



OLYMPIA MILLS LIMITED

INTERIM FINANCIAL STATEMENT
FOR PERIOD ENDED
31 DECEMBER, 2018

COMPANY INFORMATION

BOARD OF DIRECTORS

CHIEF EXECUTIVE : **MR. M. WAQAR MONNOO (Executive)**
CHAIRMAN : **MR. SYED INAMUDDIN AHMED (Non-Executive)**

DIRECTORS : MR. SIRAJ SADIQ MONNOO (Executive)
: MR. SYED AYAZUDDIN (Non-Executive)
: MRS.GHAZALA WAQAR (Non-Executive)
: MR. UMAR ILYAS SHAFI (Independent)
: MR. ARSHAD IQBAL (Non-Executive)

AUDIT COMMITTEE MEMBERS

CHAIRMAN (INDEPENDENT) : MR. UMAR ILYAS SHAFI
MEMBER (NON-EXECUTIVE) : MR. SYED AYAZUDDIN
MEMBER (NON-EXECUTIVE) : MR. SYED INAMUDDIN AHMED

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

CHAIRMAN (NON-EXECUTIVE) : MRS.GHAZALA WAQAR
MEMBER (NON-EXECUTIVE) : MR. SYED INAMUDDIN AHMED
MEMBER (INDEPENDENT) MR. UMAR ILYAS SHAFI

CHIEF FINANCIAL OFFICER : MR. ASIM JAFFERY

LEGAL ADVISOR : M/S. MAKHDOOM & CO. BARRISTERS & ADVOCATE

AUDITORS : MUSHTAQ & COMPANY
CHARTERED ACCOUNTANTS
407-408, COMMERCE CENTRE,
HASRAT MOHANI ROAD, KARACHI.

BANKERS : UNITED BANK LTD
: ASKARI BANK LTD
: SONERI BANK LTD
: ALLIED BANK LTD
: BANK AL-FALAH LTD.

REGISTERED OFFICE : PLOT NO. H/23/3, LANDHI INDUSTRIAL AREA,
LANDHI, KARACHI.

OLYMPIA MILLS LIMITED

DIRECTORS REPORT

The Directors have pleasure in presenting their un-audited accounts of the Company for half year ended December 31, 2018.

	HALF YEAR ENDED		QUARTER ENDED	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	RUPEES	RUPEES	Rupees	Rupees
Rental Income / Income from Investment property	29,651,453	23,936,199	15,432,845	12,376,747
Income from lease of Land, building Plant & Machinery	7,745,627	4,188,904	4,353,182	4,188,904
Direct Operating Expenses	(14,460,213)	(2,824,613)	(7,573,594)	(2,824,613)
Profit from principal line of business	22,936,867	25,300,490	12,212,433	13,741,038
Income from Paper Manufacturing Business				
Sales of Paper	-	53,399,174	-	-
Cost of Sales	-	(54,669,418)	-	(2,908,605)
Gross Loss from paper business	-	(1,270,244)	-	(2,908,605)
	22,936,867	24,030,246	12,212,433	10,832,433
Administrative Expenses	(9,112,252)	(8,779,376)	(4,035,307)	(4,716,876)
Other Income	7,473,330	14,517,781	7,235,021	12,693,449
	(1,638,922)	5,738,405	3,199,714	7,976,573
Operating Profit	21,297,945	29,768,651	15,412,147	18,809,006
Finance Cost	(6,908,159)	(8,641,885)	(3,792,511)	(7,993,750)
Profit before taxation	14,389,786	21,126,766	11,619,636	10,815,256
Taxation:				
Current	(6,055,886)	(5,812,226)	(2,585,672)	(2,578,537)
Profit after taxation	8,333,900	15,314,540	9,033,964	8,236,719
Earning per share-Basic and diluted	0.69	1.28	0.75	0.69

FINANCIAL RESULTS

The financial results for six months period ended December 31, 2018 have resulted in net profit after tax of Rs. 8,333,900/- During the period the revenue from principal line of business is Rs 37.397 million. The net profit after tax is decreased from Rs 15.314 million to Rs 8.333 million. The reason for decline in net profit as compared to last period was due to decrease in other income which is not of recurring nature. The management keeps the fixed overheads under very tight control and despite inflationary pressure increase in overheads is very nominal. The company is now more focusing on settlement with remaining creditors and stability of cash flows. The Auditors express their concerns over the Company's financial position by adding an emphasis paragraph over Going Concern assumption in their report. The company already discloses mitigating factors in accounts for support of use of going concern assumption.

