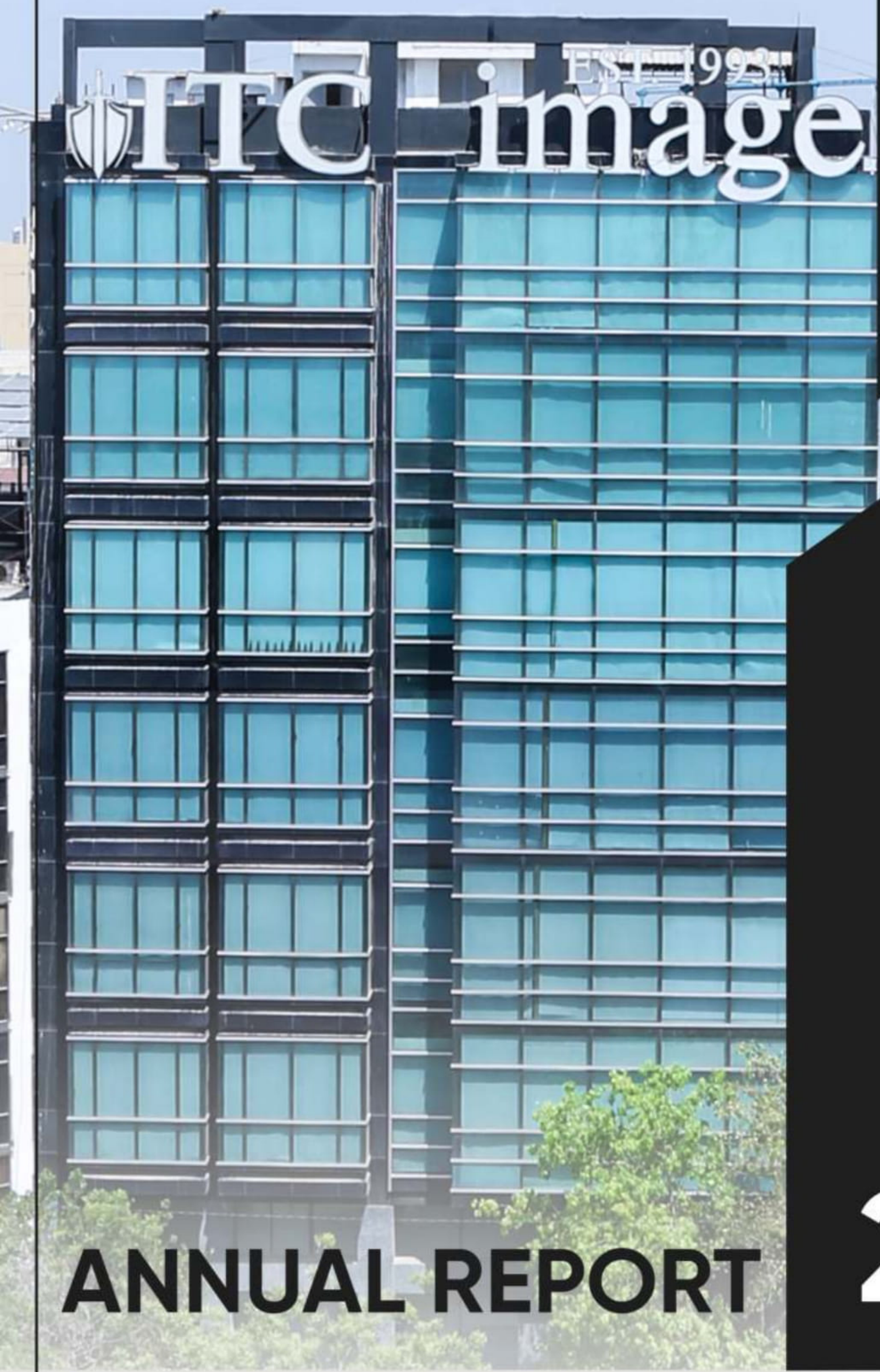
EST. 1993

image

Image Pakistan Limited



ANNUAL REPORT 2022

CONTENTS

Table of Contents	Page No.
Company Information	3
Notice of Annual General Meeting	4
Chairman's Review	8
Directors' Report	10
Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019	23
Independent Auditor's Review Report to the Members of Image Pakistan Ltd.	25
Vision & Mission Statements	31
UNCONSOLIDATED FINANCIAL STATEMENTS	
Independent Auditors' Report to the Members of Image Pakistan Ltd.	26
Unconsolidated Statement of Financial Position	34
Unconsolidated Statement of Profit or Loss	36
Unconsolidated Statement of Comprehensive Income	37
Unconsolidated Statement of Cash Flows	38
Unconsolidated Statement of Changes in Equity	39
Notes to the Unconsolidated Financial Statements	42
CONSOLIDATED FINANCIAL STATEMENTS	
Directors' Report	67
Independent Auditors' Report to the Members of Image Pakistan Ltd.	68
Consolidated Statement of Financial Position	72
Consolidated Statement of Profit or Loss	74
Consolidated Statement of Comprehensive Income	75
Consolidated Statement of Cash Flows	76
Consolidated Statement of Changes in Equity	77
Notes to the Consolidated Financial Statements	78
Pattern of Shareholding as at June 30, 2022	103
Categories of Shareholders as at June 30, 2022	105
Proxy Form	107

Company Information

Board of Directors:	Mr. S. Hussam Subzwari	Non-Executive Chairman/Independent Director
	Mr. Asad Ahmad	Chief Executive
	Ms. Farnaz Ahmad	Non-Executive Director
	Ms. Uzma Ahmad	Executive Director
	Ms. Marium Ahmad	Executive Director
	Mr. Jawed Ahmed Siddiqui	Executive Director
	Mr. M. Ziyad Akhtar Syed	Non-Executive Director/Independent Director
Auditors:	M/s. Feroze Sharif Tariq & Co. Chartered Accountants	
Bankers:	Al Baraka Bank (Pakistan) Ltd. Bank Alfalah Ltd. Bank AL Habib Ltd. Habib Bank Ltd. MCB Bank Ltd.	
Audit Committee:	Mr. M. Ziyad Akhtar Syed	Chairman
	Mr. S. Hussam Subzwari	Member
	Ms. Farnaz Ahmad	Member
Human Resource Committee:	Mr. S. Hussam Subzwari	Chairman
	Ms. Farnaz Ahmad	Member
	Ms. Uzma Ahmad	Member
Legal Counsel:	Mr. M. Haseeb Jamali LLM	
Liaison Office:	A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, Karachi-75350	
Registered Office:	F/538, S.I.T.E., Karachi-75700	
