



RUPALI POLYESTER LIMITED

Annual  
Report  
**2022**



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# Corporate Data

## Board of Directors

**Chairman**  
Shehzad Feerasta

**Chief Executive Officer**  
Nooruddin Feerasta

## Directors

Muhammad Rashid Zahir - Non-Executive	Amyna Feerasta - Non-Executive
Zeeshan Feerasta - Non-Executive	Yaseen M. Sayani - Independent Non-Executive
Shahid Hameed - Independent Non-Executive	Abdul Hayee - Non-Executive

## Audit Committee

Yaseen M. Sayani - Chairman	Muhammad Rashid Zahir - Member
Zeeshan Feerasta - Member	

## Human Resource & Remuneration Committee

Shahid Hameed – Chairman	Nooruddin Feerasta - Member
Zeeshan Feerasta - Member	

## Chief Financial Officer

Muhammad Ahsan Iqbal

## Company Secretary

S. Ghulam Shabbir Gilani

## Bankers

Askari Bank Limited	Bank Alfalah Limited
Faysal Bank Limited	Habib Bank Limited
Habib Metropolitan Bank Limited	MCB Bank Limited
Meezan Bank Limited	Soneri Bank Limited
The Bank of Punjab	

## Auditors

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants

## Registered Office

Rupali House, 241-242 Upper Mall Scheme,  
Anand Road, Lahore - 54000 PAKISTAN

## Plant

30.2 Kilometer Lahore - Sheikhpura Road  
Sheikhpura - 39350 PAKISTAN





# Our Vision

To consistently maintain the Company's leading status of producing high quality products being first preference of our customers. Also to maintain the standards of performance excellence with long term plans of expansion and diversification.







## Our Mission

To develop the Company on sound technical and financial footings with better productivity, excellence in quality and operational efficiencies at lower operating costs by utilizing blend of high professionalism.

To accomplish targeted results through increased earnings for maximum benefit to the Company stakeholders.

To be an equal opportunity employer taking utmost care of the employees for their career progression with better reward and recognition of their abilities and performance.

To fulfil general obligations towards the society, particularly safety, security and other environmental protections.

# Our Core Values

- An Organization with well disciplined and professionally managed operational and administrative functions
- Pioneering status in Polyester Fiber manufacturing
- High quality manufacturing standards
- Our products enjoy first preference of downstream users
- Performance excellence in all areas of operations
- Integrity in all our dealings based on commitments
- Very sound internal controls and highly disciplined financial management
- An excellent image and repute amongst corporate sector of the country and worldwide recognition
- High importance to stakeholders with historical background of regular dividend payouts to shareholders when Company in profits





# Company Profile

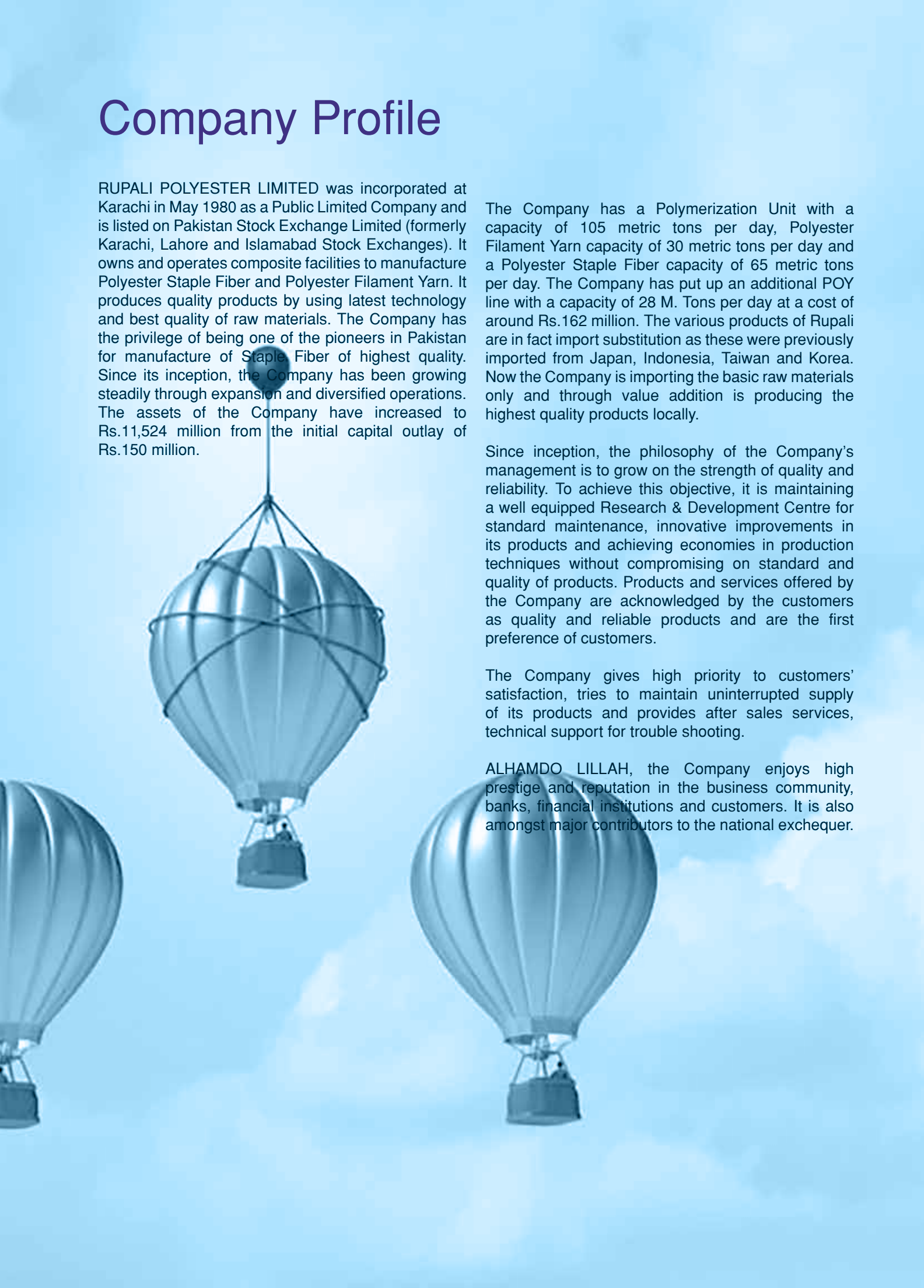
RUPALI POLYESTER LIMITED was incorporated at Karachi in May 1980 as a Public Limited Company and is listed on Pakistan Stock Exchange Limited (formerly Karachi, Lahore and Islamabad Stock Exchanges). It owns and operates composite facilities to manufacture Polyester Staple Fiber and Polyester Filament Yarn. It produces quality products by using latest technology and best quality of raw materials. The Company has the privilege of being one of the pioneers in Pakistan for manufacture of Staple Fiber of highest quality. Since its inception, the Company has been growing steadily through expansion and diversified operations. The assets of the Company have increased to Rs.11,524 million from the initial capital outlay of Rs.150 million.

The Company has a Polymerization Unit with a capacity of 105 metric tons per day, Polyester Filament Yarn capacity of 30 metric tons per day and a Polyester Staple Fiber capacity of 65 metric tons per day. The Company has put up an additional POY line with a capacity of 28 M. Tons per day at a cost of around Rs.162 million. The various products of Rupali are in fact import substitution as these were previously imported from Japan, Indonesia, Taiwan and Korea. Now the Company is importing the basic raw materials only and through value addition is producing the highest quality products locally.

Since inception, the philosophy of the Company's management is to grow on the strength of quality and reliability. To achieve this objective, it is maintaining a well equipped Research & Development Centre for standard maintenance, innovative improvements in its products and achieving economies in production techniques without compromising on standard and quality of products. Products and services offered by the Company are acknowledged by the customers as quality and reliable products and are the first preference of customers.

The Company gives high priority to customers' satisfaction, tries to maintain uninterrupted supply of its products and provides after sales services, technical support for trouble shooting.

ALHAMDO LILLAH, the Company enjoys high prestige and reputation in the business community, banks, financial institutions and customers. It is also amongst major contributors to the national exchequer.

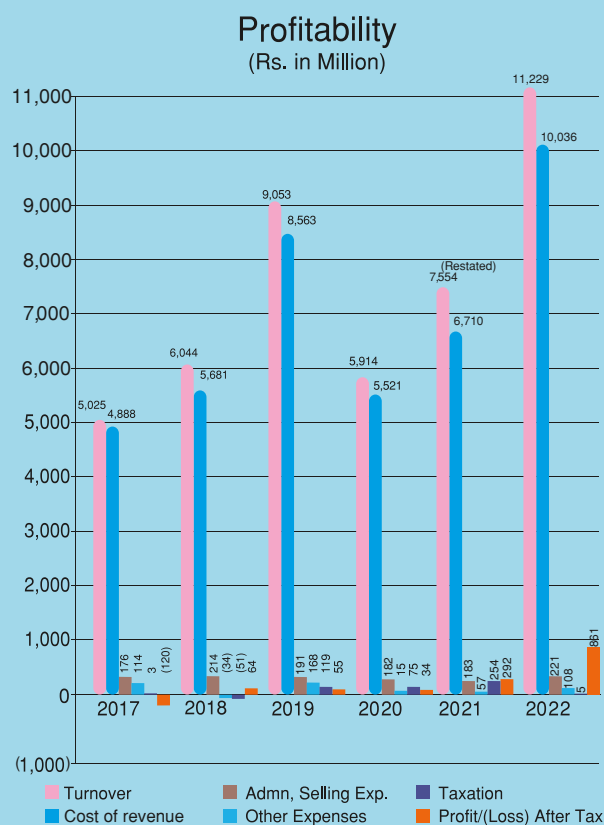
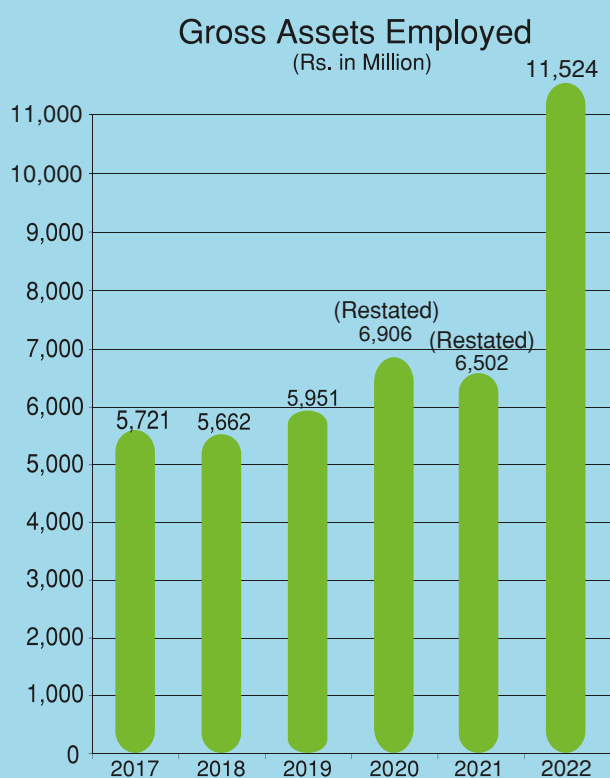
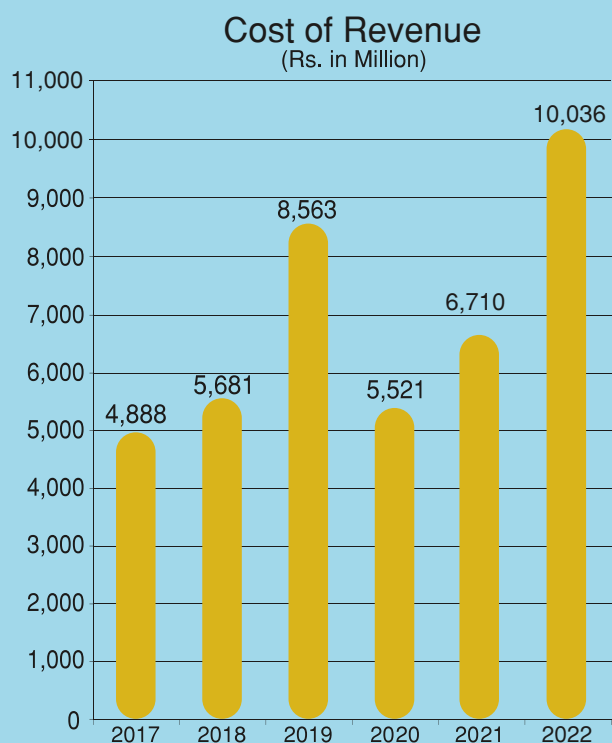


# Financial Highlights

Particulars	UOM	2022	2021	2020	2019
<b>Profit and Loss Account</b>					
Sales - Net	Rs. in thousand	11,229,275	7,554,429	5,914,249	9,053,741
Cost of sales	Rs. in thousand	10,035,836	6,710,396	5,520,731	8,562,629
Gross Profit	Rs. in thousand	1,193,439	844,033	393,518	491,112
Operating profit	Rs. in thousand	864,498	604,317	341,768	342,664
Profit before tax	Rs. in thousand	865,731	546,036	108,801	174,302
Profit after tax	Rs. in thousand	861,092	292,065	33,510	54,975
Income tax - current	Rs. in thousand	251,712	113,317	88,714	95,670
- prior years	Rs. in thousand	613	537	453	574
- deferred	Rs. in thousand	(247,686)	140,117	(13,876)	23,083
<b>Dividend</b>					
Cash dividend	Rs. in thousand	170,343	170,343	-	34,069
Cash dividend rate	Percentage	50	50	-	10
<b>Balance Sheet</b>					
Share capital	Rs. in thousand	340,685	340,685	340,685	340,685
Reserves	Rs. in thousand	7,456,895	2,796,622	2,504,500	2,078,613
Shareholders equity	Rs. in thousand	7,797,580	3,137,307	2,845,185	2,419,298
No. of ordinary shares	Numbers	34,068,514	34,068,514	34,068,514	34,068,514
Non-Current liabilities	Rs. in thousand	218,656	181,349	263,369	539,687
Current liabilities	Rs. in thousand	3,507,833	3,183,831	3,797,067	3,055,610
Property, Plant and Equipment	Rs. in thousand	6,917,027	3,089,935	3,082,353	3,295,511
Capital work-in-progress	Rs. in thousand	17,994	147,706	10,402	64,020
Long term investments/loans/deposits	Rs. in thousand	4,281	4,281	4,281	4,396
Current assets	Rs. in thousand	3,755,348	2,805,337	3,110,413	2,252,188
Net current assets	Rs. in thousand	247,515	(378,494)	(686,544)	(803,422)
Total liabilities	Rs. in thousand	11,524,069	6,502,487	6,905,621	6,014,595
Total Assets	Rs. in thousand	11,524,069	6,502,487	6,905,621	6,014,595
<b>Ratio Analysis</b>					
Gross profit	Percentage	10.63	11.17	6.65	5.42
Net profit	Percentage	7.67	3.87	0.57	0.61
Inventory turnover	Times	12	8	7	10
Cash dividend per share	Rupees	5	5	-	1
Earnings per share - basic and diluted	Rupees	25.27	8.57	0.98	1.61
Debt : equity ratio		0 : 100	0 : 100	4 : 96	4 : 96
Break-up value per share	Rupees	228.88	92.09	83.51	71.01
Market value per share at the end of the year	Rupees	38.00	34.00	13.20	27.55
<b>Production volume</b>					
Production capacity	M. Tons	22,100	22,100	22,100	22,100
Production achieved	M. Tons	35,458	37,579	26,493	38,495
Capacity utilization	Percentage	160	170	120	174
Employees	Numbers	1,349	1,389	1,344	1,468

2018	2017	2016	2015	2014
6,044,111	5,025,401	4,890,041	4,841,940	5,952,659
5,680,917	4,887,698	4,969,175	4,982,459	6,219,222
363,194	137,703	(79,134)	(140,519)	(266,563)
234,689	(9,384)	(135,807)	(140,519)	(361,421)
115,822	(123,064)	(270,919)	(401,098)	(479,858)
64,553	(120,083)	(333,478)	(384,447)	(403,284)
60,479	43,937	48,900	-	-
266	(35,369)	-	-	(30,459)
(9,477)	(11,549)	13,659	(16,651)	(46,115)
34,069	-	-	-	-
10	-	-	-	-
340,685	340,685	340,685	340,685	340,685
2,060,942	1,996,389	1,735,615	1,735,615	1,735,615
2,401,627	2,337,074	1,032,799	1,366,277	1,462,789
34,068,514	34,068,514	34,068,514	34,068,514	34,068,514
554,584	592,176	649,133	658,917	516,553
2,939,533	2,799,721	2,704,858	2,263,206	2,075,711
3,201,449	2,971,353	1,637,969	1,729,858	1,630,402
234,019	7,972	32,286	17,945	98,324
4,396	4,396	4,361	4,361	4,361
2,252,399	2,353,222	2,344,460	2,229,181	2,420,290
(687,134)	(446,499)	(360,398)	(34,025)	344,579
5,895,744	5,728,971	4,386,790	4,288,400	4,055,053
5,895,744	5,728,971	4,386,790	4,288,400	4,055,053
6.01	2.74	(1.62)	(2.90)	(4.47)
1.07	(2.39)	(6.82)	(7.94)	(6.77)
7	8	8	6	7
1	-	-	-	-
1.89	(3.52)	(9.79)	(11.28)	(11.84)
6 : 94	7 : 93	19 : 81	17 : 83	9 : 91
70.49	68.60	30.32	40.03	42.94
29.50	19.25	8.98	12.00	17.10
22,100	22,100	22,100	22,100	22,100
31,578	31,181	31,951	26,859	28,491
143	141	145	121	129
1,323	1,230	1,198	1,251	968

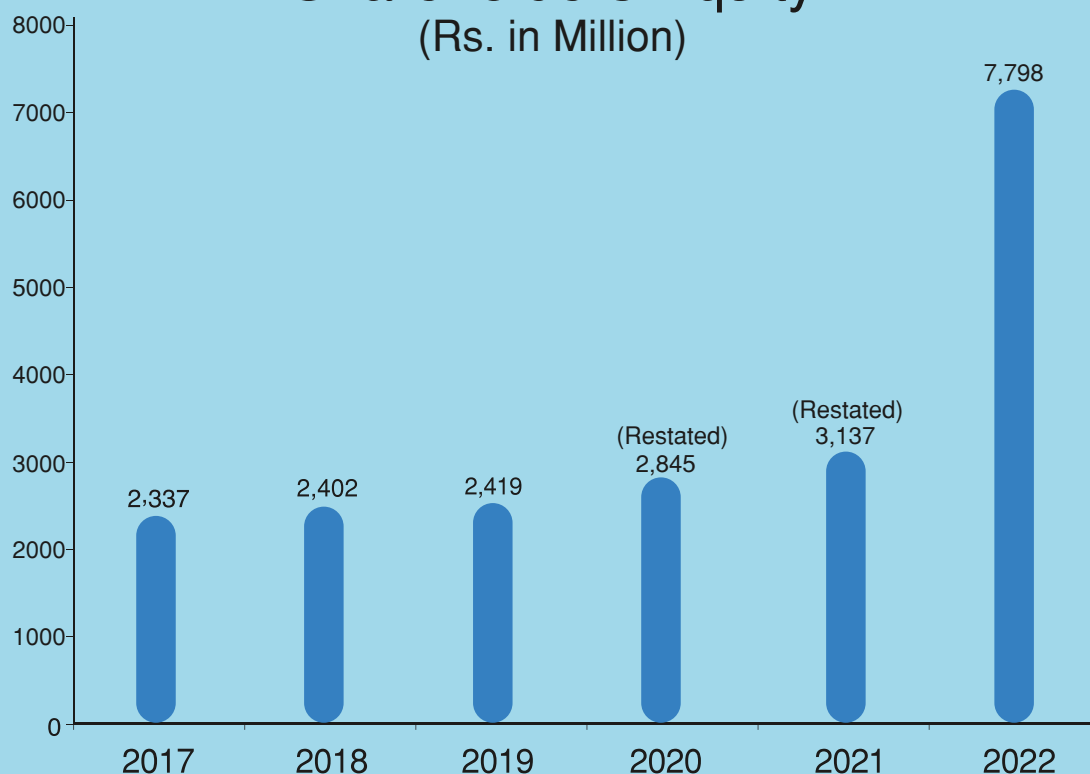
# Graphical Presentation



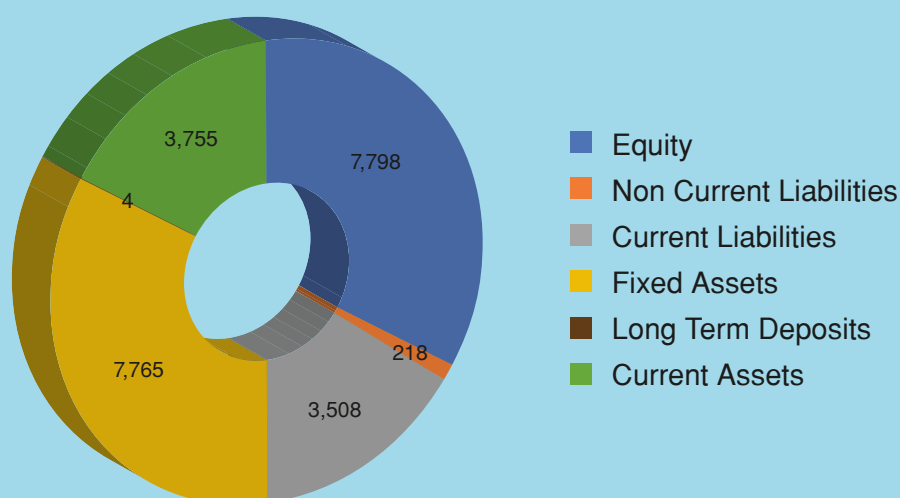


# Graphical Presentation

## Shareholders Equity (Rs. in Million)



## Financial Position 2022 (Rs. in Million)



# Chairman's Review

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Financial Statements of Rupali Polyester Limited for the year ended 30 June 2022. The Company maintained its strong performance during the year despite many challenges including economic and political instability in the country especially throughout Q4 of FY 2021-22. The uncertain situation has been further aggravated by the devastating floods in the country. As you are aware, other unprecedented challenges due to COVID-19 are not over. The Company has since been growing steadily, expanding its operational capabilities and enhancing its shareholders' value. I announce with great pleasure that Rupali Polyester Limited has maintained its operational performance in current year. In FY 2021-22, the Company's net turnover showed a growth of 49% to PKR 11,229.26 million and 48% profit before taxation to PKR 865.73 million compared to last year. The Company's financial results have been presented in greater detail in the Report of the Directors. The Company is playing an important role in country's economic prosperity, through creating of job opportunities, performance of its Corporate Social Responsibility (CSR) and good corporate governance. The Company adheres to sound standards of employee health, safety, environment and security. Our team of professionals is well-versed with the market dynamics and strives for maintaining the momentum of growth. Rupali Polyester Limited functions in the best corporate governance regime with strong internal operational and financial controls. Our Board Members contribute their professional acumen and provide guidance and oversight in reviewing and approving the Company policies for which I place on record my special thanks to them. Their guidance is instrumental in achieving the Company's goals.

The Board's support and guidance was available to the Company in the key policy matters as under:

1. The Company has well thought out vision, mission and values. The vision and mission statements were revisited.
2. Annual targets were set for the Management in key performance areas.
3. The Board provided directions and oversight to the Company's business activities.
4. The Board put in place transparent and robust system of governance under applicable laws and more specifically under the Listed Companies (Code of Corporate Governance) Regulations, 2019.
5. The Board reviewed, discussed and approved business strategy, plan, budgets and financial statements and other reports including internal audit reports. It received clear agendas and supporting written material in sufficient time prior to board and committee meetings.
6. The Board members offered the diversity and right mix of independent and non-executive directors including female director in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Furthermore, on behalf of the Board, I would like to express my sincere gratitude to the Company's shareholders for their continued support and appreciate the commitment and valuable services rendered by the employees of the Company in such trying times. I also express my thanks to the Government for favorable industry-related policies and to our Banks for their confidence in the Company's management



Shehzad Feerasta  
Chairman

Lahore: 09 September 2022



Events commemoration - Iftar / Dinner to Employees

# Directors' Report to the Shareholders

With immense pleasure, on behalf of the Board of Directors, we welcome you to the forty-second annual general meeting of the company and present its' annual audited financial results along with auditors' report thereon for the financial year ended June 30, 2022. Key financial highlights of the annual results of the company are presented below:

## Key Financial Results

	Rupees in thousand
Profit before taxation	865,731
Taxation	4,639
Profit after taxation	861,092
	Rupees
Earnings per share – basic and diluted	25.27

## Dividend

Board of Directors of the company has recommended for your approval, a final dividend of 50 % (Rs. 5.00 per share of Rs.10 each), subject to tax and zakat deduction (where applicable), for the year ended June 30, 2022.