FUTURE PROSPECTS

The directors are working on plans to get company out of financial constrains. The future outlook of the company will be promising and your Company will show good improvements in future.

ACKNOWLEDGEMENT

Directors of your Company take pleasure in expressing their sincere gratitude and appreciation for excellent commitment and contribution of all the employees ,bankers , customers and suppliers and continued trust and confidence placed in the Company by all the stakeholders.


DIRECTOR


CHIEF EXECUTIVE

اولمپا ملز لمیٹڈ

ڈائریکٹرز رپورٹ

ڈائریکٹرز کو اپنے غیر آڈٹ اکاؤنٹس جو کہ ادارے کے آدھے سال کے آخر دسمبر ۲۰۱۸، ۳۱ میں پیش کرنے میں خوشی ہو رہی ہے۔

آدھا سال ختم	سہ ماہی ختم
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دسمبر ۲۰۱۸، ۳۱	دسمبر ۲۰۱۷، ۳۱	دسمبر ۲۰۱۸، ۳۱	دسمبر ۲۰۱۷، ۳۱
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	روپے	روپے	روپے	روپے
سرمایہ کاری کی جائیداد سے کرایہ کی آمدنی	29,651,453	23,936,199	15,432,845	12,376,747
زمین، عمارت، پلانٹ اور مشینری کے لیز کی آمدنی	7,745,627	4,188,904	4,353,182	41,88,904
براہ راست آپریٹنگ اخراجات	(14,460,213)	(2,824,613)	(7,573,594)	(2,824,613)
کاروبار کے پرنسپل لائن سے منافع	22,936,687	25,300,490	12,212,433	13741,038
کاغذ کی فروخت	-	53,399,174	-	-
فروخت کی قیمت	-	(54,669,418)	-	(2,908,605)
کاغذ کے کاروبار سے مجموعی نقصان	22,936,687	24,030,246	12,212,433	10,832,433
انتظامی اخراجات	(9,112,252)	(8,779,376)	(4,035,307)	(4,716,876)
دیگر آمدنی	7,473,330	14,517,781	7,235,021	12,693,449
عملیاتی فائدہ	(1,638,922)	5,738,405	3,199,714	7,976,573
مالیاتی قیمت	21,297,945	29,768,651	15,412,147	18,809,006
ٹیکسیشن سے قبل نفع	(6,908,159)	(8,641,885)	(3,792,511)	(7,993,750)
ٹیکسیشن موجودہ	14,389,786	21,126,766	11,619,636	10,815,256
ٹیکسیشن کے بعد منافع	(6,055,886)	(5,812,226)	(2,585,672)	(2,578,537)
	8,333,900	15,314,540	9,033,964	8,236,719