Shares Registrar / Transfer Agent:	M/s. Hameed Majeed Associates (Pvt) Ltd. 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
Plant:	F/538, S.I.T.E., Karachi-75700	

Notice of Meeting

Notice is hereby given that the Thirty Second Annual General Meeting (AGM) of Image Pakistan Limited, will be held on Friday, October 28, 2022 at 9.00 am at F/538, S.I.T.E., Karachi to transact the following business:

1. Recitation from the HOLY QURAN.

2. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Directors' and Auditors' Report thereon and Chairman's Review Report.

3. To consider and approve as recommended by the Board of Directors, issuance of bonus shares @ 15%.

4. To appoint Auditors of the Company and fix their remuneration.

5. (a) The transactions carried out in normal course of business with related parties as disclosed in Note No. 36 during the year ended June 30, 2022 be and are hereby ratified and approved."

   (b) The Board of Directors of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with related parties during the ensuing year ending June 30, 2023.

   (c) These transactions by the Board of Directors of the Company shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification / approval.

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

By Order of the Board

Karachi: October 6, 2022

Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from October 24, 2022 to October 31, 2022 (both days inclusive).

2. Participation in the AGM proceeding via the video Conference facility:
   The AGM proceeding can also be attended via video conference facility. Shareholders interested to participate in the meeting are requested to email their Name, Folio Number, Cell Number, Computerized National Identity Card (CNIC) Number, and Number of shares held in their name with subject "Registration for Image Pakistan Limited AGM" along with valid copy of both sides of CNIC at info@image.net.pk. Video link and login credentials will be shared with only those members whose emails, containing all the required particulars, are received at least 48 hours before the time of AGM. Shareholders can also provide their comments and questions for the agenda items of the AGM at the email.