## Overview

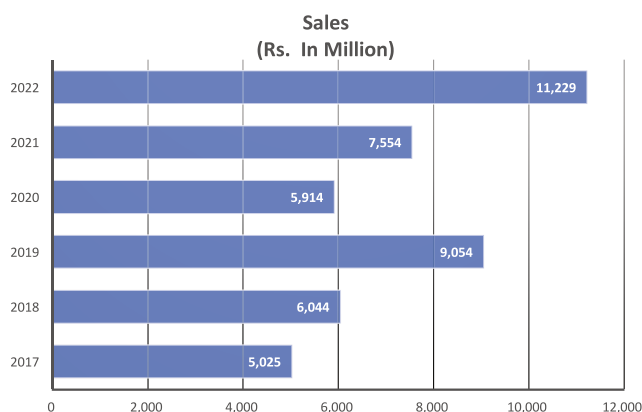
We are pleased to inform the valued shareholders that your company, for the first time in its' history, has achieved the benchmark of Rs. 10 billion and earned more than Rs. 11 billion in sales revenue during the financial year 2021-22.

Despite facing multiple challenges in the fourth quarter of the financial year due to political and economic turmoil in the country, revenue and operating profits showed sizable growth as compared to last year, creating sustainable value for shareholders.

The company's business grew rapidly in the first three quarters of the financial year 2021-22 due to favorable business environment in the country. However, in the last quarter of the financial year, the economy witnessed fast devaluation of Pakistan Rupee, inflationary pressures and energy supply crisis. As a result, the company's profits could not maintain the momentum of growth.

After the breakout of Russian-Ukrainian war in February 2022, global financial and commodity markets felt the repercussions. The world economies experienced slowdown and high inflation resulting in

supply and demand imbalances with price pressures on several materials and products.



The country is facing severe economic challenges and uncertainties. The economy is on the verge of credit risk default due to adverse balance of payments. Dollar supply is limited, putting pressure on PKR-USD exchange rate, and increasing the cost of essential import items including materials used in our industry. Furthermore, continuous gas supply to the industrial units for their energy needs has been interrupted. These two factors along with liquidity crunch are causing difficulties in continuing seamless manufacturing operations.

## Domestic Polyester Industry

Since the dumping from China, Malaysia, and Vietnam into Pakistan began, many domestic industrial units producing Polyester Filament Yarn (PFY), utilized in weaving, knitting and hosiery industries, and Polyester Staple Fiber (PSF), consumed by spinning industry, have curtailed their manufacturing operations. These units need government protection through imposition of anti-dumping, regulatory and additional custom duties in order to curb the dumped imports of PFY and PSF. This will also encourage the local investors to expand capacity and set up new projects, providing employment to the local population and restricting the depletion of foreign reserves.

The National Tariff Commission imposed anti-dumping duties (ADDs) on the import of PSF and PFY from China in 2015 and 2017 respectively based on their findings that dumping in these products was

indeed occurring which was leading to huge losses for local manufacturers. ADD on the import of PSF was reviewed and maintained by NTC in 2021; whereas NTC has issued the notice for initiating the sunset review proceedings to assess the continuation of ADD on the import of PFY. We hereby express our gratitude for the Commission's decision to begin the Sunset Review proceedings in this case, as there is substantial evidence to show that the sources of the dumping of "PFY" are continuing to dump it or are doing so again.

However, at the same time, we have noticed with alarm and dismay that the Commission has left Fully Drawn Yarn ("FDY") out of the investigation of products under the Sunset Review processes. With due respect, we request that the Commission reassess its decision and include FDY as one of the products being evaluated during the Sunset Review process.

At present, there is also no regulatory duty (RD) on the import of PFY and PSF.

Elimination and reduction in regulatory and additional custom duties on the import of PFY and PSF and leaving FDY out of sunset review proceedings has made it difficult for the domestic manufacturers to compete with the imported PFY and PSF coming at the dumped rates

### **PFY and PSF Market Conditions**

The anti-dumping duties imposed by the National Tariff Commission on the dumped imports of Polyester Filament Yarn ("PFY") from China and Malaysia vide notification dated August 26, 2017 have been helpful in providing protection to the domestic industry from the dumped imports of PFY. Although, full benefits of the anti-dumping duties imposed on the dumped imports of PFY could not be realized as anti-dumping duties remained ineffective for a considerable period of time due to stays granted by the High Courts to the importers at various times in the last five years. Despite the fact that the antidumping duties remained inoperative for a considerable period of time in the last five years, the anti-dumping duties imposed on the dumped imports of PFY have nevertheless provided some breather to the domestic industry from

the dumped imports for whatever short time they remained effective.

Anti-dumping duties imposed on the import of PSF provided relief to the domestic PSF manufacturers. In the last three years, the average market share of the domestic industry has significantly increased as compared to the Period of Injury for dumping. However, the industry could not take the full benefit as foreign exporters continued to export/dump PSF to Pakistan albeit at reduced levels.

It is pertinent to mention that in the recent past, in addition to China, Chinese Taipei, Thailand and Indonesia have also started to dump PSF into Pakistan. These countries re-emerged as dumping sources following the termination of anti-dumping duties in 2014, which has now been imposed again.

This illustrates that once the anti-dumping duties are terminated, dumping reoccurs from previously dumped sources, mainly for the reason that the dumped sources want to offload their high exportable surplus, causing material injury to the domestic industry.

Therefore, it is critical to maintain the anti-dumping duties on the dumped products, otherwise the surge in dumped imports will once again push the industry back towards its pre-ADD period.

### **Circumvention of Anti-Dumping Duty on PFY – Failure to collect government revenue and protect domestic PFY industry from dumping**

Importers/traders of polyester filament yarn have flagrantly avoided anti-dumping duties (ADDs) totaling billions of Pakistani rupees that have not been collected from them during the last five years, despite the dismissal of their petitions by the High Courts. As a result, Government income has been lost and the indigenous polyester filament yarn sector has been severely harmed.

The importers of PFY have made it a routine practice to obtain stay orders from various courts without disclosing all the facts regarding the imposition of anti-dumping duties (ADDs) on imported PFY since the imposition of ADDs on PFY in 2017. As a result,



for the past five years, they have been able to clear their yearly imports without providing any securities or, ultimately, paying ADDs.



The National Tariff Commission (NTC) is primarily responsible for ensuring that local producers of polyester filament yarn are protected from dumping and collecting the notified anti-dumping duty or the security for such payment in the event of stay orders during the customs clearance of imported consignments. The NTC must keep up its efforts to safeguard the domestic industry from dumping.

### **RLNG/Gas Supply Crisis for Export-Oriented Value-Chain**

The Pakistan textile industry and its value chain have diversified energy sources to fulfil its requirements like receiving electricity from national grid and/or generating own captive power through furnace oil, coal and gas/RLNG. Majority of the textile sector and its value chain are operating primarily on gas/RLNG based Captive Power Plants to compensate for the unstable electricity supply from the national grid.

Stable supply of electricity from national grid and utilization of gas/RLNG for captive power generation are the cheapest source of power for export-oriented value chains as their rates are at par with Regionally Competitive Energy Tariffs (RCET). On the other hand, prices of furnace oil and coal have escalated significantly since last year because of rising global crude oil and coal prices. Hence, it is not feasible for the textile industry and its value chain to produce captive power through furnace oil or coal.



Therefore, continuous supply of electricity and RLNG/Gas is the most important and crucial support for an export-oriented value chain, but currently this support has been disrupted.

The industrial sector in Punjab has been dealing with a severe gas/RLNG shortage since the winter of 2021.

One of the main industries in the country that generates significant amounts of foreign exchange is the textile industry, which depends on the seamless operation of the complete value chain for exports. The supply of gas/RLNG to the Punjab textile industry and its value-chain was either completely stopped or distributed at low-pressure or curtailed by roughly 50% from the sanctioned load. Many units including ours have had to operate at much lower capacities, which compromised total output and resulted in enormous losses.

To preserve export-led economic growth, it is necessary to promote export-oriented value chains; this will benefit the country as a whole in the long run. The current energy situation, which is incredibly unpredictable, poses a significant challenge for companies in Pakistan. The limited supply of gas and RLNG, along with the high cost of captive power production, will be disastrous for business and industry.

**PFY as Import Substitution**

Since the last many years, we have been stating in our reports to shareholders that the synthetic textile industry, based on polyester filament yarn, has to be developed and protected in order to replace imports and meet the clothing demands of Pakistan's 220 million people. To achieve this, the present import duties should be kept in place, and a 5% Regulatory Duty should be reinstated on all 5 HS Codes for PFY (i.e. 5402.3300, 5402.4600, 5402.4700, 5402.5200, 5402.6200).

PYMA claims that the local PFY sector does not produce specialty yarns. This is completely untrue and amounts to underestimating the potential of home industry. The NTC's analysis confirmed the domestic sector's production records and state of manufacturing facilities, demonstrating that the local PFY industry is capable of producing all sorts and variations of specialized PFY, including colored yarns.

With expansion plans of US\$125 million by the local PFY manufacturers to recapture its share of domestic consumption to over 80% in 2027, this industry needs support by way of maintaining consistent import tariffs and regulatory duties at least for the next five years. This would help the local PFY industry maintain its growing pace and reduce the import bill of PFY imports

**Credit Mobilization**

During the financial year under review, your Company renewed working capital facilities (both fund based and non-fund based limits) and completed documentation formalities of eight banks including Meezan Bank Limited and The Bank of Punjab.

The cost of the Company's short-term borrowings depends upon fluctuations in KIBOR, which exposes the cash flows to interest rate risk. With upward changes in KIBOR rates, the mark-up rates on bank borrowings have increased since last year. However, due to improved cash flows and less utilization of bank finances, the Company's financial charges have decreased substantially in FY 2021-22.

**Taxation**

Through Finance Act 2022, the government has imposed ten percent super tax applicable from the tax year 2022 that means a retrospective impact on Companies' cash flow. This will dampen the Company's hard-earned profits and pose huge financial burden on the production units.

**OEKO-TEX® Certification**

Imported raw materials, advanced production equipment, and professional and technical talents contribute to produce high quality products. Our products have passed the human-ecological requirements for OEKO-TEX® STANDARD 100 and we have received the renewed certification.

**Raw Material Prices**

During the financial year 2021-22, PTA prices increased continuously whereas MEG prices showed upward and downward trend. In July 2021, PTA price was US\$ 735 per M. Ton and in June 2022, the price was US\$ 1,120 per M. Ton showing a sharp increase of 52%. On the contrary, MEG price in July 2021 was US\$650 per M. Ton and in June 2022, the price was US\$ 645 per M. Ton. Average prices per M. Ton of PTA and MEG during the financial year 2021-22 remained at US\$ 875 and US\$ 705 respectively as compared to US\$ 580 and US\$ 568 respectively in financial year 2020-21.

Furthermore, the prices of raw materials and spare parts remained volatile from LC opening to landing of materials at plant premises due to un-predictable exchange rate fluctuations. The exchange rate remained exorbitantly high especially during the period from January to June 2022. To quote some cases as examples, an LC for import of MEG was opened in March 2022 at exchange rate of Rs.182.10 and at retirement, the exchange rate went to Rs.209.00. Another LC for import of MEG was opened in May 2022 at exchange rate of Rs.184.85 and at the time of LC retirement, the exchange rate jumped to Rs.204.70. Similarly, for procurement of PTA, the exchange rate fluctuations resulted in excessive price increase to the tune of 5 - 10% in each LC.

### Sales Revenue and Profits

Sales revenue of the Company for FY 2021-22 posted a growth of 48% i.e., Rs. 3.63 billion – from Rs. 7.55 billion to Rs. 11.23 billion owing to positive variation in sale prices and our marketing campaign. The Company, for the first time in its history, crossed the Rs. 10 billion benchmark.

Due to competition from low quality dumped PFY available in the market during Q3 and Q4 of FY 2021-22, because of anti-dumping duty reductions since January 2022, and political and economic uncertainties in the last quarter of the FY, our sales volumes were affected adversely.

Gross profit increased to Rs. 1,193.44 million from Rs. 844.03 million in FY 2020-21. Finance cost decreased significantly to Rs. 72.21 million from Rs. 139.09 million mainly because of lesser bank borrowings as compared to last year. Profit before tax amounted to Rs. 865.73 million against Rs. 546.04 million in FY 2020-21. Profit after tax amounted to Rs. 861.09 million against Rs. 292.07 million (restated) in FY 2020-21.

### Future Outlook

The COVID-19 epidemic was eventually brought under control through concerted international efforts, and the globe is now recuperating from its catastrophic impacts. But the war between Russia and Ukraine has increased economic development risks and raised serious doubts about the future of the global economy. Commodity prices are rising, trade and supply networks are being disrupted, corporate confidence is declining, and investor concern is rising. As a result of the war, the global economic growth is expected to suffer noticeable slowdown in 2022 and 2023.



The negative economic consequences of the war in Ukraine are spreading across the world and Pakistan is also among the vulnerable countries. The risk for Pakistan's economy has been elevated by high international commodity and oil prices, significant pressure on external trade, and squeeze in fiscal space.

Political instability has caused a huge increase in economic uncertainty across the country. Uncertainty affects the economy on a personal, business, and governmental levels. Political stability may be maximized by making clear policy announcements to gain the confidence of both local and foreign investors and the business sector.

Your Company plans to boost both its POY and DTY production capabilities by introducing new machines with the latest technology in light of the rising demand for PSF and PFY on the local market as well as their requirement as feedstock in textile export. Stable and long-term economic policies are crucial for the protection of this industry for any expansion and capital investment, and we hope the government will acknowledge its contribution to both employment and the overall GDP.

To reduce the country's significant foreign exchange expenditure on the purchase of PFY at dumped rates, the PFY industry should be expanded as a significant source of import substitution. In order to increase capacity to a point where local manufacturers could satisfy more than 80% of the local demand, enabling circumstances, such as protection from anti-dumping duties on a glut of PFY dumping, policy measures against Pak rupee depreciation, and energy supply at discounted rates, will be helpful.

Additionally, in order to take advantage of cost savings brought on by improved operational efficiency, your company has also started a bold BMR plan where it will be replacing some of its outdated auxiliary equipment over the course of the next twelve months.

### Risk Management

Due to sectoral considerations, the Company is vulnerable to inherent risks. The risks that a company

is prepared to take at the strategic and operational levels, as well as its capability to manage them, are crucial in determining its potential to generate sustainable value. The goal of the Company's risk management strategy is to make sure that these risks are promptly identified and dealt with.



The overall charge for monitoring the risk management procedure rests with the Board of Directors. It ensures that choices are consistent with the Company's strategy and risk tolerance. The Board is regularly updated on the significant operational and financial risks facing the Company.

The Chief Executive Officer and senior management, who are in charge of the day-to-day risk management operations, conduct periodic reviews of all risk areas as part of the risk management process.

The Board encourages the Management to develop a strong methodology to predict the possible effects of severe events on the Company's profitability, balance sheet, capital, and liquidity. This will help to further enhance the entire risk management framework.

The Board looks after the Company's risk management process and controls, as well as reviews the Company's risk appetite and strategy with regard to key risks, such as credit risk, liquidity and funding risk, market risk, product risk, and reputational risk, as well as the standards, policies, and procedures for observing and minimizing such risks.

In compliance with the 2019 Listed Companies (Code of Corporate Governance) Regulations, the Company has a Risk Management Policy. It provides several tiers of accountability and supervision inside the Company and assigns specific managers control over each major risk.

The Board is custodian of the organization's entire risk management procedure. Business units and corporate functions address risks in an institutionalized manner that is in line with the company's goals. Our internal audit also plays its role actively. Cross-functional engagement and communication across company divisions are used to manage the business risk. The Senior Management extensively discusses the risk assessment findings in order to determine what preventive actions are required.

### **Board of Directors**

Current members on the Board of Directors were elected on 27 October 2021. The present composition is in conformity with the provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Board determines the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

The present remuneration policy of Non-Executive Directors including Independent Directors shall be reviewed and determined by the Board.

### **Remuneration of Directors:**

Following are the aggregate amounts of salary / fee and other perquisites of the present Board for FY-2021-22:



Directors' Category	Number	Aggregate Amount of Salary and Fee	Other Perquisites
Executive Directors: Chief Executive Officer (Mr. Nooruddin Feerasta)	One	Nil	Chief Executive Officer is drawing no salary since his first appointment except Company car.
Independent Directors	Two	Nil	Nil
Non-Executive Directors	Five	Nil	Nil

The Board periodically reviews the remuneration policy and a well-defined remuneration policy is in place.

### Auditors

M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, were appointed on 14 January 2022 in place of M/s. Iqbal Yasir & Co. Chartered Accountants who have resigned on 14 January 2022, stating the reason that due to their pre-occupation in other assignments and were not in a position to devote their time to the affairs of Rupali Polyester Limited. M/s. RSM Avais Hyder Liaquat Nauman, Chartered Accountants, retire and being eligible offer themselves for re-appointment.

The Board has received recommendations from its Audit Committee for re-appointment of M/s. RSM, Avais Hyder Liaquat Nauman, Chartered Accountants as Auditors of the Company for the year 2022-23.

### Pattern of Shareholding

A statement showing the pattern of shareholding in the Company as at 30 June 2022 appears on Page 87.

### Other Disclosures

The Company's performance has been sufficiently elaborated in earlier parts of this Report of the Directors, however, the specific disclosure of some mandatory constituents are explained hereunder in terms of the provisions of Section 227 of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule Book of Pakistan Stock Exchange Limited:

- During the financial year ended 30 June 2022, following were the directors of the Company. Total number of Directors: 08 (Seven male and one female).

Category	Names
a) Independent Directors*	Mr. Yaseen M. Sayani Mr. Shahid Hameed
b) Non-Executive Directors	Mr. Muhammad Rashid Zahir Mrs. Aymna Feerasta Mr. Shehzad Feerasta Mr. Zeeshan Feerasta Mr. Abdul Hayee
c) Executive Director	Mr. Nooruddin Feerasta

### Committees of the Board

#### Audit Committee

1.	Mr. Yaseen M. Sayani	Chairman	(Independent Director)
2.	Mr. Muhammad Rashid Zahir	Member	(Non-Executive Director)
3.	Mr. Zeeshan Feerasta	Member	(Non-Executive Director)

#### H.R and Remuneration Committee

1.	Mr. Shahid Hameed	Chairman	(Independent Director)
2.	Mr. Nooruddin Feerasta	Member	(Chief Executive Officer)
3.	Mr. Zeeshan Feerasta	Member	(Non-Executive Director)

- The principal activities of the Company remained consistent as manufacture and sale of synthetic products. There were several developments during the year under review including infrastructural development and refurbishment of manufacturing lines with the aim of cost cutting. Strategic review was undertaken through monitoring of marketing trend for monthly production plans to ensure uninterrupted supply to meet the downstream demands.
- There has been no change in nature of the Company's business.
- The external auditors have issued unqualified audit report for the year ended 30 June 2022.
- Rupali Polyester Limited is not a foreign Company and has no holding or subsidiary Company.
- Pattern of shareholding as on 30 June 2022 is annexed.
- The earnings per share at the year end was Rs. 25.27.
- The factors contributed towards main achievements as well as the hindrances in growth during the financial year 2021-22 have been elaborated in this Report. Several measures were taken during the year by the Company Management under guidance of the Board of Directors to serve as economic tools to make and keep the unit profitable. Pursuant to

revival of businesses which faced recession due to COVID-19, we are moving forward gradually towards recovery with positive response from downstream consumers. The top and bottom line results during the year under review have shown substantial growth despite COVID-19 variants and unstable global and domestic economic environment.

- The Company's historical debt repayments and servicing record is excellent and its Management never allowed a situation to arise that may cause default in repayment of debt.
- The Company's internal controls are strong. The Company has implemented sound systems and controls in all spheres of operational and commercial activities with check & balance for regular monitoring. The purchase procedures and SOPs are also sound and the checks and controls are ensured at every stage. This system is functioning smoothly and successfully with no element of delay in meeting requirements as per the delivery schedules. The SOPs of various activities are regularly reviewed and bottlenecks removed for improvements where required for smooth system functioning. During COVID period, the Company has and is fully adhering to the proper SOPs.
- There has occurred no material changes and commitments materially affecting the financial position of the Company between the end of the financial year of the Company i.e. 30 June 2022 and the date of the report. Taxation also includes new Super Tax imposed by the government and is applicable on FY 2021-22. However, the results will be under pressure in coming periods by virtue of Pak Rupees devaluation against US Dollar.
- The Company's business that suffered setback in previous few years has now come out of the losses and is moving steadily towards revival and growth. The overall unfavorable market conditions include dumping of low-cost PSF, PFY and cloth from the regional countries. All favorable factors remaining positive, it will still take more time to offset the COVID impact, until the country's political and economic circumstances are settled in positive directions.
- The Company's business operations have no adverse impact on environment. The outlets of wastewater, emissions, gases etc. are kept under the environmental protection parameters and procedures and controls.

- The Company fulfills its Corporate Social Responsibilities by way of donations to various deserving educational institutions and hospitals.

- There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

- Compliance wherever not made has been explained as required under CCG 2019.

### **Related Party Transactions**

In compliance with Section 208 and 209 of the Companies Act, 2017 and Related Parties Regulations, 2018 the Company executes transactions with following associated companies, related parties in its ordinary course of business:

- Rupafil Limited
- Spintex Limited
- Soneri Bank Limited

The shareholders in its meeting held on 27 October 2021 had given approval through special resolution for transactions to be consummated with related parties during the year 2021-22. The Board of Directors has duly approved/ratified the transactions made in FY 2021-22 with above related parties.

### **Disclosure Requirements as per Listing Regulations/ Code of Corporate Governance Regulations**

#### **Corporate Governance:**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement set out by the SECP. The Company has also implemented several best governance practices. The report on Corporate Governance under PSX Listing Regulations forms an integral part of the Annual Report. The requisite certificate from the auditors of the Company confirming compliance with the conditions of the Corporate Governance is attached to the Report on Corporate Governance.

Good Corporate Governance has always been the focal point of the Board of Directors of the Company. We are happy to report that your Company by the Grace of ALLAH meets the standard set in the guidelines for good corporate governance and is in compliance with the relevant Regulations. At Rupali

Polyester Limited, we ensure that we evolve and follow the corporate governance guidelines and best practices sincerely to not just boost long-term shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. In accordance with the vision set by the Board, the Company aspires to be the global Polyester industry benchmark for value creation and corporate citizenship.

The Company expects to realize its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people. The Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

During the year, the Company took several initiatives in various aspects of sustainability. At the strategic level, the Company embarked on a scenario planning exercise to envision the future, looking at economic, regulatory and stakeholder scenarios in order to develop our next vision and action plans. In order to drive the various aspects of sustainability in a more focused way, the Company put together consolidated governance mechanisms with clear demarcation of roles between the Board, its Committees and the Management. During the year, the capital projects for environment have progressed significantly. Following specific statements are being given hereunder:

The Company has initiated steps of energy conservation and continue taking measures to improve energy efficiency. Our environment research team in R&D has been working on projects to reduce the environmental impact of our operations while improving resource efficiency. We are happy to report that the Company has made a lot of improvement as a result of its efforts.

Human Resource Management adopts key decisions not just with respect to Human Resource but businesses as a whole. It focuses on improving the way of life, work culture, employee engagement, productivity, effectiveness and efficiency. During the year, several employee centric policies were launched to cater to the needs of the work force and also to keep the Company up to date with external realities.

Policies like adoption leave, physical and emotional well-being, and professional counseling services were launched in the interest of the employees' changing

needs. The Company initiated multiple actions to keep the workforce engaged. Actions are being taken to increase professional diversity, providing greater amenities for contractor workforce, improving employee skills and enhancing employee productivity. In addition, policies are being implemented to support affirmative action through training and enabling employment.

We further state that:

- The Company has maintained its books of account as per statutory requirements.
- The Company's financial statements fully present state of affairs fairly, its results of operations, cash flows and changes in equity.
- Appropriate accounting policies and applicable International Accounting Standards and International Financial Reporting Standards were applied in preparation of financial statements, accounting estimates are based on reasonable and prudent judgment, and any departures there from have been adequately disclosed and explained.
- There is no inconsistency in these policies and no material departure from the best practices of corporate governance is allowed.
- These accounts have been prepared on going concern basis and the Management is satisfied regarding going concern status of the Company.
- The system of internal controls of the Company is significantly sound in design and has been effectively implemented and monitored.
- Plant operations remained normal throughout the year. However, the dumped imports from China and Malaysia disturbed our sales targets, which put adverse impact on our sales revenues. The reasons for increase in revenues, cost of goods sold and decrease in finance costs have been highlighted and explained.
- There is no statutory payment because of taxes, duties, levies and charges outstanding other than those in normal business related transactions.
- Company is neither in default nor likely to default any loans, short-term borrowings or any sort of debt instruments.

