Printed Matter

Half Yearly Accounts

DECEMBER 31, 2019 (UN-AUDITED)

If un-delivered please return to:

Ruby Textile Mills Limited

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RUBY TEXTILE MILLS LIMITED

BOARD OF DIRECTORS	MR.NOOR ELAHI -CHIEF EXECUTIVE MRS.PARVEEN ELAHI -CHAIR PERSON Directors: MRS. NAHEED JAVED MR. NABEEL JAVED MR. SHARIQ JAVED MR. FAIZAN JAVED MR.MANSOOB AHMED KHAN
COMPANY SECRETARY	MR. GULZAR ALI
AUDIT COMMITTEE	MR. MANSOOB AHMED KHAN -CHAIRMAN MR. FAIZAN JAVED -MEMBER MRS.NAHEED JAVED -MEMBER
HUMAN RESOURCE & REMUNERATION COMMITTEE	MR. MANSOOB AHMED KHAN -CHAIRMAN MR. NABEEL JAVED -MEMBER MR. FAIZAN JAVED -MEMBER
BANKERS	M/S.MEEZAN BANK LTD M/S.BANK AL-HABIB LTD M/S.HABIB METROPOLITAN BANK LTD M/S.NATIONAL BANK OF PAKISTAN M/S.SONERI BANK LTD M/S. SILK BANK LTD M/S. FAYSAL BANK LTD M/S. MUSLIM COMMERECIAL BANK LTD M/S. HABIB BANK LTD M/S. BANK ALFALAH LTD
AUDITORS	M/S. ASLAM MALIK & CO. Chartered Accountants, Suite No. 18-19, First Floor, Central Plaza Civic Center, New Garden Town, Lahore. ph#(+92-42)35858693-35858694
INTERNAL AUDITOR	Mr. TAHIR ALI
LEGAL ADVISOR	M/S MOHSIN & WAHEED LAW ASSOCIATES Office#S-3, 2nd Floor, West End Plaza, 72 - The Mall Lahore.
HEAD OFFICE	35-Industrial Area, Gulberg-III, Lahore-54660, Pakistan. Ph#(+92-42)3571-4601,3576-1243-4 Fax:(+92-42)3571-1400, 3576-1222 Email:info@rubytextile.com.pk
REGISTERED OFFICE	Room#203, Faiyaz Centre, 2nd Floor,3-A, S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400 Ph#(+92-21) 34396600,34387700 Fax#(+92-21)34398800 Email:aslamd9@yahoo.com
MILLS	Raiwind –Manga Road, Raiwind, District Kasur-55050, Pakistan Phone:(+92-42) 3539-1031,3539-2651-2 Fax:(+92-42)3539-1032 Email:wasim@rubytextile.com.pk
SHARE REGISTRAR	M/S CORPLINK (PVT) LTD., 1-K, (Commercial) wings Arcade., Model Town, Lahore-54700, Pakistan. Phone:(+92-42) 35916714,35916719,35839182 Fax:(+92-42) 3586-9037 Email:corplink786@gmail.com/shares@corplink.com.pk

RUBY TEXTILE MILLS LIMITED

DIRECTORS REPORT TO MEMBERS

The Directors' of your company are pleased to present the un-audited six months financial statements for the period ended December 31, 2019.

During the period under review the company had incurred loss after tax of Rs.49.252 million as against loss after tax of Rs.85.702 million of the corresponding period. This shows an improvement of more than 43%. The company incurred loss due to unstable prices of raw material and yarn during the period under review. The directors have full confidence in the company and they are committed to make it a profitable venture. Therefore they have made fresh injection of Rs. 31.680 million to fulfill the working capital requirements for efficient running of the Unit.

We would like to thank all our worker, staff and officers, customers, agents, suppliers and shareholders for their dedicated efforts. We also thanks to our financial institutions for their financial support to run our operations

Auditors Qualification:
The auditor's has issued qualified review report and the management response to the qualification is as under:-

A. Long term loan from directors and associates is interest free loan contributed by the directors without fixing the repayment terms and the management pledge that as and when, the company agreed the terms of payment with the lender, will amortize such loan to compliance with the prescribed requirement of IAS /IFRS.

B. The capital reserve of Rs.3.240 million on acquisition of the fund bonds which is opening balance without any movement since then, hence, therefore, no justification for qualification.