3. A member entitled to attend AGM is entitled to appoint a proxy and vote in his place at the meeting. Proxy Forms in order to be effective must be received at the registered office of the Company at F/538, S.I.T.E., Karachi duly stamped, signed and witnessed, not later than 48 hours before the meeting.

4. CDC Shareholders or their Proxies are required to bring with them their Original CNIC or Passport along with the Participant's I.D. number and their account number at the time of attending AGM in order to authenticate their identity.

5. Proxy form must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC number must be mentioned on the form, along with attested copies of the CNIC or passport of the beneficial owner and the proxy.

6. In case of corporate entity, the Board of Directors' resolution / power of attorney with the specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

7. Members are requested to notify any change in their addresses immediately to our Shares Registrar M/s. Hameed Majeed Associates (Pvt) Ltd., 4th Floor, Karachi Chamber, Hasrat Mohani Road, Karachi.

اجلاس کا نوٹس

نوٹس ہذا کے ذریعے مطلع کیا جاتا ہے کہ امیج پاکستان لمیٹڈ کا بتیسواں (32واں) سالانہ اجلاس عام (AGM) 28 اکتوبر 2022ء بروز جمعہ صبح 09:00 بجے بمقام S.I.T.E.F/538 کراچی میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا:

1. قرآن پاک کی تلاوت
2. 30 جون 2022ء کو اختتام پذیر سال کے لئے کمپنی کی علیحدہ اور مشترکہ پڑتال شدہ مالیاتی اسٹیٹمنٹس بمعہ ڈائریکٹرز اور آڈیٹرز رپورٹ اور چیئرمین کی تجزیاتی رپورٹ کو وصول کرنا، زیر غور لانا اور اپنانا۔
3. بورڈ آف ڈائریکٹرز کی سفارشات پر 15 فی صد کی شرح سے بونس حصص کے اجرا پر غور کرنا اور منظوری دینا۔
4. کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کا مشاہیرہ طے کرنا۔
5. (a) 30 جون 2022ء کو اختتام پذیر سال کے دوران عمومی کاروباری امور میں نوٹ نمبر 36 میں بیان کردہ متعلقہ فریقین کے ساتھ لین دین کی یہاں باقاعدہ تصحیح کی جاتی اور انہیں منظور کیا جاتا ہے۔"

   (b) آئندہ سال مختتمہ 30 جون 2023ء کے دوران عمومی کاروباری عمور میں متعلقہ فریقین سے لین دین کی منظوری کے لئے یہاں باضابطہ طور پر کمپنی کے بورڈ آف ڈائریکٹرز کو مجاز ٹھہرایا جاتا ہے۔

   (c) کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے یہ ٹرانزیکشنز حصص داران کی جانب سے منظور شدہ ٹرانزیکشنز شمار ہوں گی اور ان کی باقاعدہ تصحیح اور منظوری کے لئے آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے رکھا جائے گا۔
6. چیئرمین کی اجازت سے دیگر امور پر بحث کرنا۔

بحکم بورڈ

کمپنی سیکریٹری

کراچی: 06 اکتوبر، 2022ء

مندرجات:

1. کمپنی کی شیئر ٹرانسفر books مؤرخہ 24 اکتوبر 2022ء سے 31 اکتوبر 2022ء تک (بشمول دونوں ایام) بند رہیں گی۔
2. بذریعہ وڈیو کانفرنس سہولت AGM کی کارروائی میں شرکت:

AGM کی کارروائی میں بذریعہ ویڈیو کانفرنس سہولت بھی شرکت کی جاسکتی ہے۔ اجلاس میں شرکت کے خواہش مند

شیئر ہولڈرز سے گزارش ہے کہ وہ اپنے نام، فولیو نمبر، سیل نمبر، کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) نمبر اور اپنے ملکیتی حصص کی تعداد پر مشتمل معلومات بمعہ CNIC کی دونوں اطراف کی کارآمد نقول عنوان کی جگہ پر ''امیج پاکستان لمیٹڈ کی AGM کے لئے رجسٹریشن'' تحریر کر کے info@image.net.pk پر ای میل کریں۔ ویڈیو لنک اور لاگ ان کی تفصیلات صرف ان اراکین کے ساتھ شیئر کی جائیں گی جن کے ای میل بمعہ درکار معلومات AGM کے انعقاد سے کم از کم 48 گھنٹے قبل وصول ہو جائیں۔

