REGENT TEXTILE INDUSTRIES LIMITED

FIFTY THIRD ANNUAL REPORT FOR THE YEAR ENDED 30TH JUNE 2014

REGENT TEXTILE INDUSTRIES LIMITED

BOARD OF DIRECTORS

Chairman

Mr. Nizam A. Hashwani

Chief Executive/ Director

Mr. Amin A. Hashwani Mr. Abdullah A. Hashwani Mrs.Sultana A. Hashwani Mrs. Farieha A. Hashwani Mrs. Shahrina Hashwani Mr. Aziz

Company Secretary

Syed Muhammed. Yousuf

Auditors

Daudally, Lalani & Co Chartered Accountant

Registered

A-66, Site Monghopir Road, Karachi.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty Third Annual General Meeting of the Company will be held on Tuesday 30th October 2014, at 02:30 P.m at Regent textile Industries Limited, 1st Floor Cotton Exchange Building I.I. Chundriger Road, Karachi, to transact the following business:

- To confirm the minutes of the Fifty Second Annual General meeting held on 30th October 2013.
- To receive and adopt the audited account for the year ended 30th June 2014, together with the Auditors and Directors report thereon.
- To appoint Auditors for the year ended 30th June 2015, and to fix their remuneration. The
 retiring auditors M/S. Daudally, Lalani & Co, Chartered Accountants being eligible have
 offered themselves for re-appointment.
- 4. To transect any other business with the permission of Chairman.

Karachi,03rd October 2014.

By Order of the Board

Syed Mohammad. Yousuf Company Secretary

NOTES:

- The share Transfer Books of the Company will remain closed from 24-10-2014 to 30-10-2014 (Both days inclusive).
- 2. All members should bring their Original National Identity Cards for their identification purpose.
- 3. The form of the proxies must be submitted with the Company within the stipulated time, duly witnessed by person whose name, address and NIC number must be mentioned on the form along with attested copies of the NIC of the beneficial owner and the proxy.
- 4. Proxies in order to be effective must be received at the Registered office of the Company duly stamped, signed and witness not late then 48 hours before the time for holding the meeting during working hours.
- The members are requested to immediately notify the change of address, if any and also to supply a copy of NIC for record of the Company.

REGENT TEXTILE INDUSTRIES LIMITED

DIRECTORS REPORT

The Board of Directors of your company are pleased to present Fifty Third Annual Report together with Audited financial statements of the company along with Auditors Report thereon for the year ended 30th June 2014.

The Company has sustained net loss after tax amounting to Rs17.34 million, the results are summarized below;

	30.06.2014 Rupees
Sales revenue	495,060,626
Cost of Sales	(509,614,285)
Gross (Loss)/ Profit/)	(14,553,659
Operating expenses	5,790,178
Other Income	1,232,805
(Loss)/ Profit before Taxation	(19,111,032)
(Loss)/ Profit after Taxation	(17,335,083)
(Loss) per shares	(3.64)

Your company continued to be in the grip of challenges and in gas load shedding resulted into non-utilization of optimum capacity that has hindered the Company's plans to achieve the desired production targets and the reduction in yarn prices trend will continue to put pressure in next year, and if import of yarn from India not to be monitored seriously the spinning sector of Pakistan will be affected badly. The Company has to operate in depressed textile market trends when cost continued to go up due to increased cost of production/production loss on account of load shedding of gas in SITE Area, Karachi

The Board of Directors expressed their deep condolences with sorrow and grief over the sad demise of Mr. Akberali Hashwani, Chief Executive on 3rd March 2014, and the directors offered Fateha and prayed Al- Mighty Allah to rest the departed soul in peace.(Ameen)

On account of demise of Mr. Akberali Hashwani, Chief Executive of the Company who passed away on 3rd March 2014, the vacancy of Chief Executive was filled- in and Mr. Amin A. Hashwani co-opted to act as Chief Executive. Against the vacancy of director, Mrs. Shahrina Hashwani is appointed as director for remaining term in the Company

The Directors have not recommended any dividend for the year ended 30th June 2014, because of the loss for the year and cash flow position.

Referring to the Auditor's opinion for raising doubts on going concern on account of negative equity, the reasons highlighted at Note No.1.3 of the accounts are self explanatory and that with the support of associated persons, the operational activity of the company would continue to be intact and the auditors observation about the doubt as a going concern can not sustain in near future also. There is no any

significance of adverse impact on Company's operational activity being supported by its associated concerns/ majority shareholders.

SOCIAL COMPLIANCE AND HUMAN RESOURCES:

The Company's human resources policy has been based on the values of fairness, merit, equal opportunity and social responsibility. In complying of this policy, the company does not employ any child labour and we endeavor to keep healthy working condition,

Taxation

Provision for taxation has been provided. Tax liability as highlighted at Notes # 30 of the Accounts.

Corporate Governance

Your Company has been complying with the rules & regulation of securities & Exchange Commission of Pakistan and has implemented better internal control policies with more rigorous checks and balances.

Auditors

In accordance with the guidelines provided under the code of corporate governance, the board of directors have recommended the name M/S. Daudally, Ialani & Co, Chartered Accountants for appointment of Auditors, as required u/s, 253 of the Companies Ordinance 1984.

Related party Transaction

The Board of Directors has approved the policy for transaction between company and its related parties on an arm length bases and relevant rates determined as per the Comparable un controlled price method.

The pattern of share holding as required under section 234 of the Companies Ordinance 1984, for the period ended 30th June 2014, annexed.

Acknowledgement

We take pleasure in expressing appreciation and thank all the employees and excellent team efforts, devotion and loyalty throughout the year. We would also like to acknowledge the support and cooperation received from valued customers, banks, for their confidence and support during the period.

Karachi: 03/10/2014

By Order of the Board

AMINA. HASHW Chief Executive REGENT TEXTILE INDUSTRIES LIMITED

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

DAUDALLY, LALANI & CO. CHARTERED ACCOUNTANTS

CHARTERED ACCOUNTANTS

SUITE # 505 & 506, 5TH FLOOR, FORTUNE CENTRE, 45-A, P.E.C.H.S, BLOCK # 6, SHAHRAH-E-FAISAL, KARACHI-75400

Tel. : (92-21) 34328480-82 (3 Lines)

Fax : (92-21) 34328483 E-mail : dica@cyber.net.pk

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of REGENT TEXTILE INDUSTRIES LIMITED as at June 30, 2014 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - the expenditure incurred during the year was for the purpose of the Company's business; and
 - the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2014 and of the loss, total comprehensive loss, its cash flows and changes in equity for the year then ended; and

Cont'd P/G 2

DAUDALLY, LALANI & CO.