فی شیئر کمائی - بنیادی اور ڈائیلیوٹڈ	0.69	1.28	0.75	0.69
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مالیاتی نتائج: چھ ماہ کی مدت کے آخر دسمبر ۲۰۱۸، ۳۱ میں ٹیکس کے بعد مالیاتی نتائج -8,333,900 روپے خالص منافع کی صورت میں ہے۔ مدت کے دوران کاروبار کے پرنسپل لائن سے آمدنی 37.397 ملین روپے ہے۔ ٹیکس کے بعد خالص منافع میں 15.314 ملین روپے سے 8.334 ملین روپے تک کمی واقع ہوئی ہے۔ گذشتہ سال کے مقابلے میں خالص منافع میں کمی کی وجہ دیگر آمدنی جس کی نوعیت بار بار رہنے والے فطرت کی وجہ سے نہیں تھا۔ انتظامیہ نے مقررہ اخراجات کو بہت سخت قابو میں رکھا ہوا ہے اور افراط زر کے دباؤ میں اضافہ کے باوجود اخراجات برائے نام ہے۔ کمپنی اب اپنی زیادہ تر توجہ قرض دہندگان سے کھاتہ کی ادائیگی اور نقد رقم کے بہاؤ کے استحکام پر مبہوس کر رہی ہے۔ ایڈیٹر نے کمپنی کے مالی استحکام پر زور دینے والے پیراگراف شامل کر کے کاروبار کے جاری رہنے والی صلاحیت پر تشویش کا اظہار کیا ہے۔ کمپنی پہلے ہی کاروبار کے جاری رکھنے کے ثبوت میں کمی کرنے والے عناصر کو اکاؤنٹس میں ظاہر کر چکا ہے۔

مستقبل کے امکانات: ڈائریکٹرز کمپنی کو مالی بحران سے باہر نکالنے کے منصوبے پر کام کر رہی ہے۔ مستقبل میں کمپنی کا نظارہ میں اضافہ ہو جائے گا اور آپ کی کمپنی مستقبل میں اچھی بہتری دیکھانے گی۔

اعتراف: آپ کی کمپنی کے ڈائریکٹر نے تمام ملازم، بینکرز، صارفین اور سپلائرز کی عمدہ وابستگی اور بہترین عزم اور شراکت اور تمام اسٹیک ہولڈرز کی طرف سے کمپنی پر مسلسل اعتماد اور بھروسہ رکھنے پر خوشی کا اظہار کیا ہے۔

ڈائریکٹر

مورخہ 26 فروری 2019

چیف ایگزیکٹو

REVIEW REPORT ON CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

For the period ended Dec 31, 2018

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Olympia Mills Limited** as at December 31, 2018, and the related condensed interim profit or loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (here-in-after referred to as the "interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2018 and December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2018.

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 information consists of making inquiries, primarily of the 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information for the half year ended December 31, 2018 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

Without qualifying our opinion we draw attention of the members towards the note no. 1.2 of the condensed interim financial information which indicates that During the period, the company has earned a profit of Rupees 8.334 million (December 31, 2017: Rupees 15.314 million) and as of that date, reported accumulated losses of Rupees 1,080.719 million (June 30, 2018: Rupees 1,089.053 million).

MUSHTAQ & CO.

CHARTERED ACCOUNTANTS

407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 32638521-3

Branch Office: 19-B, Block-G, Gulberg III, Lahore. Tel: 35858624

Email Address: mushtaq_vohra@hotmail.com



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The current liabilities exceeded its current assets by Rupees 660.214 million (June 30, 2018: Rupees 666.753 million) as of that date. These conditions along with adverse key financial ratios and legal cases cast significant doubt about the company's ability to continue as a going concern. However management based on their assessment of the reliability of going concern assumption in preparation of these financial statements, as explained fully in note no. 1.2 concluded that it is still in going concern. Accordingly, these financial statements have been prepared on going concern assumption.

The engagement partner on the audit resulting in this independent auditor's report is Mushtaq Ahmed Vohra, FCA.