3. AGM میں شرکت کا اہل رکن ایک پراکسی مقرر کر سکتا ہے اور اجلاس میں اُس کی جگہ ووٹ کر سکتا ہے۔ پراکسی فارم کو مؤثر بنانے کی غرض سے یہ باقاعدہ مہر اور دستخط شدہ اور گواہان سے تصدیق شدہ کمپنی کو F/538، سائیٹ کراچی پر اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل پہنچ جانا چاہئے۔

4. CDC شیئر ہولڈرز یا ان کے پراکسی کو اپنی شناخت ثابت کرنے کے لئے اجلاس میں شرکت کے موقع پر اپنا شراکت آئی ڈی بمعہ اصلی شناختی کارڈ یا پاسپورٹ ہمراہ لانا ہوگا۔

5. کمپنی کو پراکسی فارم مقررہ وقت میں جمع کرایا جائے۔ جس پر دو افراد کی گواہی ہو جن کے نام نام، پتے اور شناختی کارڈ نمبر فارم پر لازمی درج ہوں۔ اس فارم کے ساتھ مستفید ہونے والے مالک اور پراکسی کے شناختی کارڈ اور پاسپورٹ کی مصدقہ نقول منسلک ہونی چاہئیں۔

6. کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ بمعہ پراکسی ہولڈر کے نمونہ کے دستخط کمپنی کو پراکسی فارم کے ساتھ جمع کرایا جائے (اگر پہلے جمع نہیں کرایا گیا ہے)۔

7. اراکین سے گذارش ہے کہ اپنے پتہ میں تبدیلی کی صورت میں ہمارے شیئر رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ دفتر واقع چوتھی منزل، کراچی چیمبر، حسرت موہانی روڈ، کراچی کو فوراً آگاہ کریں۔

Chairman's Review

It gives me immense pleasure to communicate with our valued members and stakeholders and to present the Annual Report of Image Pakistan Limited for the year ended June 30, 2022 and to appraise them on the overall performance of the Board and the effectiveness of the role played by the Board in achieving the Company's objectives by illustrating the overall performance and achievements of the Company.

I extend my appreciation to the company and its management for following the best practices relating to corporate governance and complies with all the relevant requirements of Companies Act, 2017 and the Code of Corporate Governance as per Listed Companies (Code of Corporate Governance) Regulations, 2019. The board members continued to ensure and extend their guidance to the management to meet all legal and regulatory requirements.

Here, I would also like to place on record my sincere appreciation to our staff members for their valuable services and to the shareholders / other stakeholders for their continued support and trust towards the management and the Company.

S. Hussam Subzwari
Chairman

Place: Karachi
Dated: September 28, 2022

چیئرمین کا تجزیہ

میں 30 جون 2022ء کو اختتام پذیر سال کے لئے اپنے معزز اراکین اور اسٹیک ہولڈرز کو امیج پاکستان لمیٹڈ کی سالانہ رپورٹ ازراہِ مسرت پیش کرتا ہوں اور بورڈ کی مجموعی کارکردگی اور کمپنی کی کارکردگی اور کامیابیوں کی عکاسی کرنے والے کمپنی کے مقاصد حاصل کرنے میں بورڈ کے مؤثر کردار کی قدر کرتا ہوں۔

میں بہترین کاروباری عمل داری اور کمپنیز ایکٹ 2017ء کے متعلقہ اصولوں اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ضوابط 2019ء کی تعمیل پر کمپنی اور اس کی انتظامیہ کو خراج تحسین پیش کرتا ہوں۔ بورڈ اراکین نے تمام قانون و ریگولیٹری معیارات کو پورا کرنے میں انتظامیہ کی مسلسل رہنمائی کو یقینی بنایا ہے۔

یہاں میں اپنے عملے کے تمام اراکین کی گراں قدر خدمات اور انتظامیہ اور کمپنی پر شیئر ہولڈرز/ دیگر سٹیک ہولڈرز کے مسلسل بھروسے اور حمایت پر شکریہ ادا کرتا ہوں۔

ایس۔حسام سبزواری

چیئرمین

مقام: کراچی

تاریخ: 28 ستمبر 2022ء

DIRECTORS' REPORT

Directors' Report

The audited accounts of the Company for the year ended June 30, 2022 are presented herewith.

