26th

ANNUAL REPORT

2016

N. P. Spinning Mills Limited

CONTENTS

VISION

To strive at producing high quality yarn, explore new era to achieve the highest level of commercial success with social & environmental responsibilities.

MISSION

To bring in the best, become more focused on the market, reduce cost of organization, take prompt decisions and make N.P. Spinning Mills Ltd. an Organization with a promising future.

COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman	:	Mr. Inamur Rehman
Directors	:	Mrs. Summayya Rehman Mrs. Asma Khalid Mr. Fakhar Mohiuddin Faruqi Mr. Noor Muhammad Mr. Ziauddin Zubairi
Chief Executive	**:**	Mr. Khalid Inam

AUDIT COMMITTEE

Chairman	:	Mr. Noor Muhammad
Members	:	Mr. Fakhar Mohiuddin Faruqi Mr. Ziauddin Zubairi

HUMAN RESOURCE & REMUNERATION COMMITTEE

Chairman	:	Mr. Fakhar Mohiuddin Faruqi
Members	:	Mr. Noor Muhammad Mr. Ziauddin Zubairi

COMPANY SECRETARY

Mr. Muhammad Siddique

CHIEF FINANCIAL OFFICER

Mr. Muhammad Yasin

AUDITORS

Messrs Deloitte Yousuf Adil,
Chartered Accountants

BANKERS

Habib Bank Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
Soneri Bank Limited

SHARE REGISTRAR

M/s. F. D. Registrar Services (SMC-Pvt) Ltd.,
17th Floor, Saima Trade Tower - A,
I. I. Chundrigar Road, Karachi.
Phone # 92 21 - 35478192-3

REGISTERED OFFICE

703-Uni Tower, I. I. Chundrigar Road, Karachi.
Phone # 021-32427202-205
website: www.npsm.com.pk

FACTORY

1.5 K.M., Lalyani Road,
Jalalpura, Raiwind, District Lahore.

NOTICE OF MEETING

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of N. P. Spinning Mills Limited will be held Insha Allah on Monday, October 31, 2016 at 9:30 a.m. at 7th Floor, Uni Tower, I.I. Chundrigar Road, Karachi, to transact the following business:-

Ordinary Business

1. To confirm the minutes of Extraordinary General Meeting held on December 29, 2015.

2. To receive, consider and adopt the Audited Accounts for the year ended June 30, 2016 together with Directors and Auditors reports thereon.

3. To appoint auditors for the year ending June 30, 2017 and fix their remuneration. The retiring auditors M/s. Deloitte Yousuf Adil, Chartered Accountants, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as ordinary resolution:-

   "Resolved that pursuant to Section 196 of the Companies Ordinance, 1984, the Shareholders consent be and is hereby accorded for sale / lease / disposal of fixed / current assets i.e. properties, plant, machinery and inventories, etc. or any part thereof to any one or multiple buyers, as per requirement.

   Further Resolved that the Board of Directors be and is hereby authorized to negotiate with the bank, and private creditors for settlement of account in amicable manner and to meet the said settlement they may enter into any agreement to record the term of settlement and to sell / transfer the aforesaid assets for the said settlement.

   Further Resolved that the Board of Directors of the Company be and is hereby authorized and empowered to sell the said assets on behalf of the Company and to complete all legal formalities to give effect to the aforesaid resolutions.

   Further Resolved that the Directors be and are hereby empowered to agree upon modification of these resolutions that may be required by the SECP without any further approval of the members."

Statement setting out material facts u/s 160 (1) (b) of the Companies Ordinance, 1984

Now a days the company has continuously been facing problem to pay off the debts of the bank, private creditors and government dues, whereas the Company is not in operation for the last more than four months due to unavoidable circumstances.

The Management is therefore, making efforts to find out a better solution to revive the project but it seems difficult. Whereas the bank, private creditors and government authorities are bent upon to recover their claims through Court of Law. In such circumstances the Company may suffer further financial losses.

Hence the Management has suggestions to pass a Resolution to settle the said dues through disposal of the movable and immovable assets and properties of the company or any part thereof to settle the said claims, the assets being land, situated at 1.5 K.M., Lalyani Road, Raiwind, District Lahore and buildings, office premises, plant & machinery, electrical installations, factory equipment etc. thereon including vehicles amounting to Rs.960,585,894/= (written down value after revaluation as at 30-06-2016), whereas present market value is much lesser due to prevailing circumstances/crisis in Textile Sector (for details, please refer Note-14 to the financial statements – 2016)

Future Business Plan

The first priority of the Management of the Company is to bring the unit in operation, if the banks will provide further finance facilities to meet the working capital requirements and to purchase the raw materials. On the contrary another better solution will be discussed with the bank and other creditors and to settle the same through disposal of fixed and current assets or any part thereof as required for the said settlements.

Cost of proposed future business plan & means of financing

In case of revival of the unit, if accepted by the bank then atleast further financing of Rs.250.00 Million will be required and if the said funding will not be approved by the bank then settlement of dues of the bank will be met through disposal of fixed and current assets as the case may be.

Expected time of completion of the proposed project

In light of the aforementioned situation nothing could be said regarding expected time for any of the decision which is completely beyond the control of the Management of the Company.

Mode of disposal

Mode of disposal for fixed or current assets cannot be determined presently because all the fixed and current assets are under mortgage, pledge/hypothecation with the bank and it will be decided by mutual consent of the mortgagee bank, hence the same could not be specified right now.

Ordinary Business

5- To transact any other business with the permission of the Chair.

By Order of the Board

(Muhammad Siddique)
Karachi: October 06, 2016 ***Company Secretary***

NOTES:

1.· The Share Transfer Books of the Company will remain closed from 24/10/2016 to 31/10/2016 (both days inclusive).

2. A member entitled to attend and vote at this meeting is entitled to appoint another member as a proxy to attend and vote on his/her behalf. Proxies must be deposited at the registered office of the Company not less than 48 hours before the time of meeting.

3. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant ID to facilitate identification and in case of proxy, must enclose an attested copy of CNIC. Representatives of Corporate Members should bring the usual documents, required for such purpose.

4. Shareholders who have not yet submitted copy of their valid CNIC are once again requested to send the same to our Share Registrar.

5. Members desirous of getting financial statements through email are requested to send their email address with their consent at Company's registered office.

6. Change of address, if any, may please be notified immediately.

DIRECTORS' REPORT

The Directors are pleased to present before you the 26th Annual Report together with the audited accounts of the Company for the year ended June 30, 2016.

FINANCIAL RESULTS

The operating & financial results of the Company for the year under review are discouraging. Production for the year was 12.368 M.Kgs. at 20/s count compared to 15.859 M.Kgs. Sales for the year amounted to Rs. 945 million compared to 1,375 million. The Company sustained a net loss of Rs. 443.64 million compared to Rs.132.44 million. The loss is attributable to high cost of doing business which has hit textile industry severely resulting in closure of more than 150 textile mills. The Board of Directors of the Company in its meeting held on 07-06-2016 decided to suspend manufacturing operations of the Company temporarily. The main reasons for the losses / suspension are:- (i) unfavorable market conditions (ii) non availability of necessary utilities particularly in the province of Punjab (iii) high cost of limited supply of utilities (iv) shortage of cotton and high cost factor involved in import (v) shortage of working capital and monetary crunch due to unfavorable selling prices (vi) disparity between cotton and yarn rates and unplanned influx of yarn from India which adversely affected the selling prices, (vii) low selling prices compared to high operating expenses which accumulated losses. These factors negatively affected the equity.

FUTURE OUTLOOK

The prospects of cotton crop for the season 2016-17 are not very bright. The CCAC has slashed cotton production estimates by 20% i.e. to 11.27 million bales against the initial estimates of 14.1 million bales due to challenges faced by the cotton crop. There are certain irritants like quality of seed, disease, pests, weed and water which hamper the potential of cotton production. The Government must take steps to remove these irritants and put in place regulatory frame work for seed production and awareness. Increasing yield was key to achieve higher cotton production.

The step of temporary suspension of the operations is to find out a better solution to revive the project, which is otherwise very much viable if the aforementioned shortcomings could be overcome. Majority of the work force has been relieved to minimize the losses. We are negotiating with the bank and creditors for settlement of account in amicable manner and in case of need sell / lease / dispose off the moveable and immoveable assets to settle the same.

EARNINGS PER SHARE

The earnings per share for the year under review is Rs.(30.18)

DIVIDEND

Due to losses and the reasons deposed above, the Company has not declared any dividend for the year.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

a) In order to save the Company from further losses, the Board of Directors (the Board) of the Company in its meeting held on June 7, 2016 decided to temporarily suspend the operations of the factory till further notice. The Board has considered various aspects for this decision including unfavourable market conditions in the textile spinning sector, high prices of utilities, lack of availability of local cotton, shortage of working capital, and severe competition from foreign manufacturers. The Company has laid off majority of its workeforce in order to minimize further losses and is negotiating with its bank to restructure / settle the outstanding borrowings. Moreover, the Company is planning to sell its property, plant and equipment and other assets and in this respect the Board has passed a resolution to seek the approval of the shareholders in the upcoming Annual General Meeting of the Company.

   In view of the above, management believes that the Company is not a going concern. The Company has prepared these financial statements on a basis other than going concern. Accordingly, the Company believes that except for the difference between the carrying value and realizable value of property, plant and equipment and its possible impact:

- the financial statements, present fairly the state of affairs of the Company, the results of its operations, cash flow and changes in equity.
- proper books of account have been maintained.
- accounting policies as stated in the attached notes have been consistently applied and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS) as applicable in Pakistan have been followed and non-applicability, if any, has been adequately disclosed.

b) The auditors have provided a disclaimer of opinion on the Company's financial statements based on the reason that the carrying value of property, plant and equipment does not signify its realizable value and because they were unable to determine whether any adjustments would have been found to be made in respect of property, plant and equipment. The Company has yet to receive any offer for sale of its property, plant and equipment which would enable it to determine the best estimate of realizable value of such assets.

c) The internal control system of the Company is sound in design and has been effectively implemented. Weakness in controls, if any, will be addressed effectively.

d) Key operating and financial data of last six years is annexed.

e) Outstanding taxes and levies have been adequately disclosed.

f) During the year ended June 30, 2016, five Board Meetings, six Audit Committee Meetings and one HR&R Committee Meeting were held which were attended as follows:

NAME OF DIRECTORS	BOARD METTINGS	AUDIT COMMITTEE	HR&R COMMITTEE
Mr. Inamur Rehman	5	–	–
Mrs. Summayya Rehman	5	–	–
Mr. Khalid Inam	5	–	–
Mrs. Asma Khalid	5	–	–
Mr. Fakhar Mohiuddin Faruqi	5	6	1
Mr. Noor Muhammad	5	6	1
Mr. Ziauddin Zubairi	5	6	1

g) The pattern of shareholdings as at June 30, 2016 is annexed to this report.

h) Disclosure of shares trading by the Directors, CEO, CFO and Company Secretary;

The directors, CEO, CFO, Company Secretary and their spouses or minor children did not carry out any trade in the shares of the Company during the year.

AUDITORS

The present auditors M/s. Deloitte Yousuf Adil, Chartered Accountants, retire and being eligible offer themselves for reappointment for the financial year ending June 30, 2017.

ACKNOWLEDGEMENT

The Directors wish to acknowledge and appreciate the support of Shareholders, Bankers, Suppliers and the dedication and hard work of the Staff & Workers.

On behalf of the Board

(INAMUR REHMAN)
Chairman

Karachi: October 06, 2016

Key Operating and Financial Results
From 2010 to 2015

(Rupees in Million)

	2016	2015	2014	2013	2012	2011
OPERATING DATA						
Sales	945.035	1,375.076	2,452.311	2,172.314	1,792.499	2,129.405
Cost of Goods Sold	1,196.701	1,430,200	2,295.611	2,029.305	1,756.286	1,952.540
Gross Profit / (Loss)	(251.666)	(55.124)	156.620	143.009	36.213	176.865
Profit/(Loss) Before Taxation	(540.905)	(169.000)	11.030	39.540	(57.556)	86.153
Profit/(Loss) After Taxation	(443.639)	(132.439)	11.171	18.181	(75.850)	56.043
FINANCIAL DATA						
Paid-up capital	147.000	147.000	147.000	147.000	147.000	147.000
Fixed Assets	960.585	1,003.958	538.024	366.475	244.421	245.089
Current Assets	234.178	787.743	1,197.291	853.198	741.500	696.850
Current Liabilities	577.664	797.885	1,063.519	598.497	509.276	371.149
KEY RATIOS						
Gross Margin (%)	(26.63)	(4.00)	6.39	6.58	2.02	8.31
Profit/(Loss) after Tax (%)	(46.94)	(9.63)	0.45	0.84	(4.23)	2.63
Current Ratio	0.41	0.99	1.13	1.43	1.46	1.88
Earnings Per Share (Rupees)	(30.18)	(9.01)	0.76	1.24	(5.16)	3.81
Cash Dividend (%)	—	—	—	—	—	12

Statement of Compliance with the Code of Corporate Governance for the year ended June 30, 2016

This statement is being presented to comply with the Code of Corporate Governance (the "Code") contained in Regulation No. 5.19 of the Rule Book of the Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code as follows:-

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the board constitutes of :

Category	Names
Non-Executive Directors	Mr. Inamur Rehman Mrs. Summayya Rehman Mrs. Asma Khalid Mr. Fakhar Mohiuddin Faruqi Mr. Ziauddin Zubairi
Executive Director	Mr. Khalid Inam
Independent Director	Mr. Noor Muhammad

   The independent director meets the criteria of independence under clause 5.19.1 (b) of the Code.
2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a Development Financial Institution or a Non-banking Financial Institution or, being a member of a stock exchange, has been declared as a defaulter by the stock exchange. None of the directors are members of any Stock Exchange.
4. The election of Directors were held during the year in which seven Directors were elected for a term of three years. No casual vacancy occurred on the Board during the current year.
5. 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. The same is also available on the Company's website.
6. The Board has developed a "Vision / Mission Statement" and overall corporate strategy. The Company is in the process of developing and documenting significant policies that will be approved by the board.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO), other executive and non-executive directors have been taken by the Board. The Board is in the process of establishing a level of materiality and a mechanism for its performance evaluation. Accordingly, no annual performance evaluation has been carried out.
8. 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 and the Board met at least once in every quarter of the year but no Board meeting was held during the quarter ended September 2015. Written notices of the Board meetings, along with agenda and working papers, were also circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board members are aware of their responsibilities, rules and regulations on laws affecting the Company as they are on the Board since many years. Three directors namely Mr. Ziauddin Zubairi, Mrs. Asma Khalid and Mr. Noor Muhammad have taken the Directors' Training Program until June 30, 2016.
10. There was no appointment of Company Secretary and Head of Internal Audit during the year. Due to the resignation of the CFO, the Head of Internal Audit was given the charge of the CFO on June 29, 2016, which was approved by the Board.
11. The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than those disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises three members, two of whom are non-executive directors and the chairman is an independent director.
16. The meetings of the audit committee were held at least once in every quarter, prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been determined and approved by the Board and advised to the committee for compliance.
17. The Board has formed Human Resource and Remuneration Committee, comprising of three members, of whom two members including Chairman of the committee are non-executive directors and one is independent director.
18. The Head of internal audit was performing internal audit work, however, after he was given the charge of CFO (refer para 10 above), the position of Head of Internal Audit is vacant.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material / price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with except for the matters described in paragraphs 6, 7, 8, and 18 above.

On behalf of the Board

(KHALID INAM)
Chief Executive

Karachi: October 06, 2016

Review Report to the Members on Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance (the Statement) with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **N.P. Spinning Mills Limited** (the Company) for the year ended June 30, 2016 to comply with Regulation No. 5.19 of the Rule Book of the Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company (the Board). Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirement of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2016.

Further, we highlight below instances of non-compliances with requirements of the Code as reflected in the paragraph references where these are stated in the Statement:

i) Paragraph 6 — As per the Code, the Board should ensure that significant policies are formulated.

ii) Paragraph 7 — As per the Code, a mechanism was required to be put in place for an annual evaluation of the Board's own performance which is yet to be developed. Accordingly, no annual performance evaluation has been carried out.

Further, the Board has not determined the level of materiality.

iii) Paragraph 8 — As per the Code, the Board is required to meet at least once in every quarter. Although four Board meetings were held during the year however, the Board did not hold any meeting in the quarter ended September 2015.

iv) Paragraph 18 — As per the Code, an effective internal audit function shall be set up by the Company. Currently, the Company does not have a Head of Internal Audit nor an effective internal audit function.

Deloitte Yousuf Adil,
Chartered Accountants

Karachi: October 06, 2016

AUDITORS' REPORT TO THE MEMBERS

We were engaged to audit the annexed balance sheet of N.P. Spinning Mills Limited (the Company) as at June 30, 2016 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on the auditing standards as applicable in Pakistan. Because of the matters described in paragraph (a) below, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

a) As disclosed in note 1.2 to the financial statements, during the year, the Company incurred a net loss of Rs. 443.69 million which has resulted in accumulated loss of Rs. 311.99 million and deficit in equity of Rs. 164.99 million as at June 30, 2016. In order to save the Company from further losses, the Board of Directors (the Board) in its meeting held on June 7, 2016 decided to temporarily suspend the operations of the factory till further notice. The Board considered various aspects for this decision including unfavourable market conditions in the textile spinning sector, high price of utilities, lack of availability of local cotton, shortage of working capital, and serve competition from foreign manufacturers. The Company has laid off majority of its workforce in order to minimize further losses and is negotiating with its bank to restructure / settle the outstanding borrowings. Moreover, the Company is planning to sell its property, plant and equipment and other assets and in this respect the Board has passed a resolution to seek the approval of the shareholders in the upcoming Annual General Meeting of the Company.

   In view of the above, management believes that the Company is not a going concern. According, the Company may not be able to realize its assets or discharge its liabilities in the normal course of business and hence, management has prepared the accompanying financial statements on a basis other than going concern as explained in the note 2.2.

   Further, as stated in note 2.2, management has reported all assets at their realizable values and all liabilities at amounts payable based on best estimate except for items of property, plant and equipment for which reliable estimate of realizable values cannot be determined due to the reasons mentioned in the aforementioned note. Consequently, we were unable to satisfy ourselves in respect of realizable values of items of property, plant and equipment and were unable to determine whether any adjustments would have been found to be made in this respect.

b) Because of significance of the matter described in paragraph (a) above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an audit opinion on the financial statements and we are unable to form an opinion whether:

   - proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
   - the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984;
   - the expenditure incurred during the year was for the purpose of the Company's business;
   - the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company; and
   - the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan and give the information required by the Companies Ordinance, 1984;

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

Deloitte Yousuf Adil,
Chartered Accountants
Engagement Partner
Nadeem Yousuf Adil

Karachi: October 06, 2016

BALANCE SHEET

	Note	2016 Rupees	2015 Rupees
SHARE CAPITAL AND RESERVES			
Share capital	4	**147,000,000**	147,000,000
Accumulated loss / Unappropriated profit		**(311,995,610)**	118,587,441
		(164,995,610)	265,587,441
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	5	**410,798,946**	369,969,001
LIABILITIES			
Loan from directors		**153,500,000**	153,500,000
Less: present value adjustment		**—**	(58,188,577)
	6	**153,500,000**	95,311,423
Deferred liabilities	7	**149,813**	147,294,653
Liability against import of machinery	8	**—**	122,248,600
Long-term finance	9	**277,000,000**	—
Trade and other payables	10	**311,694,575**	214,537,761
Accrued mark-up	11	**21,856,108**	7,059,329
Short-term borrowings	12	**186,404,971**	571,338,874
CONTINGENCIES AND COMMITMENTS	13		
		1,196,408,803	**1,793,347,082**

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

AS AT JUNE 30, 2016

	Note	2016 Rupees	2015 Rupees
ASSETS			
Property, plant and equipment	14	**960,585,894**	1,003,958,801
Long-term deposits		**1,645,222**	1,645,222
Stores, spares and loose tools	15	**13,534,411**	28,947,237
Stock-in-trade	16	**167,892,236**	492,755,530
Trade debts	17	**2,156,953**	181,871,683
Advances and other receivables	18	**29,034,671**	53,745,264
Sales tax refundable	19	**9,348,920**	18,065,059
Cash and bank balances	20	**12,210,496**	12,358,286
		1,196,408,803	**1,793,347,082**

KHALID INAM
Chief Executive

INAMUR REHMAN
Chairman/Director

PROFIT AND LOSS ACCOUNT
For the Year Ended June 30, 2016

	Note	2016 Rupees	2015 Rupees
Sales - net	21	**945,035,086**	1,375,076,187
Cost of sales	22	**(1,196,701,469)**	(1,430,200,459)
Gross loss		**(251,666,383)**	(55,124,272)
Other income	23	**3,948,015**	12,515,097
		(247,718,368)	(42,609,175)
Distribution cost	24	**7,081,596**	10,411,500
Administrative expenses	25	**31,312,097**	32,695,862
Other operating expenses	26	**137,438,263**	25,324,232
Finance cost	27	**117,355,022**	57,959,624
		(293,186,978)	(126,391,218)
Loss before tax		**(540,905,346)**	(169,000,393)
Taxation	28	**97,266,559**	36,561,012
Loss for the year		**(443,638,787)**	(132,439,381)
Other comprehensive income			
Item that may be reclassified subsequently to profit and loss		**—**	**—**
Item that will not be reclassified subsequently to profit and loss			
– Remeasurement of defined benefit obligation	7.1	—	3,874,506
– Impact of tax		—	(1,239,842)
		—	2,634,664
Total comprehensive income for the year		**(443,638,787)**	(129,804,717)
Earnings per share - basic and diluted	29	**(30.18)**	(9.01)

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

KHALID INAM
Chief Executive

INAMUR REHMAN
Chairman/Director

CASH FLOW STATEMENT

For the Year Ended June 30, 2016

		Note	2016 Rupees	2015 Rupees
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**			
	Loss before taxation		**(540,905,346)**	(169,000,393)
	Adjustments for			
	Depreciation	14.1	**46,449,554**	56,035,132
	Gain on disposal of property, plant and equipment	23	**(802,959)**	(2,163,863)
	Provision for staff retirement gratuity	7.1	**2,524,794**	2,433,974
	Profit on deposits / saving accounts	23	**(572,585)**	(5,725,704)
	Provision against stores, spares and loose tools	22.1	**11,519,654**	1,548,398
	Provision against sales tax refundable	26	**11,391,850**	—
	Provision against doubtful advances	26	**19,874,387**	41,803
	Provision against doubtful trade debts	26	**30,327,318**	948,893
	Provision against GID cess and increased gas tariff	26	**71,073,618**	—
	Finance cost	27	**117,355,022**	57,959,624
			(231,764,693)	(57,922,136)
	(Increase) / decrease in current assets			
	Stores, spares and loose tools		**3,893,172**	(2,395,605)
	Stock-in-trade		**324,863,294**	400,268,462
	Trade debts		**149,387,412**	40,282,010
	Advances and other receivables		**8,221,344**	(11,816,121)
	Sales tax refundable		**(2,675,711)**	(6,719,295)
	Decrease / increase in current liabilities			
	Trade and other payables		**26,083,196**	(300,745,663)
			509,772,707	118,873,788
	Cash generated from operations		**278,008,014**	60,951,652
	Finance cost paid		**(44,369,666)**	(60,710,581)
	Gratuity paid	7.1	**(8,793,504)**	(3,427,462)
	Income tax (refunded) / paid		**6,800,259**	(16,417,694)
	Net cash generated from / (used in) operating activities		**231,645,103**	(19,604,085)
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment		**(3,883,688)**	(21,826,192)
	Proceeds from disposal of property, plant and equipment		**1,610,000**	10,575,000
	Profit received on deposits / saving accounts		**663,298**	5,711,167
	Net cash used in investing activities		**(1,610,390)**	(5,540,025)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Liability against import of machinery (repaid) / received		**(122,248,600)**	(86,736,642)
	Proceeds from long-term finance		**277,000,000**	—
	Net cash generated from / (used in) financing activities		**154,751,400**	(86,736,642)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**384,786,113**	(111,880,752)
	Cash and cash equivalents at beginning of the year		**(558,980,588)**	(447,099,836)
	Cash and cash equivalents at end of the year		**(174,194,475)**	(558,980,588)
	Cash and cash equivalents			
	Cash and bank balances	20	**12,210,496**	12,358,286
	Short-term borrowings	12	**(186,404,971)**	(571,338,874)
			(174,194,475)	(558,980,588)

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

KHALID INAM
Chief Executive

INAMUR REHMAN
Chairman/Director

STATEMENT OF CHANGES IN EQUITY

For the Year Ended June 30, 2016

	Note	Share Capital	Unappropriated Profit	Total
		....	Rupees	....
Balance as at July 01, 2014		147,000,000	190,203,581	337,203,581
Total comprehensive income for the year				
Loss for the year		—	(132,439,381)	(132,439,381)
Other comprehensive income for the year		—	2,634,664	2,634,664
		—	(129,804,717)	(129,804,717)
Transactions with owners recognised directly in equity				
Present value adjustment on interest free loan from directors *	6		58,188,577	58,188,577
Balance as at June 30, 2015		147,000,000	118,587,441	265,587,441
Total comprehensive income for the year				
Loss for the year		—	(443,638,787)	(443,638,787)
Other comprehensive income for the year		—	—	—
		—	(443,638,787)	(443,638,787)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation		—	13,055,736	13,055,736
Balance as at June 30, 2016		**147,000,000**	**(311,995,610)**	**(164,995,610)**

* This includes the unamortized portion of interest free loan obtained from directors, amounting to Rs. Nil million (2015: 58.19 million) which is not available for distribution (refer note 6).

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

KHALID INAM
Chief Executive

INAMUR REHMAN
Chairman/Director

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

1. STATUS AND NATURE OF BUSINESS

1.1 N.P. Spinning Mills Limited (the Company) was incorporated in Pakistan on February 17, 1991 as public Company limited by shares under the Companies Ordinance, 1984. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal business activity of the Company is manufacturing and sale of yarn. The Mill is located in Raiwind, District Lahore in the province of Punjab. The registered office of the Company is located at 703 - Uni Tower, I.I. Chundrigar Road, Karachi in the province of Sindh.

1.2 During the year, the Company incurred net loss of Rs. 443.64 million (2015: Rs. 132.44 million) which has resulted in accumulated loss of Rs. 311.99 million and deficit in equity of Rs. 164.99 million as at the June 30, 2016. In order to save the Company from further losses, the Board of Directors (the Board) of the Company in its meeting held on June 7, 2016 has decided to temporarily suspend the operations of the Factory till further notice. The Board has considered various aspects for this decision including unfavourable market conditions in the textile spinning sector, high prices of utilities, lack of availability of local cotton, shortage of working capital, and severe competition from foreign manufacturers. The Company has laid off majority of its workforce in order to minimize further losses. Further, the Company is negotiating with its bank to restructure / settle the outstanding borrowings and provide further financing for the revival of the factory. In the event that further financing is not secured, the Company is planning to sell its property, plant and equipment and other assets and in this respect the Board has passed a resolution to seek the approval of the shareholders in the upcoming Annual General Meeting of the Company.

In view of the above, currently management believes that the Company is not a going concern. Accordingly, the Company may not be able to realize its assets or discharge its liabilities in the normal course of business and hence, these financial statements have been prepared on a basis other than going concern as explained in note 2.2.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

As disclosed in note 1.2 to the financial statements, the Company is not considered a going concern, therefore, these financial statements have been prepared on a basis other than going concern, which is as follows:

- All assets are stated at their realizable values; and
- All liabilities are stated at amounts payable.

While preparing the financial statements on aforementioned basis, management has applied the approved accounting standards as applicable in Pakistan, as disclosed in note 2.1.

At present, the Company has not received any offers for sale for its property, plant and equipment, therefore, management is not in a position to determine the best estimate of realizable value of such assets. However, management, based on its judgement and estimates, has estimated the realizable value of other assets (such as stores and spares, stock in trade, trade debts, advances, etc.) and amounts payable for certain liabilities. Accordingly, the Company has recorded certain provisions, using management's best estimate, in these financial statements.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded off 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 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 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.

Judgments made by management in the application of approved accounting standards (as applicable in Pakistan) and basis of preparation as described in note 2.2, that have a significant effect on the financial statements and estimates with significant risk of material judgment in the next financial year are set forth below:

- assumptions and estimates used in accounting for defined benefit plan (notes 3.1 and 7.1);
- assumptions and estimates used in determining provision for taxation including deferred taxation (notes 3.2, 7.2 and 28);
- assumptions and estimates used in determining revalued / recoverable amounts, residual value and useful lives of property, plant and equipment (notes 3.5, 3.13.2 and 14);
- assumptions and estimates used in determining provisions (notes 3.15, 10, 18 and 19);
- assumptions and estimates used in determining the provision for slow moving stores and spares (notes 3.7 and 15.1);
- assumptions and estimates used in writing down items of stock-in-trade to their net realizable value (notes 3.8 and 16); and
- assumptions and estimates used in calculating the provision for impairment for trade debts (notes 3.9 and 17).

2.5 New / revised standards that are effective in the current year

The following new / revised standards are effective from July 01, 2015. These standards are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

IFRS 10 ‘Consolidated Financial Statements’

IFRS 11 ‘Joint Arrangements’

IFRS 12 ‘Disclosure of Interests in Other Entities’

IAS 27 (Revised 2011) ‘Separate Financial Statements’

IAS 28 (Revised 2011) ‘Investments in Associates and Joint Ventures’

In addition to above standards, IFRS 13 ‘Fair Value Measurement’ also became effective in the current year. IFRS 13 consolidates the guidance on how to measure fair value, which was spread across various IFRSs, into one comprehensive standard. It introduces the use of an exit price, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy. The application of IFRS 13 did not have an impact on the financial statements of the Company, except certain additional disclosures.

2.6 Amendments to published approved accounting standards

The following amendments to approved accounting standards are effective for accounting periods beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (accounting periods beginning on or after)
– Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 01, 2018
– Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - Applying the consolidation exception	January 01, 2016
– Amendments to IFRS 11 'Joint Arrangements' - Amendments regarding the accounting for acquisitions for an interest in a joint venture	January 01, 2016
– Amendments to IAS 1 'Presentation of Financial Statements' - Amendments as a result of the disclosure initiative	January 01, 2016
– Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative	January 01, 2017
– Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealised losses	January 01, 2017
– Amendments to IAS 16 'Property, Plant and Equipment' and IAS 38 'Intangible Assets' - Clarification of acceptable methods of depreciation and amortisation	January 01, 2016
– Amendments to IAS 16 'Property, Plant and Equipment' and IAS 41 'Agriculture' - Bearer plants	January 01, 2016
– 'Amendments to IAS 27 'Separate Financial Statements' equity method in separate financial statements	January 01, 2016

In addition to above, the following new standards have been issued by IASB, which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

– IFRS 1 – First Time Adoption of International Financial Reporting Standards
– IFRS 9 – Financial Instruments
– IFRS 14 – Regulatory Deferral Accounts
– IFRS 15 – Revenue from Contracts with Customers
– IFRS 16 – Leases

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme covering all its permanent employees who have completed a minimum qualifying period of service. Until previous year, the Company's obligation under the scheme was determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method and remeasurements which comprise actuarial gains and losses were recognized immediately in other comprehensive income. The obligation in the current year has been determined as per the basis disclosed in note 7.1.1.

3.2 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account, except to the extent that it relates to items recognized directly in other comprehensive income or below equity, in which case it is recognized in other comprehensive income or below equity respectively.

3.2.1 Current tax

Provision for current taxation is based on the taxability of certain income streams of the Company under the Final Tax Regime at the applicable tax rates and the remaining income streams chargeable at current rate of taxation under the Normal Tax Regime after taking into account available tax credits and tax rebates, if any, or on turnover at the specified rate or Alternate Corporate Tax as defined in section 113C of the Income Tax Ordinance, 2001, whichever is higher. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized during the year.

3.2.2 Deferred tax

Deferred tax is recognized using the balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. 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 the tax rates enacted or substantively enacted at the balance sheet date.

The Company recognizes a deferred tax asset to the extent that it is probable that taxable profits in the foreseeable future will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Further, the Company also recognizes a deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus.

3.3 Trade and other payables

Trade and other payables are recognized initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

3.4 Markup bearing borrowings

Markup bearing borrowings are recognized initially at fair value, less attributable transaction cost. Subsequent to initial recognition, markup bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in profit and loss account over the period of borrowings on an effective interest basis.

3.5 Property, plant and equipment

Property, plant and equipment are stated as follows:

- Leasehold land is stated at revalued amount less impairment loss, if any;
- Building on leasehold land , office premises, plant and machinery and electric installations are stated at revalued amounts less accumulated depreciation and impairment losses, if any; and
- Factory equipment, furniture and fixtures, office equipment, computers and vehicles are stated at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of an asset including borrowing costs, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalized and the asset so replaced is derecognized. Normal repairs and maintenance are charged to profit and loss account during the period in which they are incurred.

Depreciation is charged to the profit and loss account applying the reducing balance method at the rates specified in note 14. Depreciation on additions is charged from the month an asset is available for use upto the month prior to its disposal.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate at each balance sheet date.

Surplus on revaluation of assets is credited to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of assets (net of deferred taxation) is transferred directly to retained earnings (unappropriated profit / accumulated loss).

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized in other income / other expenses in the profit and loss account. When revalued assets are sold, any related amount included in the surplus on revaluation is transferred to retained earnings (unappropriated profit / accumulated loss).

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any, and consists of expenditure incurred and advances made in respect of assets in the course of their acquisition, construction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the respective assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit and loss account in the period in which they are incurred.

3.7 Stores, spares and loose tools

These are stated at lower of moving average cost and net realizable value, less allowance for obsolete and slow moving items (if any). Items in transit are stated at cost comprising invoice value plus other charges incurred thereon upto balance sheet date. Provision for obsolete and slow moving stores, spares and loose tools is determined based on the management's estimate regarding their future usability.

Net realizable value signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

3.8 Stock-in-trade

These are stated at lower of cost and net realisable value applying the following basis:

– Raw material	Weighted average cost
– Stock-in-transit	Cost accumulated upto balance sheet date
– Work in process and finished goods	Average manufacturing cost
– Waste	Net realisable value

Average manufacturing cost in relation to work in process and finished goods signifies cost including a portion of related direct overheads.

Net realizable value (NRV) signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

3.9 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment, if any. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Trade debts and other receivables considered irrecoverable are written off.

3.10 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, balances with banks in current and deposit accounts and book overdraft. Short-term borrowings availed by the Company, which are payable on demand and form an integral part of the Company's cash management, are included as part of cash and cash equivalents for the purpose of the cash flow statement.

3.11 Financial instruments

All financial assets and liabilities are recognized at the time when the Company becomes a party to the contractual provision of instruments. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets or liabilities is taken to profit and loss account.

3.12 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only where there is legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.13 Impairment

3.13.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

3.13.2 Non-financial assets

The carrying amounts of non-financial assets, other than inventories and deferred tax asset, are reviewed at each balance sheet date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.14 Foreign currency translation

Transactions in foreign currencies are translated into Pakistan Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees at the rates of exchange prevailing on the balance sheet date.

Exchange differences are included in the profit and loss account currently.

3.15 Provisions

Provisions are recognized in the balance sheet when the Company has a present, legal or constructive, obligation as a result of a past event, 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 of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.16 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. Revenue is measured at the fair value of the consideration received or receivable in the normal course of business.

- Revenue from sales of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.
- Interest income is recognized on a time-apportioned basis using the effective rate of return.

3.17 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriations to / from reserves is recognized in the period in which these are approved.

3.18 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4. SHARE CAPITAL

2016	2015		2016	2015
No. of shares			Rupees	Rupees
		Authorized		
32,000,000	32,000,000	Ordinary shares of Rs. 10/- each	**320,000,000**	320,000,000
		Issued, subscribed and paid up		
		Ordinary shares of Rs.10/- each fully paid:		
10,500,000	10,500,000	– in cash	**105,000,000**	105,000,000
4,200,000	4,200,000	– Issued as bonus shares	**42,000,000**	42,000,000
14,700,000	14,700,000		**147,000,000**	147,000,000

4.1 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

4.2 N.P. Waterproof Industries (Private) Limited, an associated undertaking, held 57,400 (2015: 57,400) ordinary shares.

5. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - Net of tax

	Note	2016 Rupees	2015 Rupees
Balance as at July 01		**508,554,482**	—
Effect of revaluation carried out during the year	5.1	**—**	508,554,482
Less: transferred to unappropriated profit on account of:			
– incremental depreciation		**(13,055,736)**	—
– related deferred tax liability		**(5,595,316)**	—
		(18,651,052)	—
		489,903,430	508,554,482
Less: Related deferred tax liability on:	7.2		
Revaluation surplus as at July 1,		**(138,585,481)**	—
Surplus arising during the year		—	(138,585,481)
Reversal of tax liability on building	5.2	**50,914,328**	—
Adjustment due to change in tax rate		**2,971,353**	—
Incremental depreciation charged during the year		**5,595,316**	—
		(79,104,484)	(138,585,481)
Balance as at June 30		**410,798,946**	369,969,001

5.1 During prior year, the Company had revalued certain items of property, plant and equipment and had recorded surplus amounting to Rs. 508.554 million on revaluation (refer note 14).

5.2 This represents reversal of deferred tax liability in respect of building to reflect liability on the basis of disposal rather than use of assets.

6. LOAN FROM DIRECTORS

During previous year, the Company entered into agreements with directors / shareholders in their capacity as sponsors, whereby the repayment of loan was deferred for a period of five years from the date of the agreement, i.e., June 22, 2015. The loans are interest free, unsecured and are repayable in full at the end of five-year period until further extended by mutual agreement. Using the discount rate of 10% per annum, the fair value of the loans was estimated at Rs. 95.31 million. The difference of Rs. 58.19 million between the gross proceeds and the fair value of loans had been recognized in equity through a transfer to unappropriated profit (the unamortized portions is not available for distribution) and the interest (i.e., unwinding of the difference between present value on initial recognition and the amount received) is being recognized on the loan in the profit and loss account using the effective interest method.

However, since the Company is not considered a going concern as described in note 1.2 and as disclosed in note 2.2 the liabilities have to be stated at amounts payable, therefore, the loan from directors has been stated at the undiscounted amount as at June 30, 2016. Accordingly, the cumulative unamortized amount of Rs. 58.19 million as at balance sheet date has been recognized as finance cost (refer note 27).

	Note	2016 Rupees	2015 Rupees
7. DEFERRED LIABILITIES			
Staff retirement gratuity	7.1	**149,813**	6,418,523
Deferred taxation	7.2 & 7.2.1	**—**	140,876,130
		149,813	147,294,653
7.1 Movement during the year			
Balance as at July 1,		**6,418,523**	11,286,517
Expense recognized in profit and loss account		**2,524,794**	2,433,974
Remeasurements recognized in other comprehensive income		—	(3,874,506)
Payments made during the year		**(8,793,504)**	(3,427,462)
Balance as at June 30,	7.1.1	**149,813**	6,418,523

7.1.1 Staff retirement gratuity

As disclosed in note 1.2, the Company has temporarily suspended its operations and has laid off majority of its work force and has retained only key administrative staff. Since the Company pays gratuity to its employees on an annual basis and as per note 2.2 the liabilities have to be stated at amounts payable, no actuarial valuation has been carried out during the year and the liability as at June 30, 2016 has been determined on the basis of amounts payable to the eligible employees in the next year, which is equivalent to one month gross salary.

Accordingly, following disclosures are given in respect of prior year only:

	2015 Rupees
7.1.2 Liability recognised in the balance sheet	
Present value of defined benefit obligation	**6,418,523**
7.1.3 Expense recognized in profit and loss account	
Current service cost	**1,519,604**
Interest cost	**914,370**
	2,433,974

		2015 Rupees
7.1.4	**Total remeasurements recognized in other comprehensive income**	
	Actuarial (gain) / loss on liability arising on	
	- demographic assumptions	—
	- experience adjustments	**(3,874,506)**
		(3,874,506)
7.1.5	The principal assumptions used in the valuation of gratuity are as follows:	
	Discount rate (% per annum)	**9**
	Expected rate of increase in salary (% per annum)	**8**
	Mortality rate	**SLIC 2001-2005 set back one year**

7.2 Deferred taxation

	June 30, 2016				June 30, 2015			
	Opening Liability / (Asset)	**Recognised in Profit & Loss account**	**Recognised in below equity / OCI**	**Closing Liability / (Asset)**	Opening Liability / (Asset)	Recognised in Profit & Loss account	Recognised in below equity / OCI	Closing Liability / (Asset)
Taxable temporary differences	**217,069,402**	**(3,930,090)**	**(53,885,681)**	**159,253,631**	86,609,712	(8,125,791)	138,585,481	217,069,402
Deductible temporary differences and unused tax losses / credits	**(76,193,272)**	**(83,060,359)**	**—**	**(159,253,631)**	(38,721,783)	(38,711,331)	1,239,842	(76,193,272)
	140,876,130	**(86,990,449)**	**(53,885,681)**	**—**	47,887,929	(46,837,122)	139,825,323	140,876,130

7.2.1 As disclosed in note 1.2, the Company is not considered a going concern, therefore, the deferred tax liability on taxable temporary differences has been determined on the basis of tax consequences of disposal of assets rather than use of assets. Further, the recognition of deferred tax asset has been restricted to the extent of available taxable temporary differences. Accordingly, the Company has not recorded deferred tax asset on losses amounting to Rs. 154.48 million.