**Investment of Provident Fund**

The value of investment in Provident Fund Trust Account inclusive of profit accrued:

As on 30 June 2022 (Unaudited)	As on 30 June 2021 (Audited)
(Rupees in '000)	
23,451	23,845

**Audit Committee Meetings Held and Attendance by each Member**

Total number of Audit Committee Meetings held during the year under review: 5

**Attendance by each Member:**

1. Mr. Yaseen M. Sayani	Chairman	5
2. Mr. Muhammad Rashid Zahir	Member	5
3. Mr. Zeeshan Feerasta	Member	5

**H.R and Remuneration Committee Meetings and Attendance by each member**

Total number of HR and Remuneration Committee Meetings held during the year under review: 4

**Attendance by each Member:**

1. Mr. Shahid Hameed	Chairman	4
2. Mr. Nooruddin Feerasta	Member	4
3. Mr. Zeeshan Feerasta	Member	4

**Board Meetings held and Attendance by each Director**

Total number of Board Meetings held during the year under review: 6

**Attendance by each Director:**

1. Mr. Nooruddin Feerasta (Chief Executive Officer)	6
2. Mr. Muhammad Rashid Zahir (Non-Executive Director)	6
3. Mrs. Amyna Feerasta (Non-Executive Director)	6
4. Mr. Yaseen M. Sayani (Independent Director)	6
5. Mr. Sultan Ali Rajwany (Independent Director)	2
6. Mr. Shehzad Feerasta (Non-Executive Director)	6
7. Mr. Zeeshan Feerasta (Non-Executive Director)	6
8. Mr. Shahid Hameed (Independent Director)	4
9. Mr. Abdul Hayee (Non-Executive Director)	6

Mr. Sultan Ali Rajwany (ex-Independent Director) did not contest election, hence attended only two meetings prior to the election of the Board of Directors.

**Corporate Social Responsibility (CSR)**

Your Company attaches high priority to its social responsibilities and is committed to the highest standards of corporate behavior. The Company's CSR responsibilities are fulfilled through selective monetary contributions in the areas of health care, education, environmental protection, water and sanitation, child welfare, infrastructure development and other welfare activities subject to availability of surplus funds. Our CSR activities include contributions to hospitals and welfare programs engaged in assisting under-privileged patients, students and children of various special needs.

**Code of Conduct**

As a part of continuous adherence to best practices of corporate governance, Rupali Polyester Limited believes in widely disseminating its values and ethics for strict adherence by all employees, contractors, suppliers and others associated with business of the Company. Our commitment to encouraging ethical and responsible practices is demonstrated by the fact that the Company had a comprehensive Code of Conduct in place well before the introduction of this requirement in 2002 and since then have been reviewed and updated. The Code of Conduct of the Company is reviewed periodically and we ensure compliance at all levels. Furthermore, upon joining the Company, all employees are required to read and understand the Code of Conduct for strict compliance, which demonstrates Company's best corporate governance in practice.

**Succession Planning**

At Rupali Polyester Limited, there is a proper succession planning and is implemented evaluating the incumbents' talent. The focus is on capability building by encouraging internal lateral moves.

Individuals highlighted for succession are developed through stretched assignments and involvement through internal /external training, and on the job education.

**Whistleblowing Policy**

Rupali Polyester has a well-defined Whistleblowing Policy. Any cases where the Code of Conduct has been violated, and to help facilitate strict adherence to it, employees have access to a whistleblowing protocol. Through this program, any employee can confidentially report suspected breach of ethics and Code of the



Company by way of anonymity. Any complaints if received are thoroughly investigated to a logical end. The Board Audit Committee as well as the Board oversees this process.

### Health, Safety and Environment

The Company is strongly committed towards all aspects of maintaining a safe and healthy environment for our business operations as well as affiliated organizations.

The Company fully recognizes safety as a key component of operational excellence and gives vital importance to the training of employees and contractors. We also try to enhance safety awareness and actively incorporate best practices for the industries overall operational set-up.

Our commitment to environment, health and safety is manifested in our operational activities as no major accident was reported in the year 2021.

There was no reportable occupational illness from our employees or contracted work force in FY 2021-22. Proper fumigation and treatment against viral spread is regularly carried out at plant site and offices

### Labor Management Relations

Like previous years, cordial relations were maintained between the Management and the labor force. We extend our appreciation for their dedication and hard work demonstrated at every level for the progress and growth of the Company.

### Internal Financial Control Systems and their Adequacy

Your Company has an Internal Control System commensurate with the size scale and complexity of its operations and well- documented procedures for various processes, which are periodically reviewed for changes warranted due to business needs. The Internal Auditor continuously monitors the efficiency of the internal controls/ compliance with the objective of providing to Audit Committee and the Board of Directors an independent objective and reasonable assurance of the adequacy and effectiveness of the Company's risk management control and governance processes. This system of internal control facilitates effective compliance of mandatory requirements under the Act and Listing Regulations.

To maintain its objectivity and independence the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system with reference to the Financial Statement. Based on the report of internal auditor the Management undertakes corrective actions in respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

### Approval of Financial Statements

The financial statements for FY 2021-22 prepared as per provisions of Companies Act, 2017 were approved and authorized for their issuance by the Board of Directors on 09 September 2022.

### Approval of the Directors' Report and Compliance Statement

The Board of Directors approved the Directors' Report and statement of compliance on September 9, 2022 and authorized their issuance.

### A Note of Gratitude

The Directors express their appreciation for the cooperation provided by the Ministries of Finance, Revenue and Economic Affairs, Industries and Production, Communication, and Commerce and Textile. We would also like to convey our gratitude to the Federal Board of Revenue and Government of the Punjab for their cooperation. We appreciate the patronage and confidence placed in the Company by the Development Financial Institutions and commercial banks. We are thankful to our valued customers and expect growing business relationships with them. To our stakeholders, we are grateful for their faith and trust in the Company. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

On behalf of the Board



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director

Lahore:  
09 September 2022

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## صحت، حفاظت اور ماحول

کمپنی ہماری کاروباری کارروائیوں کے ساتھ ساتھ منسلک تنظیموں کے لیے ایک محفوظ اور صحت مند ماحول کو برقرار رکھنے کے تمام پہلوؤں کے لیے پرعزم ہے۔ کمپنی حفاظت کو مکمل طور پر آپریشنل ایکسیلنس کے ایک اہم جز کے طور پر تسلیم کرتی ہے اور ملازمین اور ٹھیکیداروں کی تربیت کو اہم اہمیت دیتی ہے۔ ہم حفاظت سے متعلق آگاہی کو بڑھانے اور صنعتوں کے مجموعی آپریشنل سیٹ اپ کے لیے بہترین طریقوں کو فعال طور پر شامل کرنے کی بھی کوشش کرتے ہیں۔

ماحولیات، صحت اور حفاظت سے ہماری وابستگی ہماری آپریشنل سرگرمیوں سے ظاہر ہوتی ہے کیونکہ سال 2021 میں کوئی بڑا حادثہ نہیں ہوا۔

مالی سال 2021-22 میں ہمارے ملازمین یا معاہدہ شدہ ورک فورس کی طرف سے کوئی قابل اطلاع پیشہ وارانہ بیماری نہیں تھی۔ پلانٹ کی جگہ اور دفاتر میں وائرل پھیلاؤ کے خلاف مناسب فیلو میگیٹیشن اور علاج باقاعدگی سے کیا جاتا ہے۔

## لیبر مینجمنٹ تعلقات

پچھلے سالوں کی طرح، انتظامیہ اور لیبر فورس کے درمیان خوشگوار تعلقات برقرار رہے۔ ہم کمپنی کی ترقی اور ترقی کے لیے ہر سطح پر ان کی لگن اور محنت کے لیے اپنی تعریف کرتے ہیں۔

## داخلی مالیاتی کنٹرول کے نظام اور ان کی مناسبت

آپ کی کمپنی کے پاس ایک اندرونی کنٹرول سسٹم ہے جو اس کے آپریشنز کے سائز کے پیمانے اور پیچیدگی اور مختلف پروسیسز کے لیے اچھی طرح سے دستاویزی طریقہ کار کے مطابق ہے، جس کا مقصد قفا کاروباری ضروریات کے پیش نظر تبدیلیوں کے لیے جائزہ لیا جاتا ہے۔ اندرونی آڈیٹر آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کو کمپنی کے رسک مینجمنٹ کنٹرول اور گورننس کے عمل کی مناسبت اور تاثیر کی ایک آزاد قسط اور معقول یقین دہانی فراہم کرنے کے مقصد کے ساتھ اندرونی کنٹرولز / تعمیل کی کارکردگی کی مسلسل نگرانی کرتا ہے۔ اندرونی کنٹرول کا یہ نظام ایکٹ اور فہرست سازی کے ضوابط کے تحت لازمی تقاضوں کی موثر تعمیل میں سہولت فراہم کرتا ہے۔

اپنی معروضیت اور آزادی کو برقرار رکھنے کے لیے اندرونی آڈیٹر آڈٹ کمیٹی کے چیئرمین کو رپورٹ کرتا ہے۔ اندرونی آڈیٹر مالیاتی بیان کے حوالے سے اندرونی کنٹرول کے نظام کی کارکردگی اور مناسبت کی نگرانی اور جائزہ لیتا ہے۔ اندرونی آڈیٹر کی رپورٹ کی بنیاد پر انتظامیہ متعلقہ علاقوں میں اصلاحی اقدامات کرتی ہے اور اس طرح کنٹرول کو مضبوط کرتی ہے۔ اہم آڈٹ مشاہدات اور اس پر اصلاحی اقدامات آڈٹ کمیٹی کے سامنے پیش کیے جاتے ہیں۔ زیر جائزہ سال کے دوران، آپریشن میں کوئی قابل اطلاع مواد کی کمزوری نہیں دیکھی گئی۔ باقاعدہ آڈٹ اور نظر ثانی کے عمل اس بات کو یقینی بناتے ہیں کہ اس طرح کے نظام کو مسلسل بنیادوں پر تقویت دی جائے۔

## مالیاتی گوشواروں کی منظوری

کمپنیز ایکٹ، 2017 کی دفعات کے مطابق تیار کردہ مالی سال 2021-22 کے مالیاتی گوشواروں کو 9 ستمبر 2022 کو بورڈ آف ڈائریکٹرز نے ان کے اجراء کے لیے منظوری دی تھی۔

## ڈائریکٹرز کی رپورٹ اور تعمیل کے بیان کی منظوری

بورڈ آف ڈائریکٹرز نے 9 ستمبر 2022 کو ڈائریکٹرز کی رپورٹ اور تعمیل کے بیان کی منظوری دی اور انہیں جاری کرنے کی اجازت دی۔

## اظہار تشکر

ڈائریکٹرز مالیات، محصولات اور اقتصادی امور، صنعت و پیداوار، مواصلات، اور کامرس اور ٹیکسٹائل کی وزارتوں کی طرف سے فراہم کردہ تعاون کی تعریف کرتے ہیں۔ ہم فیڈرل بورڈ آف ریونیو اور حکومت پنجاب کا بھی ان کے تعاون پر شکریہ ادا کرنا چاہیں گے۔ ہم ترقیاتی مالیاتی اداروں اور تجارتی بینکوں کی طرف سے کمپنی پر دی گئی سرپرستی اور اعتماد کی تعریف کرتے ہیں۔ ہم اپنے قابل قدر صارفین کے شکر گزار ہیں اور ان کے ساتھ بڑھتے ہوئے کاروباری تعلقات کی توقع کرتے ہیں۔ اپنے اسٹیک ہولڈرز کے، ہم کمپنی پر ان کے اعتماد اور اعتماد کے لیے شکر گزار ہیں۔ ہم ہر سطح پر ملازمین کے تعاون کی تعریف کرتے ہیں۔ چیلنجوں سے نمٹنے کے لیے ہماری ٹیم کی محنت، کججہتی، تعاون اور حمایت سے ممکن ہوئی۔

منجانب بورڈ آف ڈائریکٹرز



ذیشان فیراستہ  
ڈائریکٹر



نور الدین فیراستہ  
چیف ایگزیکٹو آفیسر

## بورڈ آف ڈائریکٹرز

زیر جائزہ سال کے دوران منعقدہ بورڈ میٹنگز کی کل تعداد: 06

ہر رکن کی شرکت:

نام رکن	کتنے اجلاس میں شرکت کی
۱۔ جناب نور الدین فیراستہ چیف ایگزیکٹو آفیسر	06
۲۔ جناب محمد رشید ظاہر نان ایگزیکٹو ڈائریکٹر	06
۳۔ مسز امینہ فیراستہ نان ایگزیکٹو ڈائریکٹر	06
۴۔ جناب یاسین ایم سیانی آزاد ڈائریکٹر	06
۵۔ جناب سلطان علی جوانی آزاد ڈائریکٹر	02
۶۔ جناب شہزاد فیراستہ نان ایگزیکٹو ڈائریکٹر	06
۷۔ جناب ذیشان فیراستہ نان ایگزیکٹو ڈائریکٹر	06
۸۔ جناب شاہد حمید آزاد ڈائریکٹر	04
۹۔ جناب عبدالحی نان ایگزیکٹو ڈائریکٹر	06

جناب سلطان علی جوانی (سابق آزاد ڈائریکٹر) نے انکیشن نہیں لڑا، اور بورڈ آف ڈائریکٹرز کے انتخاب سے پہلے صرف دو اجلاسوں میں شرکت کی۔

## کارپوریٹ سماجی ذمہ داری (سی ایس آر)

آپ کی کمپنی اپنی سماجی ذمہ داریوں کو اعلیٰ ترجیح دیتی ہے اور کارپوریٹ ذمہ داری کے اعلیٰ ترین معیارات پر کاربند ہے۔ کمپنی کی سی ایس آر ذمہ داریاں صحت کی دیکھ بھال، تعلیم، ماحولیاتی تحفظ، پانی اور صفائی ستھرائی، بچوں کی بہبود، بنیادی ڈھانچے کی ترقی اور اضافی فنڈز کی دستیابی سے مشروط دیگر فلاحی سرگرمیوں کے شعبوں میں منتخب مالیاتی شرکت کے ذریعے پوری ہوتی ہیں۔ ہماری سی ایس آر سرگرمیوں میں ہسپتالوں اور فلاحی پروگراموں میں تعاون شامل ہیں جو کہ کم مراعات یافتہ مریضوں، طلباء اور مختلف خصوصی ضروریات کے بچوں کی مدد میں مصروف ہیں۔

## ضابطہ اخلاق

کارپوریٹ گورننس کے بہترین طریقوں کی مسلسل پابندی کے ایک حصے کے طور پر، روپالی پولیسٹر لیمنڈ کمپنی کے کاروبار سے وابستہ تمام ملازمین، ٹھیکیداروں، سپلائرز اور دیگر افراد کے ذریعے اپنی اقدار اور اخلاقیات کو وسیع پیمانے پر پھیلانے پر یقین رکھتی ہے۔ اخلاقی اور ذمہ دارانہ طریقہ عمل کی حوصلہ افزائی کے لیے ہماری وابستگی اس حقیقت سے ظاہر ہوتی ہے کہ کمپنی کے پاس 2002 میں اس ضرورت کے متعارف ہونے سے پہلے ایک جامع ضابطہ اخلاق موجود تھا اور اس کے بعد سے اس کا جائزہ لیا گیا اور اسے اپ ڈیٹ کیا گیا۔ کمپنی کے ضابطہ اخلاق کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور ہم ہر سطح پر تعمیل کو یقینی بناتے ہیں۔ مزید برآں، کمپنی میں شامل ہونے پر، تمام ملازمین کو سختی سے تعمیل کے لیے ضابطہ اخلاق کو پڑھنا اور سمجھنا ضروری ہے، جو عملی طور پر کمپنی کی بہترین کارپوریٹ گورننس کو ظاہر کرتا ہے۔

## جانشینی کی منصوبہ بندی

روپالی پولیسٹر لیمنڈ میں، جانشینی کی ایک مناسب منصوبہ بندی ہے اور اس پر عمل آوری کی صلاحیتوں کا اندازہ لگا کر عمل کیا جاتا ہے۔ اندرونی پس منظر کی حرکتوں کی حوصلہ افزائی کرتے ہوئے صلاحیت کی تعمیر پر توجہ مرکوز کی گئی ہے۔

جانشینی کے لیے نمایاں کیے گئے افراد کو اندرونی/بیرونی تربیت اور ملازمت کی تعلیم کے ذریعے وسیع سائنسٹس اور شمولیت کے ذریعے تیار کیا جاتا ہے۔

## Whistle Blowing پالیسی

روپالی پولیسٹر کی ایک اچھی طرح سے طے شدہ Whistle Blowing پالیسی ہے۔ کسی بھی صورت میں جہاں ضابطہ اخلاق کی خلاف ورزی کی گئی ہو، اور اس پر سختی سے عمل کرنے میں مدد کے لیے، ملازمین کو Whistle Blowing والے پروٹوکول تک رسائی حاصل ہوتی ہے۔ اس پروگرام کے ذریعے، کوئی بھی ملازم اپنی شناخت ظاہر نہ کرنے کے ذریعے کمپنی کے اخلاقیات اور ضابطہ اخلاق کی مشتبہ خلاف ورزی کی خفیہ طور پر اطلاع دے سکتا ہے۔ اگر کوئی شکایت موصول ہوتی ہے تو اس کی منطقی انجام تک مکمل چھان بین کی جاتی ہے۔ بورڈ آڈٹ کمیٹی کے ساتھ ساتھ بورڈ اس عمل کی نگرانی کرتا ہے۔



- ان پالیسیوں میں کوئی تضاد نہیں ہے اور کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج کی اجازت نہیں ہے۔
- یہ اکاؤنٹس Going-Concern کی بنیاد پر تیار کیے گئے ہیں اور انتظامیہ کمپنی کی Going-Concern کی حیثیت سے مطمئن ہے۔
- کمپنی کے اندرونی کنٹرول کا نظام ڈیزائن میں نمایاں طور پر درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
- پلانٹ کی کارروائیاں سال بھر معمول کے مطابق رہیں۔ تاہم، چین اور ملائیشیا سے ڈمپ شدہ درآمدات نے ہمارے سیلز اہداف کو متاثر کیا، جس سے ہماری سیلز ریویو پرمٹنی اشرپڈ محصولات میں اضافے، سامان کی فروخت کی لاگت اور مالیاتی اخراجات میں کمی کی وجوہات پر روشنی ڈالی گئی اور وضاحت کی گئی ہے۔
- عام کاروبار سے متعلق لین دین کے علاوہ ٹیکس، ڈیوٹی، لیویز اور چارجز کی کوئی قانونی ادائیگی نہیں ہے۔
- کمپنی نہ تو ڈیفالٹ میں ہے اور نہ ہی کسی قرضے، قلیل مدتی قرضے یا کسی بھی قسم کے قرض کے آلات کو ڈیفالٹ کرنے کا امکان ہے۔

## پراویڈنٹ فنڈ کی سرمایہ کاری

پراویڈنٹ فنڈ ٹرسٹ اکاؤنٹ میں سرمایہ کاری کی قیمت بشمول جمع شدہ منافع:

30 جون 2021	30 جون 2022
(آڈٹ شدہ)	(غیر آڈٹ شدہ)
روپے ہزاروں میں	
23,845	23,451

## محاسبی کمیٹی کے اجلاس اور ہر رکن کی شرکت

زیر جائزہ سال کے دوران منعقدہ محاسبی کمیٹی کے اجلاسوں کی کل تعداد: 05

ہر رکن کی شرکت:

نام رکن	کتنے اجلاس میں شرکت کی
۱۔ جناب یاسین ایم سیانی چیئرمین	05
۲۔ جناب محمد رشید طاہر ممبر	05
۳۔ جناب ذیشان فیہرستہ ممبر	05

## انسانی وسائل کی کمیٹی کے اجلاس اور ہر رکن کی شرکت

زیر جائزہ سال کے دوران انسانی وسائل کی کمیٹی کے اجلاسوں کی کل تعداد: 04

ہر رکن کی شرکت:

نام رکن	کتنے اجلاس میں شرکت کی
۱۔ جناب شاہد حمید چیئرمین	04
۲۔ جناب نور الدین فیہرستہ ممبر	04
۳۔ جناب ذیشان فیہرستہ ممبر	04

## متعلقہ پارٹیوں سے لین دین

کمپنیز ایکٹ، 2017 کے سیکشن 208، 209 اور متعلقہ پارٹیز ریگولیشنز، 2018 کی تعمیل میں کمپنی اپنے عام کاروبار میں درج ذیل متعلقہ کمپنیوں، متعلقہ فریقوں کے ساتھ لین دین کرتی ہے:

- روپال لمیٹڈ
- سپنٹیکس لمیٹڈ
- سویری بینک لمیٹڈ

27 اکتوبر 2021 کو ہونے والی اپنی میٹنگ میں شیئر ہولڈرز نے سال 2021-22 کے دوران متعلقہ فریقوں کے ساتھ لین دین کے لیے خصوصی قرارداد کے ذریعے منظوری دی تھی۔ بورڈ آف ڈائریکٹرز نے مذکورہ بالا متعلقہ فریقوں کے ساتھ مالی سال 2021-22 میں کیے گئے لین دین کی باضابطہ منظوری/توثیق کی ہے۔ سال 2022 میں کئے گئے لین دین کو ہونے والے اجلاس میں برائے منظوری پیش کیا جا رہا ہے۔

## لسٹنگ کے ضابطوں/کارپوریٹ گورننس کے ضابطوں کے مطابق انکشاف کے تقاضے

کمپنی کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے اور ایس ای سی پی کی طرف سے مقرر کردہ کارپوریٹ گورننس کی ضروریات پر عمل کرنے کے لیے پرعزم ہے۔ کمپنی نے حکمرانی کے کئی بہترین طریقوں کو بھی نافذ کیا ہے۔ پی ایس ایکس لسٹنگ ریگولیشنز کے تحت کارپوریٹ گورننس پر پورٹ سالانہ رپورٹ کا ایک لازمی حصہ ہے۔ کارپوریٹ گورننس کی شرائط کی تعمیل کی تصدیق کرنے والے کمپنی کے آڈیٹرز کی طرف سے مطلوبہ سرٹیفکیٹ کارپوریٹ گورننس کی رپورٹ کے ساتھ منسلک ہے۔

اچھی کارپوریٹ گورننس ہمیشہ کمپنی کے بورڈ آف ڈائریکٹرز کا مرکز بنی ہوئی رہا ہے۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ اللہ کے فضل سے آپ کی کمپنی اچھی کارپوریٹ گورننس کے رہنما خطوط میں طے شدہ معیار پر پورا اترتی ہے اور متعلقہ ضوابط کے مطابق ہے۔ روپالی پولیسٹر لمیٹڈ میں، ہم اس بات کو یقینی بناتے ہیں کہ ہم کارپوریٹ گورننس کے رہنما خطوط اور بہترین طریقوں پر خلوص نیت سے عمل کریں تاکہ نہ صرف طویل مدتی حصص یافتگان کی قدر میں اضافہ ہو، بلکہ اقلیتوں کے حقوق کا بھی احترام کیا جائے۔ ہم اپنے مالیات اور کارکردگی کے ساتھ ساتھ کمپنی کی قیادت اور حکمرانی کے بارے میں بروقت اور درست معلومات کا افشاء کرنا اپنی موروٹی ذمہ داری سمجھتے ہیں۔ بورڈ کے طے کردہ وٹن کے مطابق، کمپنی قدر پیدا کرنے اور کارپوریٹ شہریت کے لیے عالمی پولیسٹر انڈسٹری کا بیچ راک بننے کی خواہش رکھتی ہے۔

کمپنی توقع رکھتی ہے کہ قدر کی تخلیق، حفاظت، ماحولیات اور لوگوں کے اپنے اہداف کو حاصل کرنے کے لیے ضروری اقدامات کر کے اپنے وٹن کو پورا کرے گی۔ کارپوریٹ گورننس کی شرائط کی تعمیل سے متعلق آڈیٹرز کے سرٹیفکیٹ کو سالانہ رپورٹ کا حصہ بنایا گیا ہے۔

سال کے دوران، کمپنی نے پائیداری کے مختلف پہلوؤں میں کئی اقدامات کئے۔ تزویراتی سطح پر، کمپنی نے مستقبل کا تصور کرنے کے لیے ایک منظر نامے کی منصوبہ بندی کی مشق کا آغاز کیا، جس میں معاشی، ریگولیٹری اور اسٹیک ہولڈر کے منظر ناموں کو دیکھتے ہوئے ہمارے اگلے وٹن اور ایکشن پلان کو تیار کیا گیا۔ پائیداری کے مختلف پہلوؤں کو زیادہ توجہ مرکوز کرنے کے لیے، کمپنی نے بورڈ، اس کی کمیٹیوں اور انتظامیہ کے درمیان کرداروں کی واضح حد بندی کے ساتھ حکمرانی نظام کو یکجا کیا ہے۔ سال کے دوران ماحولیات کے لیے سرمایہ کاری کے منصوبوں میں نمایاں پیش رفت ہوئی ہے۔ مندرجہ ذیل مخصوص بیانات یہاں دیئے جا رہے ہیں:

کمپنی نے توانائی کے تحفظ کے اقدامات شروع کیے ہیں اور توانائی کی کارکردگی کو بہتر بنانے کے لیے اقدامات جاری رکھے ہوئے ہیں۔ D&R میں ہماری ماحولیاتی تحقیقی ٹیم وسائل کی کارکردگی کو بہتر بناتے ہوئے ہمارے کاموں کے ماحولیاتی اثرات کو کم کرنے کے منصوبوں پر کام کر رہی ہے۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ کمپنی نے اپنی کوششوں کے نتیجے میں کافی بہتری لائی ہے۔

ہیومن ریسورس مینجمنٹ کلیدی فیصلوں کو نہ صرف انسانی وسائل کے حوالے سے بلکہ مجموعی طور پر کاروبار کو اپناتا ہے۔ پیٹر زنگی، کام کی ثقافت، ملازمین کی مصروفیت، پیداوری، تاثیر اور کارکردگی کو بہتر بنانے پر مرکوز ہے۔ سال کے دوران، افرادی قوت کی ضروریات کو پورا کرنے اور کمپنی کو بیرونی حقائق کے ساتھ تازہ ترین رکھنے کے لیے متعدد ملازم مرکوز پالیسیاں شروع کی گئیں۔ جسمانی اور جذباتی بہبود، اور پیشہ ورانہ مشاورت کی خدمات جیسی پالیسیاں ملازمین کی بدلتی ہوئی ضروریات کے مفاد میں شروع کی گئیں۔ کمپنی نے افرادی قوت کو مصروف رکھنے کے لیے متعدد کارروائیاں شروع کیں۔ پیشہ ورانہ تنوع کو بڑھانے، ٹھیکیدار افرادی قوت کے لیے زیادہ سہولیات فراہم کرنے، ملازمین کی مہارتوں کو بہتر بنانے اور ملازمین کی پیداوری صلاحیت کو بڑھانے کے لیے اقدامات کیے جا رہے ہیں۔ مزید برآں، تربیت اور روزگار کے قابل بنانے کے ذریعے مثبت کارروائی کی حمایت کرنے کے لیے پالیسیاں نافذ کی جا رہی ہیں۔

ہم مزید بتاتے ہیں کہ:

- کمپنی نے اپنے حساب کتاب کو قانونی تقاضوں کے مطابق برقرار رکھا ہے۔
- کمپنی کے مالی بیانات پوری طرح سے معاملات کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو پیش کرتے ہیں۔
- مناسب اکاؤنٹنگ پالیسیاں اور قابل اطلاق بین الاقوامی اکاؤنٹنگ معیارات اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات کا اطلاق مالیاتی بیانات کی تیاری میں کیا گیا تھا، اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں، اور وہاں سے کسی بھی روایتی کامناسب طور پر انکشاف اور وضاحت کی گئی ہے۔

## انسانی وسائل کمیٹی

نام رکن	عہدہ رکن
۱۔ جناب شاہد حمید چیمبرمین	(آزاد ڈائریکٹر)
۲۔ جناب نور الدین فیراستہ ممبر	(چیف ایگزیکٹو آفیسر)
۳۔ جناب ذیشان فیراستہ ممبر	(ٹران ایگزیکٹو ڈائریکٹر)

- کمیٹی کی بنیادی سرگرمیاں مصنوعات کی تیاری اور فروخت کے طور پر مستقل رہیں۔ زیر جائزہ سال کے دوران متعدد پیشرفت ہوئی جن میں بنیادی ڈھانچے کی ترقی اور لاگت میں کمی کے مقصد کے ساتھ مینوفیکچرنگ لائنوں کی تجدید کاری شامل ہے۔ ماہانہ پیداواری منصوبوں کے لیے مارکیٹنگ کے رجحان کی نگرانی کے ذریعے اسٹریٹجک جائزہ لیا گیا تاکہ بہاؤ کی طلب کو پورا کرنے کے لیے بلا تعطل فراہمی کو یقینی بنایا جاسکے۔
- کمیٹی کے کاروباری نوعیت میں کوئی تبدیلی نہیں آئی ہے۔
- بیرونی آڈیٹرز نے 30 جون 2022 کو ختم ہونے والے سال کے لیے صاف (Unqualified) آڈٹ رپورٹ جاری کی ہے۔
- روپائی پولیٹریٹ لیمٹڈ کوئی غیر ملکی کمیٹی نہیں ہے اور اس کی کوئی ہولڈنگ یا ذیلی کمیٹی نہیں ہے۔
- 30 جون 2022 تک شیئر ہولڈنگ کی تفصیل منسلک ہے۔
- سال کے آخر میں فی شیئر آمدنی 25.27 روپے تھی۔
- مالی سال 2021-22 کے دوران اہم کامیابیوں کے ساتھ ساتھ ترقی کی راہ میں حائل رکاوٹوں کو اس رپورٹ میں تفصیل سے بیان کیا گیا ہے۔ سال کے دوران کمیٹی مینجمنٹ کی جانب سے بورڈ آف ڈائریکٹرز کی رہنمائی میں یونٹ کو منافع بخش بنانے اور اسے برقرار رکھنے کے لیے اقتصادی آلات کے طور پر کام کرنے کے لیے کئی اقدامات کیے گئے۔ جن کاروباروں کو کوویڈ-19 کی وجہ سے کساد بازاری کا سامنا کرنا پڑا ان کے احیاء کے سلسلے میں، ہم نیچے دھارے کے صارفین کے مثبت رد عمل کے ساتھ تندرست رجحان کی طرف بڑھ رہے ہیں۔ زیر جائزہ سال کے دوران ٹاپ اور باٹم لائن کے نتائج میں کوویڈ-19 کی مختلف حالتوں اور غیر مستحکم عالمی اور گھریلو اقتصادی ماحول کے باوجود خاطر خواہ ترقی ہوئی ہے۔
- کمیٹی کا تاریخی قرض کی ادائیگی اور سروسنگ ریکارڈ بہترین ہے اور اس کی انتظامیہ نے کبھی بھی ایسی صورت حال پیدا نہیں ہونے دی جو قرض کی ادائیگی میں ڈیفالٹ کا باعث بنے۔
- کمیٹی کے اندرونی کنٹرول مضبوط ہیں۔ کمیٹی نے باقاعدہ نگرانی کے لیے چیک اینڈ بیلنس کے ساتھ آپریشنل اور تجارتی سرگرمیوں کے تمام شعبوں میں سائمنڈ سسٹم اور کنٹرول نافذ کیے ہیں۔ خریداری کے طریقہ کار اور ایس او بیز بھی درست ہیں اور ہر مرحلے پر چیک اینڈ کنٹرول کو یقینی بنایا گیا ہے۔ یہ نظام آسانی سے اور کامیابی کے ساتھ کام کر رہا ہے جس میں ترسیل کے نظام الاوقات کے مطابق تقاضوں کو پورا کرنے میں تاخیر کا کوئی عنصر نہیں ہے مختلف سرگرمیوں کے ایس او بیز کا باقاعدگی سے جائزہ لیا جاتا ہے اور جہاں ہموار نظام کے کام کرنے کی ضرورت ہوتی ہے وہاں بہتری کے لیے رکاوٹوں کو دور کیا جاتا ہے۔ کوویڈ کی مدت کے دوران، کمیٹی مناسب ایس او بیز پر پوری طرح عمل کر رہی ہے اور کر رہی ہے۔
- کمیٹی کے مالی سال کے اختتام یعنی 30 جون 2022 اور رپورٹ کی تاریخ کے درمیان کمیٹی کی مالی حالت کو مادی طور پر متاثر کرنے والی کوئی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔ ٹیکس میں حکومت کی طرف سے عائد کردہ نیا سپر ٹیکس بھی شامل ہے اور اس کا اطلاق مالی سال 2021-22 پر بھی ہوتا ہے۔ تاہم، امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی کی وجہ سے آنے والے ادوار میں نتائج دباؤ میں ہوں گے۔
- کمیٹی کا کاروبار جس کو پچھلے چند سالوں میں دھچکا لگا تھا اب خسارے سے نکل آیا ہے اور ہر سال بحالی اور ترقی کی طرف مسلسل بڑھ رہا ہے۔ مجموعی طور پر پرنامہ سازگار مارکیٹ کے حالات میں علاقائی ممالک سے کم لاگت پی ایس ایف اور پی ایف وائی کپڑے کی ڈیمینڈ شامل ہے۔ تمام سازگار عوامل مثبت رہتے ہیں، ملک کے سیاسی اور معاشی حالات مثبت سمتوں میں طے ہونے تک کوڈ کے اثرات کو پورا کرنے میں مزید وقت لگے گا۔
- کمیٹی کے کاروباری کاموں کا ماحول پر کوئی منفی اثر نہیں پڑتا ہے۔ گندے پانی، اخراج، گیسوں وغیرہ کے آؤٹ لیٹس کو ماحولیاتی تحفظ کے پیرامیٹرز اور طریقہ کار اور کنٹرول کے تحت رکھا جاتا ہے۔
- کمیٹی اپنی کارپوریٹ سماجی ذمہ داریاں مختلف مستحق تعلیمی اداروں اور ہسپتالوں کو عطیات کے ذریعے پوری کرتی ہے۔
- ریگولیٹرز یا عدالتوں یا ریپبلز کی طرف سے کوئی اہم اور مادی احکامات جاری نہیں کیے گئے ہیں جو کہ جاری تشویش کی حیثیت اور کمیٹی کے کاموں کو متاثر کرتے ہیں۔
- جہاں کہیں بھی تعمیل نہیں کی گئی ہے اس کی وضاحت سی ای جی 2019 کے تحت ضرورت کے مطابق کی گئی ہے۔

## محاسب

میسرز آر ایس ایم او ایس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس کو 14 جنوری 2022 کو میسرز اقبال یسرا اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی جگہ پر تعینات کیا گیا۔ جنہوں نے 14 جنوری 2022 کو استعفیٰ دے دیا ہے، یہ بتاتے ہوئے کہ وہ دیگر پیشگی مصروفیات کی وجہ سے روپالی پولیسٹر لمیٹڈ کے معاملات میں اپنا وقت دینے کی پوزیشن میں نہیں تھے۔ آر ایس ایم او ایس حیدر لیاقت نعمان، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔

بورڈ کو میسرز آر ایس ایم او ایس حیدر لیاقت نعمان، کو کمپنی کے بطور محاسب کی دوبارہ تقرری برائے سال 2022-23 اپنی آڈٹ کمپنی سے سفارشات موصول ہوئی ہیں۔

## شیر ہولڈنگ کا نمونہ

30 جون 2022 کو کمپنی میں شیر ہولڈنگ کی تفصیل منسلک ہے۔

## دیگر افشاء

ڈائریکٹرز کی اس رپورٹ کے ابتدائی حصوں میں کمپنی کی کارکردگی کو کافی تفصیل سے بیان کیا گیا ہے، تاہم، کمپنیز ایکٹ، 2017 کے سیکشن 227، لسٹڈ کمپنیز (کارپوریٹ گورننس) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی رول بک کی شرائط کے تحت کچھ لازمی اجزاء کے مخصوص انکشافات کی وضاحت کی گئی ہے۔

30 جون 2022 کو ختم ہونے والے مالی سال کے دوران، کمپنی کے ڈائریکٹرز درج ذیل تھے۔ ڈائریکٹرز کی کل تعداد: 08 (سات مرد اور ایک خاتون)۔

کیٹگری	اسماء
ا۔ آزاد ڈائریکٹرز	جناب یاسین ایم سیانی جناب شاہد حمید
ب۔ نان ایگزیکٹو ڈائریکٹرز	جناب محمد رشید طاہر محترمہ امینہ فیراستہ جناب شہزاد فیراستہ جناب ذیشان فیراستہ جناب عبدالحی
ج۔ ایگزیکٹو ڈائریکٹر	جناب نور الدین فیراستہ

## بورڈ کی کمیٹیاں محاسبی کمیٹی

نام رکن	عہدہ رکن
۱۔ جناب یاسین ایم سیانی چیئرمین	(آزاد ڈائریکٹر)
۲۔ جناب محمد رشید طاہر ممبر	(نان ایگزیکٹو ڈائریکٹر)
۳۔ جناب ذیشان فیراستہ ممبر	(نان ایگزیکٹو ڈائریکٹر)



## رِسک مینجمنٹ

شعبہ جاتی تحفظات کی وجہ سے، کمپنی موروثی خطرات کا شکار ہے۔ وہ خطرات جو کمپنی سٹرٹیجک اور آپریشنل سطحوں پر لینے کے لیے تیار ہے، نیز ان کا انتظام کرنے کی اس کی صلاحیت، پائیدار قدر پیدا کرنے کی اس کی صلاحیت کا تعین کرنے کے لیے اہم ہیں۔ کمپنی کی رِسک مینجمنٹ حکمت عملی کا مقصد یہ یقینی بنانا ہے کہ ان خطرات کی فوری شناخت اور ان سے نمٹا جائے۔

رِسک مینجمنٹ کے طریقہ کار کی نگرانی کا مجموعی چارج بورڈ آف ڈائریکٹرز کے پاس ہے۔ یہ یقینی بناتا ہے کہ انتخاب کمپنی کی حکمت عملی اور خطرے کی رواداری کے مطابق ہوں۔ بورڈ کو کمپنی کو درپیش اہم آپریشنل اور مالیاتی خطرات کے بارے میں باقاعدگی سے اپ ڈیٹ کیا جاتا ہے۔

چیف ایگزیکٹو آفیسر اور سینئر مینجمنٹ، جو روزمرہ کے رِسک مینجمنٹ آپریشنز کے انچارج ہوتے ہیں، رِسک مینجمنٹ کے عمل کے حصے کے طور پر تمام خطرے والے علاقوں کا وقتاً فوقتاً جائزہ لیتے ہیں۔

بورڈ انتظامیہ کی حوصلہ افزائی کرتا ہے کہ وہ کمپنی کے منافع، بیلنس شیٹ، سرمائے اور لیکویڈیٹی پر شدید واقعات کے ممکنہ اثرات کی پیش گوئی کرنے کے لیے ایک مضبوط طریقہ کار تیار کرے۔ اس سے رِسک مینجمنٹ کے پورے فریم ورک کو مزید بڑھانے میں مدد ملے گی۔

بورڈ کمپنی کے رِسک مینجمنٹ کے عمل اور کنٹرولز کی دیکھ بھال کرتا ہے، نیز اہم خطرات، جیسے کریڈٹ رِسک، لیکویڈیٹی اور فنڈنگ رِسک، مارکیٹ رِسک، پروڈکٹ رِسک، اور سماجی کے خطرے کے حوالے سے کمپنی کی رِسک ایپسٹ اور حکمت عملی کا جائزہ لیتا ہے۔ اس طرح کے خطرات کا مشاہدہ کرنے اور ان کو کم کرنے کے معیارات، پالیسیوں اور طریقہ کار کے طور پر۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضوابط ۲۰۱۹ کی تعمیل میں، کمپنی کے پاس رِسک مینجمنٹ پالیسی ہے۔ یہ کمپنی کے اندر جوابدہی اور نگرانی کے کئی درجات فراہم کرتا ہے اور ہر بڑے خطرے پر مخصوص مینیجرز کو کنٹرول تفویض کرتا ہے۔

بورڈ تنظیم کے رِسک مینجمنٹ کے پورے طریقہ کار کا نگران ہے۔ کاروباری اکائیاں اور کارپوریٹ فنکشنز خطرات کو ادارہ جاتی انداز میں حل کرتے ہیں جو کمپنی کے اہداف کے مطابق ہو۔ ہمارا اندرون آڈٹ بھی فعال طور پر اپنا کردار ادا کرتا ہے۔ کاروباری رِسک کو منظم کرنے کے لیے کمپنی کے ڈویژنوں میں کراس فنکشنل مشغولیت اور مواصلات کا استعمال کیا جاتا ہے۔ سینئر مینجمنٹ بڑے پیمانے پر خطرے کی تشخیص کے نتائج پر بحث کرتی ہے تاکہ یہ تعین کیا جاسکے کہ کن حفاظتی اقدامات کی ضرورت ہے۔

## بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کے موجودہ ممبران کا انتخاب 27 اکتوبر 2021 کو کیا گیا تھا۔ موجودہ کمپوزیشن لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی دفعات کے مطابق ہے۔

بورڈ مجموعی طور پر بورڈ اور اس کے انفرادی اراکین کے لیے مناسب خصوصیات، مہارتوں اور تجربے کا تعین کرتا ہے جس کا مقصد مختلف پس منظر اور کاروبار، حکومت، تعلیم اور عوامی خدمات میں تجربہ رکھنے والا بورڈ ہونا ہے۔ تمام ڈائریکٹرز سے جن خصوصیات کی توقع کی جاتی ہے ان میں آزادی، دیانتداری، اعلیٰ ذاتی اور پیشہ ورانہ اخلاقیات، درست کاروباری فیصلہ، غور و فکر میں تعمیری طور پر حصہ لینے کی صلاحیت اور اجتماعی طور پر اختیار استعمال کرنے کی خواہش شامل ہیں۔

نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کی موجودہ معاوضے کی پالیسی کا بورڈ کے ذریعے جائزہ لیا جائے گا اور اس کا تعین کیا جائے گا۔

## ڈائریکٹرز کا معاوضہ:

مالی سال 2021-22 کے دوران موجودہ بورڈ کی تنخواہ یا دیگر مراعات کی تفصیل درج ذیل ہے۔

ڈائریکٹرز کی فیس	تعداد	تنخواہ اور فیس کی مجموعی رقم	دیگر مراعات
ایگزیکٹو ڈائریکٹرز: چیف ایگزیکٹو آفیسر (جناب نور الدین فیرا سے)	ایک	کوئی نہیں	چیف ایگزیکٹو آفیسر اپنی پہلی تقرری کے بعد سے کمپنی کار کے علاوہ کوئی تنخواہ نہیں لے رہے۔
آزاد ڈائریکٹران	دو	کوئی نہیں	
غیر ایگزیکٹو ڈائریکٹران	پانچ	کوئی نہیں	

بورڈ وقتاً فوقتاً معاوضے کی پالیسی کا جائزہ لیتا ہے اور ایک اچھی طرح سے شدہ معاوضے کی پالیسی موجود ہے۔

US\$ 645 فی ایم ٹن تھی۔ مالی سال 2021-22 کے دوران پی ٹی اے اور ایم ای جی کی فی ایم ٹن اوسط قیمتیں بالترتیب 875 امریکی ڈالر اور 705 امریکی ڈالر رہیں جو مالی سال 2020-21 میں بالترتیب 580 امریکی ڈالر اور 568 امریکی ڈالر تھیں۔

مزید برآں، خام مال اور اسپنیر پارٹس کی قیمتیں LC کھلنے سے لے کر پلانٹ کے احاطے میں پہنچنے تک غیر متوقع شرح مبادلہ کے اتار چڑھاؤ کی وجہ سے غیر مستحکم رہیں۔ زرمبادلہ کی شرح خاص طور پر جنوری سے جون 2022 کے دوران، بہت زیادہ رہی۔ مثال کے طور پر کچھ حوالہ دینے کے لیے بتا رہے ہیں کہ، مارچ 2022 میں ایم ای جی کی درآمد کے لیے ایک ایل سی 182.10 روپے کی شرح مبادلہ پر کھولا گیا تھا اور ریٹائرمنٹ کے وقت، شرح مبادلہ بڑھ کر 209.00 روپے ہو گیا۔ ایم ای جی کی درآمد کے لیے ایک اور ایل سی مئی 2022 میں 184.85 روپے کی شرح مبادلہ پر کھولا گیا اور ایل سی کی ریٹائرمنٹ کے وقت یہ بڑھ کر 204.70 روپے تک پہنچ گیا۔ اسی طرح، پی ٹی اے کی خریداری کے لیے، شرح مبادلہ میں اتار چڑھاؤ کے نتیجے میں ہر ایل سی میں قیمتوں میں 5 سے 10 فیصد تک اضافہ ہوا۔

## فروخت آمدنی اور منافع

مالی سال 2021-22 کے لیے کمپنی کے فروخت آمدنی میں 48 فیصد، یعنی 3.63 ارب روپے کا اضافہ ہوا جو کہ ہماری مارکیٹنگ مہم میں مثبت تبدیلی کی وجہ سے 2020-21 کے 7.55 ارب روپے سے بڑھ کر 11.23 ارب روپے ہو گیا۔ اس طرح کمپنی نے اپنی تاریخ میں پہلی بار 10 بلین بیف مارک سے تجاوز کیا۔

2021-22 کی تیسری اور چوتھی سہ ماہی میں مارکیٹ میں دستیاب کم معیار کے ڈمپنگ پٹی ایف وائی سے مسابقت کی وجہ سے اور جنوری 2022 سے اینٹی ڈمپنگ ڈیوٹی میں کمی کے باعث، علاوہ ازیں مالی سال کی آخری سہ ماہی میں سیاسی اور اقتصادی غیر یقینی صورتحال کی وجہ سے، ہماری فروخت کا حجم منفی طور پر متاثر ہوا۔

خام منافع جو 2020-21 میں 844.03 ملین روپے سے بڑھ کر 1,193.44 ملین روپے ہو گیا مالیاتی لاگت نمایاں طور پر 139.09 ملین روپے سے کم ہو کر 72.21 ملین روپے ہو گئی جس کی وجہ پچھلے سال کے مقابلے میں اس سال کم بینک قرض لینے کی ہے۔ قبل از ٹیکس منافع جو 2020-21 میں 546.04 ملین روپے تھی سے بڑھ کر 865.73 ملین روپے ہو گیا۔ بعد از ٹیکس منافع جو 2020-21 میں 292.07 ملین روپے (دوبارہ بیان کردہ) سے بڑھ کر 861.09 ملین روپے ہو گیا۔

## مستقبل کا جائزہ

کوویڈ-19 کی وبا کو آخر کار مہلک بوط بین الاقوامی کوششوں کے ذریعے قابو میں لایا گیا، اور دنیا اب اس کے تباہ کن اثرات سے صحت یاب ہو رہی ہے۔ لیکن روس اور یوکرین کے درمیان جنگ نے اقتصادی ترقی کے خطرات کو بڑھا دیا ہے اور عالمی معیشت کے مستقبل کے بارے میں سنگین شکوک و شبہات کو جنم دیا ہے۔ اجناس کی قیمتیں بڑھ رہی ہیں، تجارت اور رسد کے نیٹ ورک میں خلل پڑ رہا ہے، کارپوریٹ کا اعتماد کم ہو رہا ہے، اور سرمایہ کاروں کی تشویش بڑھ رہی ہے۔ جنگ کے نتیجے میں، 2022 اور 2023 میں عالمی اقتصادی ترقی میں نمایاں کمی متوقع ہے۔

یوکرین کی جنگ کے منفی معاشی نتائج پوری دنیا میں پھیل رہے ہیں اور پاکستان بھی کمزور ممالک میں شامل ہے۔ بین الاقوامی اجناس اور تیل کی بلند قیمتوں، بیرونی تجارت پر نمایاں دباؤ، اور مالیاتی خلا میں کمی سے پاکستان کی معیشت کے لیے خطرہ بڑھ گیا ہے۔

سیاسی عدم استحکام نے ملک بھر میں معاشی بے یقینی میں بے پناہ اضافہ کیا ہے۔ غیر یقینی صورتحال ذاتی، کاروباری اور حکومتی سطح پر معیشت کو متاثر کرتی ہے۔ مقامی اور غیر ملکی سرمایہ کاروں اور کاروباری شعبے کا اعتماد حاصل کرنے کے لیے واضح پالیسی اعلانات کر کے سیاسی استحکام کو زیادہ سے زیادہ کیا جاسکتا ہے۔

آپ کی کمپنی مقامی مارکیٹ میں پی ایف وائی اور پی ایس ایف کی بڑھتی ہوئی مانگ کے ساتھ ساتھ ٹیکسٹائل ایکسپورٹ میں فیڈ اسٹاک کے طور پر ان کی ضرورت کی روشنی میں جدید ترین ٹیکنالوجی کے ساتھ نئی مشینیں متعارف کروا کر اپنی پی ایس ایف اور پی ایف وائی دونوں کی پیداواری صلاحیتوں کو بڑھانے کا ارادہ رکھتی ہے۔ کسی بھی توسیع اور سرمائے کی سرمایہ کاری کے لیے اس صنعت کے تحفظ کے لیے مستحکم اور طویل المدتی اقتصادی پالیسیاں، بہت ضروری ہیں، اور ہم امید کرتے ہیں کہ حکومت روزگار اور مجموعی جی ڈی پی دونوں میں اس کی شراکت کو تسلیم کرے گی۔

ڈمپ شدہ شرحوں پر پی ایس ایف کی خریداری پر ملک کے اہم غیر ملکی زرمبادلہ کے اخراجات کو کم کرنے کے لئے، پی ایس ایف صنعت کو درآمدی متبادل کے ایک اہم ذریعہ کے طور پر بڑھایا جانا چاہئے۔ صلاحیت کو اس مقام تک بڑھانے کے لیے جہاں مقامی مینوفیکچررز 80 فیصد سے زیادہ مقامی طلب کو پورا کر سکیں، ایسے حالات کو قابل بناتے ہوئے، جیسے کہ پی ایس ایف ڈمپنگ کی بھرمار پر اینٹی ڈمپنگ ڈیوٹی سے تحفظ، پاک روپے کی قدر میں کمی کے خلاف پالیسی اقدامات، اور توانائی کی فراہمی۔ رعایتی نرخوں پر، مددگار ثابت ہوں گے۔

مزید برآں، بہتر آپریشنل کارکردگی سے ہونے والی لاگت کی بچت کا فائدہ اٹھانے کے لیے، آپ کی کمپنی نے ایک جرات مندانہ بی ایم آر منصوبہ بھی شروع کیا ہے جہاں وہ اگلے بارہ مہینوں کے دوران اپنے کچھ پرانے معاون آلات کو تبدیل کرے گی۔

قومی گروڈ سے بجلی کی مستحکم سپلائی اور captive پاور جرنیشن کے لیے گیس / آرائیل این جی کا استعمال ایکسپورٹ اور اینڈ ویلیو چین کے لیے بجلی کا سب سے سستا ذریعہ ہیں کیونکہ ان کے نرخ علاقائی طور پر مسابقتی توانائی ٹیرف (آر ای ای) کے برابر ہیں۔ دوسری جانب عالمی سطح پر خام تیل اور کونکے کی قیمتوں میں اضافے کی وجہ سے فرنس آئل اور کونکے کی قیمتوں میں گزشتہ سال سے نمایاں اضافہ ہوا ہے۔ لہذا، ٹیکسٹائل کی صنعت اور اس کی ویلیو چین کے لیے فرنس آئل یا کونکے کے ذریعے کیپیٹیو پاور پیدا کرنا ناممکن نہیں ہے۔ لہذا، بجلی اور آرائیل این جی / گیس کی مسلسل فراہمی برآمدات پر مبنی ویلیو چین کے لیے سب سے اہم اور کلیدی معاونت ہے، لیکن فی الحال اس معاونت میں خلل پڑا ہے۔ پنجاب میں صنعتی شعبہ 2021 کے موسم سرما سے گیس / آرائیل این جی کی شدید قلت سے نمٹ رہا ہے۔ ملک کی اہم صنعتوں میں سے ایک جو نمایاں مقدار میں زرمبادلہ پیدا کرتی ہے، ٹیکسٹائل کی صنعت ہے، جو برآمدات کے لیے مکمل ویلیو چین کے ہموار آپریشن پر منحصر ہے۔ پنجاب ٹیکسٹائل انڈسٹری اور اس کی ویلیو چین کو گیس / آرائیل این جی کی سپلائی یا تو مکمل طور پر روک دی گئی تھی یا کم بریشر پر تقسیم کی گئی تھی یا منظور شدہ لوڈ سے تقریباً 50 فیصد کم کر دی گئی تھی۔ ہمارے سمیت بہت سے یونٹوں کو بہت کم صلاحیتوں پر کام کرنا پڑا، جس کی وجہ سے کل پیداوار پر سمجھوتہ کرنا پڑا اور اس کے نتیجے میں بہت زیادہ نقصان ہوا۔

برآمدات پر مبنی اقتصادی ترقی کو برقرار رکھنے کے لیے ضروری ہے کہ برآمدات پر مبنی ویلیو چینز کو فروغ دیا جائے۔ اس سے طویل مدت میں پورے ملک کو فائدہ ہوگا۔ توانائی کی موجودہ صورتحال، جو کہ ناقابل یقین حد تک غیر متوقع ہے، پاکستان میں کمپنیوں کے لیے ایک اہم چیلنج ہے۔ گیس اور آرائیل این جی کی محدود سپلائی، captive پاور پروڈکشن کی زیادہ لاگت کے ساتھ، کاروبار اور صنعت کے لیے تباہ کن ثابت ہوگی۔

## پی ایف وائی درآمدی متبادل کے طور پر

پچھلے کئی سالوں سے، ہم شیئر ہولڈرز کو اپنی رپورٹس میں بتاتے رہے ہیں کہ پولیسٹر فلا منٹ یارن پر مبنی صنعتی ٹیکسٹائل انڈسٹری کو درآمدات کا بدل بنانے اور پاکستان کے 220 ملین لوگوں کی کپڑوں کی ضروریات کو پورا کرنے کے لیے ترقی اور تحفظ فراہم کرنا ہوگا۔ اسے حاصل کرنے کے لیے، موجودہ درآمدی ڈیوٹی کو برقرار رکھا جانا چاہیے، اور پی ایف وائی کے لیے تمام پانچ HS کوڈز (یعنی 5402.4600, 5402.3300, 5402.6200, 5402.5200, 5402.4700) پر 5 فیصد ریگولیٹری ڈیوٹی کو بحال کیا جانا چاہیے۔

PYMA کا دعویٰ ہے کہ مقامی پی ایف وائی سیکٹر خصوصی یارن تیار نہیں کرتا ہے۔ یہ مکمل طور پر غلط ہے اور گھریلو صنعت کی صلاحیت کو کم کرنے کے مترادف ہے۔ این ٹی سی کے تجزیے نے گھریلو شعبے کے پیداواری ریکارڈ اور مینوفیکچرنگ سہولیات کی حالت کی تصدیق کی، جس سے یہ ظاہر ہوتا ہے کہ مقامی پی ایف وائی صنعت تمام قسم کے خصوصی پی ایف وائی بشمول رنگین یارن تیار کرنے کی صلاحیت رکھتی ہے۔

مقامی پی ایف وائی مینوفیکچررز کی طرف سے 125 ملین امریکی ڈالر کے توسیعی منصوبوں کے ساتھ 2027 میں گھریلو کپت کے اپنے حصے کو 80 فیصد سے زائد تک لے جانے کے لیے، اس صنعت کو کم از کم اگلے پانچ سالوں کے لیے مستقل درآمدی ٹیرف اور ریگولیٹری ڈیوٹی کو برقرار رکھنے کے لیے تعاون کی ضرورت ہے۔ اس سے مقامی پی ایف وائی صنعت کو اپنی بڑھتی ہوئی رفتار کو برقرار رکھنے اور پی ایف وائی درآمدات کے درآمدی بل کو کم کرنے میں مدد ملے گی۔

## کریڈٹ موبلائزیشن

زیر نظر مالی سال کے دوران، آپ کی کمپنی نے ورلنگ کیپٹل (فنڈ پر مبنی اور غیر فنڈ پر مبنی حدود دونوں) کی سہولیات کی تجدید کی اور میزبان بینک لمیٹڈ اور دی بینک آف پنجاب سمیت آٹھ بینکوں کی دستاویزات کی رسمی کارروائیاں مکمل کیں۔

کمپنی کے قلیل مدتی قرضوں کی لاگت کا نمبر KIBOR میں اتار چڑھاؤ پر ہے، جو نقدی کے بہاؤ کو شرح سود کے خطرے سے دوچار کرتا ہے۔ KIBOR کی شرحوں میں اوپر کی طرف تبدیلیوں کے ساتھ، پچھلے سال سے بینک قرضوں پر مارک اپ کی شرح میں اضافہ ہوا ہے۔ تاہم، بہتر کیش فلو اور بینک مالیات کے کم استعمال کی وجہ سے مالی سال 2021-22 میں کمپنی کی مالیاتی لاگت میں خاطر خواہ کمی واقع ہوئی ہے۔

## ٹیکس لگنا

فنانس ایکٹ 2022 کے ذریعے، حکومت نے دس فیصد پیر ٹیکس نافذ کیا ہے جو ٹیکس سال 2022 پر بھی لاگو ہے جس کا مطلب ہے کہ کمپنیوں کے کیش فلو پر سابقہ مدت سے اثر پڑے گا۔ اس سے کمپنی کے محنت سے کمائے گئے منافع میں کمی آئے گی اور پیداواری یونٹس پر بھاری مالی بوجھ پڑے گا۔

## OEKO-TEX® سرٹیفیکیشن

درآمد شدہ خام مال، جدید پیداواری ساز و سامان، اور پیشہ ورانہ اور تکنیکی صلاحیتیں اعلیٰ معیار کی مصنوعات تیار کرنے میں معاون ہیں۔ ہماری مصنوعات نے STANDARD OEKO-TEX® 100 کے لیے انسانی ماحولیاتی تقاضوں کو پورا کر لیا ہے اور ہمیں تجدید شدہ / سرٹیفیکیشن موصول ہوئی ہے۔

## خام مال کی قیمتیں

مالی سال 2021-22 کے دوران، پی ٹی اے کی قیمتوں میں مسلسل اضافہ ہوا جبکہ ایم ای جی کی قیمتوں میں اضافہ اور نیچے کارخانہ دیکھا گیا۔ جولائی 2021 میں، پی ٹی اے کی قیمت US\$ 735 فی ایم ٹی جی اور جون 2022 میں، قیمت US\$ 1,120 فی ایم ٹی جی جس میں 52 فیصد کا زبردست اضافہ ظاہر ہوتا ہے۔ اس کے برعکس، جولائی 2021 میں MEG کی قیمت US\$ 650 فی ایم ٹی جی اور جون 2022 میں، قیمت

نیشنل ٹیرف کمیشن نے بالترتیب 2015 اور 2017 میں چین سے پی ایف وائی اور پی ایس ایف کی درآمد پر اینٹی ڈپنگ ڈیوٹی (اے ڈی ڈی) عائد کیں ان نتائج کی بنیاد پر کہ واقعی ان مصنوعات میں ڈپنگ ہو رہی تھی جس سے مقامی مینوفیکچررز کو بھاری نقصان ہو رہا تھا۔ پی ایس ایف کی درآمد پر اے ڈی ڈی کا 2021 میں این ٹی کے ذریعے جائزہ لیا گیا اور اسے برقرار رکھا گیا۔ جبکہ این ٹی نے پی ایف وائی کی درآمد پر اے ڈی ڈی کے تسلسل کا جائزہ لینے کے لیے سن سیٹ ریویو کی کارروائی شروع کرنے کے لیے نوٹس جاری کیا ہے۔ ہم یہاں اس معاملے میں سن سیٹ ریویو کی کارروائی شروع کرنے کے کمیشن کے فیصلے پر اظہار تشکر کرتے ہیں، کیونکہ یہ ظاہر کرنے کے لیے کافی ثبوت موجود ہیں کہ پی ایف وائی کے ڈپنگ کے ذرائع اسے ڈمپ کرنا جاری رکھے ہوئے ہیں یا دوبارہ ایسا کر رہے ہیں۔

تاہم، اسی اثبات میں، ہم نے مایوسی کے ساتھ دیکھا ہے کہ کمیشن نے مکمل طور پر تیار کردہ یارن (ایف ڈی وائی) کو سن سیٹ ریویو کے عمل کے تحت مصنوعات کی تحقیقات سے باہر کر دیا ہے۔ ہم نہایت احترام کے ساتھ درخواست کرتے ہیں کہ کمیشن اپنے فیصلے کا دوبارہ جائزہ لے اور ایف ڈی وائی کو سن سیٹ ریویو کے عمل کے دوران جانچے جانے والے مصنوعات میں شامل کرے۔ فی الحال، پی ایف وائی اور پی ایس ایف کی درآمد پر بھی کوئی ریگولیٹری ڈیوٹی (آر ڈی) نہیں ہے۔

پی ایف وائی اور پی ایس ایف کی درآمد پر ریگولیٹری اور اضافی کسٹم ڈیوٹی کے خاتمے اور ایف ڈی وائی کو سن سیٹ ریویو کی نظر ثانی کی کارروائی سے باہر چھوڑنے سے مقامی صنعت کاروں کے لیے درآمد شدہ پی ایف وائی اور پی ایس ایف سے مسابقت کرنا مشکل ہو گیا ہے۔

### پی ایف وائی اور پی ایس ایف مارکیٹ کے حالات

26 اگست 2017 کو نوٹیفکیشن کے ذریعے چین اور ملائیشیا سے پولیستر فلامنٹ یارن (پی ایف وائی) کی ڈمپ شدہ درآمدات پر نیشنل ٹیرف کمیشن کی طرف سے عائد اینٹی ڈپنگ ڈیوٹی گھر یلو صنعت کو ڈمپ شدہ درآمدات سے محفوظ فراہم کرنے میں مددگار ثابت ہوئی ہے اگرچہ پی ایف وائی کی ڈمپ شدہ درآمدات پر عائد اینٹی ڈپنگ ڈیوٹی کے مکمل فوائد حاصل نہیں کیے جاسکے کیونکہ گزشتہ پانچ سالوں میں عدالت ہائے عالیہ کی طرف سے درآمد کنندگان کو مختلف اوقات میں دیے گئے حکم امتناعی کی وجہ سے کافی عرصے تک اینٹی ڈپنگ ڈیوٹی غیر موثر رہی ہے۔ اس حقیقت کے باوجود کہ اینٹی ڈپنگ ڈیوٹی پچھلے پانچ سالوں میں کافی عرصے تک غیر فعال رہی، پی ایف وائی کی ڈمپ شدہ درآمدات پر عائد اینٹی ڈپنگ ڈیوٹیوں نے خواہ وہ کبھی قلیل وقت کے لیے فعال رہیں اس نے گھر یلو صنعت کو کچھ سکون فراہم کیا ہے۔

پی ایف وائی کی درآمد پر عائد اینٹی ڈپنگ ڈیوٹی نے ملکی پی ایف وائی مینوفیکچررز کو ریلیف فراہم کیا۔ پچھلے تین سالوں میں، ڈپنگ کے دوران نقصان کی مدت کے مقابلے میں گھر یلو صنعت کے اوسط مارکیٹ شیئر میں نمایاں اضافہ ہوا ہے۔ تاہم، صنعت مکمل فائدہ نہیں اٹھا سکی کیونکہ غیر ملکی درآمد کنندگان نے کم سطح پر ہونے کے باوجود پی ایس ایف کو پاکستان میں درآمد/ڈمپ کرنا جاری رکھا۔

واضح ہے کہ ماضی قریب میں چین کے علاوہ چائینیز تائپے، تھائی لینڈ اور انڈونیشیا نے بھی پی ایس ایف کو پاکستان میں ڈمپ کرنا شروع کر دیا ہے۔ یہ ممالک 2014 میں اینٹی ڈپنگ ڈیوٹی کے خاتمے کے بعد دوبارہ ڈپنگ ذرائع کے طور پر سامنے آئے تھے، جو اب دوبارہ عائد کر دی گئی ہے۔ اس سے یہ واضح ہے کہ ایک بار اینٹی ڈپنگ ڈیوٹی ختم ہو جانے کے بعد، ڈپنگ پہلے سے ڈمپ کیے گئے ذرائع سے دوبارہ شروع ہو جاتی ہے، بنیادی طور پر اس وجہ سے کہ ڈمپ کیے جانے والے ذرائع اپنے قابل درآمد اضافی کو آف لوڈ کرنا چاہتے ہیں، جس سے مقامی صنعت کو نقصان پہنچتا ہے۔

لہذا، ڈمپ کی جانے والی مصنوعات پر اینٹی ڈپنگ ڈیوٹی کو برقرار رکھنا بہت ضروری ہے، ورنہ ڈمپ کی جانے والی درآمدات میں اضافہ صنعت کو ایک بار پھر اے ڈی ڈی سے پہلے کے دور کی طرف دھکیل دے گا۔

### پی ایف وائی پر اینٹی ڈپنگ ڈیوٹی کی روک تھام - حکومتی محصول جمع کرنے اور مقامی پی ایف وائی کی صنعت کو ڈپنگ سے بچانے میں ناکامی

پولیسٹر فلامنٹ یارن کے درآمد کنندگان / تاجروں نے واضح طور پر اینٹی ڈپنگ ڈیوٹی (اے ڈی ڈی) سے اجتناب کیا ہے جو کہ کل کاروباروں پاکستانی روپے ہیں جو عدالت ہائے عالیہ کی طرف سے ان کی درخواستوں کو خارج کرنے کے باوجود گزشتہ پانچ سالوں کے دوران ان سے وصول نہیں کیے گئے۔ اس کے نتیجے میں حکومت کی آمدنی ختم ہو گئی ہے اور مقامی پولیسٹر فلامنٹ یارن سیکٹر کو شدید نقصان پہنچا ہے۔

پی ایف وائی کے درآمد کنندگان نے 2017 میں پی ایف وائی پر اے ڈی ڈی کے نفاذ کے بعد سے درآمد شدہ پی ایف وائی پر اینٹی ڈپنگ ڈیوٹی (اے ڈی ڈی) کے نفاذ سے متعلق تمام حقائق کو ظاہر کیے بغیر مختلف عدالتوں سے حکم امتناعی حاصل کرنا معمول بنالیا ہے۔ پچھلے پانچ سالوں سے، وہ اپنی سالانہ درآمدات کو بغیر کسی ضمانت فراہم کیے یا بالآخر، اے ڈی ڈی کی ادائیگی سے مال چھڑانے میں کامیاب رہے ہیں۔

نیشنل ٹیرف کمیشن (این ٹی) بنیادی طور پر اس بات کو یقینی بنانے کے لیے ذمہ دار ہے کہ پولیسٹر فلامنٹ یارن کے مقامی پروڈیوسرز کو ڈپنگ سے محفوظ رکھا جائے اور عائد شدہ اینٹی ڈپنگ ڈیوٹی جمع کی جائے یا درآمدی مال کی کسٹم کلیئرنگ کیلئے حکم امتناعی کی صورت میں ضمانت حاصل کیا جائے۔ این ٹی کی کو گھر یلو صنعت کو ڈپنگ سے بچانے کے لیے اپنی کوششیں جاری رکھنی چاہئیں۔

### Export-Oriented ویلیو چین کے لیے آریل این جی / گیس کی فراہمی کا بحران

پاکستان کی ٹیکسٹائل انڈسٹری اور اس کی ویلیو چین اپنی ضروریات کو پورا کرنے کے لیے مختلف توانائی کے ذرائع کو استعمال کرتی ہے جیسے کہ قومی گڑ سے بجلی حاصل کرنا اور / یا فرنس آئل، کوئلہ اور گیس / آریل این جی کے ذریعے اپنی captive پاور پیدا کرنا۔ ٹیکسٹائل سیکٹر کی اکثریت اور اس کی ویلیو چین بنیادی طور پر گیس / آریل این جی پر مبنی captive پاور پلانٹس پر چل رہی ہے تاکہ قومی گڑ سے بجلی کی غیر مستحکم فراہمی کی تلافی کی جاسکے۔



## ممبران کیلئے ڈائریکٹرز کی رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم آپ کو 42 ویں سالانہ اجلاس میں خوش آمدید کہتے ہیں اور 30 جون 2022 کو ختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی حسابات ہمراہ محاسبان کی رپورٹ پیش کرتے ہیں۔ کمپنی کے سالانہ نتائج برائے مالی سال 2021-22 کی مالی جھلکیاں ذیل میں پیش کی گئی ہیں:

### مالیاتی نتائج

--- روپے ہزاروں میں ---

865,731	- قبل از ٹیکس منافع
4,639	- ٹیکس
861,092	- بعد از ٹیکس منافع
25.27 روپے	- فی حصص منافع - (بنیادی اور مزید آمیز شدہ)

### منافع منقسمہ

کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2022 کو ختم ہونے والے سال کے لیے حتمی منافع منقسمہ بشرط 50 فیصد (5 روپے فی حصہ ٹیکس اور رزرو کوٹہ کی کٹوتی جہاں قابل اطلاق ہو) آپ کی منظوری کیلئے تجویز کرتے ہیں۔

### مجموعی جائزہ

ہمیں قابل قدر حصص داران کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ آپ کی کمپنی نے اپنی تاریخ میں پہلی بار برائے مالی سال 2021-22 میں گیارہ ارب سے زیادہ آمدنی حاصل کی ہے۔

ملک میں سیاسی، معاشی ابتری، عدم استحکام اور چوتھی سہ ماہی میں متعدد چیلنجوں کا سامنا کرنے کے باوجود، ریونیو اور آپریٹنگ منافع میں گزشتہ سال کے مقابلے میں شاندار نمود دیکھنے میں آئی ہے جس سے شیئرز ہولڈرز کے لیے پائیدار قدر پروان چڑھی۔

ملک میں سازگار کاروباری ماحول کی وجہ سے مالی سال 2021-22 کی پہلی تین سہ ماہیوں میں کمپنی کے کاروبار میں تیزی سے اضافہ ہوا۔ تاہم، مالی سال کی آخری سہ ماہی میں، پاکستانی روپے کی قدر میں کمی، مہنگائی کے دباؤ اور توانائی کی فراہمی کا شدید بحران رہا۔ نتیجتاً کمپنی کا منافع نمو کی رفتار کو برقرار نہیں رکھ سکا۔

فروری 2022 میں روس۔ یوکرین جنگ کے بعد، عالمی مالیاتی اور اجناس کی منڈیوں نے اس کے اثرات کو محسوس کیا۔ عالمی معیشت نے سست روی کا سامنا کیا۔ افراط زر جس کے نتیجے میں طلب اور رسد میں عدم توازن پیدا ہوتا ہے اور کئی اشیاء / خام مال اور مصنوعات کی قیمتوں پر دباؤ پڑتا ہے۔

ملک کو معاشی چیلنجز اور غیر یقینی صورتحال کا سامنا ہے۔ ادائیگیوں کے عدم توازن کی وجہ سے معیشت کی ریڈ ریسک ڈیفالٹ کے دہانے پر ہے۔ ڈالر کی سپلائی محدود ہے، جس سے ایکسچینج ریٹ پر دباؤ پڑتا ہے اور صنعت میں استعمال ہونے والی ضروری درآمدی اشیاء بشمول خام مال کی قیمت میں اضافہ ہو رہا ہے۔ مزید برآں صنعتی یونٹس کو ان کی توانائی کی ضروریات کے لیے گیس کی مسلسل فراہمی میں خلل پڑا ہے۔ یہ دونوں عوامل مانع کی کمی کے ساتھ مینوفیکچرنگ آپریشنز کو جاری رکھنے میں مشکلات کا باعث بن رہے ہیں۔

### مقامی پولیمر انڈسٹری

جب سے چین اور ملائیشیا وغیرہ سے پاکستان میں ڈپنگ شروع ہوئی ہے، بہت سے مقامی صنعتی کارخانے جو پولیمر فلیمیمینٹ یارن (پی ایف وائی) تیار کرتے ہیں، جو بنائی اور ہوزری کی صنعتوں میں استعمال ہوتا ہے، اور پولیمر سٹپل فائبر (پی ایس ایف) جو کتا کی صنعت میں استعمال ہوتا ہے نے اپنی پیداوار آپریشنز کم کر دیے ہیں۔ ان مینوفیکچررز کو اینٹی ڈپنگ، ریگولیٹری اور اضافی کسٹم ڈیوٹی کے نفاذ کے ذریعے حکومتی تحفظ کی ضرورت ہے تاکہ ڈمپ شدہ درآمدات کو روکا جاسکے اور مقامی سرمایہ کاروں کی حوصلہ افزائی کی جاسکے اور نئے پراجیکٹس کے قیام کے ساتھ مقامی افراد کو روزگار فراہم کیا جاسکے۔ غیر ملکی ذخائر میں ہونے والی کمی کو محدود کیا جاسکے۔

# CERTIFICATE

## The company

**RUPALI POLYESTER LIMITED**  
RUPALI HOUSE, 241-242 UPPER MALL SCHEME, ANAND ROAD  
54000 LAHORE, PAKISTAN

is granted authorisation according to STANDARD 100 by OEKO-TEX® to use the STANDARD 100 by OEKO-TEX® mark, based on our test report **20220K2181**

**OEKO-TEX®**  
CONFIDENCE IN TEXTILES  
**STANDARD 100**  
2018OK1181 AITEX

Tested for harmful substances  
[www.oeko-tex.com/standard100](http://www.oeko-tex.com/standard100)



## for the following articles:

### Raw polyester filament yarn.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

**The certificate 2018OK1181 is valid until 30.09.2023**

Alcoy (Alicante) España, 19.09.2022

**Silvia Devesa Valencia**  
Innovation Assistant Manager



**Isabel Soriano Sarrió**  
Chief of Innovation Area



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OEKO-TEX®  
CONFIDENCE IN TEXTILES  
**STANDARD 100**  
20220K2223 AITEX



Tested for harmful substances  
[www.oeko-tex.com/standard100](http://www.oeko-tex.com/standard100)



## for the following articles:

### Raw polyester staple fibre.

The results of the inspection made according to STANDARD 100 by OEKO-TEX®, Annex 6, **product class I** have shown that the above mentioned goods meet the human-ecological requirements of the STANDARD 100 by OEKO-TEX® presently established in Annex 6 for baby articles.

The certified articles fulfil requirements of Annex XVII of REACH (incl. the use of azo colourants, nickel release, etc.), the American requirement regarding total content of lead in children's articles (CPSIA; with the exception of accessories made from glass) and of the Chinese standard GB 18401:2010 (labelling requirements were not verified).

The holder of the certificate, who has issued a conformity declaration according to ISO 17050-1, is under an obligation to use the STANDARD 100 by OEKO-TEX® mark only in conjunction with products that conform with the sample initially tested. The conformity is verified by audits.

**The certificate 20220K2223 is valid until 30.09.2023**

Alcoy (Alicante) España, 19.09.2022

  
Silvia Devesa Valencia  
Innovation Assistant Manager



  
Isabel Soriano Sarrió  
Chief of Innovation Area



# Notice of Meeting

Notice is hereby given that the Forty Second Annual General Meeting of Rupali Polyester Limited ("the Company") will be held at Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore on Friday, 21 October 2022 at 10:30 a.m. (through Zoom and with compliance of quorum requirement,) to transact the following business:

## Ordinary Business:

- 1) To confirm the minutes of Forty First Annual General Meeting of the Company held on 27 October 2021.
- 2) To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors and Auditors Reports thereon for the year ended 30 June 2022.
- 3) To approve payment of final cash dividend @ 50% i.e. Rs.5.00 per share for the year ended 30 June 2022 as recommended by the Board of Directors in its 118th meeting held on 9 September 2022.
- 4) To appoint Auditors of the Company and to fix their remuneration. The retiring Auditors M/s. RSM Avasi Hyder Liaquat Nauman, Chartered Accountants being eligible have offered themselves for reappointment.

## Special Business:

- 5) (a) To approve transactions conducted with associated companies (related parties) for the year ended 30 June 2022 by passing with or without modification the following special resolution:

**"RESOLVED THAT** the following transactions conducted with associated companies (related parties) for the year ended 30 June 2022 be and are hereby ratified, approved and confirmed:

Name	Description of Transaction	Amount in Rs. '000		
		Purchase	Sale	Others
Rupafil Limited	Purchase/sale of goods and services	1,548,741	47,532	--
Rupali Nylon (Pvt.) Limited.	Purchase of goods and services	5,511	--	--
Spintex Limited	Purchase/sale of goods	43,305	14	--
Soneri Bank Limited	Profit on Bank deposits	--	--	7,763
ALNU Trust (major shareholder)	Repayment of loan	--	--	197,000

- (b) To authorize Chief Executive Officer of the Company to approve transactions with Related

Parties for the year ending 30 June 2023 by passing the following special resolution with or without modification:

**"RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis during the year ending 30 June 2023:

**FURTHER RESOLVED THAT** these transactions shall be placed before the shareholders in the next general meeting for their ratification/ approval."

## Other Business

- 6) To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

By order of the Board



Lahore:  
9 September 2022

S. Ghulam Shabbir Gilani  
Company Secretary

## Notes:

### 1) Share Transfer Books

Share transfer books of the Company will remain closed from 14 October 2022 to 21 October 2022 (both days inclusive). Transfers received at the registered office or Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500 before close of business on 13 October 2022 will be treated in time for the purpose of above entitlement to the transferees.

### 2) Zoom Link

In line with the guidelines of the Securities and Exchange Commission of Pakistan, the Company will convene this AGM through Zoom link while ensuring compliance with the quorum requirements and request to the Members to consolidate their attendance and voting at the AGM through proxies.

The special arrangement for attending the AGM through electronic means will be as under:

- a. AGM will be held through Zoom application. Under the country's environment and loss to infrastructure consequential to devastating



floods, members who can conveniently participate in person will be appreciated.

b. Shareholders/Proxyholders interested in attending the AGM through Zoom are hereby requested to get themselves registered with the Company Secretary office by sending an e-mail with subject: "Registration for AGM" at info@rupaligroup.com at least 48 hours before the AGM:

Name of Shareholder	CNIC Number	Folio Number/ CDC Account No.	Cell Phone No.	Email Address

Members will be registered, after verification as per the above requirement and will be provided a Zoom link by the Company via email provided by them.

The login facility will remain open from 10:00 a.m. till conclusion of the meeting.

The shareholders are also encouraged to send their comments/suggestions, related to the Agenda items of the Annual General Meeting on the above mentioned email address or WhatsApp/SMS on 0323-4123854 or 0300-4799881 by 19 October 2022 before close of business hours (5.00 pm).

### 3) Proxy Holders

A member entitled to attend and vote at this meeting may appoint another member as his or her proxy to attend and vote. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the time of holding the meeting. Proxy Form attached

### CDC Account Holders

Accountholders/sub-accountholders holding book entry securities of the Company in Central Depository System (CDS) of Central Depository Company of Pakistan Limited (CDC) who wish to attend the Annual General Meeting are requested to please bring their original Computerized National Identity Card (CNIC) or original passport with a photocopy duly attested by their bankers alongwith participant's I.D. number and their account number in CDS for identification purposes.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee together with the original proxy form duly filled in must be received at the registered office of the Company not less than 48 hours before the time of holding the meeting. The nominees shall produce their original CNIC or original passport at the time of attending the meeting for identification purpose.

### 4) Submission of copy of CNIC (Mandatory)

In order to comply with the directives of Securities and Exchange Commission of Pakistan issued from time to time, the shareholders are requested to kindly send photocopy of their CNICs to us immediately at our address "Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore-54000 or our Share Registrar M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500". The shareholders who have already provided CNIC to us need not re-submit it unless the CNIC is expired. Corporate shareholders are requested to provide their National Tax Numbers (NTN). In case of non submission of copy of CNIC the dividend may be withheld.

### 5) Circulation of Audited Financial Statements through email

Members are hereby informed that Securities and Exchange Commission of Pakistan vide SRO No. 787(I)/2014 dated 8 September 2014 has allowed companies to circulate Audited Financial Statements along with notice of annual general meeting to their members through email subject to compliance with the conditions outlined in the said Notification. In this regard a written notice may please be sent to us as soon as possible at our following email addresses and for convenience of the members, a standard request form has also been placed on the Company's website.

Company Secretary: shabbir.gilani@rupaligroup.com  
THK Associates: aa@thk.com.pk

**6) Transmission of Annual Financial Statements through CD/DVD/USB**

SECP through an SRO No.470(I)/2016 dated 31 May 2016 has allowed companies to circulate their annual balance sheet, profit and loss account, auditors' report and directors' report (Annual Report) to the members through CD/DVD/USB at their registered addresses. In view of this the Company has sent its Annual Report to the shareholders in the form of CD. Any Member desiring the copy of Annual Report in printed form may send request on standard request form placed under the Investor Information sections in the website [www.rupaligroup.com](http://www.rupaligroup.com).

**7) Bank Mandate with International Bank Account Number (IBAN) for payment of Cash dividend**

Under the provisions of Section 242 of the Companies Act, 2017, Securities & Exchange Commission of Pakistan has directed all listed companies to pay cash dividends only through electronic mode directly into the bank accounts of the shareholders. Therefore, please provide us your Bank Mandate details including International Bank Account Number (IBAN) alongwith a copy of valid CNIC at the earliest, if not already provided to:

1. your respective CDC Participant / CDC Investor Account Services (in case your shareholding is in book entry form) or
2. our Share Registrar, M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi-75500 (in case your shareholding is in physical form).

**8) Withholding tax on dividend income**

The shareholders are hereby informed that under Section 150 of the Income Tax Ordinance, 2001, Income Tax will be deducted at source @15% for person appearing in ATL and @30% for person not appearing in ATL at the time of processing dividend (determined as per "Active Tax Payer List (ATL)" available on Federal Board of Revenue's website) from the dividend amount.

**9) Joint Account Holders**

In case of joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar. In case no such

notification is received by us, equal deduction of tax will be made where proportionate holding is not available with us:

Folio/CDC Shareholders	Total Shares	Principal shareholding	Joint Shareholding	Email Address
	Number/ CDC Account No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion

**10) Unclaimed dividend and shares**

Pursuant to Section 244 of the Act, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it became due and payable shall rest with the Federal Government after compliance of procedures prescribed under the Act. In this respect, we had already initiated the process and concerned shareholders were advised vide our letter dated 28 December 2017 and subsequent notices, to claim their unclaimed dividend/shares. However, only few shareholders have claimed their pending entitlements so far.

Shareholders are again advised to approach the Company's Share Registrar to claim their pending dividend/shares at the earliest failing which the Company shall proceed further in terms of requirement of Section 244(2) (a) & (b) of the Act.

**11) Consent for the Facility of video-link**

Members may participate in the meeting via video-link facility. If the Company receives a demand from members holding an aggregate 10% or more shareholding residing at a geographical location outside Lahore to participate in the meeting through video link at least 7 days prior to the date of meeting, the Company will arrange video link facility in that city.

In this regard, Members who wish to participate through video-link facility, should send a duly signed request as per the following format to the Registered Address of the Company.

I/we \_\_\_\_\_ of \_\_\_\_\_ being a member of Rupali Polyester Limited holder of \_\_\_\_\_ ordinary share(s) as per Registered Folio / CDC Account No. \_\_\_\_\_ hereby opt for video link facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature Member

**12) Deposit of Physical Shares into CDC Account**

The SECP, through its letter No. CSD/ED/Misc./2016-639-640 dated 26 March 2021, has advised all listed companies to adhere to the provision of Section 72 of the Companies Act, 2017 (the "Act"), which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act.

In accordance with the requirement of Section 72 of the Companies Act, 2017 (the Act) every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act. The shareholders having physical shares may open CDC sub-account with any of the broker or investor account directly with CDC to place their physical shares into scrip-less form.

**13) Availability of Audited Financial Statements on Company's Website**

The audited financial statements of the Company for the year ended 30 June 2022 have been made available on the Company's website [www.rupaligroup.com](http://www.rupaligroup.com).

**14) Requirement of Companies (Postal Ballot) Regulations, 2018**

Pursuant to Companies (Postal Ballot) Regulations, 2018, for any other agenda items subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members present in person, through Zoom/Video link or by proxy, and having not less than one-tenth of the total voting power can also demand a poll and exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with requirements and procedure contained in the aforesaid Regulations. Shareholders are requested to notify any change in their addresses immediately.

**Statement under Section 134 (3) of the Companies Act, 2017**

This statement sets out the material facts concerning the special business to be transacted at the Forty Second Annual General Meeting of Rupali Polyester Limited to be held on 21 October 2022.

**Agenda Item No. 5 (a) – Transactions carried out with associated companies (related parties) during the year ended 30 June 2022 to be approved by way of Special Resolution**

The transactions carried out in normal course of business with associated companies (related parties) were being approved by the Board of Directors as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act, 2017, Rule 15, Chapter IV of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule 5.6.6(a) of the PSX Regulations.

However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the group companies, the quorum of directors could not be formed for approval of these transactions pursuant to Section 207 of the Companies Act, 2017 and, therefore, these transactions have to be approved by the shareholders in General Meeting.

**Agenda Item No. 5 (b) – Authorization to Chief Executive Officer for Related Party Transactions to be carried out with associated companies (related parties) during the year ending 30 June 2023 to be approved by way of Special Resolution**

The Company shall be conducting Related Party Transactions with associated companies (related parties) during the year ending 30 June 2023 in the normal course of business. The majority of Directors shall be interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, these transactions with associated companies (related parties) shall have to be approved by the shareholders.

In order to ensure smooth supply during the year, the shareholders may authorize the Chief Executive Officer to approve transactions with associated companies (related parties) on case to case basis for the year ending 30 June 2023. The summary of commercial reasons, nature and scope of Related Party Transactions are explained in the proposed resolution. However, these transactions shall be placed before the shareholders in the next General Meeting for their approval/ratification.

The Directors are interested in the resolution to the extent of their common directorship and shareholding in the associated companies

# Statement of Compliance

## with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company - Rupali Polyester Limited  
 Year Ended - 30 June 2022

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

1. The total number of directors are eight (8) as per the following:

- a. Male: 7
- b. Female: 1

2. The composition of board is as follows:

Category	Names
a) Independent Directors*	Mr. Yaseen M. Sayani Mr. Shahid Hameed
b) Non-Executive Directors	Mr. Muhammad Rashid Zahir Mrs. Amyna Feerasta Mr. Shehzad Feerasta Mr. Zeeshan Feerasta Mr. Abdul Hayee
c) Executive Director	Mr. Nooruddin Feerasta

\* The fraction of one third is not rounded up as the total no of directors are limited, hence two independent directors are significant and, in our view, serve the purposes of the regulation.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Companies Act, 2017 (the Act) and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. Following directors have completed their training, or are exempt from the training requirement;

Name	Designation
Mr. Nooruddin Feerasta	CEO/Executive Director
Mr. Muhammad Rashid Zahir	Non Executive Director
Mr. Shehzad Feerasta	Non Executive Director/ Chairman
Mr. Zeeshan Feerasta	Non Executive Director
Mr. Yaseen M. Sayani	Independent Director
Mr. Abdul Hayee	Non Executive Director

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) **Audit Committee:**

1.	Mr. Yaseen M. Sayani	Chairman
2.	Mr. Muhammad Rashid Zahir	Member
3.	Mr. Zeeshan Feerasta	Member

b) **HR and Remuneration Committee:**

1.	Mr. Shahid Hameed	Chairman
2.	Mr. Nooruddin Feerasta	Member
3.	Mr. Zeeshan Feerasta	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
- a) Audit Committee, quarterly
- b) HR and Remuneration Committee, quarterly
15. The Board has set up an effective internal audit function. The audit staff is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their 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 and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;



19. Explanation for non-compliance with a requirement, other than the Regulations 3,6,7,8,27,32,33 and 36 are stated below:

Formation of nomination committee and risk management committee is under consideration.

Reference to Para 9 above, remaining two directors will complete their training in due course, however, they are conversant with their roles and responsibilities and policies and procedures of the Company

For and on behalf of the Board of Directors



**Shehzad Feerasta**  
**Chairman**



**Zeeshan Feerasta**  
**Director**

Lahore:09 September 2022



RSM Avas Hyder Liaquat Nauman  
Chartered Accountants

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**REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE LISTED COMPANIES  
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors (the Board) of Rupali Polyester Limited (the Company) for the year ended June 30, 2022 in accordance with the requirements of Regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for its review and approval, the related party transactions. 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.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

  
**RSM AVAIS HYDER LIAQUAT NAUMAN**  
**CHARTERED ACCOUNTANTS**



**ENGAGEMENT PARTNER: Inam Ul Haque**

**Place: Lahore**

**Date: 09 SEP 2022**

**UDIN: CR202210226OURETq6ny**

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RSM Avas Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RUPALI POLYESTER LIMITED  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the annexed financial statements of Rupali Polyester Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

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

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RSM Avasi Hyder Liaquat Nauman is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not a separate legal entity in any jurisdiction.



We have determined the matter described below as the Key Audit Matter:

Key Audit Matter	How our audit addressed the key audit matter
<b>Deferred taxation</b>	
<p>Refer Note 7 and 26 to the financial statements</p> <p>Correction of error in respect of deferred taxation was made during the year as fully explained in Note 7.2 to the financial statements.</p> <p>Considering the significance of the matter, we considered this area as Key Audit Matter.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the Company's policy and procedure for recognition of deferred taxation;</li> <li>- Obtained working of deferred taxation for current and prior periods and reperformed / rechecked calculations in accordance with the requirements of IAS-12 Income taxes;</li> <li>- Checked and verified the unused tax losses and tax credits from the income tax returns of the relevant tax years and other relevant record;</li> <li>- Checked appropriateness of the accounting treatment and disclosures related to correction of error and presentation of third statement of financial position in accordance with the requirements of IAS-8 and IAS-1.</li> </ul>

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

Management is responsible for other information. The other information comprises the information in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of Management and Board of Directors for the Financial Statements**

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

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

Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

A handwritten signature in black ink, appearing to be 'RSM', is located at the bottom right of the page.



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

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

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

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and



- c) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

**Other Matter**

The financial statements of the Company for the year ended June 30, 2021 were audited by another firm of chartered accountants who have expressed an unmodified opinion in their report dated September 21, 2021.

The engagement partner on the audit resulting in this independent auditor's report is Inam ul Haque.

  
RSM AVAIS ~~HYDER~~ LIAQUAT NAUMAN  
CHARTERED ACCOUNTANTS

RSM

**Place:** Lahore

**Date:** 09 SEP 2022

**UDIN:** AR202210226KewkmTxYS

# Audited Financial Statements

for the year ended 30 June 2022



# Statement of Financial Position

as at 30 June 2022

	Note	2022	2021	2020
(Rupees in '000')				
			*(Restated)	*(Restated)
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	5	6,910,027	3,089,935	3,082,353
Investment properties	6	602,000	602,000	567,500
Long term security deposits		4,281	4,281	4,281
Deferred tax asset	7	252,413	934	141,074
		7,768,721	3,697,150	3,795,208
<b>CURRENT ASSETS</b>				
Stores, spares and loose tools	8	1,222,161	1,025,135	1,264,934
Stock in trade	9	1,908,503	1,365,309	1,042,770
Trade receivables - unsecured & considered good		6,184	24	984
Advances, deposits and other receivables	10	483,967	338,433	275,986
Other financial assets		-	-	143,000
Tax refunds due from government - income tax		39,853	46,697	72,106
Cash and bank balances	11	94,680	29,739	310,633
		3,755,348	2,805,337	3,110,413
Total assets		11,524,069	6,502,487	6,905,621
<b>EQUITY AND LIABILITIES</b>				
<b>SHARE CAPITAL AND RESERVES</b>				
Authorised share capital		350,000	350,000	350,000
35,000,000 Ordinary shares of Rs. 10 each.				
Issued, subscribed and paid up capital	12	340,685	340,685	340,685
Capital reserves				
Share premium	13	71,490	71,490	71,490
Surplus on revaluation of land	14	5,697,866	1,719,056	1,719,056
Revenue reserves				
General reserve		1,664,125	1,664,125	1,664,125
Unappropriated profit / (Accumulated loss)		23,414	(658,049)	(950,171)
		7,797,580	3,137,307	2,845,185
<b>NON-CURRENT LIABILITIES</b>				
Deferred liabilities				
Long-term borrowings		-	-	94,369
Staff retirement gratuity	15	218,656	181,349	169,000
		218,656	181,349	263,369
<b>CURRENT LIABILITIES</b>				
Trade and other payables	16	2,642,501	1,431,050	852,044
Current portion of long-term borrowings		-	94,369	47,185
Short-term borrowings	17	857,363	1,636,763	2,837,449
Accrued markup on borrowings		4,753	19,908	58,634
Unclaimed dividend		3,216	1,741	1,755
		3,507,833	3,183,831	3,797,067
<b>CONTINGENCIES AND COMMITMENTS</b>				
	18	-	-	-
Total equity and liabilities		11,524,069	6,502,487	6,905,621

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

\*Restatement relates to rectification of error related to deferred taxation (Refer Note 7.2.).



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer



# Statement of Profit or Loss

for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
			*(Restated)
Sales - net	19	11,229,275	7,554,429
Cost of sales	20	10,035,836	6,710,396
<b>Gross profit</b>		<b>1,193,439</b>	<b>844,033</b>
Other income	21	73,443	80,805
		1,266,882	924,838
Distribution costs	22	26,298	23,162
Administrative expenses	23	194,472	159,864
Finance costs	24	72,210	139,086
Other operating expenses	25	108,171	56,690
		401,151	378,802
<b>Profit for the year before taxation</b>		<b>865,731</b>	<b>546,036</b>
Provision for taxation	26	4,639	253,971
<b>Profit for the year</b>		<b>861,092</b>	<b>292,065</b>
		2022	2021
		(Rupees)	
			*(Restated)
Earnings per share - basic and diluted	27	25.27	8.57

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

\*Restatement relates to rectification of error related to deferred taxation (Refer Note 7.2.).



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer



# Statement of Comprehensive Income

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
			*(Restated)
Profit for the year		861,092	292,065
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of retirement benefit obligations	15.1	(13,079)	80
Deferred tax relating to staff retirement gratuity	7	3,793	(23)
Surplus on revaluation of freehold land carried out during the year	14	3,978,810	-
		3,969,524	57
<b>Total comprehensive income for the year</b>		<b>4,830,616</b>	<b>292,122</b>

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

\*Restatement relates to rectification of error related to deferred taxation (Refer Note 7.2.).



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Changes in Equity

## for the year ended 30 June 2022

	Issued, subscribed and paid up capital	Share premium	Capital reserves	Sub-total	General reserve	Revenue reserves (Accumulated loss) / Unappropriated profit	Sub-total	Total
(Rupees in '000)								
<b>Balance as at July 01, 2020</b>								
as previously reported	340,685	71,490	1,719,056	1,790,546	1,664,125	(1,362,754)	301,371	2,432,602
Effect of correction of error (Refer Note 7.2)	-	-	-	-	-	412,583	412,583	412,583
<b>Balance as at July 01, 2020 - *restated</b>	340,685	71,490	1,719,056	1,790,546	1,664,125	(950,171)	713,954	2,845,185
Total comprehensive income - *restated								
Profit for the year	-	-	-	-	-	292,065	292,065	292,065
Other comprehensive income for the year	-	-	-	-	-	57	57	57
	-	-	-	-	-	292,122	292,122	292,122
<b>Balance as at June 30, 2021 - *restated</b>	340,685	71,490	1,719,056	1,790,546	1,664,125	(658,049)	1,006,076	3,137,307
Total comprehensive income								
Profit for the year	-	-	-	-	-	861,092	861,092	861,092
Other comprehensive income for the year	-	-	3,978,810	3,978,810	-	(9,286)	(9,286)	3,969,524
	-	-	3,978,810	3,978,810	-	851,806	851,806	4,830,616
Transaction with owners;								
Final dividend for the year ended June 30, 2021 at Rs. 5 per share	-	-	-	-	-	(170,343)	(170,343)	(170,343)
<b>Balance as at June 30, 2022</b>	340,685	71,490	5,697,866	5,769,356	1,664,125	23,414	1,687,539	7,797,580

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

\*Restatement relates to rectification of error related to deferred taxation (Refer Note 7.2.).



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Statement of Cash Flow

## for the year ended 30 June 2022

Note	2022	2021
	(Rupees in '000')	
<b>A) Cash flow from operating activities</b>		
Profit for the year before taxation	865,731	546,036
Adjustments for:		
Depreciation on property, plant and equipment	153,131	159,668
Loss on remeasurement of fair value of investment property	-	(34,500)
Provision for staff retirement benefits	41,046	32,029
Gain on disposal of property, plant and equipment	-	(1,965)
Interest income	(7,809)	(3,457)
Finance cost	72,210	139,086
	258,578	290,861
<b>Cash flow before working capital changes</b>	<b>1,124,309</b>	<b>836,897</b>
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(197,026)	239,799
Stock in trade	(543,194)	(322,539)
Trade receivables	(6,160)	960
Advances, deposits and receivables	(145,534)	(62,447)
Increase / (decrease) in current liabilities:		
Trade and other payables	1,211,451	579,006
	319,537	434,779
<b>Cash generated from operations</b>	<b>1,443,846</b>	<b>1,271,676</b>
Income tax paid	(245,481)	(88,445)
Staff retirement benefits paid	(16,818)	(19,600)
Finance cost paid	(87,365)	(177,812)
<b>Net cash generated from operating activities</b>	<b>1,094,182</b>	<b>985,819</b>
<b>B) Cash flows from investing activities</b>		
Additions in property, plant and equipment	5,587	(167,905)
Loan given to related parties	-	143,000
Interest income received	7,809	3,457
Proceeds from disposal of property, plant and equipment	-	2,620
<b>Net cash generated from / (used in) investing activities</b>	<b>13,396</b>	<b>(18,828)</b>
<b>C) Cash flows from financing activities</b>		
Repayment of long-term borrowings	(94,369)	(47,185)
Dividend paid	(168,868)	(14)
Short-term borrowings paid - net	(779,400)	(1,200,686)
<b>Net cash (used in) financing activities</b>	<b>(1,042,637)</b>	<b>(1,247,885)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>64,941</b>	<b>(280,894)</b>
Cash and cash equivalents at the beginning of the year	29,739	310,633
<b>Cash and cash equivalents at the end of the year</b>	<b>94,680</b>	<b>29,739</b>

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



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 1 Status and nature of business

Rupali Polyester Limited (the Company) was incorporated in Pakistan on 24 May 1980 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange. The Company is principally engaged in manufacture and sale of polyester products. The registered office is located at 241-242 Upper Mall Scheme, Anand Road, Lahore, in the province of Punjab and regional office is situated at 1st Floor, Gul Tower, I.I Chundrigar Road, Karachi, in the province of Sindh. The manufacturing facility is situated at 30.2 KM Lahore - Sheikhpura Road, Sheikhpura, in the province of Punjab.

### 2 Basis of preparation

#### 2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies.

#### 2.2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of Companies Act, 2017. Approved accounting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) as issued by the Institute of Chartered Accountants of Pakistan (ICAP); and
- Provisions of and directives issued under the Companies Act, 2017.

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

#### 2.3 Functional and presentational currency

These financial statements have been prepared in Pakistani Rupees, which is the company's functional and presentational currency.

#### 2.4 Use of judgments, estimates and assumptions

The preparation of financial statements in conformity with approved accounting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about 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. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Policy Note
- Useful lives, residual values and depreciation method of property, plant and equipment	4.1
- Fair value of freehold land and investment property	4.1 & 4.3
- Impairment loss of non-financial assets other than inventories	4.2
- Provision for diminution in value of 'stores, spares and loose tools' and 'stock in trade'	4.4 & 4.5
- Provision for expected credit losses	4.6.4
- Staff retirement benefits	4.13
- Provision for current and deferred taxation	4.20
- Revenue from contracts with customers	4.21

### 3 Standards, amendments and interpretations

#### 3.1 Standards, amendments to standards and interpretations becoming effective in current year

The following standards, amendments to standards and interpretations have been effective and are mandatory for financial statements of the Company for the periods beginning on or after July 01, 2021 and therefore, have been applied in preparing these financial statements.

- i. "IFRS 4 – Insurance Contracts, IFRS 7 – Financial Instruments: Disclosures, IFRS 9 – Financial Instruments, IFRS 16 – Leases and IAS 39 – Financial Instruments: Recognition and Measurement"

The IASB has published 'Interest Rate Benchmark Reform — Phase 2 with amendments that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates.

Application of these amendments did not have any significant impact on the Company's financial statements.

#### ii. IFRS 16 - Leases

The IASB has published 'Covid-19 - Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)' that extends, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

Application of these amendments did not have any significant impact on the Company's financial statements.

#### 3.2 Standards, amendments to standards and interpretations becoming effective in the current year but not relevant

There are certain new standards, amendments to standards and interpretations that became effective during the year and are mandatory for accounting periods of the Company beginning on or after July 01, 2021 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these financial statements.

#### 3.3 Standards, amendments to standards and interpretations becoming effective in future periods

The following standards, amendments to standards and interpretations have been published and are mandatory for the Company's accounting periods beginning on or after the effective dates specified therein.



# Notes to the Financial Statements

## for the year ended 30 June 2022

### i. Annual Improvements to IFRS Standards 2018–2020 Cycle

The IASB has issued 'Annual Improvements to IFRS Standards 2018–2020'. The pronouncement contains amendments to the following Financial Reporting Standards (IFRSs).

- IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- IAS 41 Agriculture - The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13.

The amendments are applicable for annual periods beginning on or after 1 January 2022. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### ii. IAS 1 – Presentation of Financial Statements

The IASB has issued 'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements in the following ways:

- an entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1. Once the entity applies the amendments to IAS 1, it is also permitted to apply the amendments to IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023. The amendments are expected to affect disclosure of policies in the financial statements.

### iii. IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The IASB has published 'Definition of Accounting Estimates' to help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

# Notes to the Financial Statements

## for the year ended 30 June 2022

The IASB clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for annual periods beginning on or after 1 January 2023. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### iv. IAS 12 – Income Taxes

The IASB has published 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)' that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. Accordingly, the initial recognition exemption, provided in IAS 12.15(b) and IAS 12.24, does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### v. IAS 16 – Property, Plant and Equipment

The IASB has published 'Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)' from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

The standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. An entity applies the amendments retrospectively only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The amendments are applicable for annual periods beginning on or after 1 January 2022. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

### vi. IAS 37 – Provisions, Contingent Liabilities and Contingent Assets

The IASB has published 'Onerous Contracts — Cost of Fulfilling a Contract' amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

The changes in Onerous Contracts — Cost of Fulfilling a Contract specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Application of these amendments is not expected to have any significant impact on the Company's financial statements.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 3.4 Standards, amendments to standards and interpretations becoming effective in future periods but not relevant

There are certain new standards, amendments to standards and interpretations that are effective from different future periods as specified therein, but are considered not to be relevant to the Company's operations, therefore, not disclosed in these financial statements.

### 3.5 Standards issued by IASB but not applicable in Pakistan

Following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

IFRS 1 - First-time adoption of International Financial Reporting Standards

IFRS 17 - Insurance Contracts

## 4 Summary of significant accounting policies

The accounting policies adopted in the preparation of these financial statements are set out below:

### 4.1 Property, plant and equipment

#### Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land, which is stated at revalued amount. Cost includes expenditures directly attributable to the acquisition of an asset.

Depreciation on property, plant and equipment is charged on reducing balance method at the rates stated in Note 5 to these financial statements. Depreciation charge commences from the month in which asset is available for use and no depreciation is charged during the month of disposal.

Residual values and the useful lives are reviewed at each date of statement of financial position and adjusted if expectations differ significantly from previous estimates. Normal repairs and maintenance are charged to profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Company.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount of the relevant assets and are recognized in statement of profit or loss.

Any revaluation increase arising on the revaluation of an item of property, plant and equipment is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on revaluation of an item of Property, plant and equipment is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. In case of the sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the surplus on revaluation is transferred directly to the accumulated loss. The revaluation reserve is not available for distribution to the Company's shareholders.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### Capital work in progress

Capital work-in-progress is stated at cost accumulated to the reporting date less impairment losses, if any. It consists of expenditure incurred, advances made and other directly attributable costs in respect of property, plant and equipment in the course of their construction and installation. Transfers are made to relevant operating fixed assets category as and when assets are available for use.

### **4.2 Impairment of non-financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the profit and loss account. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flows have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is 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 recognised previously. Reversal of an impairment loss is recognised immediately in the profit or loss.

### **4.3 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference between the carrying amount and fair value of this item at the date of transfer is recognised in equity as a revaluation reserve for investment property. However, if fair value gain reverses a previous impairment loss, the gain is recognised in the profit and loss account. Upon the disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings, the transfer is not made through statement of profit or loss.

If an investment property becomes owner-occupied or stock-in-trade, it is reclassified as property, plant and equipment or stock-in-trade and its fair value at the date of reclassification becomes its cost for accounting purpose for subsequent recording.

### **4.4 Stores, spares and loose tools**

These are valued at lower of cost, using Weighted Average Cost method, and estimated net realisable value. Provision is made for slow moving and obsolete stores and spares. Items in transit are valued at cost comprising invoice values plus other charges incurred thereon.

Net realisable value specifies the estimated selling price in the ordinary course of business less the estimated cost of completion and cost necessarily to be incurred to make the sale.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 4.5 Stock in trade

All stocks are stated at lower of cost and estimated net realizable value. Cost is determined as follow:

Stock Type	Valuation Method
Raw material	Weighted average cost
Work in process	Average manufacturing cost including appropriate overheads
Finished goods	Average manufacturing cost including appropriate overheads
Stock in transit	Cost comprising invoice value plus other expenses paid thereon
Waste/Scrap	Net realizable value

Cost comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and a proportion of appropriate manufacturing overheads.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to be incurred for its sale.

### 4.6. Financial instruments

#### 4.6.1 Measurement of financial asset

##### Initial measurement

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition, except FVTPL which is measured at fair value.

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification, as follows:

##### Debt Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

##### Equity Investments at FVOCI

These assets are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income and are never reclassified to the statement of profit or loss. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

##### Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest markup or dividend income, are recognized in the statement of profit or loss.



# Notes to the Financial Statements

## for the year ended 30 June 2022

### Financial assets measured at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

### Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalents.

### Derecognition

The Company derecognizes the financial assets when the contractual rights to the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred assets.

#### 4.6.2 Financial liabilities

##### Initial recognition

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs.

##### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as follows:

##### Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

##### Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost using the effective interest rate method. Gain and losses are recognized in statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

##### Derecognition

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or expire.

#### 4.6.3 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 when the Company has currently legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 4.6.4 Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### 4.7 Trade debts

Trade debts are amounts due from customers for sales made during the ordinary course of business. Trade debts and other receivables are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortized cost using the effective interest method less expected credit losses. Bad debt are written off when identified.

### 4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, current accounts, deposit accounts and foreign currency accounts.

### 4.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

### 4.10 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by weighted average number of ordinary shares outstanding during the year.

# Notes to the Financial Statements

## for the year ended 30 June 2022

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

### 4.11 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

### 4.12 Contract balances

#### 4.12.1 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time. Upon receipt of such certification from a customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets. (Refer note 4.6.4)

#### 4.12.2 Contract liabilities

A contract liability is the obligation to transfer property to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e. transfers control of the related property to the customer).

### 4.13 Staff retirement benefits

#### 4.13.1 Defined benefit plan - Gratuity

The Company operates an unapproved unfunded defined benefit gratuity plan for all employees having a service period of more than one year for workers and two years for other employees. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuations carried out on a periodic basis or when there is a significant change. The most recent valuation was carried out as at June 30, 2021 using the "Projected Unit Credit Method".

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately to profit or loss.

#### 4.13.2 Defined contribution plan - Provident fund

The Company operates an approved provident fund scheme which covers all permanent employees. Equal monthly contributions are made by the Company and employees. Contribution is made by the Company at the rate of 8.33 % of basic salary.

### 4.14 Compensated absences

The Company accounts for compensated absences in the accounting period in which these are earned.

### 4.15 Foreign currency transactions and translation

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

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 4.16 Borrowing costs

Borrowing costs are recognized as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which such costs are capitalized as part of the cost of that asset.

### 4.17 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and, 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.

### 4.18 Contingent liabilities

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### 4.19 Related party transactions and transfer pricing

Transactions with related parties are carried at arm's length on price determined using the comparable uncontrolled price method except for those transactions which, in exceptional circumstances, are specifically approved by the Board.

### 4.20 Taxation

#### Current:

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions, if any.

#### Deferred:

Deferred tax is recognized using the liability method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forwarded unused tax losses and tax credits, if any, to the extent that it is probable that the future taxable profits will be available against which the asset may be utilized.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be realized. Unrecognized deferred tax asset are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is expected to be utilized or the liability is expected to be settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is charged or credited to profit or loss, except in case of items credited or charged to equity in which case it is included in equity.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 4.21 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For this purpose, the Company:

- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration, if any, and the time value of money;
- allocates the transaction price to the separate performance obligations, if applicable, on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer of control of the goods or services promised to the customer.

Determining the timing of the transfer of control – at a point in time or over time – requires judgment. Revenue is recognized by the Company on the following basis:

- Revenue from sale of goods is recognised at the point in time when control of goods is transferred to customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The control is transferred to the customer, generally, on delivery of goods which coincides with issuance of invoice to the customer.
- Interest income recognised on a time proportion basis on the principal amount outstanding and at the applicable rate.
- Divided income is recognised when the right to receive dividend is established.

### 4.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved by the Company's shareholders.

## 5 Property, plant and equipment

Operating fixed assets - owned  
Capital work-in-progress  
Stores held for capital expenditure

Note	2022	2021
	(Rupees in '000')	
5.1	6,892,033	2,942,229
	-	39,045
	17,994	108,661
	6,910,027	3,089,935



# Notes to the Financial Statements

as at 30 June 2022

## 5.1 Operating fixed assets - owned

As at July 01, 2020

Cost / valuation	1,446,840	301,050	259,894	5,545	3,963,222	33,863	93,582	57,329	8,258	6,169,583
Accumulated depreciation	-	(204,684)	(116,403)	(3,769)	(2,643,118)	(23,970)	(65,554)	(34,545)	(5,589)	(3,097,632)
Net book value	<b>1,446,840</b>	<b>96,366</b>	<b>143,491</b>	<b>1,776</b>	<b>1,320,104</b>	<b>9,893</b>	<b>28,028</b>	<b>22,784</b>	<b>2,669</b>	<b>3,071,951</b>
<b>Year ended June 30, 2021</b>										
Opening net book value	1,446,840	96,366	143,491	1,776	1,320,104	9,893	28,028	22,784	2,669	3,071,951
Additions	-	-	-	-	11,344	26	2,944	16,044	243	30,601
Disposals	-	-	-	-	-	-	-	-	-	-
Cost / revalued amount	-	-	-	-	-	-	-	(2,518)	-	(2,518)
Accumulated depreciation	-	-	-	-	-	-	-	1,863	-	1,863
	-	-	-	-	-	-	-	(655)	-	(655)
Depreciation charge for the year	-	(9,637)	(7,175)	(89)	(132,542)	(990)	(2,885)	(6,070)	(280)	(159,668)
Closing net book value	<b>1,446,840</b>	<b>86,729</b>	<b>136,316</b>	<b>1,687</b>	<b>1,198,906</b>	<b>8,929</b>	<b>28,087</b>	<b>32,103</b>	<b>2,632</b>	<b>2,942,229</b>

As at June 30, 2021

Cost	1,446,840	301,050	259,894	5,545	3,974,566	33,889	96,526	70,855	8,501	6,197,666
Accumulated depreciation	-	(214,321)	(123,578)	(3,858)	(2,775,660)	(24,960)	(68,439)	(38,752)	(5,869)	(3,255,437)
Net book value	1,446,840	86,729	136,316	1,687	1,198,906	8,929	28,087	32,103	2,632	2,942,229

Year ended June 30, 2022

Opening net book value	1,446,840	86,729	136,316	1,687	1,198,906	8,929	28,087	32,103	2,632	2,942,229
Additions	-	4,543	4,397	-	110,340	188	4,039	618	-	124,125
Surplus on revaluation during the year	3,978,810	-	-	-	-	-	-	-	-	3,978,810
Depreciation charge for the year	-	(8,993)	(6,975)	(84)	(126,396)	(902)	(3,005)	(6,513)	(263)	(153,131)
Closing net book value	5,425,650	82,279	133,738	1,603	1,182,850	8,215	29,121	26,208	2,369	6,892,033

As at June 30, 2022

Cost / valuation	5,425,650	305,593	264,291	5,545	4,084,906	34,077	100,565	71,473	8,501	10,300,601
Accumulated depreciation	-	(223,314)	(130,553)	(3,942)	(2,902,056)	(25,862)	(71,444)	(45,265)	(6,132)	(3,408,568)
Net book value	5,425,650	82,279	133,738	1,603	1,182,850	8,215	29,121	26,208	2,369	6,892,033

Annual rate of depreciation

### Note

### 5.1.2

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# Notes to the Financial Statements

## for the year ended 30 June 2022

5.1.1 The fair value of the Company's freehold land is determined periodically by an independent valuer. The latest revaluation exercise was carried out as on April 11, 2022 (2021: in financial year 2017) by independent valuer M/s Hamid Mukhtar & Co. (Pvt.) Limited. The fair value was determined under 'Fair Value Hierarchy — Level 2' based on the market comparable approach that reflects recent transaction prices for similar properties. Forced sale value of land was determined at Rs. 4,340.54 million (2021: 1,157.47 million). Had there been no revaluation carrying value of land would have been Rs. 21.172 million (2021: Rs. 21.172 million).

5.1.2 The land on which the Company's office building has been constructed is in the name of a close relative of directors of the Company. The land has been provided to the Company free of cost for a period of 30 years ending on April 2034.

5.1.3 The depreciation charge for the year has been allocated as follows:

	Note	2022	2021
		(Rupees in '000')	
Cost of sales	20	135,736	142,548
Distribution costs	22	870	856
Administrative expenses	23	16,525	16,264
		153,131	159,668

5.1.4 Particulars of immoveable properties of the Company are as follows:

Address	Total area (sq.ft)
Production plant at 30.2 km Lahore - Sheikhpura Road, Sheikhpura	5,252,029
Office building at 1st Floor, Gul Tower, I.I Chundrigar Road, Karachi	2,439

	Note	2022	2021
		(Rupees in '000')	
6 Investment properties			
Land			
Opening balance		602,000	567,500
Fair value gain recognized during the year		-	34,500
Closing balance	6.1 & 6.2	602,000	602,000

6.1 The fair value of the investment property is determined by an independent valuer, M/s Hamid Mukhtar & Co. (Pvt.) Limited (2021: Masood Associates (Private) Limited), on June 30, 2022 (2021: June 30, 2021). There was no significant change in the fair value as at June 30, 2022. The fair value has been determined under 'Fair Value Hierarchy — Level 2' based on the market comparable approach that reflects recent transaction prices for similar properties. Forced sale value of land has been determined at Rs. 510 million (2021: 511.7 million).

6.2 The land is located at property number S.42 - R/3/1, Race Course Road, Lahore measuring 27,225 Sq. ft.

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>7 Deferred tax asset</b>			
Opening balance		934	141,074
(Provision) / reversal during the year through:			
statement of profit or loss		247,686	(140,117)
other comprehensive income		3,793	(23)
	7.1	<b>252,413</b>	<b>934</b>
<b>7.1 It comprises of the following:</b>			
Taxable temporary differences in respect of;			
Difference in accounting and tax bases of property, plant and equipment		(242,793)	(250,556)
Deductible temporary differences in respect of;			
Provision for gratuity		63,410	52,591
Tax losses carried forward		54,206	198,899
Minimum tax credit u/s 113		377,590	-
		<b>252,413</b>	<b>934</b>

- 7.2** Deferred tax in respect of certain deductible temporary differences was not considered / accounted for, and deferred tax liability was recorded in respect of taxable temporary differences due to misapplication of accounting policy. The error has been corrected retrospectively and comparative information has been restated in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'. The effect of correction of error related to reported prior periods is as under:

	2021	2020
	(Rupees in '000')	
	Increase / (Decrease)	

### Effect on statement of financial position

#### Assets

Deferred tax asset	934	141,074
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#### Liabilities

Deferred tax liability	(250,502)	(271,509)
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#### Equity

(Accumulated loss)	(251,436)	(412,583)
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### Effect on statement of profit or loss

Provision for taxation	161,147
Profit for the year	(161,147)
Earnings per share - basic and diluted	(4.73)

## 8 Stores, spares and loose tools

	2022	2021
	(Rupees in '000')	
Stores	174,000	132,353
Spares	1,041,450	886,202
Loose tools	6,711	6,580
	<b>1,222,161</b>	<b>1,025,135</b>

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>9 Stock in trade</b>			
Raw and packing materials		768,090	383,641
Stock in transit		5,679	14,603
Work-in-process		70,373	43,221
Finished goods	9.1	1,064,361	923,844
		<b>1,908,503</b>	<b>1,365,309</b>

9.1 It include stock of Rs. 91.41 million (2021: Rs. 0.55 million) carried at net realizable value.

### 10 Advances, deposits and other receivables

Considered good			
Advances to employees			
against salary	10.1	492	258
against expenses		279	145
Advances to suppliers		143,632	12,883
Advances to related parties	10.2	39	62,482
Sales tax refundable		315,136	239,985
Other receivables		24,389	22,680
		<b>483,967</b>	<b>338,433</b>

10.1 Loans have been granted under staff loan policy, as temporary financial assistance, to staff. These are secured against the gratuity payable to employees and are recoverable in 12 equal monthly installments. These loans carry mark-up at the rate of 20% per annum (2021: 14% per annum).

10.2 These represent payments against purchases and expenses made on behalf of related parties. These are unsecured, interest free and repayable on demand. The detail is as follows:

	Maximum aggregate amount			
	2022	2021	2022	2021
	(Rupees in '000')			
Spintex Limited	42,334	42,342	-	41,886
Rupafil Limited	8,042	20,565	8	20,565
Rupafil PowerGen (Pvt.) Limited	31	31	31	31
	<b>50,407</b>	<b>62,938</b>	<b>39</b>	<b>62,482</b>

	Note	2022	2021
		(Rupees in '000')	
<b>11 Cash and bank balances</b>			
Cash in hand		87	75
Balance with banks			
Current accounts		58,307	1,585
Deposit accounts	11.1	36,286	28,079
		94,593	29,664
		<b>94,680</b>	<b>29,739</b>

11.1 These carry mark-up ranging from 5.5 % to 15.0 % per annum (2021 : 5.5 % to 7.25 % per annum).

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 12 Issued, subscribed and paid up capital

2022	2021		2022	2021
(Number of shares in '000)			(Rupees in '000')	
		Ordinary shares of Rs. 10 each		
9,691	9,691	Fully paid in cash	96,909	96,909
19,934	19,934	Fully paid other than in cash (Note 12.1)	199,339	199,339
4,444	4,444	Allotted as bonus shares	44,437	44,437
<b>34,069</b>	<b>34,069</b>		<b>340,685</b>	<b>340,685</b>

12.1 These shares were issued against non-repatriable investment.

12.2 Detail of shares held by associated entities are as follows:

2022	2021		2022	2021
(Number of shares in '000)			(Rupees in '000')	
		Ordinary shares of Rs. 10 each		
18,416	18,416	Feerasta Senior Trust - Parent entity	184,160	184,160
9,194	9,194	ALNU Trust - Associate	91,940	91,940
<b>27,610</b>	<b>27,610</b>		<b>276,100</b>	<b>276,100</b>

### 13 SHARE PREMIUM

Share premium	71,490	71,490
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13.1 The share premium can be utilized in accordance with provisions of section 81 of the Companies Act, 2017.

### 14 Surplus on revaluation of land

	Note	2022	2021
		(Rupees in '000')	
Balance at the beginning of the year		1,719,056	1,719,056
Surplus on revaluation of freehold land		3,978,810	-
Balance at the end of the year	14.1	<b>5,697,866</b>	1,719,056

14.1 This includes surplus of Rs: 251.044 million (2021: Rs: 251.044 million) related to revaluation of a land, which was subsequently classified as Investment Property.

### 15 Staff retirement gratuity

The scheme provides terminal benefits for all the employees of the Company who attain the minimum qualifying period. Annual charge is based on actuarial valuation carried out as at June 30, 2022 using Projected Unit Credit Method.

Present value of defined benefit obligation	15.1	<b>218,656</b>	181,349
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# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>15.1 Present value of defined benefit obligation</b>			
Present value of defined benefit obligation at beginning		181,349	169,000
Expenses recognized in profit and loss	15.2	41,046	32,029
Benefits paid during the year		(16,818)	(19,600)
Remeasurement (gain) / loss on defined benefit obligation recognized in statement of comprehensive income		13,079	(80)
		<b>218,656</b>	<b>181,349</b>
<b>15.2 Amount recognised in profit or loss</b>			
Current service cost		23,752	18,497
Interest cost		17,294	13,532
		<b>41,046</b>	<b>32,029</b>
<b>15.3 Principal actuarial assumptions used in the actuarial valuations</b>			
Most recent actuarial valuation was carried out as on June 30, 2022. The principal actuarial assumptions used in the valuation are given below:			
		2022	2021
Financial assumptions			
Discount rate		13.25%	10%
Expected rate of eligible salary increase in future years		12.25%	9%
Demographic assumptions			
Mortality rate		SLIC (2001-05)	SLIC (2001-05)
Retirement assumptions		Age 60	Age 60
		Change in assumptions	
		Increase	Decrease
		+100 bps	-100 bps
		(Rupees in '000')	
<b>15.4 Sensitivity analysis</b>			
Year end sensitivity analysis on obligations			
Discount rate		210,122	227,532
Salary increase rate		227,538	210,125

The above sensitivity analysis is based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (Projected Unit Credit Method) has been applied as for calculating the liability of gratuity.

	Note	2022	2021
		(Rupees in '000')	
<b>16 Trade and other payables</b>			
Trade payables		2,265,939	1,147,267
Accrued liabilities		156,496	111,072
Worker's profit participation fund	16.1	77,607	45,904
Worker's welfare fund	16.2	21,734	15,376
Advance from customers	16.3	39,845	10,829
Gas Infrastructure Development Cess (GIDC) payable	16.4	61,338	65,824
Sales tax payable		9,337	24,697
Withholding tax payables		576	495
Retention money		838	957
Provident fund payable		642	312
Others	16.5	8,149	8,317
		<b>2,642,501</b>	<b>1,431,050</b>

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>16.1 Workers' profit participation fund</b>			
Balance at the beginning of the year		45,904	17,311
Add: Charge for the year			
Provision for the year		43,945	33,624
Interest on funds utilized by the Company		13,159	-
		57,104	33,624
Less: Paid during the year		(25,401)	(5,031)
Balance at the end of the year		<b>77,607</b>	<b>45,904</b>
<b>16.2 Worker's welfare fund</b>			
Balance at the beginning of the year		15,376	4,732
Add: Charge for the year		17,315	12,777
Less: Paid during the year		(10,957)	(2,133)
Balance at the end of the year		<b>21,734</b>	<b>15,376</b>
<b>16.3 Reconciliation of advances from customers is set out as below:</b>			
Opening balance		10,829	25,888
Payments received in advance		39,845	10,829
Transfer to revenue - included in the opening balance		(10,829)	(25,888)
		<b>39,845</b>	<b>10,829</b>
<b>16.4</b>	The payment has been suspended during the period owing to stay granted by the Honorable Sindh High Court.		
<b>16.5</b>	This includes Rs. 11,186/- (2021: Nil) payable to an associate against expenses incurred on behalf of the Company.		
<b>17 Short-term borrowings</b>			
For banking companies - under markup arrangements			
Running finances	17.1	471,244	1,053,644
From associates - unsecured	17.2	386,119	583,119
		<b>857,363</b>	<b>1,636,763</b>
<b>17.1</b>	The aggregate finance facilities available from various commercial banks amounted to Rs. 2,815.24 million (2021: Rs. 1,681.24 million). These carry mark-up at the rates ranging from 7.65% to 14.81% per annum (2021: 7.65% to 8.59% per annum) and are secured against hypothecation charge on current assets and promissory notes, respectively. Markup is payable on quarterly basis in arrears.		
<b>17.2</b>	The loan was obtained to meet working capital requirements and has been utilized accordingly. The loan is unsecured, interest free and repayable on demand.		
<b>17.3</b>	Total unfund, facilities financing for opening letters of credit from various commercial banks available to the Company were Rs. 3,450 million (2021: Rs. 2,150 million) of which facilities of Rs. 585.06 million (2021: Rs. 921.31 million) were un-utilized at the year end.		

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 18 Contingencies and commitments

#### Contingencies:

- a. Sales tax demand of Rs. 3.11 million (2021: Rs. 3.11 million) not acknowledged in view of pending appeal before Supreme court of Pakistan against the order of Honorable Lahore high court by Additional Collector Sales Tax. The demand was created by charging output tax on certain items and disallowing input tax on purchase of certain items. Case filed with Lahore High Court was dismissed on technical grounds without addressing the merits. The proceedings are still pending.
- b. The supplies made by the Company to its customers in Azad Jammu and Kashmir (AJ&K), during the period from November, 1997 to June, 1998, were treated as exports being zero rated u/s-4 of the Sales Tax Act, 1990. However, the Deputy Collector (Refund) on 27.06.2001 adjudged that as the appellant has not followed the procedure described u/s-131 of the Custom Act, 1969 so the supplies made to AJ&K from Pakistan cannot be treated as exports being zero rated u/s-4 ibid. The amount of impugned sales tax demand is Rs. 19.40 million (2021: Rs. 19.40 million) which was already deposited by the Company under protest. The proceedings of the said case are still pending in Appellate Tribunal Inland Revenue (ATIR), Lahore.
- c. A Goods Declaration of Import was claimed repeatedly due to duplication of data by customs authorities. The Deputy Commissioner, Large Taxpayers Office, Lahore, charged 100% penalty and default surcharge amounting to Rs. 1.82 million on 03.12.2020. The Commissioner Inland Revenue Appeals, Lahore reduced the demand by 95% on 25.06.2022. The Company has filed an appeal on 16.07.2021 before ATIR against remaining 5% demand amount which is still pending.
- d. The Company was selected for audit and an order was passed against the Company which was challenged before different appellate forums. The tax demand of Rs. 9.64 million (2021: Rs. 9.64 million) was adjusted by the tax department against refund of tax year 2010. The appeal filed with Supreme court of Pakistan was accepted except certain points. A review petition against rejected points is also filed before the Apex Court in May, 2021. Hearing of appeal is still pending before the Apex.
- e. Certain Ex-Employees of the Company have filed cases with the Authority under Payment of Wages Act, 1936 claiming arrears/remuneration amounting to Rs. 3.258 million (2020: Rs. 2.507 million).
- f. Bank guarantees issued in favour of Sui Northern Gas Pipelines Limited amounting to Rs. 82.209 million (2021: Rs. 120.125 million) for supply of gas.

#### Commitments

	2022	2021
	(Rupees in '000')	
- Commitments under irrevocable letters of credit	2,864,944	1,228,694
- Commitment under contract for capital expenditure	214,491	284,100
<b>19 Sales - net</b>		
Sale of goods	13,199,493	8,884,365
Less: Sales tax	(1,900,812)	(1,284,291)
Less: Trade discount	(69,406)	(45,645)
	(1,970,218)	(1,329,936)
	<b>11,229,275</b>	<b>7,554,429</b>

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>20 Cost of sales</b>			
Raw and packing material consumed	20.1	7,936,377	5,793,343
Fuel and power		1,371,326	947,783
Salaries, wages and amenities	20.2	445,857	378,852
Stores and spares consumed		161,439	72,692
Depreciation of operating fixed assets	5.1.3	135,736	142,548
Repair and maintenance		101,242	35,380
Running and maintenance of vehicles		27,504	22,337
Insurance		20,151	18,790
Rent, rates and taxes		2,549	2,149
Others		1,324	1,026
		<b>10,203,505</b>	<b>7,414,900</b>
Add: Opening Work-in-Process		43,221	41,172
Less: Closing Work-in-Process		(70,373)	(43,221)
		(27,152)	(2,049)
		<b>10,176,353</b>	<b>7,412,851</b>
Add: Opening Finished Goods		923,844	221,389
Less: Closing Finished Goods		(1,064,361)	(923,844)
		(140,517)	(702,455)
		<b>10,035,836</b>	<b>6,710,396</b>
<b>20.1 Raw and packing material consumed</b>			
Opening raw and packing materials		383,641	775,229
Add: Purchases during the year		8,320,826	5,401,755
Less: Closing raw and packing materials		(768,090)	(383,641)
		<b>7,936,377</b>	<b>5,793,343</b>
<b>20.2</b> Salaries, wages and amenities include Rs. 29.486 million (2021: Rs. 22.107 million) in respect of staff retirement benefits and Rs. 1.07 million (2021: Rs 0.756 million) in respect of provident fund contribution.			
<b>21 Other income</b>			
Income from financial assets			
Interest income from banks		7,763	3,420
Mark-up income on staff loan		46	37
		<b>7,809</b>	<b>3,457</b>
Income from non-financial assets			
Sale of scrap - net of sales tax		65,614	40,882
Fair value gain on investment property		-	34,500
Gain on disposal of operating fixed assets		-	1,965
Others		20	1
		<b>65,634</b>	<b>77,348</b>
		<b>73,443</b>	<b>80,805</b>

# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
(Rupees in '000')			
<b>22 Distribution costs</b>			
Freight and forwarding		16,356	15,066
Salaries, wages and other benefits	22.1	6,771	5,998
Depreciation of operating fixed assets	5.1.3	870	856
Printing and stationery		257	106
Travelling and conveyance		339	170
Utilities		310	259
General repair and maintenance		155	162
Vehicle running and maintenance		176	104
Entertainment		464	91
Rent, rates and taxes		186	183
Books and subscription		102	43
Sales promotion expenses		182	-
Communication		79	77
Insurance		51	47
		<b>26,298</b>	<b>23,162</b>
<b>22.1</b>	Salaries, wages and amenities include Rs. 0.578 million (2021: Rs. 0.522 million) in respect of staff retirement benefits and Rs. 0.026 million (2021: Rs. 0.024 million) in respect of provident fund contribution.		
<b>23 Administrative expenses</b>			
Salaries, wages and other benefits	23.1	128,658	115,304
Depreciation of operating fixed assets	5.1.3	16,525	16,264
Travelling and conveyance		6,447	3,224
Entertainment		8,818	1,725
Legal and professional charges		6,606	3,327
Utilities		5,891	4,925
Printing and stationery		4,878	2,022
Vehicle running and maintenance		3,350	1,972
Rent, rates and taxes		3,531	3,486
General repair and maintenance		2,935	3,087
Communication		1,509	1,471
Fee and subscription		1,938	812
Auditors' remuneration	23.2	1,610	650
Advertisement		452	266
Insurance		970	897
Miscellaneous expenses		354	432
		<b>194,472</b>	<b>159,864</b>

**23.1** Salaries, wages and amenities include Rs. 10.982 million (2021: Rs. 9.910 million) in respect of staff retirement benefits and Rs. 0.488 million (2021: Rs. 0.450 million) in respect of provident fund contribution.



# Notes to the Financial Statements

## for the year ended 30 June 2022

	Note	2022	2021
		(Rupees in '000')	
<b>23.2 Auditors' remuneration</b>			
Annual audit fee		1,050	525
Certification and review		420	85
Out of pocket charges		140	40
		<b>1,610</b>	<b>650</b>
<b>24 Finance costs</b>			
Mark-up / interest on:			
long-term financing		3,802	11,081
short-term borrowings		52,155	120,976
Workers' profit participation fund		13,159	-
Bank charges		3,094	7,029
		<b>72,210</b>	<b>139,086</b>
<b>25 Other operating expenses</b>			
Donations	25.1	43,090	10,289
Workers' welfare fund		17,315	12,777
Workers' profit participation fund		43,945	33,624
Others		3,821	-
		<b>108,171</b>	<b>56,690</b>
<b>25.1 Donations along with name of donee are as follows:</b>			
Agha Khan Education Services		38,000	10,000
Agha Khan Development Network		5,000	-
Others		90	289
	25.1.1	<b>43,090</b>	<b>10,289</b>
<b>25.1.1</b> None of the directors and their spouses had any interest in the donees.			
<b>26 Provision for taxation</b>			
Current tax			
For the period		251,712	113,317
For prior period		613	537
Deferred tax		(247,686)	140,117
		<b>4,639</b>	<b>253,971</b>

### 26.1 Relationship between accounting profit and tax expense

The relationship between tax expense and accounting profit has not been presented in these financial statements as the income of the Company is subject to minimum tax / Alternate corporate tax. The provision for current taxation is made under section 113 / 113C of the Income Tax Ordinance, 2001.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 27 Earnings per share - basic and diluted

Profit attributable to ordinary equity holders (Rupees in '000')

Weighted average number of  
outstanding ordinary shares (Number in '000')

Earning per share basic and diluted (Rupees)

27.1 There is no effect of dilution on basic earning per share of the Company.

	2022	2021
Profit attributable to ordinary equity holders (Rupees in '000')	861,092	292,065
Weighted average number of outstanding ordinary shares (Number in '000')	34,069	34,069
Earning per share basic and diluted (Rupees)	25.27	8.57
	2022	2021
	(Rupees in '000')	
<b>28 Financial instruments</b>		
Financial assets - At amortized cost		
Long term security deposits	4,281	4,281
Trade receivables	6,184	24
Advances, deposits and other receivables	24,389	22,680
Cash and bank balances	94,680	29,739
	<b>129,534</b>	<b>56,724</b>
Financial liabilities - At amortized cost		
Trade and other payables	2,431,422	1,267,613
Current portion of long-term borrowings	-	94,369
Short-term borrowings	857,363	1,636,763
Accrued markup on borrowings	4,753	19,908
Unclaimed dividend	3,216	1,741
	<b>3,296,754</b>	<b>3,020,394</b>

#### Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

#### Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

#### Discount / interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

#### Fair value hierarchy

The company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

**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 (i.e., as prices) or indirectly (i.e., derived from prices).

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

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 29 Financial risk management objectives

#### Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board).

#### 29.1 Market risk

##### 29.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions in foreign currencies. The Company is exposed to foreign currency exchange risk in respect of commitments against letters of credit in foreign currency. The management does not view hedging as being financially feasible. The effect of change in currency rate would be as follows for current year's commitments as at the reporting date:

Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
	(Rupees in '000)	

#### Foreign currency sensitivity analysis

2022	+5%	7,524	5,342
	-5%	(7,524)	(5,342)
2021	+5%	10,691	7,591
	-5%	(10,691)	(7,591)

##### 29.1.2 Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any exposure in equity securities.

##### 29.1.3 Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the reporting date, the profit, interest and mark-up rate profile of the Company's significant financial assets and liabilities is as follows:

# Notes to the Financial Statements

## for the year ended 30 June 2022

	2022	2021
	(Rupees in '000')	
<b>Variable rate financial instruments</b>		
Financial assets		
Balances with banks in deposit account	<b>36,286</b>	28,079
<b>Financial liabilities</b>		
Current portion of long-term borrowings	-	94,369
Short term borrowings - running finance	471,244	1,053,644
	<b>471,244</b>	1,148,013

### Fair value sensitivity analysis

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

Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
	(Rupees in '000')	

### Interest rate sensitivity analysis

#### Financial assets

2022	+1%	363	258
	-1%	(363)	(258)
2021	+1%	281	197
	-1%	(281)	(197)

#### Financial liabilities

2022	+1%	4,712	3,346
	-1%	(4,712)	(3,346)
2021	+1%	11,480	8,151
	-1%	(11,480)	(8,151)

## 29.2 Credit risk

Credit risk is the risk that one party to the financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Credit risk arises from balances with banks, trade receivables, advances, deposits and other receivables. The maximum exposure to credit risk before any credit enhancement is given below:

	2022	2021
	(Rupees in '000')	
<b>Maximum exposure to credit risk</b>		
Long term security deposits	4,281	4,281
Trade receivables	6,184	24
Advances, deposits and other receivables	24,389	22,680
Bank balances	94,593	29,664
	<b>129,447</b>	56,649

The Company attempts to control the credit risk by monitoring credit exposure, limiting transactions with specific customers and continuing assessment of credit worthiness of customers.

Based on the past experience, record of recoveries, the Company believes that the past due amount do not require any provision or impairment loss.

The credit risk exposure is limited in respect of bank balances as these are placed with the scheduled banks having good credit rating from international and local credit rating agencies.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 29.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. As at June 30, 2022, the Company has borrowing limits available from financial institutions and Rs 94.59 million (2021: Rs 29.66 million) in bank balances. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

The Company is exposed to liquidity risk in respect of financial liabilities, set out in Note 28. These liabilities are due to mature within one year from the reporting date.

### 30 Capital risk management

The company's objectives, policies and processes for managing capital are as follows:

To safeguard Company's ability to continue as going concern, so that it can continue to provide returns for shareholders and benefit other stakeholders; and

To provide adequate return to shareholders by pricing the products and services commensurately with the level of risk.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The capital structure of the Company consists of equity comprising of issued share capital and unappropriated profits.

Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio.

This ratio is calculated as debt divided by total capital. Debt is calculated as total borrowings. Total capital is calculated as 'equity' shown in the statement of financial position. The gearing ratio as at year ended June 30, 2022 and June 30, 2021 are as follows:

	2022	2021
	(Rupees in '000')	
Debt	857,363	1,731,132
Total Equity	7,797,580	3,137,307
Gearing Ratio	11%	55%

The Company is not exposed to externally imposed capital requirements.



# Notes to the Financial Statements

## for the year ended 30 June 2022

### 31 Transactions with related parties

The related parties comprise of major shareholder, associated undertakings, provident fund and key management personnel. Significant transactions with related parties are as follows:

Name of related parties and basis of relationship	Nature of transactions	2022	2021
		(Rupees in '000)	
<b>Soneri Bank Limited</b> Associated Company by virtue of common directorship	- Profit on bank deposits	7,763	3,420
<b>Rupali Nylon (Private) Limited</b> Associated company by virtue of common directorship	- Purchase - Payments	5,511 5,511	2,647 2,647
<b>Rupafil Limited</b> Associated company by virtue of common directorship	- Purchases - Sales - Payments - Receipts	1,548,741 47,532 1,548,741 68,088	665,920 71,180 686,484 71,251
<b>Spintex Limited</b> (MD is sibling of CEO of the Company)	- Purchases - Sales - Payments - Receipts	43,305 14 43,294 41,900	3,478 51 3,478 73
<b>Alnu Trust</b> Related party by virtue of major shareholding	- Repayment of loan	197,000	-
Provident fund	-	1,584	1,219

### 32 Remuneration to directors and executives

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive and full time working Directors and Executives of the Company are as follows:

	Executives	
	2022	2021
	(Rupees in'000)	
Managerial remuneration	32,838	33,720
House rent	9,851	10,116
Utilities	3,283	3,372
Medical allowance	3,283	3,372
Retirement benefits	-	236
Other benefits	279	296
	49,534	51,112
Total number of persons	15	17

**32.1** The Chief Executive Officer of the Company is provided with Company maintained car for business and personal use. No meeting fee was paid to any directors for attending Board meetings during the year.

# Notes to the Financial Statements

## for the year ended 30 June 2022

### 33 Number of employees

Average number of employees for the year

Total number of employees at year end

2022	2021
Number of persons	
1,364	1,367
1,349	1,389

### 34 Employees provident fund

Size of the fund

Cost of investments made

Fair value of investment

Percentage of investment made

Note

2022	2021
Unaudited	Audited
(Rupees in '000)	
23,451	23,844
23,205	23,527
23,205	23,527
98.67%	98.67%

34.1 The funds are placed in saving account with a bank, which is related party of the Company, in accordance with the provisions of section 218 of the Companies Act, 2017 and the Rules formulated for this purpose.

### 35 Production Capacity

Annual capacity

Yarn

Fibre

Actual production

Yarn

Fibre

2022	2021
Units in tons	
10,100	10,100
12,000	12,000
11,402	13,292
24,056	24,287

35.1 The annual capacity disclosed above is name plate capacity on a standard product specification basis. It is a standardized nomenclature over the world that manufacturing plants have a certain nameplate capacity. However, actual production capacity of a plant is always in excess of the nameplate capacity owing to variation in specification of products being actually produced.

### 36 Non adjusting events after the reporting date

The Board of Directors in its Meeting held on September 09, 2022 proposed a cash dividend of Rs. 5.00 per share (2021: Rs. 5.00 per share) for the year ended June 30, 2022, amounting to Rs. 170.34 million (2021: Rs. 170.34 million), for approval of the members at the Annual General Meeting to be held on October 21, 2022.

### 37 Date of authorization for issue

These financial statements were authorized for issue on 9 September 2022 by the Board of Directors of the Company.

### 38 General

#### 38.1 Rearrangements

Prior year figures have been re-arranged wherever considered necessary for the purpose of better comparison and presentation. Significant rearrangements made are as under;

# Notes to the Financial Statements

## for the year ended 30 June 2022

- Surplus on revaluation of land amounting to Rs. 5,697 million is included in the broader category of capital reserves' on the face of statement of financial position.
- Gas Infrastructure Development Cess (GIDC) payable' amounting to Rs. 61.34 million and 'advance from customers' amounting to Rs. 39.85 million were disclosed as separate line item on the face of statement of financial position. These are grouped under the head of 'trade and other payables'.
- loan from associates amounting to Rs. 386.12 million was shown as a separate line item on the face of Statement of financial position. These are included in 'short term borrowings'

### 38.2 Nomenclature

Nomenclature of different line items has been changed. Significant changes are as under;

Previous nomenclature	Current nomenclature
Capital stores	Stores held for capital expenditure
Inventories	Stock in trade
Raw materials	Raw and packing materials
Work in progress	Work-in-process
Revaluation reserve	Surplus on revaluation of land
Retained earning	Unappropriated profit / (Accumulated loss)
Contract liabilities	Advance from customers
Payable to government authority	Gas Infrastructure Development Cess (GIDC) payable
Borrowings	Long-term borrowings
Deferred liability - net staff gratuity	Staff retirement gratuity
Revenue - net	Sales - net
Cost of revenue	Cost of sales
Taxation	Provision for taxation

**38.3** Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.



Nooruddin Feerasta  
Chief Executive Officer



Zeeshan Feerasta  
Director



Muhammad Ahsan Iqbal  
Chief Financial Officer

# Pattern of Shareholding

as at 30 June 2022

Number of Shareholders	From	Shareholding	To	Total Shares Held
195	1		100	5,805
121	101	-	500	42,376
88	501	-	1000	67,501
105	1001	-	5000	272,409
28	5001	-	10000	220,680
4	10001	-	15000	48,201
3	15001	-	20000	56,000
8	20001	-	25000	182,189
1	25001	-	30000	30,000
1	30001	-	35000	33,000
4	35001	-	40000	158,500
4	40001	-	45000	166,500
1	45001	-	50000	50,000
2	50001	-	55000	106,500
1	65001	-	70000	67,000
1	80001	-	85000	84,000
1	85001	-	90000	85,500
1	90001	-	95000	92,000
1	95001	-	100000	100,000
1	110001	-	115000	115,000
1	125001	-	130000	129,500
1	130001	-	135000	133,161
1	145001	-	150000	146,482
1	190001	-	195000	193,000
1	205001	-	210000	209,490
1	225001	-	230000	226,662
1	285001	-	290000	286,000
1	420001	-	425000	425,000
1	580001	-	585000	584,500
1	935001	-	940000	939,833
1	1200001	-	1205000	1,202,503
1	3830001	-	3835000	3,834,290
1	5355001	-	5360000	5,359,364
1	18415001	-	18420000	18,415,568
585		Total		34,068,514

# Pattern of Shareholding

## as at 30 June 2022

Categories of Shareholders	Number	Shares Held	Percentage
Individuals	556	4,085,520	11.99
Joint Stock Companies	0	0	0.00
Investment Companies	0	0	0.00
Directors, Chief Executive Officer and their Spouses and minor Children	9	1,057,993	3.09
Mr. Nooruddin Feerasta		500	0.00
Mr. Muhammad Rashid Zahir		500	0.00
Mrs. Amyna Feerasta		500	0.00
Mr. Shehzad Feerasta		490	0.00
Mr. Zeeshan Feerasta		10	0.00
Mr. Yaseen M. Sayani		939,833	2.76
Mr. Shahid Hameed		10	0.00
Mr. Abdul Hayee		1,150	0.00
Mrs. Laila Y. Sayani w/o Mr. Yaseen M. Sayani		115,000	0.34
<b>Total:</b>		<b>1,057,993</b>	<b>3.09</b>

Executives			
National Bank of Pakistan, Trustee Deptt.	5	930,022	2.73
Investment Corporation of Pakistan	1	200	0.00
Associated Companies, undertakings and related parties			
Public Sector Companies and Corporations			
Banks, DFIs, NBFIs, Insurance Companies, Modaraba & Mutual Funds	11	385,557	1.13
Foreign Investors	0	0	0.00
Co-operative Societies	0	0	0.00
Trusts 3		27,609,222	81.04
Others			
<b>Total:</b>	<b>585</b>	<b>34,068,514</b>	<b>100.00</b>

### SHARE-HOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE COMPANY

Name of Shareholders	No. of Shares Held	Percentage
Trustees Feerasta Senior Trust	18,415,568	54.05
Trustees ALNU Trust	9,193,654	26.99
<b>Total:</b>	<b>27,609,222</b>	<b>81.04</b>

### Trading in Shares During 2021-22:

Directors, CEO, CFO and Company Secretary made no sale/purchase of shares during the year.



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# Proxy Form 42<sup>nd</sup> Annual General Meeting

I / We \_\_\_\_\_ of

\_\_\_\_\_ being member(s) of RUPALI POLYESTER LIMITED

and holder of \_\_\_\_\_ Ordinary Shares. \_\_\_\_\_

Register Folio No. \_\_\_\_\_

CDC participant I.D. No: \_\_\_\_\_ Sub-Account No: \_\_\_\_\_

CNIC No: \_\_\_\_\_ or Passport No: \_\_\_\_\_

hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him / her

\_\_\_\_\_ who is / are also member(s) of

RUPALI POLYESTER LIMITED as my / our proxy to attend and vote for me / on our behalf at the 42nd Annual General Meeting of the Company to be held on 21 October 2022 or at any adjournment thereof.

Revenue  
Stamp

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

Dated this \_\_\_\_\_ day of October 2022

Signature of Shareholder \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

## 1. WITNESS

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

CNIC No: \_\_\_\_\_

or Passport No: \_\_\_\_\_

## 2. WITNESS

Signature: \_\_\_\_\_

Name: \_\_\_\_\_


Address: \_\_\_\_\_

CNIC No: \_\_\_\_\_

or Passport No: \_\_\_\_\_

## IMPORTANT:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company RUPALI POLYESTER LIMITED, Rupali House, 241-242 Upper Mall Scheme, Anand Road, Lahore - 54000 not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he / she himself / herself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. CDC Shareholders and their proxies should attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with the proxy form before submission to the Company. (Original CNIC / Passport is required to be produced at the time of the meeting).
5. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be submitted along with proxy form to the Company.



The Company Secretary

**Rupali Polyester Limited**

Rupali House,  
241-242 Upper Mall Scheme, Anand Road,  
Lahore - 54000

AFFIX  
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بیالیسواں سالانہ اجلاسِ عام

میں / ہم روپائی پولیٹر لمیٹڈ کے زیرِ دستخطی ممبر (ز) ہوں / ہیں اور میرے / ہمارے پاس -----

----- عمومی حصص کی ملکیت ہے، میں / ہم، محترم / محترمہ -----

سکنہ ----- یا ایسا نہ ہونے کی صورت میں ان کی جگہ محترم / محترمہ -----

سکنہ ----- وہ بھی کمپنی کے ممبر ہیں کو بطور نائب کمپنی اپنی جگہ کمپنی کے بیالیسواں سالانہ عام اجلاس منعقدہ، بمقام

کمپنی کے رجسٹرڈ دفتر روپائی ہاؤس، 241-242 اپر مال سکیم آئند روڈ لاہور بتاریخ 21 اکتوبر 2022 میری / ہماری جگہ بطور پراکسی شرکت کرنے،

ووٹ دینے کی اجازت دیتا ہوں / ادیتی ہوں۔

درست رقم کی  
ٹکٹ چسپاں کریں

گواہان:

دستخط کئے گئے مورخہ \_\_\_\_\_ اکتوبر 2022

1 دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

---

سی این آئی سی یا پاسپورٹ نمبر: \_\_\_\_\_

2 دستخط: \_\_\_\_\_

نام: \_\_\_\_\_

---

سی این آئی سی یا پاسپورٹ نمبر: \_\_\_\_\_

نوٹ: پراکسیز کے موثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ نیابت دار کمپنی کا رکن ہونا ضروری ہے۔ سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پر کسی فارم کے ساتھ کمپنی میں جمع کرائیں۔



درست رقم کی  
نکٹ چپاں کریں

کمپنی سیکرٹری  
روپالی پولیسٹر لمیٹڈ

روپالی ہاؤس  
241-242 اپر مال سکیم، آئندروڈ،  
لاہور-54000





[rupaligroup.com](http://rupaligroup.com)

**RUPALI POLYESTER LIMITED**

Registered Office

Rupali House, 241 - 242 Upper Mall Scheme,  
Anand Road, Lahore - 54000  
Pakistan.