FINANCIAL RESULTS

The Consolidated Financial Results of the Company are summarized as follows:

	Rupees **2022**	Rupees **2021**
SALES – Net	1,718,240,569	1,001,848,809
COST OF SALES	973,389,785	559,804,885
GROSS PROFIT	744,850,784	442,043,924
Operating Expenses		
Distribution and Selling Cost	(332,736,249)	(166,304,129)
Administrative and General Expenses	(166,833,860)	(76,540,807)
	(499,570,109)	(242,844,937)
OPERATING PROFIT	245,280,676	199,198,987
Other Income / (Loss)	(34,363,716)	78,772
	210,916,960	199,277,759
Finance Cost	(31,609,843)	(35,660,361)
	179,307,117	163,617,399
Other Charges	(7,259,513)	(8,180,870)
PROFIT BEFORE TAXATION	172,047,604	155,436,529
Taxation	36,114,249	(40,337,211)
PROFIT AFTER TAXATION	208,161,853	115,099,318
Profit attributable to		
Owner of the Parent Company	208,137,237	-
Non-Controlling Interest	24,616	-
	208,161,853	-
Earnings per share – basic and diluted	2.37	2.02

BUSINESS:

Alhamdulilah, Image Pakistan Limited reports a strong revenue growth of more than 71% in FY 21-22. Image Pakistan Ltd., has been very active in store optimisation activities as well as expanded its e-commerce platform underpinned by the key strategic pillars of product differentiation, digitalization, innovation and sustainability.

The year was defined by a progressive normalization of sales and strong differentiation.

In Q1 2022, despite restricted trading hours due to Covid-19, sales trends improved markedly due to healthy in-store sales productivity and online sales growth. Sales, PBT and net income reached record level highs. It is noteworthy that your Company has been very active in store optimization i.e. opening new stores in prime locations (Islamabad, Rawalpindi, Peshawar and Lahore) plus refurbish and enlarge existing ones. An increase in area (sq. ft.) contributed to sales growth despite decrease in store traffic and restricted trading hours due to the spread of the Omicron variant in the country.

Following a decrease in the cases of the Omicron variant and the end of restrictions in the start of Spring/Summer (Lawn season) 2022 sales reached record highs. The collections have been very well received by our customers. The agility of the business model and outstanding creativity in design makes the product unique in the fashion retail market. Furthermore, your Company has been aggressive and Alhamdulilah successful in building a highly desirable brand which is perceived in high value by the customers. A strong brand equity is also a key factory in driving up revenue for your company.

The economy in Pakistan, like rest of the world, is passing through a turbulent time due to the high energy and commodity prices and fears of a global recession. The situation has been further aggravated by a steep depreciation of the currency in the last few months. All these factors are putting huge pressure on the disposable income of the consumers and might have an adverse impact on the consumption. On top of this, the recent floods have damaged our main crops i.e. cotton, wheat and rice, this will have a negative impact on current and fiscal deficit.

The company's capital structure is characterized by the low debt/equity ratio as a result of the practically non-existent debt financing and the strength of its equity particularly in view of high interest rate environment and global inflationary trends.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company strongly believes that business profitability and positive social impact must be mutually reinforced. Our company can only be successful in the long term if we create value for our Social Capital. During the period under review, our CSR Initiatives were as under:

All Pakistan Junior & Women Squash Championship 2022 was sponsored by the Company which was held from March 23-26, 2022 at RK-JK Squash Complex, Karachi. The prize distribution ceremony was performed by Squash legend Mr. Jahangir Khan.

Our Company has a strong sense of Corporate Social Responsibility and regularly donates funds to charitable organizations to support the areas of women empowerment, education, health, and community development. The Company has also donated towards relief efforts during the recent floods.

SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Company is determined to adopt the Sustainable Development Goals (SDGs) as a strategic plan for its journey towards sustainability. This year too, we continued to align our practices to meet the Global goals and to use business driven approaches to create lasting economic growth.

In order to put efforts for achievement of SDGs, our Company has signed an agreement with National Energy Efficiency & Conservation Authority (NEECA) on November 3, 2021. The objective is to secure significant global climate change mitigation and environmental benefits by instituting efficient lighting policies to increase the use of clean energy at the Company's production facilities and utilize technology to provide solar energy solutions to the community.