C. As the particular transaction of restatement of Rs.7.000 million was recorded in financial statement for the year ended on June 30, 2019 and hence, qualification on this issue is not justified.

D. In the matter of unclaimed dividend amounting to Rs. 402,570, the management will notify to the respective shareholders to claim the unclaimed dividend warrants and in case no response from shareholders, the same shall deposit into Govt. treasury.

Emphasis Paragraph:
The management has disclosed all the facts in paragraph 1.2 about material uncertainty. The management has been making efforts to revive the company's operation at optimum production level so that improve the company's equity.

For and on behalf of the Boar of Directors

(Nabeel Javed)	**(Faizan Javed)**
DIRECTOR	**DIRECTOR**

LAHORE
February 29, 2020

RUBY TEXTILE MILLS LIMITED

ڈائریکٹرز کی ارکان کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2019 کو ختم ہونے والی مدت کے لئے کمپنی کے غیر نظر ثانی شدہ ششماہی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

زیر جائزہ مدت کے دوران کمپنی کو 49.252 ملین روپے کا بعد از ٹیکس نقصان ہوا جو گزشتہ سال کی اسی مدت میں 85.702 ملین روپے بعد از ٹیکس نقصان تھا۔ اس سے 43 فیصد سے زیادہ کی بہتری ظاہر ہوتی ہے۔

کمپنی نے زیر جائزہ مدت کے دوران خام مال اور یارن کی غیر مستحکم قیمتوں کی وجہ سے نقصان ہوا ہے۔

ڈائریکٹرز کمپنی پر مکمل اعتماد رکھتے ہیں اور وہ اسے منافع بخش وینچر بنانے کے لئے پُرعزم ہیں۔ لہذا زیر جائزہ مدت کے دوران انہوں نے یونٹ کو موثر طریقہ سے چلانے کے لئے حالیہ 31.680 ملین روپے ورکنگ سرمایا کی ضروریات پوری کرنے کے لئے لگائے ہیں۔

ہم اپنے تمام کارکنوں، عملے اور افسران، صارفین، ایجنٹوں، سپلائرز اور حصص داروں کی بھرپور کوششوں کا شکریہ ادا کرتے ہیں۔ ہم آپریشنز کو چلانے کے لئے مالی اداروں کے مالی تعاون کا بھی شکریہ ادا کرتے ہیں۔

آڈیٹرز کی کوالیفکیشن:

آڈیٹر نے کوالیفائیڈ جائزہ رپورٹ جاری کی ہے اور اہلیت کے بارے میں انتظامیہ کا جواب اس طرح ہے کہ:-

A۔ ڈائریکٹرز اور ایسوسی ایٹس سے طویل مدتی قرض سود سے پاک قرض ہے جس کی واپسی کی شرائط کئے بغیر ڈائریکٹرز نے تعاون کیا ہے اور انتظامیہ یہ عہد کرتی ہے کہ جب کمپنی نے قرض دہندہ کے ساتھ ادائیگی کی شرائط پر اتفاق کیا تو، اس طرح کے قرض کو IFRS/ IAS کے طے شدہ تقاضے کی تعمیل میں بے باق کرے گی۔

B۔ فنڈ بانڈز کے حصول پر 3.240 ملین روپے کا کیپٹل ریزرو جواب تک بغیر کسی موومنٹ اوپننگ بیلنس ہے لہذا، اہلیت کا کوئی جواز نہیں۔

C۔ کیونکہ 7.000 ملین روپے کی ری سٹیٹمنٹ کا خصوصی لین دین 30 جون 2019 کو ختم ہونے والے سال کے لئے مالی حسابات میں درج کیا گیا تھا اور اس وجہ سے، اس مسئلے پر قابلیت کا جواز نہیں ہے

D۔ غیر دعوی شدہ منافع منقسمہ 402,570 روپے کی رقم کے معاملے میں، انتظامیہ متعلقہ حصص یافتگان کو غیر دعوی شدہ منافع منقسمہ وارنٹ کا دعوی کرنے کے لئے مطلع کرے گی اور اگر حصص یافتگان کی جانب سے کوئی جواب نہیں ملا تو وہ حکومتی خزانے میں جمع کرائے گی۔

اہم پیراگراف:

انتظامیہ نے مادی غیر یقینی صورتحال کے بارے میں پیراگراف 1.2 میں تمام حقائق کا انکشاف کیا ہے۔ انتظامیہ زیادہ سے زیادہ پیداواری سطح پر کمپنی کے عمل کو بحال کرنے کی کوشش کر رہی ہے تا کہ کمپنی کی ایکویٹی کو بہتر بنایا جاسکے۔

منجانب بورڈ آف ڈائریکٹرز

Faizan Javed

(فیضان جاوید)
ڈائریکٹر

Nabeel Javed

(نبیل جاوید)
ڈائریکٹر

لاہور
29 فروری 2020ء

RUBY TEXTILE MILLS LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RUBY TEXTILE MILLS LIMITED

Report on review of Interim Financial Statements.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Ruby Textile Mills Limited** as at December 31, 2019 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months period ended December 31, 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2019.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

A.As disclosed in note 7 to the financial statements, the Company has stated interest free long term financing from associates amounting Rs. 78.33 million at cost. Company has not stated these loans at amortized cost which constitute a departure from applicable financial reporting standards as applicable in Pakistan. Due to non-availability of underlying repayment terms and conditions of interest free loans, we unable to ascertain the effects on financial statements regarding amortized cost of interest free loans.

B. The company has created capital reserve amounting Rs. 3.24 million on acquisition of special fund bonds which could not be verified. There were no other alternative audit procedures for verification of capital reserve.

C. We could not verify the restatement for an amount of Rs. 7 million disclosed in the last year audited financial statements.

D. Unclaimed dividend amounting Rs. 402,570 (overdue) of previous years has not been deposited into government treasury nor has any notification been issued to shareholders.

Qualified Conclusion

Based on our review, except as stated in basis for qualified opinion section of our report, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Material Uncertainty relating to Going Concern

Without qualifying our opinion, we draw attention to Note 1.2 in the interim financial statement which indicates that the company incurred net loss after tax of Rs. 49.25 million (December 31, 2018: Rs. 85.70 million) and its accumulated loss amounting to Rs. 809.71 million (June 30, 2019: 763.50 million) and its current liabilities exceeds its current assets by Rs. 233.15 (June 30, 2019: Rs. 217.81 million). These conditions along with other matters as set forth in Note 1.2 indicate the existence of a material uncertainty that may cause significant doubt about the Company's ability to continue as a going concern.

The engagement partner on the review resulting in this independent auditor's report is Aslam Awan.

Aslam Malik & Co.

Date :February 29, 2020
Place :Lahore

ASLAM MALIK & CO.
CHARTERED ACCOUNTANTS

RUBY TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

ASSETS	Note	(Un-audited) December 31,2019 Rupees	(Audited) June 30,2019 Rupees
NON CURRENT ASSETS			
Property, plant and equipment	4	883,085,0102	900,269,654
Long term deposits		4,397,945	4,397,945
		887,482,957	904,667,599
CURRENT ASSETS			
Stores, spare parts and loose tools		108,578,922	108,223,667
Stock in trade	5	84,856,287	6,382,808
Trade debts		21,885,099	108,318,355
Advances and prepayments		28,378,907	26,068,788
Balance with Statutory authorities		6,444,041	4,066,678
Cash and bank balances		1,291,522	680,281
		251,434,778	253,740,576
TOTAL ASSETS		1,138,917,736	1,158,408,175
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share Capital			
70,000,000 (June 30, 2019 : 70,000,000) Ordinary shares of Rs. 10 each		700,000,000	700,000,000
Issued, subscribed and paid up share capital 52,214,400 (June 30,2019: 52,214,400) Ordinary shares of Rs. 10 each		522,144,000	522,144,000
Capital reserves		3,240,000	3,240,000
Accumulated loss		(809,712,459)	(763,509,523)
Surplus on revaluation of property, plant and equipment - net of tax		352,642,412	355,691,923
		68,313,953	117,566,400
Long term loan from chief executive and directors		418,157,054	386,951,554
		486,471,007	504,517,954
NON CURRENT LIABILITIES			
Long term financing from associates	7	78,325,812	78,492,812
Deferred liabilities	8	89,534,040	103,843,029
		167,859,852	182,335,841
CURRENT LIABILITIES			
Trade and other payables		268,317,608	258,134,587
Accrued mark up / interest		10,776,247	9,482,630
Unclaimed dividend		402,570	402,570
Loan from banking companies	9	23,775,766	26,365,818
Loan from related party		11,869,000	11,869,000
Current portion of			
-Long term financing from banking companies		-	807,999
-Long term financing from Others		155,342,235	164,491,776
Provision for taxation		14,103,452	-
		484,586,877	471,554,380
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		1,138,917,736	1,158,408,175

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

DIRECTOR | CHIEF FINANCIAL OFFICER | DIRECTOR

RUBY TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	---------------Rupees--------------		---------------Rupees--------------	
Sales	185,320,438	340,960,024	143,871,558	192,570,192
Less: Sales tax	(26,926,901)	(519,879)	-	(272)
Sales- net	158,393,537	340,440,145	143,871,558	192,569,920
Cost of sales	(214,106,217)	(374,182,704)	(151,080,155)	(229,929,185)
Gross loss	(55,712,680)	(33,742,559)	(7,208,597)	(37,359,265)
Administrative expenses	(13,981,774)	(8,212,469)	(9,577,786)	(4,461,085)
Other income	9,988,345	845,540	1,777,092	443,540
Finance cost	(3,208,319)	(42,210,180)	(1,794,249)	(34,814,833)
Loss before taxation	(62,914,429)	(83,319,668)	(16,803,541)	(76,191,643)
Taxation				
-Current	(2,387,485)	(4,266,071)	(1,759,577)	(2,417,693)
-Deferred	16,049,467	1,882,998	-	-
	(13,661,982)	2,383,073	(1,759,577)	(2,417,693)
Loss for the period	(49,252,447)	(85,702,741)	(18,563,118)	(78,609,336)
Earnings per share - basic and diluted	(0.94)	(1.64)	(0.36)	(1.51)

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
	--------------Rupees-------------		--------------Rupees-------------	
Loss for the period	(49,252,447)	(85,702,741)	(18,563,118)	(78,609,336)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	(49,252,447)	(85,702,741)	(18,563,118)	(78,609,336)

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

Nahid Javed — DIRECTOR | Sadiq Ahmed — CHIEF FINANCIAL OFFICER | Faizan Javed — DIRECTOR

RUBY TEXTILE MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	HALF YEAR ENDED	
	December 31, 2019	December 31, 2018
	--------------Rupees-------------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(62,914,429)	(83,319,668)
Adjustments for:		
Depreciation	17,184,642	18,250,796
Provision for staff retirement benefits - gratuity	1,740,478	683,863
Finance cost	3,208,319	42,210,180
	22,133,439	61,144,839
Loss before working capital changes	(40,780,990)	(22,174,829)
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(355,255)	(2,083,794)
Stock in trade	(78,473,479)	13,289,965
Trade debts	86,433,256	1,151,154
Loans and advances	(2,310,119)	(7,281,721)
Trade deposits and short term prepayments	(1,890,555)	(1,031,187)
Other receivables	-	-
	7,184,958	8,212,005
Increase in current liabilities		
Trade and other payables	10,183,021	1,996,837
Deposits, accrued liabilities and advances	-	8,262,375
	10,183,021	10,259,212
Cash used in operations	(23,413,011)	(3,703,612)
Finance cost paid	(1,914,702)	(39,166,088)
Income tax paid	7,448,046	(1,326,318)
Net cash used in operating activities	(17,879,667)	(44,196,018)
CASH FLOWS FROM INVESTING ACTIVITIES		
Long term deposits	-	1,337,500
Net cash used in investing activities	-	1,337,500
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing from banking companies and others	(9,957,541)	34,249,126
Long term loan from chief executive and directors	31,205,500	134,610,000
Long term financing from associates	(167,000)	25,841,136
Loan from related party	-	(1,000,000)
Net cash generated from financing activities	21,080,960	193,700,262
Net increase in cash and cash equivalents	3,201,293	150,840,744
Cash and cash equivalents at the beginning of the period	(25,685,537)	(174,594,244)
Cash and cash equivalents at the end of the period	(22,484,244)	(23,752,500)
Cash and cash equivalents		
Cash and bank balances	1,291,522	1,093,092
Loan from banking companies	(23,775,766)	(24,845,592)
	(22,484,244)	(23,752,500)

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2019

	Share capital	Capital reserves	Revenue Reserve	Revaluation surplus on property, plant and equipment	Sub Total	Long term loan from chief executive and directors	Total
			Accumulated loss				
	--------------------			Rupees			--------------------
Balance as at June 30, 2018 - (Audited)	522,144,000	3,240,000	(655,018,427)	316,787,469	187,153,040	310,021,554	497,174,594
Loss for the six months ended December 31, 2018	-	-	(85,702,741)	-	(85,702,741)	-	(85,702,741)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income	-	-	(85,702,741)	-	(85,702,741)	-	(85,702,741)
Loan received during the year	-	-	-	-	-	134,610,000	134,610,000
Loan paid during the year	-	-	-	-	-		-
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of tax	-	-	4,610,099	(4,610,099)	-	-	-
Balance as at December 31, 2018 - (Unaudited)	522,144,000	3,240,000	(736,111,069)	312,177,368	101,450,299	444,631,554	546,081,853
Balance as at June 30, 2019 - (Audited)	522,144,000	3,240,000	(763,509,523)	355,691,923	117,566,400	386,951,554	504,517,954
Loss for the six months ended December 31, 2019	-	-	(49,252,447)	-	(49,252,447)		(49,252,447)
Other comprehensive income for the period	-	-	-	-	-		-
Total comprehensive income	-	-	(49,252,447)	-	(49,252,447)	-	(49,252,447)
Loan received during the year	-	-	-	-	-	31,680,000	31,680,000
Loan received during the year	-	-	-	-	-	(474,500)	(474,500)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation- net of tax	-	-	3,049,511	(3,049,511)	-	-	-
Balance as at December 31, 2019 - (Unaudited)	**522,144,000**	**3,240,000**	**(809,712,459)**	**352,642,412**	**68,313,953**	**418,631,554**	**486,471,007**

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

DIRECTOR	CHIEF FINANCIAL OFFICER	DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2019

1 THE COMPANY AND NATURE OF ITS BUSINESS

1.1 The company was incorporated in Pakistan on October 18, 1980 as a private limited company and was subsequently converted into public limited company. The registered office of the company is located at 3-A, SMC Housing Society, Shara-e-Faisal, Karachi. The shares of the company are quoted on Pakistan Stock Exchange Limited. The principal business of the company is manufacturing and sale of yarn. The manufacturing units are located at Manga Road, Raiwind in the province of Punjab.

1.2 Going concern assumption

The Company has been incurring gross losses for the last five year due to under utilization of production Capacity. During the period ended December 31, 2019. the company has incurred a net loss amounting Rs. 49.252 million and has accumulated loss of Rs. 809.712 million as of that date. During the period, unit of the company was operated partially due to non availability of required load of electricity from LESCO to run the entire machinery. Due to un-sustained supply of gas, the company was unable to produce electricity from its own electricity generation plant. Consequently, production of yam is considerably less as compared with the installed capacity. All these factors impede the company to achieve the optimal production.

These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, its may be unable to realize its assets and discharge its liabilities in the normal course of business These financial statements, however, have been prepared under the going concern assumptions based on the following mitigating factors narrated below;

Request of the company submitted to LESCO for enhancement of load is under consideration, During the period Sponsoring Directors of the company have injected further funds amounting Rs. 31.680 million along with written commitment to the company stating that they would inject funds as and when required by the company to overcome the financial crunch. The Sponsoring Directors also put on record that they have enough liquid fund to fulfill their commitments, In addition to the above. a financial plane has been developed with reduction in cost to achieve the objects of the company.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended.

2.3 Accounting Estimates, Judgments And Financial Risk Management

Judgments and estimates made by the management in the preparation of the condensed interim financial statements were the same as those applied to the financial statements as at and for the year ended June 30, 2019.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended June 30, 2019 except those stated in note 3.2 (a) below.

3.2 CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

IFRS 16 "Leases ",IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and fiance leases is removed.Under the new standard , an asset (right to use lease item) and lease liability to pay rentals are recognized . The only exception are short term and low value leases.

b) Standards, interpretation and amendments to published approved accounting standards that are effective but not relevant

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2019 are considered not to be relevant for the Company's financial statements and hence have not been detailed here.

	Note	(Un audited) 31-Dec-19	(Audited) 30-Jun-19
		--------------Rupees-------------	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		883,085,012	900,269,654
Opening written down value		900,269,654	868,457,835
Add: Surplus during the year		-	68,313,411
		900,269,654	936,771,246
Less: Depreciation charged during the period / year		(17,184,642)	(36,501,592)
Closing written down value		883,085,012	900,269,654
5 STOCK IN TRADE			
Raw material		52,372,725	2,173,760
Work in process		23,190,073	3,329,523
Finished goods and waste		9,293,489	879,525
		84,856,287	6,382,808
6 LONG TERM FINANCING FROM OTHERS			
Unsecured			
- from Queenberg Venture Limited	6.1	-	-
- from Messi Capital Investment Limited	6.2	155,342,235	164,491,776
		155,342,235	164,491,776
Less: Current maturity		(155,342,235)	(164,491,776)
		-	-
6.2 Unsecured - from Messi Capital Investment Ltd			
Foreign loan I		52,369,762	52,369,763
Foreign loan II		52,395,000	52,395,000
Exchange loss/(gain) on foreign loan		50,577,473	59,727,013
		155,342,235	164,491,776
Current portion		(155,342,235)	(164,491,776)
		-	-
7 LONG TERM FINANCING FROM ASSOCIATES			
From associated companies	7.1	78,325,812	78,492,812

7.1 These loans are unsecured and do not bear any interest or other profit. The loan is repayable at the discretion of the company. Company has no intention to repay director loan within next twelve months from the balance sheet date. Therefore, no portion has been classified under current liabilities.

	Note	31-Dec-19	30-Jun-19
		--------------Rupees-------------	
8 DEFERRED LIABILITIES			
Staff retirement benefits - gratuity		9,567,073	7,826,595
Deferred taxation	8.1	79,966,967	96,016,434
		89,534,040	103,843,029

8.1 Deferred taxation

The net liability for deferred taxation comprises of temporary differences.

Taxable temporary difference		
Accelerated tax depreciation	166,820,955	173,566,163
Deductible temporary differences		
Staff retirement benefits - gratuity	(4,645,542)	(5,049,729)
Unused tax losses carried forward	(82,208,446)	(72,500,000)
	(86,853,988)	(77,549,729)
	79,966,967	96,016,434

9 LOAN FROM BANKING COMPANIES

Running finance	23,740,447	24,999,474
Bank overdrafts	35,319	1,366,344
	23,775,766	26,365,818

9.1 There is no major change in the terms and conditions of the loan from banking companies as disclosed in the annual audited financial statements of the company as at and for the year ended June 30, 2019.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no change in status of contingencies as disclosed in note 25.1 of the audited annual financial statements of the Company for the year ended June 30, 2019.

10.2 Commitments

There is no change in status of commitments as disclosed in note 25.2 of the audited annual financial statements of the Company for the year ended June 30, 2019.

11 RELATED PARTY DISCLOSURES

Transaction with the related parties	Relationship	(Un audited) 31-Dec-19	30-Jun-19
		-------------Rupees-------------	
Mr. Noor Elahi	Director / Chief Executive		
Loan received		27,600,000	131,555,000
Loan repaid		474,500	1,000,000
Rec			
Mrs. Parveen Elahi	Director		
Loan received		3,700,000	2,000,000
Loan repaid		-	-
Mr. Nabeel Javed	Director		
Loan received		380,000	1,055,000
Mr. Nabeel Javed	Director		
Remuneration		1,200,000	1,200,000
Aroma Drinks (Pvt) Limited	Associated company		
Loan received		-	26,340,000
Sunrise Bottling (Pvt) Limited	Associated company		
Loan received		125,000	150,000
Loan repaid		125,000	648,864
Pure Drinks (Pvt) Ltd	Associated company		
Loan repaid		167,000	-

12 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2019.

13 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial statements were authorised for issued on 29-02-2020 by the Board of Directors of the Company .

14 GENERAL

Figures in this condensed interim financial information have been rounded off to the nearest of rupee.

The annexed notes, form 1 to 14 from an integral part of these financial statements
Chief executive was not available in Pakistan due to which two directors have approved these financial statements.

Nabeel Javed — **DIRECTOR** | **CHIEF FINANCIAL OFFICER** | Faizan Javed — **DIRECTOR**