KARACHI:
Date: 26 FEB 2019



MUSHTAQ & COMPANY
Chartered Accountants

OLYMPIA MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	NOTES	DECEMBER 31, 2018 RUPEES UNAUDITED	JUNE 30, 2018 RUPEES AUDITED
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
13,000,000 (2018: 13,000,000) Ordinary shares of Rs.10 each.		130,000,000	130,000,000
Issued, subscribed and paid up capital		120,000,000	120,000,000
Revaluation surplus on Property, Plant and Equipment		525,238,488	525,238,488
Revenue Reserve		3,580,053	3,580,053
Unappropriated loss		(1,080,719,840)	(1,089,053,740)
		(431,901,299)	(440,235,199)
NON CURRENT LIABILITIES			
Long term financing	5	510,579,417	525,037,318
Deferred liabilities		290,564	202,366
CURRENT LIABILITIES			
Trade and other payables		316,943,203	317,324,857
Short-term borrowings		299,963,680	303,566,971
Current portion of - long term financing		125,211,271	134,100,002
		742,118,154	754,991,830
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		821,086,836	839,996,315
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	66,382,538	70,290,020
Investment Property		669,205,390	677,872,707
Long term deposit		3,595,162	3,595,162
CURRENT ASSETS			
Trade debts		8,420,467	12,953,190
Other financial assets		34,096,000	34,096,000
Loans and advances		513,694	511,094
Income tax and sales tax refundable		7,144,877	9,663,879
Other receivables		24,901,100	24,380,536
Cash and bank balances		6,827,608	6,633,725
		81,903,746	88,238,424
		821,086,836	839,996,315

The annexed notes form an integral part of this condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	HALF YEAR ENDED		QUARTER ENDED	
	December 31,	December 31,	December 31,	December 31,
	2018	2017	2018	2017
	RUPEES	RUPEES	Rupees	Rupees
Rental Income / Income from Investment property	29,651,453	23,936,199	15,432,845	12,376,747
Income from lease of Land, building Plant & Machinery	7,745,627	4,188,904	4,353,182	4,188,904
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Profit from principal line of business	22,936,867	25,300,490	12,212,433	13,741,038
Income from Paper Manufacturing Business				
Sales of Paper	-	53,399,174	-	-
Cost of Sales	-	(54,669,418)	-	(2,908,605)
Gross Loss from paper buisness	-	(1,270,244)	-	(2,908,605)
	22,936,867	24,030,246	12,212,433	10,832,433
Administrative Expenses	(9,112,252)	(8,779,376)	(4,035,307)	(4,716,876)
Other Income	7,473,330	14,517,781	7,235,021	12,693,449
	(1,638,922)	5,738,405	3,199,714	7,976,573
Operating Profit	21,297,945	29,768,651	15,412,147	18,809,006
Finance Cost	(6,908,159)	(8,641,885)	(3,792,511)	(7,993,750)
Profit before taxation	14,389,786	21,126,766	11,619,636	10,815,256
Taxation:				
Current	(6,055,886)	(5,812,226)	(2,585,672)	(2,578,537)
Profit after taxation	8,333,900	15,314,540	9,033,964	8,236,719
Earning per share-Basic and diluted	0.69	1.28	0.75	0.69

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	RUPEES	RUPEES	Rupees	Rupees
Profit for the period after taxation	8,333,900	15,314,540	9,033,964	8,236,719
Total Comprehensive Income	<u>8,333,900</u>	<u>15,314,540</u>	<u>9,033,964</u>	<u>8,236,719</u>

The annexed notes form an integral part of this condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Paid up Capital	Revenue Reserve	Un Appropriated Loss	Surplus on Revaluation of Property, Plant and Equipment	Total
	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES
Balance as at 30-06-2017	120,000,000	3,580,053	(1,223,281,000)	525,920,777	(573,780,169)
Total comprehensive income for the half year ended 31 December 2017	-	-	15,314,540	-	15,314,540
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	539,898	(539,898)	-
Balance as at 31-12-2017	120,000,000	3,580,053	(1,207,426,562)	525,380,880	(558,465,629)
Total Comprehensive Income for the period from 01-01-2018 to 30-6-2018	-	-	118,230,432	-	118,230,432
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	142,391	(142,391)	-
Balance as at 30-06-2018	120,000,000	3,580,053	(1,089,053,740)	525,238,488	(440,235,198)
Total Comprehensive Income for the half year ended December 31, 2018	-	-	8,333,900	-	8,333,900
Balance as at 31-12-2018	120,000,000	3,580,053	(1,080,719,840)	525,238,488	(431,901,299)