CHARTERED ACCOUNTANTS

(-2-)

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

Without qualifying our opinion we draw attention to the facts stated at para (i) below:

i) that the Company has accumulated losses of Rs. 139,962,777 (2013: Rs. 122,681,884) thereby making the equity negative by Rs. 91,467,970 (2013: Rs. 74,187,077). However, for the reasons more explained in note 1.3, the annexed financial statements of the company have been prepared on going concern basis, without making any adjustments for realization of its assets and settlement of its liabilities.

Chartered Accountages

Engagement Partner: Sohail Lalani

Kagachi 0 3 OCT 2014

REGENT TEXTILE INDUSTRIES LIMITED BALANCE SHEET AS AT JUNE 30, 2014

		2014	2013
ASSETS	Note	Rupees	Rupees
MON CURRENT ASSETS			
Property, plant and equipment	:4.	190,701,560	163,713,835
Cep tal work in progress - plant & machinery Long term investments		1,254,345	
Descript taxation - net	5	5,101,246	6,110,638
and the	6	10,769,385	4,372,315
CURRENT ASSETS		207,826,536	174,196,788
Sieres and spares			
Sinck in trade	-	2,833,091	6,918,506
Trade debts	7	96,060,630	35,967,378
Advances, prepayments and other receivables	8	2,072,284	4,333,200
Advance income tax	10	11,520,624	14,051,385
Due from associated undertaking	11	4,660,923	3,617,525
Certent portion of long term investment and profit	5	11,251,120	300,000
Cash and bank balances	12	10,581,842	2,736,776
	12	2,872,251 141,852,765	5,317,108
TOTAL ASSETS		349,679,301	73,241,878
EQUITY AND LIABILITIES		242,073,301	247,438,666
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7.500,000 (2013: 7,500,000) ordinary shares of Rs. 10 each			
(10 each		75,000,000	75,000,000
Issued, subscribed and paid up capital			
Special reserve	13	47,586,630	47,586,630
Accumulated loss	14	908,177	908,177
seconditated 1035		(139,962,777)	(122,681,884)
Surplus on revaluation of property, plant and equipment		(91,467,970)	(74,187,077)
- pass on to variation of property, plant and equipment	15	86,911,521	86,965,711
NON-CURRENT LIABILITIES		(4,556,449)	12,778,634
Subordinate Ioan	16	155 200 000	ORDAN SWANNER S
	10	155,000,000	155,000,000
CURRENT LIABILITIES			
Short term borrowings	17	43,197,730	
Creditors, accrued and other liabilities	18	17,828,148	15 449 900
Due to associated undertaking	19	132,758,270	15,448,899 60,756,660
Due to directors (unsecured, non-interest bearing)		481,695	482,868
Workers profit participation fund			
Provision for taxation		V 050 C0C	328,289
Unclaimed dividend		4,950,606	2,624,015
		19,301 199,235,750	19,301
COMMITMENTS	26	177,433,730	79,660,032
TOTAL EQUITY AND LIABILITIES		240 670 201	248 400 553
		349,679,301	247,438,666
The annexed notes form an integral part of these financial statement	is.	()	
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Chief Executive

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Director

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REGENT TEXTILE INDUSTRIES LIMITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2014

	Note	2014 Rupees	2013 Rupees
Sales Chat of sales Chass (loss) / profit	20	495,060,626 (509,614,285) (14,553,659)	516,003,045 (504,120,534) 11,882,511
Administrative Selling Financial Workers profit participation fund	22 23	4,854,688 106,197 829,293 - (5,790,178)	5,910,479 97,452 120,258 328,289 (6,456,478)
Other income (Loss) / profit before taxation Taxation	24	(20,343,837) 1,232,805 (19,111,032)	5,426,033 1,129,767 6,555,800
Current Prior Deferred		(4,950,606) 329,485 6,397,070 1,775,949	(2,624,015) 44,000 (2,265,609) (4,845,624)
(Loss) / profit after taxation (Loss) / earning per share	27	(3.64)	1,710,176 0.36

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

Chief Executive

audlla Haxlelan Director

REGENT TEXTILE INDUSTRIES LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2014

	2014 Rupees	2013 Rupees
(Loss) / profit after taxation	(17,335,083)	1,710,176
Other comprehensive income .	n = ==================================	### ### ### ### ### ### ### ### ### ##
Total comprehensive (loss) / income for the year	(17,335,083)	1.710.176

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

Chief Executiv

audliau Harlillau
Director

REGENT TEXTILE INDUSTRIES LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2014

Chief Executive

	2014 Rupees	2013 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / profit before taxation	(In (11 page)	
Adjustment for non cash charges & other items	(19,111,032)	6,555,800
Depreciation	8,556,113	9 604 446
Financial charges	829,293	8,694,446 120,258
Operating cash flows before working capital changes	9,385,406	8,814,704
	(9,725,626)	15,370,504
Working capital changes		
Stores & spares		===
Stock in trade	4,085,415	(4,286,475)
Trade debts	(60,093,252)	(4,137,871)
Advances and other receivables	2,260,916 2,530,761	9,087,287
Due from associated undertaking	(10,951,120)	6,585,770
Due to directors	(1,173)	(300,000) 482,868
Provision for workers profit participation fund Creditors, accrued & other liabilities	(-1,-1,-1)	328,289
Cosmors, accorded & other manifiles	2,379,249	3,014,943
	(59,789,204)	10,774,811
Net cash (used in) / generated from operations	(69,514,830)	26,145,315
Financial charges paid	(829,293)	
Workers' profit participation fund paid	(328,289)	(120,258)
Income tax paid	(3,337,928)	(4,231,952)
	(4,495,510)	(4,352,210)
Net cash (used in) / flows from operating activities	(74,010,340)	21,793,105
CASH FLOWS FROM INVESTING ACTIVITIES		21,723,103
Property, plant & equipment	(35,543,838)	CEETA ALOON
Capital work in progress	(1,254,345)	(571,100)
Long term investments	(6,954,438)	2
Profit receivable on long term investments	118,764	(409,767)
Net cash used in investing activities	(43,633,857)	(980,867)
CASH FLOWS FROM FINANCING ACTIVITIES		1200,001
Due to associated undertaking	72,001,610	(17,452,855)
Net cash flow from / (used in) financing activities	72,001,610	(17,452,855)
Net (decrease) / increase in cash and cash equivalents	(45,642,587)	3,359,383
Cash and cash equivalents at the beginning of the year.	5,317,108	1,957,725
Cash and cash equivalents at the end of the year.	28 (40,325,479)	5,317,108
The annexed notes form an integral part of these financial statements.	√ = =	
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Director

