36th ANNUAL REPORT 2019

DADABHOY GROUP

DADABHOY SACK LIMITED

CONTENTS

Vision

To be recognized and accepted as leader in the country for manufacturing of state of the art three ply crafts bags for Cement Industries

Mission

- To have a diversified customer base
- To serve the market through innovation & creations
- To offer a high rate of return to Shareholders
- To create a good work environment for our employees and faster team work & career development
- To operate ethically
- To serve the country to achieve the national goals

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Hussain Dadabhoy	Chairman
Mr. Fazal Karim Dadabhoy	Chief Executive
Mrs. Humaira Dadabhoy	
Mrs. Noor Bakht Dadabhoy	
Mr. Danish Dadabhoy	
Mr. Mohammad Irfan	
Mr. Fazal Ur Rehman	

CHIEF FINANCIAL OFFICER
Mr. Aslam Motan

COMPANY SECRETARY
Mr. Muhammad Rashid.

AUDITORS
M/s Reanda Haroon Zakaria & Company, Chartered Accountants

LEGAL ADVISOR
Mr. Salim Thepdawala & Company

BANKER
Summit Bank Limited

REGISTERED OFFICE
Noor Centre Office NO.4, 2nd Floor
Plot No.30-C Ittehad Lane 12 Phase
VII, D.H.A., Karachi.

SHARE REGISTRAR
Formerly M/s. Technology Trade (Pvt) Ltd.
Dagia House, 241-C, Block 2, P.E.C.H.S. Off
Shahrah-e-Quaideen, Karachi.

FACTORY
Nooriabad Deh Kalu Kohar, District Dadu (Sindh)

HUMAN RESOURCE & REMUNERATION COMMITTEE
Mr. Mohammad Irfan - Chairman
Mr. Danish Dadabhoy
Mrs. Humaira Dadabhoy

AUDIT COMMITTEE
Mr. Fazal-ur-Rehman - Chairman
Mr. Muhammad Hussain Dadabhoy
Mr. Danish Dadabhoy

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of Dadabhoy Sack Limited will be held on Wednesday the 27th November, 2019 at 04:00 p.m. at Jinnah Club, Jinnah Co-operative Housing Society behind KESC Office, Tipu Sultan Road Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the Annual General Meeting (AGM) of the company held on October 26th, 2018.

2. To receive, consider and adopt the Audited Accounts of the company for the year ended June 30, 2019 together with Directors' and Auditors' Reports thereon.

3. To appoint auditor for the year ending June 30, 2020 and fix their remuneration.

4. To transact any other business with the permission of the Chair.

Karachi. November 06th 2019

Muhammad Rashid
Company Secretary

Note:

1. The Share Transfer Books of the company will remain closed from 20-11-2019 to 27-11-2019 (both days inclusive).

2. Any member of the company entitled to attend and vote may appoint another member as his / her proxy to attend and vote on his / her behalf.

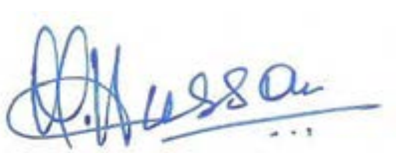
3. Proxies must be received at the registered office of the company not less than 48 hours before the meeting.

4. The Financial Statement of the Company for the year ended June 30, 2019 will also be available at its official website:- www.mhdadabhoy.com

REVIEW REPORT BY THE CHAIRMAN

I am pleased to inform that for the financial year ended June 30, 2019, the overall performance of the Board has been satisfactory based on an evaluation of engagement in strategic planning; formulation of policies; monitoring the organization's business activities; effective fiscal oversight; and efficiency in carrying out the Board's business. Having said that, improvement is an ongoing process and I am confident that the Board will continue to deliver even better in the future.

The focus of the Board has been formulation of revenue growth strategies and the same is being communicated to the management. I am confident that the strategies developed will be implemented with full focus and by the grace of Allah their efforts will bring reward to our valuable shareholders.



Muhammad Hussain Dadabhoy
Chairman

Karachi – November 06, 2019

DIRECTORS' REPORT

In the name of Allah, the Most Merciful and the Most Benevolent

The directors of your company are pleased to present the Annual report and the audited financial statements for the year ended June 30, 2019 together with the auditor's report thereon.

FINANCIAL POSITION AT A GLANCE

The Comparative financial results of the company are summarized below:

	June 30, 2019	*June 30 2018*
	--- (Rupees in '000) ---	
Sales-Net	**-**	-
Cost of sales	**-**	-
Gross profit	**-**	-
Administrative expenses	**(16,077)**	(17,741)
Finance cost	**-**	(0.180)
Operating loss	**(16,077)**	(17,741)
Other operating expenses	**(172)**	(143)
Other income	**-**	5,259
Loss before taxation	**(16,250)**	(12,625)
Taxation	**(4,087)**	(518)
Loss after taxation	**(12.162)**	(13.143)
Loss per share	**(3.04)**	(3.29)

The Company's financial position was almost consistent with prior year and continued to be in a loss position because of the Company being operationally inactive.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- Getting new customers onboard;
- Re-structuring of the operational team;
- Inability to attract and retain key employees.

The Company works with internal and external stakeholders to mitigate / reduce to acceptable level the likely impacts of aforesaid risks.

BUSINESS PERFORMANCE HIGHLIGHTS

The Company's performance from a business viewpoint remained status quo this year since the focus was on preparing and developing a strong strategic and financial plan. We are confident that in the coming years the Company's performance will see an upward growth.

CORPORATE SOCIAL RESPONSIBILITY

No significant activities were undertaken from the platform of the Company as far as CSR is concerned since the Company was not operationally active this year. However, in the coming years as the revenue grows the management will allocate a certain percentage to initiatives such as child education and health as we believe these are the two key areas which require the most attention.

OBSERVATION OF THE AUDITORS

As regards the material uncertainty to continue as a going concern, we would like state that the management is focused on reviving the operations of the Company which is further elaborated in 'Future Outlook' section of this Report.

AUDITORS

The present Auditors M/s. Reanda Haroon Zakaria & Company, Chartered Accountants, retired and being eligible have offered themselves for reappointment. Audit committee has recommended the reappointment.

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

Owing to the financial outlook of the Company, Non-Executive and Independent Directors of the Company have voluntarily waived their remuneration for attending the Board and Committee meetings of the Company.