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	31 December-2018 RUPEES	31 December-2017 RUPEES
CASH GENERATED FROM OPERATION		
Profit before taxation	14,389,786	21,126,766
Adjustment for non cash charges and other items:		
Depreciation	12,574,800	6,903,526
Finance cost	6,908,159	8,641,885
(Gain)/loss on disposal of fixed assets	-	(669,567)
Liabilities no longer payable	(6,854,263)	(911,206)
Gratuity	88,198	34,834
	12,716,894	13,999,472
Operating Profit before working capital changes	27,106,680	35,126,238
(Increase)/decrease in current assets:		
Stocks, stores and spares	-	9,086,877
Trade debts	4,532,723	11,508,969
Loan and advances	(2,600)	(230,746)
Sales tax	(320,824)	(639,933)
Other receivables	(520,564)	1,232,867
	3,688,735	20,958,034
Increase/(Decrease) in current liabilities:		
Trade and other payables	6,472,606	(35,608,835)
Cash generated from operations	37,268,021	20,475,437
Taxes paid	(3,216,056)	(4,636,802)
Finance cost paid	(621,456)	(381,120)
	(3,837,512)	(5,017,922)
Net cash generated from operating activities	33,430,509	15,457,515
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	1,220,000
Fixed Capital Investment	-	(1,350,000)
Capital Work in progress	-	(3,800,000)
Net cash generated from / (used in) investing activities	-	(3,930,000)
CASH FLOW FORM FINANCING ACTIVITIES		
Long term finance	(29,633,335)	(2,800,000)
Short term finance	(3,603,291)	(11,001,771)
Net cash used in financing activities	(33,236,626)	(13,801,771)
Net increase in cash and cash equivalents	193,883	(2,274,256)
Cash and cash equivalents at the beginning of the period	6,633,725	8,463,475
Cash and cash equivalents at the end of the period	6,827,608	6,189,219

The annexed notes form an integral part of these condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

OLYMPIA MILLS LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2018

1 The COMPANY AND ITS OPERATIONS

1.1 STATUS & NATURE OF BUSINESS

The company was incorporated in Pakistan as a public limited company on October 28, 1960 under the Companies Act, 1913 (Now the Companies Act, 2017), and its shares are quoted on the Pakistan Stock Exchange. The principal line of business of the company is renting/leasing of company's fixed assets. The registered office of the company is situated at H-23/3, Landhi Industrial Area, Landhi Karachi.

- 1.2 During the period, the company has earned a profit of Rupees 8.334 million (December 31, 2017: Rupees 15.314 million) and as of that date, reported accumulated losses of Rupees 1,080.719 million (June 30, 2018: Rupees. 1,089.053 million). The current liabilities exceeded its current assets by Rupees 660.214 million (June 30, 2018: Rupees 666.753 million) as of that date. These conditions along with adverse key financial ratios and legal cases against the company indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. However management assesses the reliability of going concern assumption in preparation of these financial statement and concluded that it is still in going concern due to settlement/restructuring of bank borrowing, inflows of positive cash flows from business, settlement with creditors and commitment to support by directors/sponsors. Accordingly, these financial statements have been prepared on going concern assumption.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- (a) 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.

- (b) This condensed interim financial statement is unaudited and is being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. This condensed interim financial statement does not contain all the information required for a complete set of financial statements, and should be read in conjunction with the published audited financial statements of the company for year ended 30 June 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted for the preparation of the financial statements for the period ended December 31, 2018 on the same as those applied in the preparation for the annual audited statement for the year ended June 30, 2018.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

- 4.2 Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2018.

- 4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2018

5 LONG TERM FINANCING

From banking companies - secured

Term Finance

United Bank Ltd.	5.1	29,583,983	32,583,983
Askari Bank Ltd.	5.2	159,649,665	165,983,000
Bank Alfalah Ltd.	5.3	83,700,000	104,000,000
		272,933,648	302,566,983

Frozen Markup

United Bank Ltd.	5.1	222,272,000	222,272,000
Askari Bank Ltd.	5.2	119,888,598	119,888,598
		342,160,598	342,160,598

Deferred Markup

United Bank Ltd.		3,456,514	2,666,198
Askari Bank Ltd.		15,995,324	11,743,541
Bank Alfalah Ltd.		1,244,604.00	-
		20,696,442	14,409,739
		635,790,688	659,137,320