REGENT TEXTILE INDUSTRIES LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2014

	2 I +-	Revenue	Reserve	
	Issued, subscribed & paid up capital	Special Reserve	Accumulated Loss	Total
		R	upees ———	
Balance as at June 30, 2012	47,586,630	908,177	(124,452,271)	(75,957,464)
Total comprehensive income for the year ended June 30, 2013		**	1,710,176	1,710,176
Transferred from surplus on revaluation of property plant & equipment on account of incrementa depreciation charged	-	-	60,211	60,211
Balance as at June 30, 2013	47,586,630	908,177	(122,681,884)	(74,187,077)
Total comprehensive loss for the year ended June 30, 2014		(#	(17,335,083)	(17,335,083)
Transferred from surplus on revaluation of property, plant & equipment on account of incremental depreciation charged	; 	ŧ	54,190	54,190
Balance as at June 30, 2014	47,586,630	908,177	(139,962,777)	(91,467,970)
	y			1. 21.2132.00

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

Chief Executive

audllaw Hastulaw

Director

THE YEAR ENDED JUNE 30, 2014

MATURE AND STATUS OF THE COMPANY

The company was incorporated in 1961 under the Companies Act 1913 (now Companies Ordinance, 1984) in Pakistan as a public limited company and previously remained listed on Karachi Stock Exchange. The company is principally engaged in manufacturing and sale of cotton yarn under the brand name of "TEXTURE". Its registered office is at A-66 Manghopir Road, S.I.T.E Karachi.

Upon request of the company for delisting and for buy-back of shares by its sponsors at price agreed with the Karachi Stock Exchange, the company was delisted by the Exchange effective May 25, 2012.

- L2 The company has under taking of spinning units comprising 12,960 spindles and was a sick unit. The present management of the company had, with the negotiation of Industrial and Development Bank of Pakistan taken over in 1988 and managed to run the project for healthy growth for economy and the contribution towards the national economy.
- 1.3 The company has sustained accumulated losses of Rs. 139,962,777 (2013: Rs.122,681,884), resulting in negative equity of Rs. 91,467,970 (2013: Rs.74,187,077). However, these financial statements have been prepared under a going concern assumption without taking any adjustments because management anticipates continued support from its associated undertakings.

BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise Accounting and Financial Reporting Standards for Medium Size Entities (MSEs) issued by The Institute of Chartered Accountants of Pakistan as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives take precedence.

2.2 Accounting convention

These financial statements have been prepared on the basis of historical cost convention except certain items of property, plant & equipment which are stated at their revalued amounts.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are summarized below:

3.1 Property, plant and equipment

- Owned

These are stated at cost less accumulated depreciation except leasehold land and old building which are stated at revalued amount.

The company is charging depreciation from the month of purchase in case of additions while no depreciation is charged for the month in which asset is disposed off.

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Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Gains and losses on disposal of assets are taken to current profit and loss account.

Leased

Assets held under finance leases are stated at lower of present value of minimum lease payments under the lease agreements and the fair value of the assets acquired on lease. The outstanding obligations under finance leases less financial charges allocated to future periods are shown as liability. The financial charge to date is calculated at the interest rate implicit in the lease and is charged to profit and loss account.

The related obligation under the finance lease less financial charges, allocated maintenance and normal repairs are charged to income as and when incurred.

Depreciation is charged at the same rates as charged on company's owned assets.

3.2 Stores

Stores are valued at average cost.

3.3 Stock in trade

Stock in trade comprises raw cotton, work in process, finished goods and packing material. Stock-in-trade is valued at lower of cost and net realizable value. Cost signifies average cost. Net realizable value signifies the selling price less cost necessarily to be incurred to make the sale.

3.4 Revenue recognition

Revenue from sale of goods is recognized on dispatch of goods to customers. Profit / mark-up on deposits and investments are accounted on accrual basis.

3.5 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account tax credits and rebates available (if any).

Deferred

Deferred tax is recognised using the balance sheet liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the balance sheet date.

3.6 Foreign currency transaction

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

Section.

be soon is recognized in the balance sheet when the company has legal or constructive obligation as a past event, it is probable that an outflow of resources embodying economic benefits will be required the obligation and a reliable estimate can be made of the amount of obligation.

Imagial instruments

financial assets and liabilities are recognized at the time when the company becomes a party to the actual provisions of the instrument. All the financial assets are derecognized at the time when the losses control of the contractual right that comprise the financial assets. All financial liabilities are gnized at the time when they are extinguished, that is, when the obligation specified in the contract is cancelled or expires. Any gain or loss on derecognition of the financial assets and financial assets is taken to profit and loss account, currently.

setting of financial assets and liabilities

Transcial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amount and the company to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

Trade debts

Tende debts originated by the company are recognized and carried at original invoice amount less an absences for any uncollectible amounts, if any. An estimate for doubtful debt is made when collection of a unount is no longer probable. Bad debts are written off as incurred.

LII Trade and other payables

Short term liabilities for trade and other payables are carried at cost.

3.12 Mark-up bearing borrowings

Mark-up bearing borrowings are recognized initially at cost, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at original cost less repayments, while the difference between the cost (reduced for periodic payments) and redemption value is recognized into the profit and loss account over the period of the borrowings on an effective mark-up basis.

3.13 Other receivables

Other receivables are recognized at their original value.

3.14 Contingent assets

A contingent asset is disclosed where an inflow of economic benefits is probable.

3.15 Contingent liabilities

A contingent liability is disclosed in the financial statements unless the possibility of an out flow of resources embodying economic benefits is remote.

3.16 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances and short term borrowing. The cash and cash equivalents are subject to insignificant changes in value.

3.17 Impairment of assets

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated to determine the extent of the impairment loss, if any. Impairment losses are recognized as an expense in the profit and loss account.

3.18 Transactions with related parties

The company enters into transactions with related parties at arm's length prices determined in accordance with the methods approved by the board of directors.

3.19 Dividends and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

3.20 Investments

Investments with fixed or determinable payments and fixed maturity that the company has the positive intent and ability to hold to maturity are treated as held to maturity and are initially recognized at cost. Subsequently, these investments are valued at amortized cost.

3.21 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the company operates. The financial statements of the company are presented in Pak Rupees, which is the company's functional and presentation currency.

3.22 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are discussed in note 30.

Particulars		Net carryli year ended	Net enrrying value basis year ended June 30, 2014	r	Great	from certaphy value by	Spark .	ħ.
	Opening Net book value (NBV)	Addition (at cost)	Depre- ciation charge	Closing Net Book value	Cost	Accumulated Depreciation	Net book value	Rate %
Company owned				Rupees	ses			***************************************
Lease hold land	87,250,000		Si	87,250,000	87,250,000		87.250.000	,
Factory labour colony	4,580,219	1,0	(466,652)	5,149,207	25,474,629	(20,325,422)	5,149,207	10
Plants & machinery	29 278 435	22.451.100	(159,133)	1,473,741	6,054,800	(4,581,059)	1,473,741	10
Laboratory equipment	786.024		(1/2,1cu,c)	48,678,364	178,299,158	(129,620,794)	48,678,364	10
Air conditioning equipment	13.648.684	()	(76,002)	10 200 01	6,458,712	(5,751,291)	707,421	10
Power house machinery	24 296 710	1 076 014	(3,004,008)	12,283,815	18,398,626	(6,114,811)	12,283,815	10
Work shop equipment	19 153	^	(4,462,670)	25,090,748	76,269,408	(53,178,660)	23,090,748	10
Fire fighting equipment	2232	ī	(4,915)	17,238	210,802	(193,564)	17,238	10
Scales & measuring equipment	19 921	i 1	(223)	2,009	24,625	(22,616)	2,009	10
Office equipment	115 170	167 000	(1,992)	17,929	219,000	(201,071)	17,929	10
Electric & Gas equipment	138 451	0.107.385	(20,825)	255,345	406,513	(151,168)	255,345	10
Furniture and fixture	86 773	7,1UT,JGJ	(97,724)	8,925,512	9,295,137	(369,625)	8,925,512	10
Gas installation	22,723	t : ()	(8,6/2)	78,051	744,138	(666,087)	78,051	10
Computer equipment	7346	ri e	(2,245)	20,205	251,691	(231,486)	20,205	10
Fans & air conditioners	312,072	104.000	(2,204)	5,142	407,605	(402,463)	5,142	30
Telephone installation	27 001	104,000	(32,094)	384,179	634,475	(250,295)	384,180	10
Vehicle/motor cycle	1 582 781	1 205 000	(3,409)	30,682	198,158	(167,476)	30,682	10
THE PARTY OF THE P	107,420-41	000,505,1	(908,666)	2,331,975	4,729,350	(2,397,375)	2,331,975	20
June 30, 2014	163,713,835	35,543,838	(8,556,113)	190,701,560	415,326,827	(224,625,267) 190,701,560	190,701,560	

Land and building have been mortgaged to the extent of Rs. 491 Million (2013: Rs. 491 Million) with Faysal Bank Limited in respect of finance facility availed from associated concerns, Messrs Hassan Ali Rice Export Company and Syndicate Mineral Export Company.

Particulars		Net carryin year ended .	Net carrying value basis year ended June 30, 2013		Gro	Gross carrying value basis	basis	Ŧ
	Opening Net book value (NBV)	Addition (at cost)	Depre- ciation charge	Closing Net Book value	Cost	Accumulated Depreciation	Net book value	Rate %
Commony owned				Rupees	bees			
сонграну омпец								
Lease hold land	87,250,000	95	8	87,250,000	87,250,000	ц	87,250,000	Ą
Factory building mill	5,089,132	(ii	508,913	4,580,219	24,438,989	(19,858,770)	4,580,219	10
Factory labour colony	1,619,749	78,000	164,575	1,533,174	5,955,100	(4,421,926)	1,533,174	10
riant & macminery	32,375,159	155,000	3,251,724	29,278,435	155,847,959	(126,569,524)	29,278,435	10
Laboratory equipment	817,360	54,000	85,336	786,024	6,458,712	(5,672,688)	786,024	10
Air conditioning equipment	15,165,204	,	1,516,520	13,648,684	18,398,626	(4,749,942)	13,648,684	10
rower nouse machinery	26,996,344	î —	2,699,634	24,296,710	74,992,494	(50,695,784)	24,296,710	10
work snop equipment	21,281	î	2,128	19,153	210,802	(191,649)	19,153	10
Coles & measuring comment	2,480		248	2,232	24,625	(22,393)	2,232	10
Office agriculture	22,134	. (2,213	19,921	219,000	(199,079)	19,921	10
Flactric & Gas sominment	1961/8	36,000	8,797	115,170	239,513	(124,343)	115,170	10
Euraiture and Eutrus	1,353	140,000	8,902	138,451	190,752	(52,301)	138,451	10
Cocinetallation	96,359	j a ir	9,636	86,723	744,138	(657,415)	86,723	10
Cas mstattation	24,944	į	2,494	22,450	251,691	(229,241)	22,450	10
Computer equipment	10,494	4 1	3,148	7,346	407,605	(400,259)	7,346	30
Tolombono installation	724,807	108,100	30,693	312,273	530,475	(218,201)	312,273	10
Vahiologianotor mola	V/86/6	¥	3,788	34,091	198,158	(164,067)	34,091	10
venere/motor cycle	1,9/8,4/0	*	395,695	1,582,781	3,424,350	(1,841,569)	1,582,781	20
June 30, 2013	171,837,182	571,100	8,694,446	163,713,835	379,782,989	(216.069.153)	163 713 835	

Land and building have been mortgaged to the extent of Rs. 491 Million (2012; Rs. 491 Million) with Faysal Bank Limited in respect of finance, facility availed from associated concerns, Messrs Hassan Ali Rice Export Company and Syndicate Mineral Export Company.

	TERM INVESTMENTS		2014 Rupees	2013 Rupees
	January maturity			
	Deline Living certificates	(Note 5.1)	1,615,000	122222
	Lines deposits	(Note 5.2)	8,859,438	1,615,000
			10,474,438	1,905,000 3,520,000
	Frofit accrued upto June 30,		5,208,650	5,327,414
			15,683,088	8,847,414
	Current portion of principal			
	Profit on the above		(5,373,192)	(1,905,000)
			(5,208,650)	(831,776)
			(10,581,842)	(2,736,776)
			5,101,246	6,110,638
6	5.2 These deposits with Habib Metropol mentioned at note 5.1 above. These annum). DEFERRED TAXATION - Net	carry interest @ 11%	to 15% per annum (2013	: 11% to 15% per
	Deferred tax asset recognised on unabsorbed Deferred tax liability recognised on surplus of	l tax losses on revaluation of	11,031,998	4,664,107
	property, plant & equipment (Note # 14)		(262,613)	(291,792)
			10,769,385	4,372,315
7	STOCK IN TRADE		,	
į	Raw cotton		41 000 000	
	Work in process		41,830,770 5,902,712	23,498,075
	Finished goods		47,960,660	5,102,461 7,000,353
1	Packing material		366,488	366,489
			96,060,630	35,967,378
8	FRADE DEBTORS		- 3,000,000	22,701,310
	Jusecured, considered good	ſ	2,072,284	4,333,200

				2014 Rupees	2013 Rupees
3	# ACTUANCE	S, PREPAYMI	ENTS & OTHER RECEIVABLES		
	and the second	considered good			
	diffusions			5	
	pliers			1,391,705	5,894,571
	Dr. Hatt			1,969,811	1,880,992
				3,361,516	7,775,563
	Enguyments			8,932	
	Other receive				
		ntee margin		144	268,446
	Sales tax			2,305,466	3,571,283
	lasurance d	laim		5,844,710	2,436,093
				11,520,624	14,051,385
	ADVANCE	INCOME TAX			
	Advance inco			4,650,923	3,617,525
	Income tax re	fundable - Tax	year 2013	10,000	-
				4,660,923	3,617,525
u	DUE FROM	ASSOCIATED	UNDERTAKING		
	Unsecured, in	terest free		11,251,120	300,000
	2013 May 14 (20 4)	P WEEK SEAL OF THE TOTAL		· 	
W.	CASH & BA	NK BALANCE	S -		
	Cash in hand			58,907	90,453
	Cash at banks	in current accou	mts	2,813,344	5,226,655
				2,872,251	
				=	5,317,108
3	ISSUED, SUE	BSCRIBED & F	PAID UP CAPITAL		
	2014	2013		2014	2013
	Sec G.A.TE	2013		Rupees	Rupees
			Ordinary shares of Rs. 10/- each		
	264,373	264,373	issued for cash	2,643,730	2,643,730
					-,o (0,100
			Ordinary shares of Rs. 10/- each		
	4,494,290	4,494,290	issued as right shares for cash	44,942,900	44,942,900
	4,758,663	4,758,663		A7 507 700	
3	1,120,003	1,70,003		47,586,630	47,586,630
			1	0	

	2014 Rupees	2013 Rupees
RESERVE		
15bb of Income Tax Act	908,177	908,177
ON REVALUATION OF PROPERTY, PLANT &		
au en July 01,	87,257,503	87,350,135
Translattred to retained earnings on account of incremental depreciation charged for the year - net off deferred tax		
Statuted State of the Control	54,190	60,211
Related deferred tax liability	29,179	32,421
A on manufaction of annual	83,369	92,632
Series on revaluation of operating property, plant & equipment and June 30	87,174,134	87,257,503
Less: Related deferred tax liability:		
Balance as at July 01, Incremental depreciation charged during the year transferred	291,792	324,213
to profit and loss account	(29,179)	(32,421)

14.1 The revaluation of building and land was carried out by Messrs G.B. Potts & Co. Limited, on September 15, 1986 resulting in surplus of Rs. 22,327,969. A further revaluation of land was carried out by Messrs Iqbal Nanjee & Co. on September 30, 2000 resulting in surplus of Rs. 94,835,969. The revaluation surplus of Rs. 94,835,969 was credited to surplus on revaluation of fixed assets account. Its' present account balance is net of incremental depreciation transferred to retained earnings.

262,613

86,911,521

14.2 Under section 235 of the Companies Ordinance, 1984:

- Depreciation on assets which were revalued were determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year has been taken to the profit and loss account.
- An amount equal to incremental depreciation for the year has been transferred from "surplus on revaluation of property, plant & equipment account" to "accumulated loss" through statement of changes in equity to adjust surplus to the extent of the incremental depreciation charged during the



Balance as on June 30,

291,792

86,965,711

TEARDINATE LOAN		2014 Rupees	2013 Rupees
Ali Rice Export Company Minerals Export Company	(Note 16.1) (Note 16.2)	140,000,000 15,000,000	140,000,000 15,000,000
		155,000,000	155,000,000

The unsecured and interest free loan was obtained from Messrs Hassan Ali Rice Export Company, an associated undertaking, and has been reclassified as a "Subordinated Loan", vide an agreement dated September 30, 2000 (to cover the entire transaction); whereby the company had, inter-alia, been allowed a grace period of five years so as to enable payments subsequent to the year end September 30, 2005. The interest free loan was obtained to strengthen / support the financial position of the company. Subsequently, to meet the working capital requirements of the company, the said loan was enhanced to the tune of Rs. 150 Million vide a supplementary agreement dated September 30, 2003 which was further extended to September 30, 2007. Later on, vide supplemental agreement of loan dated September 08, 2007, the company had been allowed a grace period of further two years for repayments from December 31, 2009. However, the agreement was extended for a further period of two years. The grace period was increased by further three years, i-e, upto December 31, 2014.

16.2 The unsecured and interest free loan having a limit of Rs.25 million has been obtained, vide an agreement dated March 20, 2009 and is repayable after the full satisfaction of secured loans of creditors and within a period of seven years from the date of its disbursement.

17	Short term borrowing	2014 Rupees	2013 Rupees
	Bank Islami Murabaha Account	43,197,730	

The running finance facility available is upto Rs 125 million (2013: nil) till January 31, 2015 to meet working capital requirements. The facility is secured against pledge of cotton and yarn with 10% margin to be kept in lock and personal guarantees of directors. Mark-up is payable @ KIBOR + 3% P.A.(2014: Nil).

18 CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors for goods for services and accrued expenses	5,599,981 8,768,787 14,368,768	699,077 5,061,276 5,760,353
Accrued interest on long term loans and charges Security deposit Other liabilities	2,161,801 1,000 1,296,579	2,161,801 1,000 7,525,745
	17,828,148	15,448,899

DUE TO ASSOCIATED UNDERTAKING	2014 Rupees	2013 Rupees
Desecuted, interest free	132,758,270	60,756,660
SALES	-	
Yam-local	494,004,290	513,911,890
Waste	1,557,379	2,507,698
Gross Sales	495,561,669	516,419,588
Less: Sales commission	501,043	416,543
	495,060,626	516,003,045
21 COST OF SALES		— = = =
Raw material consumed		
Opening stock	23,498,075	2,771,266
Purchase - local raw material	296,550,486	296,266,575
- import	55,294,616	12,458,963
	351,845,102	308,725,538
	375,343,177	311,496,804
Less: closing stock	(41,830,770)	(23,498,075)
	333,512,407	287,998,729
Packing material consumed	3,752,887	3,579,881
Manufacturing overheads Salaries, wages & other benefits (Note 21.1)		
Salaries, wages & other benefits (Note 21.1) Stores & spares consumed	73,708,652	73,181,180
Cotton incidental charges	6,798,117	2,110,797
Fuel, power & water	6,829,455	7,281,330
Printing & stationery	85,208,423	64,473,673
Repairs & maintenance	104,640 25,084,676	106,531
Depreciation	8,556,113	31,572,572
Telephone	327,464	8,694,446 398,359
Vehicle running & maintenance	1,408,395	976,763
Traveling & conveyance	1,105,676	491,574
Insurance	627,501	2,914,791
Other expenses	4,350,437	3,834,011
	214,109,549	196,036,027
Work in process	551,374,843	487,614,637
Opening	5,102,461	4 441 702
Closing	(5,902,712)	4,441,703 (5,102,461)
	(800,251)	(660,758)
Cost of goods manufactured	550,574,592	486,953,879
Finished goods		
Opening	7,000,353	24,167,008
Closing	(47,960,660)	(7,000,353)
	(40,960,307)	17,166,655
, j	509,614,285	504,120,534

contractual basis.

			2014 Rupees	2013 Rupees
22	ADMINISTRATIVE EXPENSES			
	Director's remuneration	(Note 22,1)	980,000	000.000
	Staff salaries & allowances	(Note 22.2)	1,582,510	980,000
	Vehicle running and maintenance		47,050	1,431,454
	Telephone		161,895	23,534
	Auditors' remuneration	(Note 22,3)	118,430	253,434
	Legal and professional	(150,250	129,645
	Entertainment		109,742	191,000
	Fees and subscription		3407-0007 - 241	68,121
	Printing and stationery		792,095	121,675
	Traveling and conveyance		26,356	29,916
	Computer running and maintenance		148,785	126,840
	Repair and maintenance		20,180	12,580
	Charity and donations	(Note 22.4)	3,220	18,986
	Miscellaneous	(140te 22,4)	630,500	314,090
			83,675	2,209,204
			4,854,688	5,910,479
	22.2 This does not include any post re- contractual basis.	etirement staff benefits sind	ce all the employees have	ve been hired on
	22.3 Auditors' remuneration			
	Audit fee		100,000	100 000
	Out of pocket expenses		18,430	100,000
		2	10,430	29,645
	22.4 No director or his spouse had any int	erest in above donated funds	118,430	129,645
23	FINANCIAL EXPENSES			
	Bank charges and commission		242,493	120,258
1	Mark up on short term loan		586,800	120,200
		;=	829,293	120,258
24 (OTHER INCOME			
1	Rental income		700 000	
	Profit on investments		720,000	720,000
		_	512,805	409,767

25 TAXATION

23

24

- 25.1 The income tax assessments of the company have been finalized upto tax year 2013.
- 25.2 In view of available carry forward tax losses, the provision for current year taxation is based on minimum tax @ 1% (2013: 0.5%) under Section 113 of the Income Tax Ordinance, 2001 and to the extent of final tax liability on rental income, if any. Accordingly, numerical reconciliation between the average effective rate and applicable tax rate has not been presented.

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1,129,767

1,232,805

26	COMMITMENTS			
	Bank guarantees These guarantees have been issued on beha	lf of the company as ex	5,032,800 xplained fully at sub-notes # 5.	2,105,000 1 and 5.2.
27	(LOSS)/EARNINGS PER SHARE			
	Net (loss)/profit for the year	Rupees	(17,335,083)	1,710,176
	Weighted average number of ordinary share	s in issue	4,758,663	4,758,663
	(Loss)/earnings per share (basic)	Rupees	(3.64)	0.36
28	There is no dilutive effect on basic earning parties of the control of the contro	oer share.	2014 Rupees	2013 Rupees
(Cash and bank balances (note 12) Short term borrowings (note 17)		2,872,251 (43,197,730) (40,325,479)	5,317,108

28

2014

Rupees

2013

Rupees

IN VINANCIAL INVITIGATION IN AND RELATED BESCEOSURES

29.1 Interest rate risk exposure

The company's exposure to interest rate risk and the effective rates on its financial assets and liabilities are summarised as follows:

					2014				
			Interest / Markup Bearing	p Bearing			Non-Interest Bearing	mo	
	Total	Less than	One to	More than	Total	Less than	One to	More thou	Phoeba
Financial accate		one year	five years	five years		one year	5/1	five years	TEDO 1
Long term investments	5 101 3		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1						
Strong Strong	OFALUL, C	k.	5,101,246		5,101,246	,	0	Е	4
Current prtion of long term investment and profit	10,581,842	1.905.000	0	i	1 000-000	100000			
Trade debtors	2.072.284	,		u i	Onoscoocs,	8,0/6,842	×	ž	8,676,842
Advances and	Louisian Louis				п	2,072,284	É	ŧ	2,072,284
other receivables	5,844,710		ρđζ			5 844 710			
Due from associated								Ċ	3,844,710
undertakings	11,251,120	HMC	Ē	٧	74)	11.251.120			7
Cash and bank									11,451,140
balances	2,872,251	à)	4	G.	•	2,872,251	į		136 079 6
Rupees	37,723,453	1,905,000	5,101,246	ā	7,006,246	30,717,207			162,210,2
Financial liabilities									102,117,00
Subordinate Ioan	155,000,000	(\$	ij		á	1	155,000,000		0000,000
Short ter borrowings	43,197,730	43,197,730	•		43.197.730	5 (6	00000000	Ę.	000,000,001
Creditors, accrued & other liabilities	17,828,148	:10	٠	,		7 878 140	ŝ.		N.
Due to associated undertaking	132.758.270	,	Û		:	017607067	n.	*	17,828,148
The to directors	102 101		i	ė.	ŧ.	152,758,270		(ř	132,758,270
	481,695		ê	ì	DC	481,695	30	ī	481,695
Rupees Net financial assets \	349,265,843	43,197,730	.2	v.	43,197,730	151,068,113	155,000,000	1	306,068,113
(flabilities)	(371,542,390)	(41,292,730)	5,101,246	ī	(36,191,484)	(120,350,906)	(155,000,000)		(275,350,906)