PATTERN OF SHARES HOLDING

Pattern of shareholding as at June 30, 2019 required under the reporting framework is annexed.

FUTURE OUTLOOK

The Board of directors and its management team are fully determined to move the Company from present situation of uncertainties to positive improvements in the foreseeable future. This is primarily due to recovery of substantial outstanding dues from one of the major customers of the Company. The funds recovered will be spent on improvement of plant and machinery which will subsequently help to revive the Company's operations.

Revenue growth will be the focus in the upcoming years. The management has been given instructions to actively restore relations with previous customers and approach prospective customers including cement factories situated in the locality which will result in new orders and subsequently improve the overall financial and operational outlook of the Company.

INTERNAL FINANCIAL CONTROLS

The directors are aware of their responsibility with respect to internal financial controls and these will be strengthened as the Company becomes operationally active in the upcoming years.

EARNING PER SHARE

The loss per share of the company as at 2019 stood at Rs.3.04 (2018: Rs. 3.29) per share.

STATEMENT ON CORPORATE AND FINANCIAL FRAME WORK

The Directors of the Company are well aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Regulations of the stock exchange where the Company is listed. All necessary steps are being taken to ensure appropriate Corporate Governance in the Company as required by the Code.

a) The Financial Statements prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

b) Proper books of account of the Company have been maintained.

c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d) International Accounting and Financial reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

e) As already stated above the Company has recovered funds from a major customer and will be utilizing them to repair the plant and machinery. Efforts are underway to get new customers on board. As such the management does not see that there is no significant doubt to continue as going concern.

f) Key operating and financial data for last six years is annexed with financial statement.

g) The Company has neither declared dividend nor issued bonus shares for the current financial year because of operating and accumulated losses incurred.

h) Information about taxes and levies is given in the notes to and forming part of financial statements.

i) The Company does not have any scheme for its employees.

j) During the year, 4 meetings of the Board of Directors, 4 meetings of the audit committee. Attendance by each Director and member of the Committees is annexed below.

k) The Company has no overdue of any loan

l) There was no trading in shares of the Company by its directors, CEO, CFO, Company Secretary and their spouses and minor children.

THE COMPOSITION OF THE BOARD

Total number of directors are seven as per the following:

a) Male: Five
b) Female: Two

Composition of the Board is as follows:

Category	Names
a. Independent Directors	Mr. Fazal-ur-Rehman Mr. Mohammad Irfan
b. Other Non-Executive Director	Mr. Muhammad Hussain Dadabhoy Mr. Danish Dadabhoy Mrs. Humaira Dadabhoy
c. Executive Directors	Mr. Fazal Karim Dadabhoy Mrs. Noor Bakht Dadabhoy

MEETINGS OF THE BOARD OF DIRECTORS

During the year five meetings of Board of directors were held. Attendance by each director is as follows.

Name of Directors	*No. of Meetings Attended*
Mr. Muhammad Hussain Dadabhoy	4
Mrs. Noor Bakht Dadabhoy	4
Mrs. Humaira Dadabhoy	4
Mr. Fazal Karim Dadabhoy	4
Mr. Fazal-ur-Rehman	4
Mr. Mohammad Irfan	4
Mr. Danish Dadabhoy	4

MEETINGS OF THE AUDIT COMMITTEE

During the year five meetings of Audit Committee were held. Attendance by each director is as follows.

Name of Directors	*No. of Meetings Attended*
Mr. Fazal-ur-Rehman - Chairman	4
Mr. Muhammad Hussain Dadabhoy	4
Mr. Danish Dadabhoy	4

ACKNOWLEDGEMENT

We are pleased to record their appreciation for the continued dedications, commitment and loyalty of the employees of your company.

We are also thankful to all stakeholders for the loyalty they have shown during our difficult period.

We also appreciate the assistance and continued support of the various Government Departments, Bankers, Customers and Shareholders.

For and on behalf of the Board

Fazal Karim Dadabhoy
Chief Executive

Danish Dadabhoy
Director

Karachi: November 06, 2019

DADABHOY
SACK
LIMITED

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Lane 12, Phase VII Khayabane Ittehad,
D.H.A, Karachi, Pakistan.
Ph # 021-3531 2004 – 07 - 09
Fax # 021-3531 2006
Website.www.mhdadabhoy.com
E-mail: mhdadabhoygroup@gmail.com

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017 Dadabhoy Sack Limited For the Year Ended June 30, 2019

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

1) The total number of directors are seven as per the following:

a) Male: Five
b) Female: Two

2) The composition of board is as follows:

Category	Names
a. Independent Directors	Mr. Fazal-ur-Rehman Mr. Mohammad Irfan
b. Other Non-Executive Director	Mr. Muhammad Hussain Dadabhoy Mr. Danish Dadabhoy Mrs. Humaira Dadabhoy
c. Executive Directors	Mr. Fazal Karim Dadabhoy Mrs. Noor Bakht Dadabhoy

3) The directors have confirmed that none of them is serving as a director on more than five 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, but it is yet to be placed on the Company's website.

5) The board has developed a vision/mission statement, overall corporate strategy. While significant policies of the Company are being formulated as the Company is planning for revival in due course.

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. The board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board except that the meeting of the Board could not be held in the 1st quarter of the financial year due to operational inactivity of the Company.

8) The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9) The Board has not arranged any training program during the year due to operational inactivity of the Company, but the Board assures that all the Directors acquire the prescribed certification under the training program within the stipulated time.

10) There has been no change in the position of Chief Financial Officer and the Company Secretary. While no appointment of head of internal audit has been made during the year due to operational inactivity of the Company.

11) CFO and CEO duly endorsed the financial statements before approval of the board.

12) The board has formed committees comprising of members given below:

Committees	Names and Designation
a. **Audit Committee**	Mr. Fazal-ur-Rehman - Chairman Mr. Muhammad Hussain Dadabhoy Mr. Danish Dadabhoy
b. **HR and Remuneration Committee**	Mr. Mohammad Irfan - Chairman Mr. Danish Dadabhoy Mrs. Humaira Dadabhoy

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 of the committees were as per following:

Committees	Frequency of Meetings
a. **Audit Committee**	Four meetings were held in FY 2018-19.

