Profit / (Loss) after Tax	(448)	944	745	525	373	125

Financial Position

Rs. @ '000'

	2018	2017	2016	2015	2014	2013
Paid up Share Capital	1,210	1,210	1,210	1,210	1,210	1,210
Reserve & Un-appropriate Profit	5,605	6,054	5,109	4,364	3,839	3,466
Gain on re-measure of investment	(11)	3	4	6	63	301
Share Holder Equity	6,804	7,267	6,323	5,580	5,112	4,977

Ratio & Statistics

Rs. @ '000'

	2018	2017	2016	2015	2014	2013
Current Ratio	6.56	8.90	8.49	6.45	8.87	14.93
Breakup value per Share	22.49	24.02	20.90	18.45	16.90	16.45
Earning per Share	(1.48)	3.12	3.57	2.32	1.27	0.41

Number of Board Meeting Held

During the year four (4) meetings of the Board Directors were held. Attendance of each Director was as follows:

		No of meeting Attended
Mr. Nasiruddin Fakhruddin	Chief Executive / Director	4
Mr. Kamruddin Fakhruddin	Director	3
Mr. Kutbuddin Fakhruddin	Director	4
Mrs Shirin Kamruddin	Director	3
Mrs. Jumana Nasiruddin	Director	3
Mr. Ali Asghar	Director	4
Mr. Abid Kamruddin	Director	4

Leave of absence was granted to directors who could not attend Board meetings

Future Outlook

The Directors are confident that with renewed focus on streamlining operations and improving profitability, your Company will maintain a positive outlook in upcoming financial periods.

Corporate Social Responsibility

Your Company understand its corporate responsibility towards society and full fills its obligation by providing financial support to under privileged members of society and its deserving employees as well as doing philanthropy work the company is also contributing considerable amount to the national Exchequer.

Your company is providing healthy, safe work environment by restriction unnecessary lighting, implementing tobacco control Law and "No Smoking Zone" and learning work environment to its employees and employment through a transparent procedure, without discrimination on the basis of religion, caste, language etc.

Auditors

The present auditors M/s Horwath Hussain Chaudhury & Co Chartered Accountants, retired and offer themselves for re-appointments, the Board of Director's has recommended their re-appointment as auditor's of the company for the year ending june 30, 2019.
at a fee to be mutually agreed.

Pattern of Shareholding

A statement showing pattern of shareholding as on June 30, 2018 is annexed herewith.

Acknowledgement

The Directors are pleased to report that the management and the staff members had cordial relations; the company staff remains cooperative and also responsive to the need of the Company. The Directors are also thankful to all the valued client for their continued support of the Company.

For and on behalf of Directors of
VALIKA ART FABRICS LTD.



NASIRUDDIN VALIKA

CHIEF EXECUTIVE

Karachi Dated: October 02, 2018



Independent Auditors Report

Opinion

We have audited the annexed financial statements of the **Valika Arts Fabrics Limited** which comprise the statement of financial position as at 30 June 2018 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, the statement of financial position, the profit and loss statement, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2018 and of its loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our 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.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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);

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- 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 Najeeb Moochhala.


Horwath Hussain Chaudhury & Co.
Chartered Accountants



Karachi


Date: 03 OCT 2018

VALIKA ART FABRICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

		2018	2017
	NOTE	-----Rupees-----	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	828,269	915,105
Long term deposits		<u>30,800</u>	<u>30,800</u>
		859,069	945,905
CURRENT ASSETS			
Trade debtors - unsecured but considered good		2,489,880	4,432,004
Short term investments	6	715,269	803,590
Taxation	7	1,395,476	1,223,316
Advances and other receivables	8	71,000	192,334
Cash and bank balances	9	2,460,895	600,155
		7,132,520	7,251,399
TOTAL ASSETS		<u><u>7,991,589</u></u>	<u><u>8,197,304</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised capital:			
302,500 (2017: 302,500) Ordinary shares of Rs. 4 each		<u>1,210,000</u>	<u>1,210,000</u>
Issued, subscribed and paid up capital	10	1,210,000	1,210,000
Reserves			
Capital reserves		1,571,167	1,571,167
Unappropriated profit		4,034,157	4,482,492
Unrealised (loss)/gain on available for sale investment		(11,519)	3,591
		5,593,805	6,057,250
		6,803,805	7,267,250
NON-CURRENT LIABILITIES			
Deferred taxation	11	100,579	115,046
CURRENT LIABILITIES			
Accrued and other payables	12	497,800	404,488
Provision for taxation		589,405	410,520
		1,087,205	815,008
Contingencies and commitments	13		
TOTAL EQUITY AND LIABILITIES		<u><u>7,991,589</u></u>	<u><u>8,197,304</u></u>

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


 Chief Executive


 Director

**VALIKA ART FABRICS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2018**

	NOTE	2018 -----Rupees-----	2017
Storage income		13,813,529	9,895,215
Direct and administrative expenditure	14	(13,833,828)	(8,683,122)
Operating profit		<u>(20,299)</u>	<u>1,212,093</u>
Other income	15	107,338	61,603
Profit before tax		<u>87,038</u>	<u>1,273,696</u>
Taxation	16	(535,373)	(329,514)
(Loss) / Profit after tax		<u><u>(448,335)</u></u>	<u><u>944,182</u></u>

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

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 Chief Executive

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 Director

VALIKA ART FABRICS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
	-----Rupees-----	
Loss after taxation	(448,335)	944,182
Other comprehensive loss		
Deficit on re-measurement of "available for sale investments"	(15,110)	(609)
Total comprehensive loss for the year	<u><u>(463,445)</u></u>	<u><u>943,573</u></u>

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



 Chief Executive



 Director

VALIKA ART FABRICS LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2018

2018 **2017**
 -----Rupees-----

CASH FLOW FROM OPERATING ACTIVITIES

Profit before tax	87,038	1,273,696
Adjustment for:		
Depreciation	86,836	98,939
Assets written off	-	11,543
	86,836	110,482
Operating profit before working capital changes	173,874	1,384,178
(Increase) / decrease in current assets		
Trade debtors	1,942,124	(687,642)
Advances and other receivables	121,333	(186,333)
	2,063,457	(873,975)
Increase / (decrease) in current liabilities		
Accrued and other payables	93,312	41,821
Cash generated from operations	2,330,644	552,024
Income tax paid	(543,115)	(510,867)
Net cash inflow from operating activities	1,787,529	41,157

CASH FLOW FROM INVESTING ACTIVITIES

Sale of investments	800,000	802,115
Purchase of investment	(726,788)	(800,000)
Net cash inflow / (outflow) from investing activities	73,212	2,115
Net increase / (decrease) in cash and cash equivalents	1,860,741	43,272
Cash and cash equivalents at the beginning of the year	600,155	556,883
Cash and cash equivalents at the end of the year	2,460,895	600,155

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

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 Chief Executive

Kuldeep



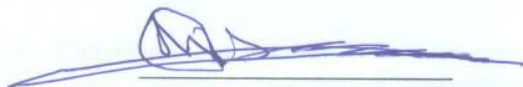
 Director

VALIKA ART FABRICS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

	Reserves				Total
	Share Capital	Capital Reserve	Unappropriated Profit	Unrealised Gain on Available for Sale Investments	
	-----Rupees-----				
Balance as at June 30, 2016	1,210,000	1,571,167	3,538,310	4,200	6,323,677
Profit for the year	-	-	944,182	-	944,182
Other comprehensive loss for the year	-	-	-	(609)	(609)
Balance as at June 30, 2017	1,210,000	1,571,167	4,482,492	3,591	7,267,250
Loss for the year	-	-	(448,335)	-	(448,335)
Other comprehensive loss for the year	-	-	-	(15,110)	(15,110)
Balance as at June 30, 2018	1,210,000	1,571,167	4,034,157	(11,519)	6,803,805

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

Signature



Chief Executive

Signature

Director

VALIKA ART FABRICS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2018

1 LEGAL STATUS AND OPERATIONS

- 1.1** Valika Art Fabrics Limited (the company) is a public limited company incorporated in Pakistan on November 25th, 1953. The Company is governed under the Companies Act, 2017.

The principal activity of the company is to act as a Public Bonded Warehouse.

The geographical location and address of the Company's business unit is as under:

- The registered office of the Company is situated on 4th Floor, Valika Chambers, Altaf Hussain Road, Karachi.
- The company warehouse is situated at SITE, Manghopir, Karachi

- 1.2** Previously the Company was quoted on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited), but was delisted under Listing Regulations of Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited) and its shares were removed from Ready Board with effect from September 12th, 2005.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

- International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) 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 for SMEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 Key judgement and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate

- Useful lives, residual values and depreciation method of property, plant and equipment – Note 3.1 & 5
- Investment available for sale - Note 3.2 & 6
- Provision for doubtful trade receivables – Note 3.4
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) - Note 3.5, 10 & 15

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is 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.

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3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.1 Property and Equipment

3.1.1 Owned

Operating fixed assets are stated at cost less accumulated depreciation and impairment loss. Depreciation is provided on a reducing balance method at the rate mentioned in the relevant note. Depreciation is charged from the month the asset is put into operation and discontinued from the preceding month the asset is retired.

Gain and loss on disposal of assets are included in profit and loss currently.

3.1.2 Subsequent costs

The costs of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of property and equipment are recognized in profit or loss as they are incurred.

3.1.3 Impairment of Assets

The carrying amount of the Company's assets are reviewed at each balance sheet date to identify circumstances indicating concurrence of impairment loss or reversal of previous impairment losses. If any such indications exist, the recoverable amounts of such assets are estimated and impairment losses or reversal of impairment losses are recognized in the profit and loss account. Reversal of impairment loss is restricted to the original cost of the asset.

3.2 Investments

3.2.1 Investments available for sale

These are initially recognized at cost and at subsequent reporting dates remeasured at fair values. Gains or losses from changes in fair values are taken to equity until disposal and on disposal these are transferred to profit and loss account.

3.3 Trade Debtors

Trade debts are carried at original invoice amount less provision for impairment. Known bad debts are written off, while provisions are made against debts considered doubtful based on review of outstanding amount at the end of the year.

3.4 Trade and other payable

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

3.5 Taxation

3.5.1 Current

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and rebates available, if any, or one percent of turnover, whichever is higher.

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3.5.2 Deferred

Deferred tax is recognized using the balance sheet liability method, providing for all the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that are enacted or substantively enacted by the reporting date. Deferred tax liabilities are recognized for all temporary differences. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax asset are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefits will be realized.

3.6 Provisions

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

3.7 Revenue Recognition

3.7.1 Storage income and gain of financial instruments are recognised on accrual basis.

3.7.2 Dividend income is recognised as the right to receive is established.

3.7.3 Mark up income on Term Deposit Receipts is recognised on accrual basis.

3.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents include cash in hand and with banks. The fair value of cash and cash equivalents approximate their carrying amount.

3.9 Financial assets and liabilities

All financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Any gain or loss on the recognition and de-recognition of the financial assets and financial liabilities is taken to the profit and loss account. Financial assets and liabilities, other than specifically mentioned in these policies, are carried at amortized cost. The fair value of these approximate their carrying value.

3.10 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and the company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously and the same is required or permitted by IAS/IFRS or interpretations thereof.

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5 PROPERTY AND EQUIPMENT

Description	Owned Assets						Total
	Leased Hold Land	Building on Lease Hold Land	Furniture and Fixtures	Computer Equipment	Office Equipment	Vehicles	
-----Rupees-----							
COST							
Balance as at 01 July 2016	106,621	1,902,668	230,744	266,650	207,200	41,000	2,754,883
Write off	-	-	-	-	(67,200)	-	(67,200)
Balance as at 30 June 2017	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683
Balance as at 01 July 2017	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683
Additions	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Balance as at 30 June 2018	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683
ACCUMULATED DEPRECIATION							
Balance as at 01 July 2016	25,568	1,235,528	134,956	158,551	170,194	4,499	1,729,296
Charge for the year	811	66,714	9,579	10,810	5,551	5,475	98,939
Adjustments	-	-	-	-	(55,657)	-	(55,657)
Balance as at 30 June 2017	26,379	1,302,242	144,535	169,361	120,088	9,974	1,772,578
Balance as at 01 July 2017	26,379	1,302,242	144,535	169,361	120,088	9,974	1,772,578
Charge for the year	802	60,043	8,621	9,729	2,987	4,654	86,836
Adjustments	-	-	-	-	-	-	-
Balance as at 30 June 2018	27,181	1,362,285	153,156	179,090	123,075	14,628	1,859,414
CARRYING AMOUNT - 2017	80,242	600,426	86,209	97,289	19,912	31,026	915,105
CARRYING AMOUNT - 2018	79,440	540,383	77,588	87,560	16,925	26,372	828,269
RATE OF DEPRECIATION	1%	10%	10%	10%	15%	15%	15%

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	NOTE	2018 -----Rupees-----	2017
6 SHORT TERM INVESTMENT			
Term Deposit Receipts - held to maturity	6.1	-	800,000
Quoted Shares - available for sale	6.2	715,269	3,590
		<u>715,269</u>	<u>803,590</u>

6.1 This represents investment in Term Deposit Receipts with banks having a term of one month and carries mark-up at an average rate of Nil (2017: 4.10%) per annum.

6.2 *Quoted Shares - available for sale*

Name of the investee company	As at Jun 30, Purchased/ As at Jun 30,		2018 Average Cost	2017 Average Cost	2018 Market Value	2017 Market Value
	2017	(sold) 2018				
	-----Number of shares-----		----Rupees----		----Rupees----	
Engro Fertilizer Limited	65	-	65	-	4,869	3,591
Fauji Cement Company Limited	-	5,000	5,000	148,494	114,250	-
Fauji Fertilizer Company Limited	-	5,000	5,000	451,373	494,450	-
International Steel Limited	-	1,000	1,000	126,921	101,700	-
	<u>65</u>		<u>11,065</u>	<u>726,788</u>	<u>715,269</u>	<u>3,591</u>
Unrealized (loss)/gain as at June 30			<u>(11,519)</u>	<u>3,591</u>		
Balance as at June 30, 2018			<u>715,269</u>	<u>3,591</u>		

The par value of each shares is Rs. 10 per share unless disclosed otherwise.

	NOTE	2018 -----Rupees-----	2017
7 TAXATION			
Advance income tax		543,115	510,867
Refund due from government - income tax		<u>852,361</u>	<u>712,449</u>
		<u>1,395,476</u>	<u>1,223,316</u>
8 ADVANCES AND OTHER RECEIVABLES			
Advance to staff		71,000	80,500
Other receivables		-	111,834
		<u>71,000</u>	<u>192,334</u>
9 CASH AND BANK BALANCES			
In hand		974,706	156,580
At bank			
- in current account		470,497	176,346
- in savings account	9.1	<u>1,015,693</u>	<u>267,229</u>
		<u>2,460,895</u>	<u>600,155</u>

9.1 These carry profit at rates ranging from 3% to 6% (2017: 3.20% to 6.20%) per annum.

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	2018	2017
	-----Rupees-----	
NOTE		
10 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
250,000 (2017: 250,000) ordinary shares of Rs. 4 each fully paid in cash	1,000,000	1,000,000
52,500 (2017: 52,500) ordinary shares of Rs. 4 each fully paid as bonus shares	210,000	210,000
	<u>1,210,000</u>	<u>1,210,000</u>
11 DEFERRED TAXATION		
Balance arising in respect of timing differences relating to:		
<i>Taxable temporary difference</i>		
Accelerated tax depreciation allowance	100,579	115,046
	<u>100,579</u>	<u>115,046</u>
12 ACCRUED AND OTHER PAYABLE		
Accrued expenses	185,236	139,546
Sales tax payable	149,461	102,155
Other liabilities	25,055	24,739
Unclaimed dividend	138,048	138,048
	<u>497,800</u>	<u>404,488</u>
13 CONTINGENCIES AND COMMITMENTS		
13.1 Contingencies		
There are no contingent liabilities as on June 30, 2018.(2017: Nil)		
13.2 Commitments		
There are no commitments as on June 30, 2018. (2017: Nil)		
14 DIRECT AND ADMINISTRATIVE EXPENDITURE		
Salaries, allowances and other benefits	4,926,500	3,783,000
Bond expenditure	534,475	353,760
Brokerage and commission	997,427	666,983
Labour charges	817,800	404,000
Lifting, shifting and stacking	833,300	487,500
Computer expenses	141,500	78,000
Auditors' remuneration	89,100	89,100
Conveyance and travelling	227,400	219,200
Depreciation	5 86,836	98,939
Electricity and water charges	365,197	228,257
Entertainment expense	310,100	234,450
Rent, rates and taxes	467,150	440,645
Insurance expense	111,834	109,120
Legal and professional charges	38,570	36,305
News paper and periodicals	21,420	22,762
Assets written off	-	11,543
Postage, fax and telephone	91,468	154,284
Printing and stationery	177,045	133,396
Repairs and maintenance	998,720	658,573
Miscellaneous expenses	733,402	469,740
Bad debts expense	1,850,000	-
Bank charges	Page 18 84	3,565
	<u>13,833,828</u>	<u>8,683,122</u>

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	2018	2017
	-----Rupees-----	
15 OTHER INCOME		
Dividend income	14,553	456
Mark up income	70,816	61,147
Profit on TDR	21,969	-
	<u>107,338</u>	<u>61,603</u>
16 TAXATION		
Current		
- For the year	589,405	410,520
- Prior	(39,565)	(76,395)
Deferred		
- For the year	(14,467)	(4,611)
	<u>535,373</u>	<u>329,514</u>

17 REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE

The aggregate amount charged in the financial statements for the year for remuneration, including benefits, to the Chief Executive Officer and Directors of the Company were as follows:

	Chief Executive Officer		Directors	
	2018	2017	2018	2017
	-----Rupees-----			
Managerial remuneration	900,000	900,000	-	-
Allowances	90,000	90,000	-	-
	<u>990,000</u>	<u>990,000</u>	<u>-</u>	<u>-</u>
Number of persons	<u>1</u>	<u>1</u>	<u>7</u>	<u>7</u>

18 TRANSACTIONS WITH RELATED PARTIES

	2018	2017
	-----Rupees-----	
Valika Properties (Private) Limited - office rent expense	<u>377,670</u>	<u>339,065</u>

19 NUMBER OF EMPLOYEES

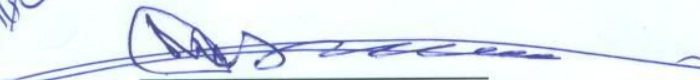
	2018	2017
	-----Numbers-----	
Number of employees at June 30	<u>19</u>	<u>16</u>

20 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on 03 OCT 2018 by the Board of Directors.

21 GENERAL

Figures have been rounded off to the nearest rupee.

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 Chief Executive

Kuldeep
 Director