					2013				
	Total	Less than	Interest / Markup Bearing One to More than	up Bearing More than	Total		Non-Interest Bearing One to	More than	
Financial assets			TAKE JESTIO	supo degra		cute year	Eve years	five years	Total
Long term investments	6,110,638	х	6,110,638		6.110.6.01				
Current priion of long term investment and profit	2,736,776	1,905,000	. 1	Ŀ.	Lam don				
Trade debtors	4,333,200	×	į			10000		e Err	MAT TAN
Advances and other receivables	8,599,110	11				DOTALLA			4,310,300
Due from associated						001/602/2	. '	i.	A,590,110
	300,000	180	C	. 4		300,000	þ	3	300,000
Cash and bank balances	5,317,108	ŀ	•	٠		0			
Rupecs	27,396,832	1,905,000	6,110,638	a a	8,015,638	19,381,194		2	5,317,108
Financial liabilities								Ì	19,381,194
Subordinate Ioan	155,000,000	E	4	п			11		
Creditors, accrued & other liabilities	15,448,899	<i>W</i>	1/	: 4	•	g)	155,000,000	Ä	155,000,000
Due to associated undertaking	60.756.660				ŧ	15,448,899	ă	ŧ	15,448,899
Due to directors	030 000	•	i	è	9	60,756,660	1.	,	60,756,660
Workson	000000	ĸ		(k)	,	482,868	: :	,	482,868
workers pront participation fund	328,289	.a	t	ı	k	328,289	ė	ř.	328,289
Rupees Net financial assets \	232,016,716		G.			76,205,559	155,000,000	:1	232,016,716
(liabilities)	(204,619,884)	1,905,000	6,110,638	*	8,015,638	(56,824,365)	(155,000,000)		(212,635,522)

The effective interest / markup rate for each of the monetary financial instruments is given in respective notes.

29.2 Concentration of credit risk

party in the same that one party to a financial instrument will fail to discharge an obligation and cause the other party in the same a financial loss. The company attempts to control credit risk by monitoring credit exposures and limiting transactions with specific counterparties.

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the company performance to developments affecting a particular industry of geographic location.

The company is not materially exposed to credit risk.

29.3 Fair values of financial assets and financial liabilities

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair

Underlying the definition of fair value is the presumption that the company is a going concern with out any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as shown in these financial statements.

air value of financial assets and liabilities are as follows

	2014 Book Value	2014 Fair Value	2013 Book Value	2013 Fair Value
Financial assets		Rup	oces	
arrent portion of long term	5,101,246	5,101,246	6,110,638	6,110,638
estment and profit	10,581,842	10,581,842	2,736,776	9 722 772
de debtors dvances, prepayments and	2,072,284	2,072,284	4,333,200	2,736,776 4,333,200
ther receivables from associated	5,844,710	5,844,710	8,599,110	8,599,110
dertakings	11,251,120	11,251,120	300,000	
hand bank balances	2,872,251	2,872,251	5,317,108	5,317,108
	37,723,453	37,723,453	27,396,832	27,096,832
	2014 Book Value	2014 Fair Value	2013 Book Value	2013 Fair Value
mucial liabilities		Rupe	es 	
rdinate loan term borrowings	155,000,000 43,197,730	155,000,000 43,197,730	155,000,000	155,000,000
der liabilities	17,828,148	17,828,148	15 440 000	de maren
■ is directors	481,695	481,695	15,448,899 482,868	15,448,899
to associated undertaking thers profit	132,758,270	132,758,270	60,756,660	482,868 60,756,660
ipation fund		-	328,289	328,289
15.	49,265,843	349,265,843	232,016,716	232,016,716
*	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	+		Page 21

19.2 Concentration of credit risk

Crode risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The company attempts to control credit risk by monitoring credit exposures and limiting transactions with specific counterparties.

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet continuous abligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the company performance to developments affecting a particular industry of geographic location.

The company is not materially exposed to credit risk.

29.3 Fair values of financial assets and financial liabilities

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair

Underlying the definition of fair value is the presumption that the company is a going concern with out any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as shown in these financial statements.

Fair value of financial assets and liabilities are as follows

	2014 Book Value	2014 Fair Value	2013 Book Value	2013 Fair Value
Financial assets		Rup	oees	
Long term investments Current portion of long term	5,101,246	5,101,246	6,110,638	6,110,638
investment and profit	10,581,842	10,581,842	2,736,776	2,736,776
Trade debtors	2,072,284	2,072,284	4,333,200	4,333,200
Advances, prepayments and			9	7,555,200
other receivables Due from associated	5,844,710	5,844,710	8,599,110	8,599,110
undertakings	11,251,120	11,251,120	300,000	
Cash and bank balances	2,872,251	2,872,251	5,317,108	5,317,108
	37,723,453	37,723,453	27,396,832	27,096,832
	2014 Book Value	2014 Fair Value	2013 Book Value	2013 Fair Value
Financial liabilities		Rupe	ees	
Subordinate loan Short term borrowings Creditors, accrued &	155,000,000 43,197,730	155,000,000 43,197,730	155,000,000	155,000,000
other liabilities	17,828,148	17,828,148	15,448,899	15,448,899
Due to directors	481,695	481,695	482,868	482,868
Due to associated undertaking Workers profit	132,758,270	132,758,270	60,756,660	60,756,660
participation fund		-	328,289	328,289
	49,265,843	349,265,843	232,016,716	232,016,716
•	[]			

29.4 Liquidity risk

Liquidity risk reflects the company's inability of raising funds to meet commitments. Management closely monitors the company's liquidity and cash flow position. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customers.

29.5 Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings. The company has no foreign currency transactions during the year. The Company has no foreign currency and foreign exchange risk as payment was made immediately when invoiced was received and LC at sight was opened.

29.6 Maturities of assets and liabilities

Liquidity risk is the risk that an institution will be unable to meet its funding requirements.