Meeting of the Audit Committee could not be held in the first quarter of the financial year while meeting of the HR and Remuneration Committee could not be held during the year as there is no employee on the payroll of the Company due to closed operations.

15) Due to operational inactivity of the Company, the Board has not formed any internal audit function during the year.

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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these 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 other requirements of the Regulations have been complied with except the following non-compliances with the Regulations which occurred due to the operational inactivity of the Company, but we assure our members that reasonable progress is being made by the Company's management and its Board to seek compliance by the end of next financial year:

a) Formal and effective mechanism is yet to be put in place for the annual evaluation of Board members;

b) No orientation program could be arranged for the Directors during the financial year; and

c) Directors' Report on the affairs of the Company could not be annexed with the financial statements of the 1^{st} and 3^{rd} quarters of the financial year.

Muhammad Hussain Dadabhoy
Chairman

Fazal Karim Dadabhoy
Chief Executive

Karachi
Dated: November 06, 2019

DADABHOY SACK LIMITED (Rupees in '000)

FINANCIAL REVIEW FOR SIX YEARS

Particulars	2019	2018	2017	2016	2015	2014
PRODUCTION SUMMARY						
Production in Bags	Nil	Nil	Nil	Nil	Nil	Nil
ASSETS EMPLOYED						
Total Assets Employed	152,566	168,517	188,620	206,262	45,489	56,056
FINANCED BY						
Shareholders' Equity	112,351	124,514	136,267	147,049	30,906	41,527
Long term Liabilities	-	-	-	-	2,699	2,699
Deferred Liabilities	37,920	42,007	42,130	49,010	1,253	1,461
Current Liabilities	22,942	1,996	10,223	10,203	10,631	10,365
Total Funds Invested	152,563	168,514	188,620	206,262	45,489	56,056
TURNOVER AND PROFIT						
Turnover (Net)	-	-	-	-	-	-
Operating Profit (Loss)	-	-	-	-	-	-
Loss before Taxation	(16,250)	(12,625)	(17,662)	(6,478)	(2,015)	(3,108)
Loss after Taxation	(12.162)	(13.143)	(12,327)	(2,961)	(3,527)	(3,108)
Cash Dividend	-	-	-	-	-	-
Profit (Loss) carried forward	(25,039)	(22,744)	(20,564)	(20,246)	(18,774)	(12,142)

REANDA
Reanda Haroon Zakaria & Company
Chartered Accountants

HZ

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DADABHOY SACK LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the 'Regulations'), prepared by the Board of Directors of **Dadabhoy Sack Limited** for the year ended **June 30, 2019** in accordance with the requirements of Regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors 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 of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of Section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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Civil Lines Quarter,Beaumont Road, Near Dawood Centre, Karachi-75530 Pakistan.
Phone: +92 21 35674741-44 | Fax: +92 21 35674745
Email: info@hzco.com.pk | URL: http://www.hzco.com.pk

REANDA

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, 2019.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph references, where it is stated in the Statement of Compliance:

S. No.	*Reference*	*Description*
I	Para 4	Formal code of conduct together with supporting policies and procedures are not placed on the Company's website.
II	Para 5	Company is in the process of formulating significant policies.
III	Para 7	Meeting of the Board was not held in the 1st quarter of the financial year.
IV	Para 9	Half of the Directors on the Board were required by June 30, 2019 to obtain the training program under the Regulations but none of the Directors have obtained the said training program.
V	Para 10 and 15	There is no internal audit function in the Company.
VI	Para 14	Meeting of the Audit Committee was not held in the 1st quarter of the financial year while no meeting of HR and Remuneration Committee was held during the year.
VII	Para 18 a	There is no mechanism for the annual evaluation of Board members.
VIII	Para 18 b	No orientation program could be arranged for the Directors during the year.
IX	Para 18 c	Directors' Report was not annexed with the 1st and 3rd quarters' financial statements.

RHZco Reanda Haroon Zakaria &co

Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: 06 NOV 2019

Engagement Partner
Mohammad Iqbal

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DADABHOY SACK LIMITED ON THE AUDIT OF THE FINANCIAL STATEMENTS

Adverse Opinion

We have audited the annexed financial statements of **Dadabhoy Sack Limited** which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

Owing to the significance of the matter stated in the *Basis for Adverse Opinion* Section of our report, in our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the loss and its comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

During the current year, the Company has incurred loss after taxation amounting to Rs. 12.162 (2018: Rs. 13.143) million rising its accumulated losses to Rs. 25.039 (2018: Rs. 22.744) million. Further, current liabilities of the Company exceeded its current assets by Rs. 2.291 (2018: Rs. 1.993) million. The operations of the Company are closed since financial year 2008 due to which the Company is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. The Company is reporting nil sales since then and is totally dependent on the financial support of its Directors and Sponsors to fulfill its operational and financial obligations. Moreover, the management of the Company has not made assessment of going concern of the Company.

These factors indicate the existence of material uncertainty that may cast doubts regarding the Company's ability to continue as a going concern and accordingly, Company may not be able to realize its assets and settle its liabilities at stated amounts in the normal course of business. The financial statements do not disclose this fact. Further, the mitigating factors disclosed by the management in note no. 1.2 of the financial statements reflect only tentative steps planned by the management for restarting the operational activities of the Company which have not been materialized till the issuance of these financial statements.

REANDA

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 adverse 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.

Except for the matter described in the "*Basis for Adverse Opinion*" section, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' 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 are 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.

- 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) except for the matter stated in *Basis for Adverse Opinion* Section, proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) except for the matter stated in *Basis for Adverse Opinion* Section, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

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

The engagement partner on the audit resulting in this independent auditor's report is **Mohammad Iqbal**.