Current maturity of long term financing

(125,211,271)	(134,100,002)
125,211,271	(134,100,002)
510,579,417	525,037,318

5.1 United Bank Limited (Loans)

On March 17, 2017, bank has restructured the balance amount of Rs 39.8 million into a four year long term loan payable in 24 installments with markup accruing at cost of the funds of the bank. The cost of fund so accrued shall be paid in two installments i.e. on December 25, 2020 and March 25, 2021.. Upon receipt of full amount , the recoverable markup of Rs 222.272 million will be waived off. The term loan is secured by Memorandum of deposit of titled deeds of 90 million.

5.2 Askari Bank Ltd. (Term Finance)

The five year restructured term loan will be payable in 28 installments starting from January 2018 and ending on December 2022. The markup will be accrued at cost of fund of the bank and shall be payable after the payment of principal in four equal installments in year 2023. All the frozen markup of Rs 119.888 million up to 30th June 2015 will be waived off if the company pay the entire principal amount within time. The loan is secured by first pari passu charge by way of mortgage of Rs 150m over company land and building, ranking charge of Rs 40 m over receivables and personal guarantee of three directors.

5.3 Bank Alfalah Ltd. (Term Finance)

Under the revise arrangement with Bank Alfalah, the balance settlement amount of Rs 48.700 million will be payable on or before March 31,2019 along with markup accrued at the rate of cost of fund. The balance amount of Rs 35 million will be waived off by bank upon payment of full settlement amount by the company. The loan is secured by existing first pari passu hypothecation charge over movable assets and books debts to the extent of Rs 40m and 2nd ranking charge on land, building and spinning machinery to the extent of Rs 216 million.

6 CONTINGENCIES AND COMMITMENTS

There have been no significant changes in Contingencies & Commitment since the last Audited financial statements.

7 ACQUISITION AND DISPOSAL OF FIXED ASSETS

There are no additions and deletions of fixed assets during the period. Decrease relates to depreciation only.

	Dec 31, 2018 RUPEES	Dec 31, 2017 RUPEES
8 OTHER OPERATING INCOME		
Return on Bank Term Deposits-Others	533,164	857,771
Gain on disposal of fixed assets	-	669,567
Trading Income	85,903	279,237
Others	-	11,800,000
Liabilities No Longer Payable - Creditors	6,854,263	911,206
	<u>7,473,330</u>	<u>14,517,781</u>

- 8.1 The receipt relates to investment under SRO 1065(I)/2013 and Clause 86-a(iii) of Part IV of Second Schedule in Paper Plant & Machinery and related items.

	December 31 2018 Rupees	December 31 2017 Rupees
9 TRANSACTIONS WITH RELATED PARTIES		
Purchase of Electricity from Olympia Power Generation(Pvt)Ltd	307,235	12,035,670
Rent charged to Olympia Power Generation(Pvt) Ltd	441,684	441,684
Utilities charges to Olympia Power Generation (Pvt) Ltd	461,988	-
Amount (Paid)/ payable to Olympia Power Generation (Pvt) Ltd	<u>5,047,518</u>	<u>(20,957,950)</u>
	<u>6,258,425</u>	<u>(8,480,596)</u>

All transactions have been carried out on commercial terms.

10 EVENT AFTER THE BALANCE SHEET DATE:

There were no significant event since the balance sheet date.

11 DATE OF AUTHORIZATION FOR ISSUE:

These financial statements were authorized for issue on **26 FEB 2019** by the board of directors of the company.

12 GENERAL

Corresponding figures have been rearranged and reclassified, whenever necessary, for better presentation and disclosure.

Reclassification from	To (for better classification)	Amount
i Rent Income (Other income)	Rent Income (P&L)	23,936,199
ii Income from leasing of fixed assets (Other income)	Income from leasing of fixed assets (P&L)	4,188,904
iii Cost of Sales (Related depreciation of Rent/Leasing)	Direct Operating Expenses	(2,824,613)

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER