



Horwath

**VALIKA ART FABRICS
LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2019**

Private & Confidential



Horwath Hussain Chaudhury & Co.
Chartered Accountants

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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

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 65th Annual Report and Audited Accounts along with Auditor's Report thereon for the year ended June 30, 2019.

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.17,613,150 as against last year at Rs.13,813,529 representing a healthy growth of 21.57%. However, operating profit for the year stood at a profit of Rs. 2,578,223 as compared to previous year operating loss of Rs.(20,299). The profit after taxation has been reported at Rs.1,989,814 as compare to loss after taxation of Rs.(448,335) 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 :

	2019	2018
	RUPEES	RUPEES
Storage Income	17,613,150	13,813,529
Direct & Administrative Expenditure	(15,034,927)	(13,833,828)
Operating Income/ (Loss)	2,578,223	(20,299)
Other Income	122,412	107,338
Profit/(loss) before tax	2,700,635	87,038
Taxation Current.	776,623	589,405
Prior	(74,374)	(39,565)
Deferred	8,571	(14,467)
Net Profit for the year after tax	1,989,814	(448,335)
Earning/(Loss) per Share	6.58	(1.48)

Earning Per Share

Earning per share of Rs. 6.58 as compared to earning of Rs. (1.48) of the previous year.

Financial Highlights

Rs. @ '000'

	2019	2018	2017	2016	2015	2014
Revenue	17,736	13,921	9,957	7,504	6,234	4,279
Operating Expenses	15,035	13,834	8,683	6,425	5,532	3,894
Profit / (Loss) before Tax	2,700	87	1,274	1,079	702	385
Profit / (Loss) after Tax	1,989	(448)	944	745	525	373

Financial Position

Rs. @ '000'

	2019	2018	2017	2016	2015	2014
Paid up Share Capital	1,210	1,210	1,210	1,210	1,210	1,210
Reserve & Un-appropriate Profit	7595	5,605	6,054	5,109	4,364	3,839
Gain on re-measure of investment	(182)	(11)	3	4	6	63
Share Holder Equity	8623	6,804	7,267	6,323	5,580	5,112

Ratio & Statistics

Rs. @ '000'

	2019	2018	2017	2016	2015	2014
Current Ratio	7.61	6.56	8.90	8.49	6.45	8.87
Breakup value per Share	28.50	22.49	24.02	20.90	18.45	16.90
Earning per Share	6.58	(1.48)	3.12	3.57	2.32	1.27

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 fullfills 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, 2020.
at a fee to be mutually agreed.

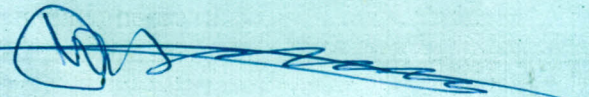
Pattern of Shareholding

A statement showing pattern of shareholding as on June 30, 2019 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 03, 2019

**Independent Auditor's Report
To the members of Valika Art Fabrics Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the annexed financial statements of the **Valika Art Fabrics Limited** which comprise the statement of financial position as at 30 June 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, 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 2019 and of its profit and other comprehensive income, 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.

Handwritten signature/initials

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.

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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 Najeeb Moochhala.


Horwath Hussain Chaudhury & Co.
Chartered Accountants

Karachi

Date: 03 OCT 2019

VALIKA ART FABRICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	NOTE	2019 -----Rupees-----	2018
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	877,738	828,268
Long term deposits		30,800	30,800
		<u>908,538</u>	<u>859,068</u>
CURRENT ASSETS			
Trade debtors - unsecured but considered good		4,417,761	2,489,880
Short term investments	5	684,358	715,269
Taxation	6	1,257,397	1,395,476
Advances and other receivables	7	50,000	71,000
Cash and bank balances	8	2,597,236	2,460,896
		9,006,752	7,132,521
TOTAL ASSETS		<u><u>9,915,290</u></u>	<u><u>7,991,589</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Authorised capital: 302,500 (2018: 302,500) Ordinary shares of Rs. 4 each		<u>1,210,000</u>	<u>1,210,000</u>
Issued, subscribed and paid up capital	9	1,210,000	1,210,000
Reserves			
Capital reserves		1,571,167	1,571,167
Unappropriated profit		6,023,971	4,034,157
Unrealised (loss) on available for sale investment		(182,316)	(11,519)
		7,412,822	5,593,805
		<u>8,622,822</u>	<u>6,803,805</u>
NON-CURRENT LIABILITIES			
Deferred taxation	10	109,150	100,579
CURRENT LIABILITIES			
Accrued and other payables	11	406,694	497,800
Provision for taxation		776,624.00	589,405
		1,183,318	1,087,205
Contingencies and commitments	12		
TOTAL EQUITY AND LIABILITIES		<u><u>9,915,290</u></u>	<u><u>7,991,589</u></u>

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

HHC


 Chief Executive


 Director

VALIKA ART FABRICS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2019

	NOTE	2019 -----Rupees-----	2018
Storage income		17,613,150	13,813,529
Direct and administrative expenditure	13	(15,034,927)	(13,833,828)
Operating profit		<u>2,578,223</u>	<u>(20,299)</u>
Other income	14	122,412	107,338
Profit before tax		<u>2,700,635</u>	<u>87,038</u>
Taxation	15	(710,820)	(535,373)
Profit/(loss) after tax		<u><u>1,989,814</u></u>	<u><u>(448,335)</u></u>

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

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 Chief Executive



 Director

VALIKA ART FABRICS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	-----Rupees-----	
Profit / (loss) after taxation	1,989,814	(448,335)
Other comprehensive income		
Deficit on re-measurement of "available for sale investments"	(170,797)	(15,110)
Total comprehensive income / (loss) for the year	<u><u>1,819,017</u></u>	<u><u>(463,445)</u></u>

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

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Chief Executive



Director

VALIKA ART FABRICS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

	Reserves				Total
	Issued, subscribed and paid up capital shares	Capital Reserve	Unappropriated Profit	Unrealised Gain on Available for Sale Investments	
	-----Rupees-----				
Balance as at June 30, 2017	1,210,000	1,571,167	4,482,492	3,591	7,267,250
Profit 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
Profit for the year	-	-	1,989,814	-	1,989,814
Other comprehensive loss for the year	-	-	-	(170,797)	(170,797)
Balance as at June 30, 2019	1,210,000	1,571,167	6,023,971	(182,316)	8,622,822

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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, 2019

2019 **2018**
 -----Rupees-----

CASH FLOW FROM OPERATING ACTIVITIES

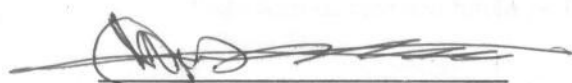
Profit before tax	2,700,635	87,038
Adjustment for:		
Depreciation	85,530	86,836
Operating profit before working capital changes	<u>2,786,165</u>	<u>173,874</u>
(Increase) / decrease in current assets		
Trade debtors	(1,927,881)	1,942,124
Advances and other receivables	21,000	121,333
	(1,906,881)	2,063,457
Increase / (decrease) in current liabilities		
Accrued and other payables	(91,106)	93,312
Cash generated from operations	<u>788,178</u>	<u>2,330,644</u>
Income tax paid	(376,951)	(543,115)
Net cash inflow from operating activities	<u>411,228</u>	<u>1,787,529</u>

CASH FLOW FROM INVESTING ACTIVITIES

Sale of investments	-	800,000
Addition to fixed assets	(135,000)	-
Purchase of investment	(139,887)	(726,788)
Net cash (outflow) / inflow from investing activities	(274,887)	73,212
Net increase in cash and cash equivalents	<u>136,341</u>	<u>1,860,741</u>
Cash and cash equivalents at the beginning of the year	<u>2,460,896</u>	<u>600,155</u>
Cash and cash equivalents at the end of the year	<u><u>2,597,236</u></u>	<u><u>2,460,896</u></u>

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

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Chief Executive



Director

VALIKA ART FABRICS LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2019

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 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 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 units, including mills/plant 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 in Site area, Mangopir.

- 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

- Useful lives, residual values and depreciation method of property, plant and equipment – Note 3.1 & 4

- Investment available for sale - Note 3.2 & 5.
- Current income tax expense, provision for current tax and recognition of deferred tax (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 Sundry 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

- Storage income and gain of financial instruments are recognised on accrual basis.
- Dividend income is recognised on receipt basis.
- Interest 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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Description	Owned Assets					Total
	Leased Hold Land	Building on Lease Hold Land	Furniture and Fixtures	Computer Equipment	Office Equipment	

COST

-----Rupees-----

Balance as at 01 July 2017	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683
Balance as at 30 June 2018	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683

Balance as at 01 July 2018	106,621	1,902,668	230,744	266,650	140,000	41,000	2,687,683
Additions	-	-	20,000	-	115,000	-	135,000

Balance as at 30 June 2019	106,621	1,902,668	250,744	266,650	255,000	41,000	2,822,683
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ACCUMULATED DEPRECIATION

Balance as at 01 July 2017	26,379	1,302,242	144,535	169,361	120,088	9,974	1,772,579
Charge for the year	802	60,043	8,621	9,729	2,987	4,654	86,836

Balance as at 30 June 2018	27,181	1,362,285	153,156	179,090	123,075	14,628	1,859,415
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Balance as at 01 July 2018	27,181	1,362,285	153,156	179,090	123,075	14,628	1,859,415
Charge for the year	794	54,038	8,259	8,756	9,726	3,956	85,530

Balance as at 30 June 2019	27,975	1,416,323	161,415	187,846	132,801	18,584	1,944,945
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CARRYING AMOUNT - 2018	79,440	540,383	77,588	87,560	16,925	26,372	828,268
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CARRYING AMOUNT - 2019	78,646	486,345	89,329	78,804	122,199	22,416	877,738
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RATE OF DEPRECIATION	1%	10%	10%	10%	15%	15%	
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		2019	2018
	NOTE	-----Rupees-----	
5 SHORT TERM INVESTMENT			
Term Deposit Receipts - held to maturity		-	-
Quoted Shares - available for sale	5.1	684,358	715,269
		<u>684,358</u>	<u>715,269</u>

5.1 Quoted Shares - available for sale

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

Name of the investee company	As at Jun 30, Purchased/ As at Jun 30,		2019	2018	2019	2018
	2018	(sold) 2019				
	-----Number of shares-----		----Rupees----		----Rupees----	
Engro Fertilizer Limited	65	-	65	4,869	-	4,158 4,869
Fauji Cement Company Limited	5,000	8,000	13,000	254,136	148,494	204,490 114,250
Fauji Fertilizer Company Limited	5,000	-	5,000	494,450	451,373	436,000 494,450
International Steel Limited	1,000	-	1,000	101,700	126,921	39,710 101,700
	<u>11,065</u>		<u>19,065</u>	<u>855,155</u>	<u>726,788</u>	<u>684,358 715,269</u>
Unrealized (loss)/gain as at June 30 2019				<u>(170,797)</u>	<u>(11,519)</u>	
Balance as at June 30, 2019				<u>684,358</u>	<u>715,269</u>	

		2019	2018
	NOTE	-----Rupees-----	
6 TAXATION			
Advance income tax		376,951	543,115
Refund due from government			
- income tax		<u>880,446</u>	<u>852,361</u>
		<u>1,257,397</u>	<u>1,395,476</u>
7 ADVANCES AND OTHER RECEIVABLES			
Advance to staff		<u>50,000</u>	<u>71,000</u>
		<u>50,000</u>	<u>71,000</u>
8 CASH AND BANK BALANCES			
In hand		1,087,117	974,706
At bank			
- in current account		304,584	470,497
- in savings account	8.1	<u>1,205,535</u>	<u>1,015,693</u>
		<u>2,597,236</u>	<u>2,460,896</u>

8.1 These carry profit at rates ranging from 8% to 10.25% (2018: 3% to 6%) per annum.

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	2019	2018
NOTE	-----Rupees-----	
9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
250,000 (2018: 250,000) ordinary shares of Rs. 4 each fully paid in cash	1,000,000	1,000,000
52,500 (2018: 52,500) ordinary shares of Rs. 4 each fully paid as bonus shares	<u>210,000</u>	<u>210,000</u>
	<u>1,210,000</u>	<u>1,210,000</u>
10 DEFERRED TAXATION		
Balance arising in respect of timing differences relating to:		
Taxable temporary difference		
Accelerated tax depreciation allowance	109,150	100,579
	<u>109,150</u>	<u>100,579</u>
11 ACCRUED AND OTHER PAYABLE		
Sales tax payable	169,715	149,461
Accrued expenses	211,929	185,236
Other liabilities	25,050	25,055
Unclaimed dividend	-	138,048
	<u>406,694</u>	<u>497,800</u>
12 CONTINGENCIES AND COMMITMENTS		
There are no commitments and contingencies as on June 30, 2019.(2018: Nil)		
13 DIRECT AND ADMINISTRATIVE EXPENDITURE		
Salaries, allowances and other benefits	6,151,000	4,926,500
Bond expenditure	518,400	534,475
Brokerage and commission	1,158,807	997,427
Labour charges	1,332,000	817,800
Lifting, shifting and stacking	1,271,900	833,300
Computer expenses	168,400	141,500
Auditors' remuneration	89,100	89,100
Conveyance and travelling	380,250	227,400
Depreciation	4 85,530	86,836
Electricity and water charges	307,534	365,197
Entertainment	310,000	310,100
Rent, rates and taxes	509,980	467,150
Insurance expense	139,222	111,834
Legal and professional charges	26,940	38,570
News paper and periodicals	34,430	21,420
Postage, fax and telephone	83,378	91,468
Printing and stationery	239,851	177,045
Repairs and maintenance	1,238,750	998,720
Miscellaneous expenses	954,026	733,402
Professional tax	20,900	-
Bad debt expense	-	1,850,000
Bank charges	14,530	14,584
	<u>15,034,927</u>	<u>13,833,828</u>

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	2019	2018
	-----Rupees-----	
14 OTHER INCOME		
Dividend income	46,840	14,553
Mark up income	75,572	70,816
Profit on TDR	-	21,969
	<u>122,412</u>	<u>107,338</u>
15 TAXATION		
Current		
- For the year	776,623	589,405
- Prior	(74,374)	(39,565)
Deferred		
- For the year	8,571	(14,467)
	<u>710,820</u>	<u>535,373</u>

16 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	
	2019	2018	2019	2018
	-----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>
	2019		2018	
	-----Rupees-----			

17 TRANSACTIONS WITH RELATED PARTIES

Valika Properties (Private) Limited - office rent expense	<u>420,000</u>	<u>377,670</u>
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2019 2018
-----Numbers-----

18 NUMBER OF EMPLOYEES

Number of employees at June 30	<u>23</u>	<u>19</u>
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19 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on 03 OCT 2019 by the Board of Directors.


20 GENERAL

Figures have been rounded off to the nearest rupee.

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Chief Executive



Director