RHZco Reanda Haroon Zakaria & Co
Reanda Haroon Zakaria & Company
Chartered Accountants

Place: Karachi
Dated: 0 6 NOV [illegible]

DADABHOY SACK LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	*2019 Rupees*	*2018 Rupees*
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	**152,562,949**	168,514,388
Current Assets			
Bank balance	5	**2,847**	2,830
Total Assets		**152,565,796**	168,517,218
EQUITY AND LIABILITIES			
Authorized Capital			
10,000,000 Ordinary shares of Rs. 10 each		**100,000,000**	100,000,000
Issued, subscribed and paid up capital	6	**40,000,000**	40,000,000
Capital reserves			
Surplus on revaluation of property, plant and equipment	7	**97,390,526**	107,257,038
Accumulated losses		**(25,039,141)**	(22,743,501)
Shareholders' equity		**112,351,385**	124,513,538
Non Current Liabilities			
Deferred tax liability	8	**37,920,204**	42,007,890
Current Liabilities			
Accrued and other payables	9	**1,007,167**	964,850
Short term borrowings	10	**871,390**	615,290
Unclaimed dividend		**415,650**	415,650
		2,294,207	1,995,790
Contingencies and Commitments	11		
Total Equity and Liabilities		**152,565,796**	168,517,218

The annexed notes from 1 to 22 form an integral part of these financial statements.

Chief Executive	***Chief Financial Officer***	***Director***

DADABHOY SACK LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Note	***2019*** ***Rupees***	*2018* *Rupees*
Sales		**-**	-
Cost of sales		**-**	-
Gross profit		**-**	-
Administrative expenses	12	**(16,077,339)**	(17,740,688)
Finance cost		**-**	(180)
Operating loss		**(16,077,339)**	(17,740,868)
Other charges	13	**(172,500)**	(143,000)
Other income - liabilities written back		**-**	5,258,895
Loss before taxation		**(16,249,839)**	(12,624,973)
Taxation - net	14	**4,087,687**	(517,799)
Loss after taxation		**(12,162,152)**	(13,142,772)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		**(12,162,152)**	(13,142,772)
Loss per share - basic and diluted	15	**(3.04)**	(3.29)

The annexed notes from 1 to 22 form an integral part of these financial statements.

Chief Executive ***Chief Financial Officer*** ***Director***

DADABHOY SACK LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 2019

	Share Capital	*Capital Reserve Surplus on Revaluation of Property, Plant and Equipment*	*Accumulated Losses*	*Total*
	- - - - - - - - - -	- - - - - - - - - - *Rupees*	- - - - - - - - - -	- - - - - - - - - -
Balance as at June 30, 2017	40,000,000	116,830,180	(20,563,520)	136,266,660
Total comprehensive loss for the year	-	-	(13,142,772)	(13,142,772)
Transferred from surplus on revaluation on account of incremental depreciation - net of deferred Tax	-	(10,962,791)	10,962,791	-
Effect of tax rate adjustment on revaluation surplus	-	1,389,650	-	1,389,650
Balance as at June 30, 2018	**40,000,000**	**107,257,038**	**(22,743,501)**	**124,513,538**
Total comprehensive loss for the year	**-**	**-**	**(12,162,152)**	**(12,162,152)**
Transferred from surplus on revaluation on account of incremental depreciation - net of deferred Tax	**-**	**(9,866,512)**	**9,866,512**	**-**
Balance as at June 30, 2019	**40,000,000**	**97,390,526**	**(25,039,141)**	**112,351,385**

Capital reserves will be utilized for any purpose only after they are realized and transferred to unappropriated profits. However, these reserves can be individually offset against losses arising in future periods (if any) from revalued assets.

The annexed notes from 1 to 22 form an integral part of these financial statements.

Chief Executive	*Chief Financial Officer*	*Director*

DADABHOY SACK LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	*2019*	*2018*
		Rupees	*Rupees*
A. CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		**(16,249,839)**	(12,624,973)
Adjustments for:			
Depreciation	12	**15,951,439**	16,303,746
Liabilities written back		**-**	(5,258,895)
Finance cost		**-**	180
Cash outflows before working capital changes		**(298,400)**	(1,579,942)
Working capital changes:			
Decrease in current assets			
Trade debts		**-**	20,841,679
Increase in current liabilities			
Accrued and other payables		**42,317**	964,850
Cash (used in) / generated from operations		**(256,083)**	20,226,587
Finance cost paid		**-**	(180)
Net cash (used in) / generated from operating activities		**(256,083)**	20,226,407
B. CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure incurred	4	**-**	(17,040,897)
Net cash used in investing activities		**-**	(17,040,897)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Short term borrowings obtained / (repaid) - net		**256,100**	(3,183,413)
Net cash generated from / (used in) financing activities		**256,100**	(3,183,413)
Net increase in cash and cash equivalents (A+B+C)		**17**	2,097
Cash and cash equivalents at beginning of the year	5	**2,830**	733
Cash and cash equivalents at end of the year	5	**2,847**	2,830

The annexed notes from 1 to 22 form an integral part of these financial statements.

Chief Executive	***Chief Financial Officer***	***Director***

1 STATUS AND NATURE OF BUSINESS

1.1 The Company was incorporated on September 27, 1983 as a Private Limited Company by the name of Paperpro Industries (Private) Limited under the repealed Companies Act, 1913. The Company was converted into Public Limited Company on October 27, 1994 while its name was changed to Dadabhoy Sack Limited on January 19, 1995 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The principal activity of the Company is the manufacturing and sale of paper bags. In February 1996, the Company was listed at Stock Exchanges of Karachi and Lahore (now the Pakistan Stock Exchange Limited - PSX). The Company's registered office is situated at suite # 4, 2nd floor, plot no. 28-30/C, Noor Centre, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi, Sindh. Manufacturing facility of the Company is located at Deh, Hatal Buth, Thana Bula Khan, Main Super Highway, Jamshoro, Sindh.

Trading in shares of the Company was suspended by the Stock Exchanges on October 26, 2009 due to non compliances with respect to listing regulations (now the PSX Rule Book).

1.2 Going Concern Assumption:

During the current year, the Company has incurred loss after taxation amounting to Rs. 12.162 (2018: Rs. 13.143) million, rising its accumulated losses to Rs. 25.039 (2018: Rs. 22.744) million. Further, current liabilities of the Company exceeded its current assets by Rs. 2.291 (2018: Rs. 1.993) million. The operations of the Company are closed since financial year 2008 due to which the Company is facing financial and operational difficulties and is unable to discharge its liabilities in due course of business. The Company is reporting nil sales since then and is totally dependent on the financial support of its Directors.

The management of the Company has prepared these financial statements on going concern basis due to the following reasons:

a) The Company has revaluation surplus on fixed assets amounting to Rs. 97.391 (2018: 107.257) million as on the reporting date, which is far more than the amount of accumulated losses of the company as stated above.

b) Management of the Company has firm intention to revive the overall operations of the Company for which the Company is seeking finance from external sources to fulfill the working capital requirements. Further, Management is currently corresponding with prospective customers including cement factories situated adjacent to the premises of the Company and is confident to achieve new orders and business which would result in wiping off the accumulated losses and would improve the overall financial and operational outlook of the Company.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (Act) and provisions and directives issued under the Act. Where provisions of or directives issued under the Act differ from the IFRS Standards, the provisions of or directives issued under the Act have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention. Further, accrual basis of accounting is followed except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the functional currency of the Company.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows: -

Property, plant and equipment
The Company's management determines the estimated useful lives and related depreciation charge for its property, plant and equipment. This also includes estimating the residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment with a corresponding affect on the depreciation charge and impairment (if any).

2.5 New standards, amendments to standards and IFRS interpretations that are effective for the June ended June 30, 2019

The following amendments to accounting standards are effective for the year ended June 30, 2019. Except as explained otherwise, these standards and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

	Effective for period beginning on or after
Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 1, 2018
IFRS 4 'Insurance Contracts': Applying IFRS 9 with IFRS 4	January 1, 2018
IFRS 9 'Financial Instruments'	Annual period ending on or after June 30, 2019

	Effective for period beginning on or after
IFRS 15 'Revenue from Contracts with Customers'	January 1, 2018
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	January 1, 2018
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non - monetary prepaid asset / deferred income is denominated in foreign currency.	January 1, 2018

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

2.5.1 First time adoption of new Standards

IFRS 9 - Financial Instruments

This standard has been notified by the SECP to be effective for annual periods ending on or after June 30, 2019. This standard replaced the majority of requirement of IAS 39 - Financial Instruments: Recognition and Measurement (IAS 39) and covers the classification, measurement and de-recognition of financial assets and financial liabilities. It requires all fair value movements on equity investments to be recognized either in the profit or loss or in other comprehensive income, on a case-by-case basis, and also introduced a new impairment model for financial assets based on expected losses rather than incurred losses and provides a new hedge accounting model.

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively. The accounting policies that apply to financial instruments are stated in note 3.7 to the financial statements. The impact of the adoption of IFRS 9 has been in the following areas:

(i) Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements of IAS 39 for the classification and measurement of financial liabilities. However, it replaces the previous IAS 39 categories for financial assets i.e. loans and receivables, fair value through profit or loss (FVTPL), available for sale and held to maturity with the categories such as amortized cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

Under IFRS 9, the classification of financial assets is based on the objective of the entity's business model that is the Company's objective is to hold assets only to collect cash flows, or to collect cash flows and to sell ("the Business Model test") and the contractual cash flows of an asset give rise to payments on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding ("the SPPI test").

As at June 30, 2018, the Company has reclassified the original measurement categories under IAS 39 into new measurement categories under IFRS 9 for ***"bank balances"*** from loans and receivables into amortized cost. There is no other impact of IFRS - 9 on the classification of financial instruments held by the Company.

(ii) Hedge accounting

IFRS 9 requires that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

There is no impact of the said change on these financial statements as there is no hedge activity carried on by the Company during the year ended June 30, 2019.

(iii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model of IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVTOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

Under IFRS 9, loss allowances are measured on either of the following basis:

- 12 - months ECLs: These are ECLs that result from possible default events within the 12 months after the reporting date; and

- Lifetime ECLs: These are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company has elected to measure provision against financial assets on the basis of lifetime ECLs.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the country of customers) on ECLs.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Presentation of impairment

Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Impact of the new impairment model

For assets within the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Company has determined that the application of IFRS 9's impairment requirements on the reporting date does not have a material impact on provision for doubtful debts measured under IAS 39.

IFRS 15 - Revenue from Contracts with Customers

This standard was notified by the Securities and Exchange Commission of Pakistan ('SECP') to be effective for annual periods beginning on or after July 1, 2018. IFRS 15 - Revenue from contracts with customers (IFRS 15) replaced IAS 18 - Revenue, IAS 11 - Construction Contracts, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers and SIC 31 - Revenue - Barter Transactions involving Advertising Services. IFRS 15 provides a single, principle-based approach to the recognition of revenue from all contracts with customers and focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations in a contract are satisfied rather than based on the transfer of risk and rewards. The above is generally consistent with the timing and amounts of revenue the Company recognized in accordance with the previous policy. Therefore, the adoption of IFRS 15 which replaced IAS 18 Revenue did not have an impact on the timing and amounts of revenue recognition of the Company and therefore, adoption of IFRS 15 as on July 01, 2018, did not have an effect on the financial statements of the Company for the current year, as well as for the prior year.

2.6 Amendments to standards and IFRS interpretations that are not yet effective

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

	Effective from accounting period beginning on or after
Amendments to IFRS 3 'Business Combinations': Amendments to clarify the definition of a business	January 1, 2020
Amendments to IFRS 9 'Financial Instruments': Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 1, 2019
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
IFRS 16 'Leases'	January 1, 2019
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors': Amendments regarding the definition of material	January 1, 2020
Amendments to IAS 19 'Employee Benefits': Plan amendments, curtailments or settlements	January 1, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures': Long-term interests in associates and joint ventures	January 1, 2019
IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	January 1, 2019
Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.	January 1, 2020

Certain annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 14 - Regulatory Deferral Accounts
IFRS 17 - Insurance Contracts

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

Owned

Property, plant and equipment are stated at cost or revaluation less accumulated depreciation and impairment losses, if any, except for freehold land which is stated at revalued amount. Depreciation is charged on all assets using the reducing balance method at the rates stated in note 4.

Depreciation on addition is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed.

Gain or loss on disposal, if any, are included in the statement of profit or loss currently.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Whenever the carrying amount of these assets exceed their recoverable amount, an impairment loss is recognized in the statement of profit or loss.

Revalued assets

Revaluation of property, plant and equipment is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of property, plant and equipment is recognized, net of tax, in other comprehensive income and presented as a separate component of equity as "surplus on revaluation of property, plant and equipment, except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognized in the statement of profit or loss, in which case the increase is first recognized in the statement of profit or loss to the extent of the decrease previously charged. Any decrease that reverses previous increase of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decrease are charged to the statement of profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus to retained earnings.

Gains and losses on disposal of revalued assets

Gains and losses on disposal of assets are taken to the statement of profit or loss, and the related surplus on revaluation of property, plant and equipment, if any, is transferred directly to retained earnings.

3.2 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and subsequently measured at amortized cost but since the balances are considered to be utilizable within the next financial year, therefore, balances recognized initially are considered to be their amortized cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash at bank in current account.

3.3 Accrued and other payables

Accrued and other payables are stated at their nominal values which is the fair value of the consideration required to settle the related obligations whether or not billed to the Company. Liabilities are written back and recognized as other income when these are considered to be no longer payable.

3.4 Taxation

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

Current
Provision for taxation is based on current year taxable income determined in accordance with the provisions of Income Tax Ordinance, 2001, enactive on the date of statement of financial position and carry adjustment to tax payable in respect of previous year.

Deferred
Deferred tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

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

3.5 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. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.6 Borrowing cost

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date, the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss currently.

3.7 Financial assets and liabilities

3.7.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received plus or minus transaction costs (except financial asset at FVTPL where transaction costs are charged to profit or loss). These are subsequently measured at fair value or amortized cost as the case may be.

3.7.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at amortized cost.
- at fair value through other comprehensive income ("FVTOCI"), or
- at fair value through profit or loss ("FVTPL").

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through OCI

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income provided that the investment is neither held for trading nor its a contingent consideration in a business combination.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized or at fair value through OCI.

3.7.3 Financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"), or
- at amortized cost.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

3.7.4 Subsequent measurement

Financial assets at FVTOCI

These are measured at fair value, with gains or losses arising from changes in fair value recognized in OCI.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities at FVTPL

Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income / (loss). Currently, there are no financial liabilities designated at FVTPL.

3.7.5 Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortized cost. Loss allowances are measured on the basis of life time (ECLs) that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL is only recognized if the credit risk at the reporting date has increased significantly relative to the credit risk at initial recognition. Further, the Company considers the impact of forward looking information (such Company's internal factors and economic environment of the country of customers) on ECLs. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity and the cash flows that the Company expects to receive).

Provision against financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

3.7.6 Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss.

In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to revenue reserve.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss and other comprehensive income.

3.8 Earnings per share

The company presents basic and diluted earnings per share for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares. Diluted EPS is determined by adjusting profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

4 PROPERTY, PLANT AND EQUIPMENT	Note	2019 Rupees	2018 Rupees
Operating fixed assets - tangible	4.1	**152,562,949**	168,514,388

4.1 OPERATING FIXED ASSETS - TANGIBLE

Description	***Written down value***				**Cost / Revalued amounts* as at June 30, 2019**	**Accumulated depreciation as at June 30, 2019**	**Written down value as at June 30, 2019**	**Rate**
	As at July 01, 2018	**Addition**	**Depreciation for the year**	**As at June 30, 2019**				
	------ Rupees ------							
Owned Assets								
Land - freehold*	9,000,000	-	-	9,000,000	9,000,000	-	9,000,000	0%
Building on freehold land*	20,126,099	-	(2,012,610)	18,113,489	25,050,000	6,936,511	18,113,489	10%
Plant and machinery*	139,110,500	-	(13,911,050)	125,199,450	169,540,897	44,341,447	125,199,450	10%
Office equipment	39,475	-	(3,948)	35,528	420,705	385,178	35,528	10%
Electrical equipment	73,033	-	(7,303)	65,730	862,077	796,347	65,730	10%
Furniture and fittings	165,281	-	(16,528)	148,753	670,288	521,535	148,753	10%
2019	**168,514,388**	**-**	**(15,951,439)**	**152,562,949**	**205,543,967**	**52,981,018**	**152,562,949**	

Description	*Written down value*				*Cost / Revalued amounts* as at June 30, 2018*	*Accumulated depreciation as at June 30, 2018*	*Written down value as at June 30, 2018*	*Rate*
	As at July 01, 2017	*Additions*	*Depreciation for the year*	*As at June 30, 2018*				
	------ Rupees ------							
Owned Assets								
Land*	9,000,000	-	-	9,000,000	9,000,000	-	9,000,000	0%
Building on freehold land*	22,362,332	-	(2,236,233)	20,126,099	25,050,000	4,923,901	20,126,099	10%
Plant and machinery*	136,106,250	17,040,897	(14,036,647)	139,110,500	169,540,897	30,430,397	139,110,500	10%
Office equipment	43,861	-	(4,386)	39,475	420,705	381,230	39,475	10%
Electrical equipment	81,148	-	(8,115)	73,033	862,077	789,044	73,033	10%
Furniture and fittings	183,646	-	(18,365)	165,281	670,288	505,007	165,281	10%
2018	167,777,237	17,040,897	(16,303,746)	168,514,388	205,543,967	37,029,579	168,514,388	

4.2 Company owns 3 acres of land at Deh, Hatal Buth, Thana Bula Khan, Main Super Highway, Jamshoro, Sindh.

4.3 Had there been no revaluation, the written down values of specific classes of property, plant and equipment would have been amounted to:

	2019	*2018*
	Rupees	*Rupees*
Land	**82,115**	82,115
Building on freehold land	**711,510**	790,566
Plant and machinery	**17,532,965**	19,481,073
	18,326,590	20,353,754

4.4 Forced sale value of the revalued assets as on the revaluation date was amounting to Rs. 139.912 million.

	2019	*2018*
	Rupees	*Rupees*

5 BANK BALANCE

- in current account	**2,847**	2,830

6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares				
2019	*2018*			
4,000,000	4,000,000	Ordinary shares of Rs. 10 each fully paid in cash	**40,000,000**	40,000,000

6.1 1,739,370 (2018: 1,739,370), 276,000 (2018: 276,000) and 1,600,000 (2018: 1,600,000) Ordinary shares of Rs. 10 each are held by the associated companies - Dadabhoy Trading Corporation (Pvt.) Limited, Dadabhoy Cement Industries Limited and Dadabhoy Hydrocarbon Limited as at the year end, representing 43.48%, 6.90% and 40.00% of the total shareholding in the Company respectively.

6.2 Ordinary shareholders are entitled to attend and vote in the company meetings and are also entitled to any distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company.

7	*SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT*	***2019*** ***Rupees***	*2018* *Rupees*
	Balance as at July 01,	**147,882,845**	163,323,396
	Transfer to equity in respect of incremental depreciation - net of deferred tax	**(9,866,512)**	(10,962,791)
	Related deferred tax liability of incremental depreciation	**(4,029,984)**	(4,477,760)
		(13,896,496)	(15,440,551)
	Balance as at June 30,	**133,986,349**	147,882,845
	Less: Related deferred tax liability		
	- at the beginning of the year	**40,625,807**	(46,493,216)
	- effect of tax rate adjustment	**-**	1,389,650
	- on incremental depreciation for the year	**(4,029,984)**	4,477,760
	- at the end of the year	**(36,595,823)**	(40,625,807)
		97,390,526	107,257,038

7.1 The latest revaluation of its land, building on freehold land and plant and machinery was carried out under market value basis by an independent valuer, M/s. Zafar Iqbal & Company as on June 20, 2016, resulting in a surplus of Rs. 170.480 million, over book values which were credited to surplus on revaluation of fixed assets.

Earlier, the Company had carried out the revaluation of its land, building on freehold land and plant and machinery under the market value basis by an independent valuer, M/s. Zafar Iqbal & Company as on August 10, 2005, resulting in a surplus of Rs. 26.408 million, over book values which were credited to surplus on revaluation of fixed assets.

7.2 In accordance with the requirements of IFRS 13 Fair value measurement, the Company classifies its property and equipment in terms of following fair value hierarchy:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Fair value measurements using 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); and

Level 3: Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

Details of the Company's property, plant and equipment in terms of fair value hierarchy, explained above, at June 30, 2019 is as follows:

	Level 1	*Level 2*	*Level 3*
		- - - - - - - - - - - - - Rupees - - - - - - - - - - - -	
Assets measured at fair value			
Operating fixed assets - Freehold Land	-	**9,000,000**	-
- Buildings on freehold land	-	**18,113,489**	-
- Plant and machinery	-	**125,199,450**	-
June 30, 2019	-	**152,312,939**	-
June 30, 2018	-	168,236,599	-

		Note	2019 Rupees	2018 Rupees
8	***DEFERRED TAX LIABILITY***	8.1	**37,920,204**	42,007,890

8.1 Deferred Tax Liability

		2019 Rupees	2018 Rupees
Deferred taxation comprises differences relating to			
Taxable temporary differences			
Accelerated depreciation for tax purposes		**41,633,255**	46,259,173
Deductible temporary differences			
Unused tax losses		**(3,713,052)**	(4,251,282)
		37,920,204	42,007,890

9 ACCRUED AND OTHER PAYABLES

	Note	2019 Rupees	2018 Rupees
Accrued liabilities		**183,917**	287,500
Other payables	9.1	**823,250**	677,350
		1,007,167	964,850

9.1 This represents payable on demand to Dadabhoy Cement Industries Limited - associated company, on account of reimbursable expense incurred by the related party on behalf of the Company.

	Note	2019 Rupees	2018 Rupees
10 SHORT TERM BORROWINGS			
- From Related Parties - unsecured			
From Directors	10.1	**871,390**	615,290

10.1 These loans are unsecured, interest free and payable on demand. These have been given by the Directors to facilitate the Company for fulfilling its working capital requirements. The treatment has been done in accordance with the guidelines given under Technical Release (TR) 32 "Accounting Directors' Loan" as issued by the Institute of Chartered Accountants of Pakistan (ICAP).

11 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments binding on the Company as on the reporting date.

	Note	2019 Rupees	2018 Rupees
12 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	21.2	**-**	531,178
Security expenses		**-**	520,500
Legal and professional charges		**-**	80,264
Fees and subscription		**125,900**	305,000
Depreciation	4	**15,951,439**	16,303,746
		16,077,339	17,740,688

	Note	***2019*** Rupees	*2018* Rupees
13 OTHER CHARGES			
Auditor's remuneration	13.1	**172,500**	137,500
Penalty from PSX		-	5,500
		172,500	143,000

13.1 Auditors' remuneration

Annual Audit	**90,000**	80,000
Half Yearly Review	**45,000**	25,000
Review of Code of Corporate Governance	**30,000**	25,000
Out of pocket	**7,500**	7,500
	172,500	137,500

14 TAXATION - NET

	Note	2019	2018
Current	14.1	-	-
Prior		-	(749,730)
Deferred		**(4,087,687)**	1,267,529
		(4,087,687)	517,799

14.1 The Company is not liable to current tax, including minimum tax, on account of nil sales.

14.2 Income Tax Returns of the Company have been finalized up to and including the tax year 2018 which are considered to be the deemed assessment subject to amendment u/s 122 of the Income Tax Ordinance, 2001.

15 LOSS PER SHARE - BASIC AND DILUTED	***2019***	*2018*
Loss after taxation (Rs.)	**(12,162,152)**	(13,142,772)
Weighted average number of ordinary shares outstanding	**4,000,000**	4,000,000
Loss per share - basic and diluted (Rs.)	**(3.04)**	(3.29)

16 REMUNERATION TO CHIEF EXECUTIVE OFFICER AND DIRECTORS

In view of the current operational and financial position of the Company, the Directors of the Company have voluntarily waived their remuneration.

17 PLANT CAPACITY	***No. of bags***	
Installed capacity	**54,000,000**	54,000,000
Utilized capacity	**-**	-
Utilized capacity % age	**-**	-

The Company is in the process of revival, therefore, there was no capacity utilized during the year.

18 TRANSACTIONS WITH RELATED PARTIES

18.1 The related parties comprise of group companies (associated companies), Directors and their close family members, executives, major shareholders of the Company. The transactions with related parties are as follows:

	Note	*2019* Rupees	2018 Rupees
Key Management Personnel - Directors			
Fazal Karim Dadabhoy			
Loan received		**256,100**	615,290
Hussain Dadabhoy			
Loan repaid		**-**	3,798,703
Dadabhoy Cement Industries Limited - Common Directorship and 6.90% holding			
Reimbursable expenses payable		**145,900**	677,350

19 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	2019 Rupees	2018 Rupees
Financial Assets			
- At amortized cost			
Bank balance	5	**2,847**	2,830
Financial Liabilities			
- At amortized cost			
Accrued and other payables	9	**1,007,167**	964,850
Short term borrowings	10	**871,390**	615,290
Unclaimed dividend		**415,650**	415,650
		2,294,207	1,995,790

20 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest / mark-up rate risk and price 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. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company’s risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

20.1 *Credit risk*

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, trade debts, loans, advances, deposits and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with reasonably high credit ratings.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

	2019	*2018*
	Rupees	*Rupees*
Bank balance	**2,847**	2,830

Quality of financial assets

Currently the funds are kept with a bank having short term rating of A-3 and long term rating of BBB.

20.2 *Liquidity risk*

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with the financial liabilities as they fall due. The Company’s approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or at the risk of Company's reputation. The Company’s liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfill its obligation, monitoring statement of financial position liquidity ratios against internal and external requirements and maintaining debt financing plans.

Following are the contractual maturities of the financial liabilities:

	2019			
	Carrying amount	***Contractual cash flows***	***Six months or less***	***Six to twelve months***
	(Rupees)			
Financial Liabilities				
Accrued and other payables	**1,007,167**	**1,007,167**	**1,007,167**	**-**
Unclaimed dividend	**415,650**	**415,650**	**415,650**	**-**
Short term borrowings	**871,390**	**871,390**	**-**	**871,390**
	2,294,207	**2,294,207**	**1,422,817**	**871,390**

	2018			
	Carrying amount	*Contractual cash flows*	*Six months or less*	*Six to twelve months*
	- - - - - - - - - - - - - - - - - - (Rupees)- - - - - - - - - - - - - - - - - -			
Financial Liabilities				
Accrued and other payables	964,850	964,850	964,850	-
Unclaimed dividend	415,650	415,650	415,650	-
Short term borrowings	615,290	615,290	-	615,290
	1,995,790	1,995,790	1,380,500	615,290

20.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to any foreign exchange risk, interest rate risk and other price risk as on the reporting date.

20.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with processes technology and infrastructure supporting the company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arising formal the company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. The responsibility encompasses the controls in the following areas:

i Requirements for appropriate segregation of duties between various functions, roles and responsibility;
ii Requirements for the reconciliation and monitoring of transactions;
iii Compliance with regulatory and other legal requirements;
iv Documentation of control and procedures;
v Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;
vi Ethical and business standards; and
vii Risk mitigation, including insurance where this is effective.

20.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

The carrying values of all the financial assets and liabilities reported in the financial statements approximate their fair values.

20.5 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Company finances its expansions projects through equity, borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk and maximizing profitability.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings from banking companies including any finance cost thereon, less cash and bank balances. The Company's strategy is to maintain leveraged gearing. Since the Company has not taken any loan or borrowings from financial institutions, hence its gearing ratio is nil as on the reporting date.

21 GENERAL

21.1 Figures have been rounded off to the nearest Rupee.

21.2 Number of employees as on the reporting date and average number of employees during the year were nil (2018: 2) and nil (2018 : 1) respectively.

22 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on November 06, 2019 by the Board of Directors of the Company.

Chief Executive	***Chief Financial Officer***	***Director***

DADABHOY SACK LIMITED
PATTERN OF SHAREHOLDING
AS ON 30TH JUNE, 2019

NO. OF SHAREHOLDERS	SHAREHOLDING		TOTAL SHARES HELD
	FROM	TO	
59	101	500	29,200
18	501	1,000	17,400
2	1,001	5,000	7,500
1	10,001	50,000	10,000
5	50,001	100,000	320,530
1	100,001	300,000	276,000
2	300,001	1,740,000	3,339,370
88			4,000,000

Catagories of Shareholders	No. of Shareholders	Shares Held	Percentage %
Individuals	84	284,630	7.12
Joint Stock Companies	3	3,615,370	90.38
Financial Institutions	1	100,000	2.50
	88	4,000,000	100.00

INFORMATION AS REQUIRED UNDER CODE OF CORPORATE GOVERNANCE AS ON 30-06-2019

SHAREHOLDERS CATEGORY	NO. OF SHARE HOLDER	SHAREHOLDING
ASSOCIATED COMPANIES		
DADABHOY TRADING CORPORATION (PVT) LTD.	1	1,739,370
DADABHOY CEMENT INDUSTRIES LTD.	1	276,000
DADABHOY HYDROCARBON LIMITED	1	1,600,000
DIRECTORS		
MR. MUHAMMAD HUSSAIN DADABHOY	1	700
MR. FAZAL UR REHMAN	1	56,616
MR. FAZAL KARIM DADABHOY(CHIEF EXECUTIVE)	1	52,178
MRS. HUMAIRA DADABHOY	1	55,207
MR. MOHAMMAD IRFAN	1	56,529
MRS. NOOR BAKTH DADABHOY	1	700
MR. DANISH DADABHOY	1	500
BANKS, DFIS, NBFIS, INSURANCE COMP.ETC.		
NATIONAL BANK OF PAKISTAN TRUSTEE DEPTT	1	100,000
GENERAL PUBLIC		284,630
SHAREHOLDERS HOLDING 10% OR MORE VOTING INTEREST		
DADABHOY TRADING CORPORATION (PVT) LTD.	1	1,739,370
DADABHOY HYDROCARBON LIMITED	1	1,600,000

DADABHOY SACK LIMITED

36TH ANNUAL GENERAL MEETING 2019

FORM OF PROXY

I / We ____

Of____being

A member of DADABHOY SACK LIMITED and holder of _________ Ordinary Shares as per registered Folio No. ________________________Hereby
appoint ____
Of ____
Or failing him ____
Of ____
Vide Registered Folio No. ____

As my / our proxy to vote for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on 27th November 2019 and at any adjournment thereof.

Signed my me/us this ___________________ day of ____________ 2019

Signed by the Shareholders

____

Important :

This form of Proxy duly complete must be deposited at the Company's

Registered Office, Noor Centre Office No. 4, 2nd Floor, Plot No. 30-C Ittehad Lane 12 Phase VII, D.H.A., Karachi. Not later than 48 hours before the time of holding the meeting.
A proxy should also be a shareholder of the Company.

Five Rupees Revenue Stamps

For Office use