The table below summarises the maturity profile of the company's assets and liabilities. The contractual maturities of assets and liabilities at the year end have been determined on the basis of the remaining period at the balance sheet date to the contractual maturities. Assets and liabilities not having a contractual maturity are assumed to company.

	Total	Untra	2014	
		Upto one	One year	Over five
		year	to five years	years
Assets:		Rupec		Jears
Property, plant & equipment	100	,,		
Capital work in progress	190,701,560	16		
Long term investments	1,254,345	1,254,345		190,701,5
Current portion of long term investment and profit	5,101,246		5,101,246	3
Deferred taxation	10,581,842	2,736,776	l H	
Stores & spares	10,769,385	4,730,776	- 11	_
Stock in trade	2,833,091	2,833,091	10,769,385	
Trade debtors	96,060,630	2,033,091	-s	
Advances and ad	2,072,284	96,060,630	- 11	
Advances and other receivables Advance income tax	11,520,624	2,072,284	- 11	-
Down to	4,660,923	11,520,624	15	_
Due from associated undertakings	11,251,120	4,660,923	- H	
Cash and bank balances	2,872,251	300,000	- H	
T-F-T-1011	349,679,301	2,872,251		
Liabilities :	10/2/201	124,310,924	15,870,631	190,701,560
Subordinate loan				to my say ou
Short term borrowings	155,000,000	- 1	155,000,000	
Creditors, accrued & other linking	43,197,730	43,197,730	233,000,000	•
Due to associated undertaking	17,828,148	17,828,148	~ //	*
Due to director	132,758,270	132,758,270	- 11	L.
Provision for taxation	481,695	481,695	- 11	
Unclaimed dividend	4,950,606	4,950,606	: II	-
	19,301	19,301	* 11	1,50
Net assets	354,235,750	199,235,750	155,000,000	
Represented by :	(4,556,449)	(74,924,826)	(100 (44	
Issued, subscribed &		(1927,020)	(139,129,369)	190,701,560
paid up capital	47,586,630			
Special reserve	908,177			
Accumulated loss	(139,962,777)			
Surplus on revaluation of property,	(
plant & equipment	86,911,521			
/	(4,556,449)			
	Λ			D. Air
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			2013	
	Total	Upto one	One year	Over five
		year	to five years	years
Assets:		=====Rupees	=========	
Property, plant & equipment				
Long term investments	163,713,835	-		163,713,835
Deferred taxation	6,110,638	- 1	6,110,638	103,713,633
Stores & spares	4,372,315	- 1	4,372,315	
Stock in trade	6,918,506	6,918,506	- 1	
Trade debtors	35,967,378	35,967,378	€	
Advances and other receivables	4,333,200	4,333,200	- 1	_
Advance income tax	14,051,385	14,051,385	- 1	_
Due from associated undertaking	3,617,525	3,617,525		
Current portion of long term investment	300,000	300,000	- 11	_
and profit	All I	1		
Cash and bank balances	2,736,776	2,736,776	-	
	5,317,108	5,317,108	-	~
Liabilities :	247,438,666	73,241,878	10,482,953	163,713,835
Subordinate Ioan				
	155,000,000	- 1	155,000,000	
Creditors, accrued & other liabilities	15,448,899	15,448,899		-
Due to associated undertaking Due to directors	60,756,660	60,756,660		-
	482,868	482,868	. 11	-
Workers profit participation fund Provision for taxation	328,289	328,289		- 1
¥4. % %	2,624,015	2,624,015	_ //	-
Unclaimed dividend	19,301	19,301	- 11	
** **	234,660,032	79,660,032	155,000,000	
Net assets	12,778,634	(6,418,154)	(144,517,047)	162 712 005
Represented by:			(144,517,047)	163,713,835
Issued, subscribed &				
paid up capital	47,586,630			
Special reserve	908,177			
Accumulated loss	(122,681,884)			
Surplus on revaluation of property,				
plant & equipment	86,965,711			
	12,778,634			
	7,70,007			

30 RELATED PARTY TRANSACTIONS

The related parties comprise entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, directors and key management employees. The company has a policy whereby all transactions with related parties, are entered into at arm's length prices using the method as approved by the board of directors.

	2014 Rupees	2013 Rupees
Temporary financing received from associated concerns		
Hassan Ali Rice Export Company	_185,909,110	111,854,100
Syndicate Mineral Export	12,902,355	14,972,484
Temporary financing from associated concerns refunded		27,272,303
Hassan Ali Rice Export Company	113,907,500	111,187,486
Syndicate Mineral Export	23,853,475	33,391,953
Rental income from associated concern		
Syndicate Mineral Export	720,000	720,000

31 ACCOUNTING ESTIMATES AND JUDGEMENTS

Income Taxes

In making the estimates for income taxes currently payable by the company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.

Property, plant and equipment

The company's management determines the estimated useful lives and related depreciation charge for its plant and equipment. The estimates for revalued amounts of different classes of property, plant and equipment, are based on revaluation performed by external professional valuers. Further, the company reviews the value of the assets for possible impairment on annual basis. Any change in the estimate in the future years might affect the carrying amounts of the respective item of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Stock in trade and stores and spares

The Company's management reviews the Net Realizable Value (NRV) and impairment of stock in trade and stores and spares to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made.

32 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 0 3 0CT 2014 by the board of directors of the company.

33 GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive

audlan Harleean

Director

REGENT TXTIEL INDUSTIES LIMITED PATTERN OF SHARE HOLDING FOR THE YEAR ENDED 30TH JUNE 2014

NOS OF			NOS	OF
SHARE HOLDERS	SHARE HOLDERS		SHARE HOLDERS	
32	FROM	1 TQ	100	1.891
43	A 100000	101	500	14,726
8		501	1,000	4,350
114		1,001	5,000	31,535
2		5,001	25,000	16,612
j i		25,001	1,108,394	1,108,394
1		1,108,395	1,122,928	1,122,928
1		1,122,929	1,320,700	1,320,700
		1,320,701	1,137,527	1,137,527
103				4,758,663

OF SHARE HOLDER	NOS OF SHARE HOLDRS	NO OF SHARES	% OF SHARE HOLD
INDIVIDUALS	94	4,747,512	99.77
INVESTMENT COMPANIE	4	4,450	0.09
INSURANCE COMP	2	500	0.01
FINANCIAL INSTIT	1	6,100	0.13
OTHERS	2	101	0.00
, 4	103	4,758,663	100

Mr. Abdullah A. Hashwani

Director

Mr. Amin A. Hashwani Chief Executive