	Note	2016 Rupees	2015 Rupees
8. LIABILITY AGAINST IMPORT OF MACHINERY			
Liability against import of machinery	8.1	**—**	122,248,600

8.1 During the year, the liability was paid by the Company after obtaining long-term finance from a Bank (refer note 9.1).

	Note	2016 Rupees	2015 Rupees
9. LONG-TERM FINANCE – Banking company - secured			
Term finance	9.1	**277,000,000**	—

9.1 This represents long-term finance facility obtained by the Company for the purpose of repayment of liability against import of machinery. The facility carries markup at the rate of six month KIBOR plus 2.5% and is secured against first charge over fixed assets of the Company. Subsequent to the year end, the grace period of the long-term finance ended on September 3, 2016, however, the Company has not been able to make any payment and is currently in negotiations with the Bank to restructure / settle the liability.

10. TRADE AND OTHER PAYABLES

	Note	2016 Rupees	2015 Rupees
Creditors		**82,699,797**	75,142,075
Advance from customers		**43,852,145**	12,518,793
Accrued liabilities		**36,835,484**	52,130,427
Provision for GID cess and increased gas tariff	10.1 & 10.2	**92,519,625**	19,415,342
Commitment charges for import of machinery		—	903,376
Unclaimed dividend		**3,210,950**	3,210,950
Workers' Welfare Fund		—	1,585,315
Infrastructure fee / cess	10.3	**50,002,814**	48,296,973
Withholding tax		**953,795**	1,316,960
Others		**1,619,965**	17,550
		311,694,575	214,537,761

10.1 In August 2013, the Oil and Gas Regulatory Authority (OGRA) vide its SRO # 726(I)/2013 notified the sale price for sale of natural gas at Rs. 573.28/MMBTU for captive power consumption (CPP) with immediate effect. Prior to such notification the applicable sale price was Rs. 488.23/MMBTU. Subsequent to the said SRO, the Company received gas bills at Rs. 573.28/MMBTU, being considered as CPP by the utility company. The Company, considering itself industrial consumer paid gas charges at the rate applicable before August 2013 on the basis of stay order obtained from the Honorable Lahore High Court (LHC).

Subsequently, on September 1, 2015, OGRA vide its SRO# 876(I)/2015 notified the price for sale of natural gas at Rs. 600/MMBTU for industrial and captive power consumption with effect from the said date. The Company did not obtain any stay from the court for the sale price notified through SRO 876(I)2015 and has made payments at the rate of Rs. 514.72/MMBTU [i.e., the original tariff of Rs. 488/MMBTU plus Rs. 26.72/MMBTU, being the difference between the tariff notified through SRO 726(I)2013 and SRO 876(I)2015]. Further, as a matter of abundant caution, in the current year the Company has also recorded a provision (but not paid) for the initial tariff increase as notified through SRO 726(I)2013 since August 2013.

10.2 Under the Gas Infrastructure Development Cess Act, 2011, Government of Pakistan levied Gas Infrastructure Development (GID) Cess on gas bills at the rate of Rs. 13 per MMBTU on all industrial consumers. In the month of June 2012, the Federal Government revised GID Cess rate from Rs. 13 per MMBTU to Rs. 100 per MMBTU.

The Company along with group of other plaintiffs filed a suit before the High Court of Sindh, challenging the applicability of Gas Infrastructure Cess Act, 2011. The Sindh High Court had restrained the Federation and gas companies from recovering GID Cess over and above Rs. 13 per MMBTU. On August 22, 2014, the Supreme Court of Pakistan declared that the levy of GID Cess as a tax was not validly levied in accordance with the Constitution.

In September 2014, the Federal Government promulgated Gas Infrastructure Cess (GIDC) Ordinance No. VI of 2014. In May 2015, the said Ordinance was approved in the parliament and became an Act. Under the Act, GID Cess at the rate of Rs. 100 per MMBTU on all industrial consumers and Rs. 200 per MMBTU on all Captive Power Plant (CPP) has been levied.

Subsequent to the approval of the Act, the Company received gas bills at the rate of Rs. 200 per MMBTU, as the Company was considered a CPP by the utility company. The Company along with other plaintiffs has challenged GIDC Act, 2015 including retrospective levy of the GID Cess and has filed a writ petition in the Honorable Sindh High Court. However, on a prudent basis, the Company has recorded a provision in respect of GID cess, which also includes the provision pertaining to the period from initial GID Cess Act of 2011 until the date of the Supreme Court order through which the applicability of GIDC was invalidated.

10.3 The Government of Sindh through Sindh Finance Act, 1994 imposed infrastructure fee for the development and maintenance of infrastructure on goods entering or leaving the Province through air or sea at prescribed rates. The levy was challenged by the Company along with other companies in the High Court of Sindh through civil suits which were dismissed by the single judge of the High Court of Sindh through its decision in October 2003. On appeal filed there against, the High Court of Sindh has held through an order passed in September 2008, that the levy as imposed through the Sindh Finance Act, 1994 (amended from time to time) was not valid till December 28, 2006, however, thereafter on account of an amendment in the Sindh Finance (Amendment) Ordinance, 2006, it had become valid and is payable by the Appellants. The Company, along with other companies, filed an appeal in the Supreme Court of Pakistan against the aforementioned order of High Court of Sindh. The Supreme Court granted stay by passing an interim order on January 22, 2009. The order passed by the High Court of Sindh was set aside by the Supreme Court vide its order dated May 20, 2011. Consequently, a new petition has been filed in the High Court of Sindh. Through the interim order passed on May 31, 2011, the High Court has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed.

Management is confident of a favorable outcome. However, as a matter of prudence, the Company has made provision as follows:

	Note	2016 Rupees	2015 Rupees
Balance as at July 1,		**48,296,973**	46,647,488
Provision during the year		**1,705,841**	1,649,485
		50,002,814	48,296,973
Payments made during the year		—	—
Balance as at June 30,		**50,002,814**	48,296,973

11. ACCRUED MARK-UP

	Note	2016 Rupees	2015 Rupees
Markup payable on long-term finance		**12,320,276**	—
Markup payable on short-term borrowings		**9,535,832**	7,059,329
	11.1	**21,856,108**	7,059,329

11.1 Accrued mark-up as at the balance sheet date represents mark-up payable for two quarters. The Company has not been able to pay the mark-up for both quarters.

12. SHORT-TERM BORROWINGS

	Note	2016 Rupees	2015 Rupees
From a banking company - secured			
Running finance		**99,872,037**	92,175,510
Cash finance		**43,744,178**	245,814,187
Finance against import merchandise (FIM)		**31,671,465**	190,141,532
	12.1	**175,287,680**	528,131,229
Book overdraft - unsecured	12.2	**11,117,291**	43,207,645
		186,404,971	571,338,874

12.1 Facilities for running finance, finance against trust receipt, cash finance and FIM have expired during the year. These facilities are subject to mark-up at the rate of 3 month KIBOR plus 1.5% (2015: 3 month KIBOR plus 1.5%) per annum payable quarterly. These are secured against first hypothecation charge over fixed assets and pledge of all raw material.

12.2 This represents book overdraft due to cheques issued by the Company in excess of balances with banks which will be presented for payment in subsequent period, however, after the year end sufficient funds were deposited with the bank to clear the cheques issued.

13. CONTINGENCIES AND COMMITMENTS

	2016 Rupees	2015 Rupees
13.1 Contingencies		
Guarantees issued by bank on behalf of the Company with recourse to:		
– Sui Northern Gas Pipelines Limited	**36,639,300**	36,639,300
– Sindh Cess	**54,950,000**	53,850,000

13.2 For assessment year 2012, the Company had received notice of demand of Rs. 1.9 million under section 122(5A) of the Income tax Ordinance, 2001, in respect of levy of turnover tax. An appeal has been filed by the Company in front of Commissioner Inland Revenue (Appeals-II) which is pending adjudication as at year end. No provision has been made in these financial statements, as management is of the view that the case will be decided in the favour of the Company.

13.3 On April 19, 2013, the Federal Board of Revenue (FBR) issued a tax demand notice to the Company of Rs. 65,062,038 on the grounds that the Company's customers have either not shown or have shown less purchases from the Company in their respective sales tax returns based on Computerized Risk Evaluation of Sales Tax (CREST). The Company had filed for stay in the Honorable Sindh High Court (SHC). The Honorable SHC granted the stay order on April 30, 2013 which restrained FBR from pursuing criminal proceedings against the directors of the Company. but allowed the FBR to pursue the case in terms of audit but no final order will be issued by FBR without permission of the Court.

The Company submitted an interim reply to FBR on May 7, 2013 wherein certain clarifications in respect of the notice issued by FBR were sought. The matter is pending for adjudication before the Sindh High Court (SHC).

	2016 Rupees	2015 Rupees
13.4 Commitments		
Letters of credit for import of:		
– raw material	—	129,511,067
– stores and spares	—	3,747,086

14. PROPERTY, PLANT AND EQUIPMENT

Particulars	Cost/Revaluation				Depreciation					
	At July 01, 2015	Additions / (deletions)	Revaluation	At June 30, 2016	Accumulated at July 01, 2015	Charge / (adjust-ments) for the year	Revaluation	Accumu-lated at June 30, 2016	Carrying value at June 30, 2016	Depre-ciation rate %
	……………………………………………………. Rupees …………………………………………………….									
Leasehold land	65,000,000	—	—	65,000,000	—	—	—	—	65,000,000	—
Buildings on leasehold land	253,096,492	—	—	253,096,492	—	7,592,895	—	7,592,895	245,503,597	3
Office premises	3,732,000	—	—	3,732,000	1,998,000	52,020	—	2,050,020	1,681,980	3
Plant and machinery	953,895,113	1,933,688	—	955,828,801	328,985,113	33,560,769	—	362,545,882	593,282,919	5-33
Electric installations	32,890,000	—	—	32,890,000	—	1,644,500	—	1,644,500	31,245,500	5
Factory equipment	25,892,756	—	—	25,892,756	12,171,125	1,372,163	—	13,543,288	12,349,468	10
Furniture and fixtures	3,134,593	—	—	3,134,593	1,694,791	143,980	—	1,838,771	1,295,822	10
Office equipment	4,338,696	—	—	4,338,696	2,169,531	216,917	—	2,386,448	1,952,248	10
Computers	565,406	—	—	565,406	510,087	18,255	—	528,342	37,064	33
Vehicles	18,473,894	1,950,000	—	16,865,894	9,531,502	1,848,055	—	8,628,598	8,237,296	20
		(3,558,000)				(2,750,959)				
	1,361,018,950	3,883,688	—	1,361,344,638	357,060,149	46,449,554	—	400,758,744	960,585,894	
		(3,558,000)				(2,750,959)				

For comparative period

Particulars	Cost/Revaluation				Depreciation					
	At July 01, 2014	Additions / (deletions)	Revaluation	At June 30, 2015	Accumulated at July 01, 2014	Charge / (adjust-ments) for the year	Revaluation	Accumu-lated at June 30, 2015	Carrying value at June 30, 2015	Depre-ciation rate %
	……………………………………………………. Rupees …………………………………………………….									
Leasehold land	8,492,609	—	56,507,391	65,000,000	—	—	—	—	65,000,000	—
Buildings on leasehold land	77,471,152	—	175,625,340	253,096,492	58,872,449	1,859,870	(60,732,319)	—	253,096,492	10
Office premises	3,732,000	—	—	3,732,000	2,854,523	87,748	(944,271)	1,998,000	1,734,000	10
Plant and machinery	947,103,026	19,409,642	—	953,895,113	468,351,662	49,827,049	(184,378,371)	328,985,113	624,910,000	10-33
		(12,617,555)				(4,815,227)				
Electric installations	16,260,779	706,250	15,922,971	32,890,000	14,235,395	208,424	(14,443,819)	—	32,890,000	10
Factory equipment	25,881,756	11,000	—	25,892,756	10,647,518	1,523,607	—	12,171,125	13,721,631	10
Furniture and fixtures	2,695,293	439,300	—	3,134,593	1,545,310	149,481	—	1,694,791	1,439,802	10
Office equipment	4,299,696	39,000	—	4,338,696	1,932,124	237,407	—	2,169,531	2,169,165	10
Computers	565,406	—	—	565,406	482,841	27,246	—	510,087	55,319	33
Vehicles	18,952,894	1,221,000	—	18,473,894	8,508,393	2,114,300	—	9,531,502	8,942,392	20
		(1,700,000)				(1,091,191)				
	1,105,454,611	21,826,192	248,055,702	1,361,018,950	567,430,215	56,035,132	(260,498,780)	357,060,149	1,003,958,801	
		(14,317,555)				(5,906,418)				

	Note	2016 Rupees	2015 Rupees
14.1 Depreciation for the year has been allocated as under:			
Cost of sales	22.1	**44,314,307**	53,568,431
Administrative expenses	25	**2,135,247**	2,466,701
		46,449,554	56,035,132

14.2 Effective from July 01, 2015 management has reassessed the useful lives of property, plant and equipment as it believes that the said changes in estimate reflects more accurately the pattern of consumption of economic benefits of the respective assets. These changes have been accounted for prospectively in accordance with the requirements of International Accounting Standard (IAS) 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’. Had there been no change in useful lives, depreciation expense would have been higher by Rs. 50.30 million and profit before tax would have been higher by the same amount.

14.3 The Company carries its leasehold land, buildings on leasehold land, office premises, plant and machinery and electric installations at revalued amount under IAS 16 'Property, Plant and Equipment'. Last revaluation was performed by Pakistan Banks' Association (PBA) recognized valuer 'Joseph Lobo (Private) Limited' as on June 30, 2015 which resulted in total surplus of Rs. 508.55 million. The valuation was carried out by taking into account the detailed specification of the assets and is based on the present market value and recent market transactions.

Had there been no revaluation the related figures of leasehold land, buildings on leasehold land, office premises, plant and machinery and electric installations, would have been as follows:

	June 30, 2016		
	Cost	Accumulated depreciation	Net book value
	.... Rupees		....
Leasehold land	8,492,609	—	8,492,609
Buildings on leasehold land	77,471,152	61,234,484	16,236,668
Office premises	3,732,000	2,965,963	766,037
Plant and machinery	955,828,801	536,910,598	418,918,203
Electric installations	16,967,029	14,569,980	2,397,049
As at 30 June 2016	**1,062,491,591**	**615,681,025**	**446,810,566**

	June 30, 2015		
	Cost	Accumulated depreciation	Net book value
	.... Rupees		....
Leasehold land	8,492,609	—	8,492,609
Buildings on leasehold land	77,471,152	60,732,319	16,738,833
Office premises	3,732,000	2,942,271	789,729
Plant and machinery	953,895,113	513,363,484	440,531,629
Electric installations	16,967,029	14,443,819	2,523,210
As at 30 June 2015	**1,060,557,903**	**591,481,893**	**469,076,010**

14.4 Disposal of property, plant and equipment

The following assets were disposed of during the year:

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Name and address of buyer	Mode of disposal
	....	Rupees	....			
Honda Civic	1,198,000	1,055,520	142,480	500,000	Syed Ahmer Hussain Shah Faisal Colony, Karachi	Negotiation
Toyota Corolla	1,354,000	1,039,974	314,026	660,000	Sajid Qadri Buffer Zone, North Karachi	Negotiation
Suzuki Swift	1,006,000	655,465	350,535	450,000	Khusro Mirza DHA Karachi	Negotiation
2016	**3,558,000**	**2,750,959**	**807,041**	**1,610,000**		
2015	14,317,555	5,906,418	8,411,137	10,575,000		

	Note	2016 Rupees	2015 Rupees
15. STORES, SPARES AND LOOSE TOOLS			
Stores, spares and loose tools		**33,352,355**	37,245,527
Less: Provision for slow-moving and obsolete items	15.1	**(19,817,944)**	(8,298,290)
		13,534,411	28,947,237
15.1 Provision for slow-moving and obsolete items			
Opening balance		**8,298,290**	6,749,892
Provision for slow moving and obsolete items		**11,519,654**	2,461,910
Reversal of provision		—	(913,512)
	22.1	**11,519,654**	1,548,398
		19,817,944	8,298,290
16. STOCK-IN-TRADE			
Raw material			
– In hand		**42,673,283**	352,321,546
– In transit		—	25,460,820
Work-in-process		—	22,772,755
Finished goods		**125,218,953**	92,124,807
Waste		—	75,602
	16.1	**167,892,236**	492,755,530

16.1 The Company has recognized a write down of Rs. 72.10 million (2015: Rs. 45.66 million) to adjust the carrying value of stock-in-trade to net realizable value.

	Note	2016 Rupees	2015 Rupees
17. TRADE DEBTS			
Local - unsecured			
Considered good		**2,156,953**	181,871,683
Considered doubtful		**35,876,964**	5,549,646
		38,033,917	187,421,329
Provision for doubtful debts	17.1	**(35,876,964)**	(5,549,646)
		2,156,953	181,871,683
17.1 Movement of provision for doubtful debts			
Balance at July 1		**5,549,646**	4,600,753
Provision made during the year		**31,786,767**	1,586,389
Reversal of provision		**(1,459,449)**	(637,496)
	26	**30,327,318**	948,893
Balance at June 30		**35,876,964**	5,549,646

17.2 Trade debts are non-interest bearing and are generally on 90 - 120 days term.

17.3 Ageing of past due but not impaired

As at June 30, 2016, trade debts of Rs. 2.16 (2015: Rs. 74.17) million were past due but not impaired. These relate to a number of independent customers for whom there is a no recent history of default. The ageing analysis of these trade debts is as follows:

	2016 Rupees	2015 Rupees
121 - 365 days	**2,156,953**	63,256,697
Above 365 days	—	10,917,420
	2,156,953	74,174,117

	Note	2016 Rupees	2015 Rupees
18. ADVANCES AND OTHER RECEIVABLES			
Advances - Considered good			
– To suppliers		**3,116,457**	10,777,310
– To employees	18.1	**62,737**	364,890
– Income tax		**25,855,477**	37,383,177
– Fee and charges against letters of credit		—	5,129,174
Advances - Considered doubtful			
– To suppliers		**6,331,390**	1,460,556
– Income tax		**15,003,553**	—
Other receivables - Considered good			
– Profit accrued on deposits		—	90,713
		50,369,614	55,205,820
Less: provision for doubtful advances	18.2	**(21,334,943)**	(1,460,556)
		29,034,671	53,745,264

18.1 This includes advance to directors of Rs. Nil (2015: Rs. 0.17) million against reimbursement of expenses.

	Note	2016 Rupees	2015 Rupees
18.2 Movement of provision			
Balance at July 01		**1,460,556**	1,418,753
Provision made during the year		**19,874,387**	441,796
Reversal made during the year		—	(399,993)
	26	**19,874,387**	41,803
Balance at June 30		**21,334,943**	1,460,556
19. SALES TAX REFUNDABLE			
Considered good		**9,348,920**	14,422,876
Considered doubtful		**16,546,895**	8,797,228
		25,895,815	23,220,104
Less: Provision against sales tax refundable	19.1	**(16,546,895)**	(5,155,045)
		9,348,920	18,065,059
19.1 Movement of provision			
Balance at July 01		**5,155,045**	5,155,045
Provision made during the year	26	**11,391,850**	—
Balance at June 30		**16,546,895**	5,155,045
20. CASH AND BANK BALANCES			
Cash in hand		**921,827**	1,500,000
Cash at bank - local currency			
– in current accounts		**2,098,078**	8,222,756
– in savings accounts	20.1	**9,190,591**	2,635,530
		12,210,496	12,358,286

20.1 Effective mark-up rate is 3.75% (2015: 6.88% to 9.6%) per annum. There is lien on Rs. 2.6 million (2015: Rs. 2.6 million) in respect of security against short-term-borrowings (note 12.1).

	Note	2016 Rupees	2015 Rupees
21. SALES - net			
Yarn			
– Local		**794,289,566**	1,396,048,376
– Indirect export		**—**	18,453,855
Raw material - Local		**190,007,740**	4,018,897
Waste - Local		**640,001**	912,188
		984,937,307	1,419,433,316
Less: Sales tax on local sales		**(39,902,221)**	(39,584,579)
Sales discount		**—**	(4,772,550)
		945,035,086	1,375,076,187
22. COST OF SALES			
Cost of goods manufactured	22.1	**1,229,720,013**	1,171,582,439
Finished goods			
Opening stock		**92,200,409**	350,818,429
Closing stock		**(125,218,953)**	(92,200,409)
		(33,018,544)	258,618,020
		1,196,701,469	1,430,200,459

	Note	2016 Rupees	2015 Rupees
22.1 Cost of goods manufactured			
Raw material consumed	22.1.1	**761,463,276**	644,582,694
Packing material		**13,569,254**	20,334,524
Stores and spares consumed		**44,324,406**	34,488,300
Salaries, wages and benefits	22.1.2	**144,748,950**	166,742,120
Fuel and power		**172,251,374**	214,354,345
Insurance		**4,818,405**	6,575,977
Repairs and maintenance		**6,704,806**	10,775,154
Depreciation	14.1	**44,314,307**	53,568,431
Provision for slow-moving and obsolete stores and spares	15.1	**11,519,654**	1,548,398
Other manufacturing overheads		**3,232,826**	9,287,696
		1,206,947,258	1,162,257,639
Work-in-process			
Opening stock		**22,772,755**	32,097,555
Closing stock		**—**	(22,772,755)
		22,772,755	9,324,800
		1,229,720,013	1,171,582,439

	Note	2016 Rupees	2015 Rupees
22.1.1 Raw material consumed			
Opening stock		**352,321,546**	432,632,039
Purchases and purchase expenses		**451,815,013**	564,272,201
		804,136,559	996,904,240
Closing stock		**(42,673,283)**	(352,321,546)
		761,463,276	644,582,694

22.1.2 Salaries, wages and benefits include Rs. 0.38 (2015: Rs. 2.29) million in respect of staff retirement benefits.

23. OTHER INCOME

	Note	2016 Rupees	2015 Rupees
Income from financial assets			
Profit on deposits / saving accounts		**572,585**	5,725,704
Income from assets other than financial assets			
Scrap sale		—	216,148
Gain on disposal of property, plant and equipment		**802,959**	2,163,863
Other income	23.1	**2,572,471**	4,409,382
		3,948,015	12,515,097

23.1 This includes Rs. 1 million (2015: Rs. 3.39 million) pertaining to reversal of liabilities on full and final settlement.

24. DISTRIBUTION COST

	Note	2016 Rupees	2015 Rupees
Freight		**6,101,862**	7,330,671
Commission		**904,160**	2,728,284
Others		**75,574**	352,545
		7,081,596	10,411,500

25. ADMINISTRATIVE EXPENSES

	Note	2016 Rupees	2015 Rupees
CEO / Directors' remuneration	30	**4,358,897**	4,122,000
Salaries and benefits	25.1	**10,560,908**	11,316,398
Travelling and conveyance		**2,491,820**	2,297,534
Printing and stationery		**749,267**	1,036,122
Postage and telephone		**943,029**	1,649,982
Legal and professional		**921,730**	1,252,543
Advertisement		**118,448**	16,207
Repairs and maintenance		**991,416**	996,103
Vehicles running		**1,879,276**	2,678,485
Fees, subscription and periodicals		**1,457,910**	736,006
Auditors' remuneration	25.2	**615,000**	915,000
Donation	25.3	—	75,000
Depreciation	14.1	**2,135,247**	2,466,701
Rent, rates and taxes		**37,808**	37,808
Others		**4,051,341**	3,099,973
		31,312,097	32,695,862

25.1 Salaries and benefits include Rs. 0.84 (2015: Rs. 0.14) million in respect of staff gratuity.

		Note	2016 Rupees	2015 Rupees
25.2	**Auditors' remuneration**			
	Annual audit fee		**300,000**	600,000
	Half yearly review fee		**115,000**	115,000
	Code of Corporate Governance review fee		**50,000**	50,000
	Tax and other services		**100,000**	100,000
	Out of pocket expenses		**50,000**	50,000
			615,000	915,000

25.3 None of the directors and their spouses have any interest in the donees' fund.

26. OTHER OPERATING EXPENSES

	Note	2016 Rupees	2015 Rupees
Exchange loss		**4,771,090**	23,682,304
Provision against doubtful trade debts	17.1	**30,327,318**	948,893
Provision against doubtful advances	18.2	**19,874,387**	41,803
Provision against sales tax refundable	19.1	**11,391,850**	—
Provision against GID cess and increased gas tariff	10.1 & 10.2	**71,073,618**	—
Write off of advances		—	651,232
		137,438,263	25,324,232

27. FINANCE COST

	Note	2016 Rupees	2015 Rupees
Mark-up / interest on:			
– Long-term finance		**7,549,773**	—
– Short-term borrowings		**49,899,132**	56,091,556
– Workers' Profit Participation Fund		—	99,287
Bank charges and commission		**1,717,540**	1,768,781
Unwinding of discount on interest free loan from directors	6	**58,188,577**	—
		117,355,022	57,959,624

28. TAXATION

	Note	2016 Rupees	2015 Rupees
Current			
– for the year		—	10,276,110
– for prior years		**(10,276,110)**	—
		(10,276,110)	10,276,110
Deferred	7.2	**(86,990,449)**	(46,837,122)
		(97,266,559)	(36,561,012)

	2016 Rupees	2015 Rupees
28.1 Relationship between tax expense and accounting profit		
Accounting loss for the year	**(540,905,346)**	(169,000,393)
Tax rate	**32%**	33%
Tax at the applicable rate	**(173,089,711)**	(55,770,130)
Impact of tax losses not recognized in current year	**42,731,471**	—
Impact of tax on export at reduced rates	—	854,283
Impact of permanent differences	**27,066,874**	—
Impact of change in tax rates	—	1,892,818
Minimum tax credit derecognized in current year	—	12,811,463
Others	**6,024,807**	3,650,554
Tax charge for the year	**(97,266,559)**	(36,561,012)

28.2 During the current year, the tax department has selected tax year 2014 for audit under section 214C of the Income Tax Ordinance, 2001 (the Ordinance). Subsequent to year end, the Commissioner has passed an order under section 122 of the Ordinance, whereby the Company's assessed loss has been decreased from Rs. 41.11 million to Rs. 17.09 million. The Company has not filed any appeal against the said order.

29. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company which is based on:

		2016	2015
Loss for the year	**Rupees**	**(443,638,787)**	(132,439,381)
Weighted average number of ordinary shares outstanding during the year		**14,700,000**	14,700,000
Earnings per share - basic and diluted	**Rupees**	**(30.18)**	(9.01)

30. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

	2016			2015		
	Chief Executive Officer	Directors	Executives	Chief Executive Officer	Directors	Executives
	..........Rupees..........					
Managerial remuneration	**2,842,759**	—	**2,190,786**	2,842,759	—	2,700,000
House rent	**1,279,241**	—	**985,584**	1,279,241	—	1,215,000
Leave encashment	**236,897**	—	—	—	—	—
	4,358,897	—	**3,176,370**	4,122,000	—	3,915,000
No. of persons	**1**	—	**5**	1	—	4

The Chief Executive Officer and Directors are provided with free use of Company maintained cars and reimbursement of telephone bills in accordance with the terms of their appointment.

31. OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Company has been identified as the chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments.

Chief Executive Officer considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis.

32. TRANSACTIONS WITH RELATED PARTIES

The related party comprises of associated undertakings, key management personnel and post employment benefit scheme. The Company in the normal course of business carries out transactions with various related parties. Remuneration of key management personnel is disclosed in note 30. Other significant transactions with related parties are as follows:

Relationship with the party	Nature of transactions	2016 Rupees	2015 Rupees
Associated Undertakings	Share of common expenses paid	**464,596**	625,950

33. PLANT CAPACITY AND ACTUAL PRODUCTION

	2016 Rupees	2015 Rupees
Installed production capacity 20/s count - yarn in kgs	**15,248,530**	15,248,530
Actual production during the year at 20/s count-yarn in kgs	**12,367,677**	15,858,596

It is difficult to describe precisely the production capacity and compare it with actual production in textile industry since it fluctuates widely depending upon various factors such as count of yarn spun, spindles' speeds, twist per inch, raw material used etc.

34. FINANCIAL INSTRUMENTS BY CATEGORY

	2016 Rupees	2015 Rupees
Financial assets as per balance sheet		
Loans and receivables		
Long-term deposits	**1,645,222**	1,645,222
Trade debts	**2,156,953**	181,871,683
Advances and other receivables	**62,737**	455,603
Cash and bank balances	**12,210,496**	12,358,286
	16,075,408	196,330,794
Financial liabilities as per balance sheet		
At amortized cost		
Loan from directors	**153,500,000**	95,311,423
Deferred liabilities	**149,813**	6,418,523
Long-term finance	**277,000,000**	—
Trade and other payables	**216,885,821**	150,819,720
Liability against import of machinery	—	122,248,600
Accrued mark-up	**21,856,108**	7,059,329
Short-term borrowings	**186,404,971**	571,338,874
	855,796,713	953,196,469

35. FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company has exposure to the following risks from its use of financial instruments:

– Credit risk
– Liquidity risk
– Market risk

35.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counterparties are engaged in similar business activities, or have activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk from its operating activities primarily for trade debts and balances / deposits with banks. The carrying amount of financial assets represents the maximum credit exposure.

35.1.1 Trade debts

The trade debts at year end are primarily due from local customers against local sales. Management assesses the credit quality of customers, taking into account their financial position, past experience and other factors. The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The Company has no major concentration of credit risk with any single customer. The Company establishes an allowance for impairment that represents its estimate of incurred losses for overdue balances based on analysis of each customer. The trade debts that are past due but not impaired are disclosed in note 17.3.

35.1.2 Balances with banks

The Company deposits its fund with banks carrying good credit standings assessed by reputable credit agencies. These banks are credit rated as follows:

	Credit Rating	
	Short Term	**Long Term**
Name of the Bank		
National Bank of Pakistan	A-1+	AAA
Habib Metropolitan Bank Limited	A1+	AA+
MCB Bank Limited	A1+	AAA
Habib Bank Limited	A1+	AAA
Soneri Bank Limited	A1+	AA-
Dubai Islamic Bank Limited	A-1	A+

35.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. Following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements:

	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
2016	....	(Rupees)	....	
Loan from directors	**153,500,000**	**153,500,000**	**—**	**153,500,000**
Long-term finance	**277,000,000**	**314,623,584**	**73,787,041**	**240,836,543**
Deferred liabilities	**149,813**	**149,813**	**149,813**	**—**
Trade and other payables	**216,885,821**	**216,885,821**	**216,885,821**	**—**
Accrued mark-up	**21,856,108**	**21,856,108**	**21,856,108**	**—**
Short-term borrowings	**186,404,971**	**186,404,971**	**186,404,971**	**—**
	855,796,713	**893,420,297**	**499,083,754**	**394,336,543**
2015				
Loan from directors	95,311,423	153,500,000	—	153,500,000
Liability against import of machinery	122,248,600	146,353,166	4,948,600	141,404,566
Deferred liabilities	6,418,523	6,418,523	6,418,523	—
Trade and other payables	150,819,720	150,819,720	150,819,720	—
Accrued mark-up	7,059,329	7,059,329	7,059,329	—
Short-term borrowings	571,338,874	571,338,874	571,338,874	—
	953,196,469	1,035,489,612	740,585,046	294,904,566

35.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

The Company is exposed to interest rate only.

35.3.1 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. The Company’s exposure to the risk of changes in market interest rates relates primarily to the Company’s short-term borrowings with floating interest rates.

	Carrying amount	
	2016	**2015**
Variable rate instrument	**Rupees**	**Rupees**
Financial liabilities		
– KIBOR based	**175,287,680**	528,131,229

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and the profit before tax by Rs. 1.76 million (2015: Rs. 5.28 million) with the corresponding effect on the carrying amount of the liability. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for 2015.

36. FAIR VALUE MEASUREMENTS

IFRS 13 “Fair Value Measurement” defines fair value as 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 carrying amounts of all the financial instruments reflected in these financial statements approximate their fair value. IFRS 13 requires categorization of fair value measurements into different levels of fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Company does not have any financial assets and liabilities measured at fair value. However, as disclosed in note 3.5, the Company has revalued certain items of property, plant and equipment as disclosed below.

Details of fair value hierarchy and information relating to fair value of Company's leasehold land, buildings on leasehold land, office premises, plant and machinery and electric installations is as follows:

	Level 1	Level 2	Level 3	Total
	....	Rupees	....	
As at June 30, 2016				
Leasehold land	—	**65,000,000**	—	**65,000,000**
Buildings on leasehold land	—	**245,503,597**	—	**245,503,597**
Office premises	—	**1,681,980**	—	**1,681,980**
Plant and machinery	—	**593,282,919**	—	**593,282,919**
Electric installations	—	**31,245,500**	—	**31,245,500**
	—	**936,713,996**	—	**936,713,996**
As at June 30, 2015				
Leasehold land	—	65,000,000	—	65,000,000
Buildings on leasehold land	—	253,096,492	—	245,503,597
Office premises	—	1,734,000	—	1,681,980
Plant and machinery	—	624,910,000	—	593,282,919
Electric installations	—	32,890,000	—	31,245,500
	—	977,630,492	—	936,713,996

37. NUMBER OF EMPLOYEES

The total average number of employees during the year and as at June 30, 2016 and 2015 respectively are as follows :

	2016	2015
Average number of employees during the year	**489**	1,146
Number of employees as at June 30	**18**	967

38. CORRESPONDING FIGURES

As stated in note 2.2, the Company has prepared the financial statements on a basis other than going concern and accordingly, classification of assets and liabilities into current and non-current has been removed. Consequently, classification of corresponding figures has also been removed, however, the basis of measurement of corresponding figures has not been changed.

39. RECLASSIFICATION

Certain prior year's figures have been rearranged and reclassified for better presentation. However, there are no material reclassifications to report.

40. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved by the Board of Directors of the Company and authorized for issue on October 06, 2016.

KHALID INAM
Chief Executive

INAMUR REHMAN
Chairman/Director

PATTERN OF SHAREHOLDING

As at June 30, 2016

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held	Percentage
282	1	100	19,984	0.14
257	101	500	61,331	0.42
290	501	1,000	206,715	1.40
52	1,001	5,000	117,000	0.79
19	5,001	10,000	128,850	0.88
6	10,001	15,000	80,940	0.55
2	20,001	25,000	44,029	0.30
1	30,001	35,000	34,300	0.23
1	55,001	60,000	57,400	0.39
1	90,001	95,000	94,001	0.64
1	305,001	310,000	307,770	2.09
1	1,195,001	1,200,000	1,197,780	8.15
1	2,280,001	2,285,000	2,280,820	15.52
1	10,065,001	10,070,000	10,069,080	68.50
915			**14,700,000**	**100.00**

CATEGORIES OF SHAREHOLDERS

S.#	Categories of Shareholder(s)	Number	Shares Held	Percentage
1.	**Joint Stock Companies**	3	1,500	0.01
2.	**Directors, CEO, their Spouses and Minor Children**	8	13,972,180	95.05
3.	**Executives**	—	—	—
4.	**Associated Companies, Related Parties etc.**	1	57,400	0.39
5.	**Banks, DFIs, NBFIs, Investment Cos. etc.**	2	1,500	0.01
6.	**Others**	2	14,740	0.10
7.	**Individuals**	899	652,680	4.44
		915	**14,700,000**	**100.00**

DETAILS OF CATEGORIES OF SHAREHOLDERS

		Number	Shares Held
1.	**Joint Stock Companies**		
1.1	M/s. Y.S. Securities & Services (Pvt.) Ltd.	1	500
1.2	M/s. Noman Abid & Co. Ltd.	1	500
1.3	M/s. Highlink Capital (Pvt.) Ltd.	1	500
		3	**1,500**
2.	**Directors, CEO, their Spouses and Minor Children**		
2.1	Mr. Inamur Rehman	1	2,280,820
2.2	Mrs. Summayya Rehman	2	1,219,309
2.3	Mr. Khalid Inam	1	10,069,080
2.4	Mrs. Asma Khalid	2	401,771
2.5	Mr. Fakhar Mohiuddin Faruqi	1	700
2.6	Mr. Noor Muhammad	1	500
2.7	Mr. Ziauddin Zubairi	—	—
		8	**13,972,180**
3.	**Executives**	—	—
4.	**Associated Companies, Related Parties etc.**		
4.1	M/s. N. P. Waterproof Industries (Pvt.) Ltd.	**1**	**57,400**
5.	**Banks, DFls, NBFls, Investment Cos. etc.**		
5.1	M/s. Investment Corporation of Pakistan	1	1,000
5.2	Progressive Investment Management (Pvt.) Ltd	1	500
		2	**1,500**
6.	**Others**		
6.1	M/s. Pakistan Stock Exchange Limited	1	500
6.2	The Nazir High Court of Sindh, Karachi	1	14,240
		2	**14,740**
7.	**Individuals**	**899**	**652,680**
		915	**14,700,000**

Shareholders holding 5% or more shares

			Shares Held	%
➢	Mr. Inamur Rehman	*(Chairman / Director)*	2,280,820	15.52
➢	Mrs. Summayya Rehman	*(Director)*	1,219,309	8.30
➢	Mr. Khalid Inam	*(Chief Executive)*	10,069,080	68.50

Please quote your Folio No. /
CDC Account / Participant I.D. Number

____

PROXY FORM

I/We ....

of .... (FULL ADDRESS)

being a member/members of **N.P. Spinning Mills Limited** hereby appoint...

....(NAME)

of ....(FULL ADDRESS)

another member of the Company or failing him/her

.... (NAME)

of .... (FULL ADDRESS)

another member of the Company as my/our proxy to attend and vote for me/us and on my/our behalf, at the 26th Annual General Meeting of the Company to be held at 7th Floor, Uni Tower, I.I. Chundrigar Road, Karachi, on Monday, October 31, 2016 at 9:30 a.m. and at any adjournment thereof.

Signed this .... day of 2016

Signature on
Five Rupees
Revenue Stamp

(Signature should agree with
specimen signature registered
with the Company)

IMPORTANT:

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint a proxy to attend and vote instead of him/her. No person shall act as a proxy who is not a member of the Company except that a corporation may appoint a person who is not a member.

2. This Proxy Form, duly completed, must be deposited at the Company's Registered Office, 703 – Uni Tower, I. I. Chundrigar Road, Karachi not less than 48 hours before the time for holding the meeting.

این پی اسپننگ ملز لمیٹڈ

مختار نامہ (پراکسی فارم)

میں / ہم ____

ساکن ____

بحیثیت رکن (ممبر) این پی اسپننگ ملز لمیٹڈ مقرر کرتا / کرتی ہوں / کرتے ہیں مسمی / مسماۃ ________________________

ساکن ____

کو یا اُن کی غیر حاضری میں مسمی / مسماۃ ____

ساکن ____

جو خود بھی کمپنی کا رکن ہے کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں تا کہ وہ میری / ہماری جگہ کمپنی کے 26 ویں سالانہ اِجلاس عام میں جو ۳۱ اکتوبر ۲۰۱۶ء، صبح 9:30 بجے ساتویں فلور، یونی ٹاورز، آئی آئی چندریگر روڈ، کراچی میں منعقد ہو رہا ہے میں شرکت کرے اور میری / ہماری طرف سے حق رائے دہی استعمال کرے یا اس کے کسی ملتوی شدہ اجلاس میں۔

مؤرخہ ______ اکتوبر ۲۰۱۶ء کو میرے / ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر

پانچ روپے والے
رسیدی ٹکٹ پر دستخط

اہم گزارش:-

۱۔ مختار (پراکسی) کا کمپنی کا رکن (ممبر) ہونا ضروری ہے

۲۔ ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندراج شدہ دستخط سے مماثلت ہونا ضروری ہے۔

۳۔ سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔

۴۔ مختار نامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں اِجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل جمع کرانا ضروری ہے۔