DIVERSITY & INCLUSION

Gender Diversity: Our Company is well aware of the importance of gender diversity for the development of good firm environmental policy as well as for the improvement of corporate governance. Therefore, our Company has three female directors on its Board as well as a sizeable number of females in work force and a reasonable number of female staff in HR, Marketing and Design Departments.

Minorities: There is no disparity within our Company as to religion or cast and the staff members also include Christians, Hindus, etc. Our Company has high regards to all minority people.

Training of Unskilled and Running of Skilled Program: Considerable efforts have been made by the Company in recent years to recruit unskilled workers, train them before they are employed, and deal with various problems once they are on the job. Simultaneously, Our Company also runs professional training programs for its skilled staff, within and outside the organization to further improve their professional skills. These training programs have significantly contributed to improvement of relationships.

SHARIAH COMPLIANT

The Securities & Exchange Commission of Pakistan being satisfied that our Company meets the minimum criteria for Shariah Compliance has granted Shariah Compliance Certificate for a period of 3 years.

DIVIDEND

The Board of Directors have recommended bonus shares @ 15% for the year ended 30.6.2022.

SUBSIDIARIES OF IMAGE PAKISTAN LIMITED

The Company 100% owns three subsidiaries, a brief of each subsidiary is as follows:

1. ***Image Tech Limited***
   This subsidiary was incorporated as Public Limited Company on 12th July, 2021 to avail the incentives announced by the Government of Pakistan for technology companies including digital electronics and internet related services such as e-commerce.

2. ***Image International Limited***
   This overseas subsidiary was incorporated on 17th November, 2021 in the UK and has started scaling business on Amazon by operating FBA model in UK.

3. ***Tri-Star Image (USA) Inc.***
   This overseas subsidiary was incorporated on 4th January, 2022 in USA and has started scaling business on Amazon by operating FBA model in USA.

BOARD OF DIRECTORS

The present Board of Directors assumed their office with effect from 24th December, 2021 for a period of three years.

AUDITORS

The present Auditors M/s. Feroze Sharif Tariq & Co., Chartered Accountants, are due for retirement and being eligible to offer themselves for reappointment. As required by the Code of Corporate Governance, the Board of Audit Committee has recommended the re-appointment of M/s. Feroze Sharif Tariq & Co., Chartered Accountants, as auditors of the Company for the ensuing year.

PATTERN OF SHARE HOLDING

A statement showing pattern of shareholding in the Company as on June 30, 2022 appear on Page No. 103.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations' cash flows and change in equity.

b) Proper books of accounts 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 Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure therefrom has been adequately disclosed.

e) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

f) The trading in shares of Company was done by Directors as follows:

Name	Designation	No. of shares
Right shares Mr. Asad Ahmad	Director	7,923,687
Right Shares Ms. Farnaz Ahmad	Director	2,799,375
Right Shares Ms. Uzma Ahamd	Director	768,337
Shares Purchased by Ms. Uzma Ahmad	Director	350,000
Right Shares Ms. Marium Ahmad	Director	2,486,812
Right Shares Mr. S. Hussam Subzwari	Director	750
Right Shares Mr. Jawed Ahmed Siddiqui	Director	431

g) None of the Director, Chief Executive, Executives and their spouses and minor children have traded in the shares of the company during the year other than the ones mentioned above.

h) Key operating and financial data for the last six years in summarized form is annexed.

i) During the year eight (8) meetings of the Board of Directors were held, attendance by each Director is as follows: -

Name of Director	No. of Meetings attended
Mr. Asad Ahmad	8
Ms. Farnaz Ahmad	8
Ms. Uzma Ahmad	8
Ms. Marium Ahmad	8
Mr. Jawed Ahmed Siddiqui	8
Mr. S. Hussam Subzwari	8
Mr. M. Ziyad Akhtar Syed	-

DIRECTORS' REMUNERATION

The Board of Directors has approved Directors' Remuneration Policy. The main features of the policy are as follows:

- The Company shall not pay remuneration to its non-executive directors including independent director except for meeting fee for attending the Board and its Committees' meetings.
- The remuneration of Directors and fee for attending Board meeting is determined by an approved policy in accordance with Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- The Directors' Remuneration Policy will be reviewed and approved by the Board of Directors from time to time.

j) The pattern of certificate holdings is annexed.

On behalf of the Board

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

Place: Karachi.
Dated: September 28, 2022

ڈائریکٹرز کی رپورٹ

30 جون 2022ء کو اختتام پذیر سال کے لئے کمپنی کے پڑتال شدہ کھاتے پیش کئے جا رہے ہیں:

مالیاتی نتائج

کمپنی کے مشترکہ مالیاتی نتائج کا خلاصہ حسب ذیل ہے:

	2022ء	2021ء
	روپے	
سیلز - خالص	1,718,240,569	1,001,848,809
سیلز پر لاگت	973,389,785	559,804,885
کل منافع	744,850,784	442,043,924
آپریٹنگ اخراجات		
ڈسٹری بیوشن اور سیلنگ لاگت	(332,736,249)	(166,304,129)
انتظامی و عمومی اخراجات	(166,833,860)	(76,540,807)
	(499,570,109)	(242,844,937)
آپریٹنگ منافع	245,280,676	199,198,987
دیگر آمدنی / (خسارہ)	(34,363,716)	78,772
	210,916,960	199,277,759
قرضوں پر لاگت	(31,609,843)	(35,660,361)
	179,307,117	163,617,399
دیگر اخراجات	(7,259,513)	(8,180,870)
نفع بمعہ ٹیکسیشن	172,047,604	155,436,529
ٹیکسیشن	36,114,249	(40,337,211)
نفع علاوہ ٹیکسیشن	208,161,853	115,099,318
نفع کی تقسیم برائے		
مرکزی کمپنی کا مالک	208,137,237	-
نان کنٹرولنگ انٹرسٹ	24,616	-
	208,161,853	-
فی حصص آمدنی - بنیادی تحلیلی	2.37	2.02

کاروبار

الحمدللہ، امیج پاکستان لمیٹڈ نے مالیاتی سال 22-21 میں 71 فی صد سے زائد کی مستحکم آمدنی رپورٹ کی۔ امیج پاکستان لمیٹڈ اسٹور کی سرگرمیوں میں اضافہ، پروڈکٹ کا تفرق، ڈیجیٹلائزیشن، تجدید اور پائیداری کے لئے اپنے ای کامرس پلیٹ فارم کی توسیع میں سرگرم عمل رہی۔

مذکورہ سال کو سیلز کی تعمیری نارملائزیشن اور مستحکم تفرق کا سال قرار دیا گیا ہے۔

کرونا وائرس کے باعث محدود تجارتی اوقات کار کے باوجود مالیاتی سال 2022ء کی پہلی سہ ماہی میں مضبوط ان-اسٹور سیلز پیداوار اور آن لائن سیلز میں ترقی کی وجہ سے سیلز کا رجحان بہتر ہوا۔ سیلز، PBT اور خالص آمدنی تاریخ کی بلند ترین سطح پر پہنچ گئی۔ واضح رہے کہ آپ کی کمپنی اسٹور آپٹیمائزیشن یعنی (اسلام آباد، راولپنڈی، پشاور اور لاہور) کے پوش مقامات پر نئے اسٹورز کے قیام اور موجودہ اسٹورز کی توسیع اور تزئین و آرائش میں انتہائی فعال رہی ہے۔ ملک بھر میں اومی کرون ویریئنٹ کے پھیلاؤ کے باعث اسٹورز میں لوگوں کی کم آمد اور محدود تجارتی اوقات کار کے باوجود رقبہ (مربع فٹ) میں اضافہ نے سیلز کی نمو میں اہم کردار ادا کیا ہے۔

موسم خزاں/سرما (لان سیزن) 2022ء کے آغاز میں اومی کرون ویریئنٹ کے کیسز میں کمی کے اور پابندیوں کے خاتمہ کے بعد سیلز کے حجم کا گراف ریکارڈ بلندی کو چھو گیا۔ ہمارے کسٹمرز کی جانب سے نئی کولیکشنز کو بہت پذیرائی ملی۔ بزنس ماڈل کی تحریک اور ڈیزائن میں لاجواب تخلیقی صلاحیتوں نے فیشن ریٹیل مارکیٹ میں ہماری مصنوعات کو منفرد بنا دیا ہے۔ مزید برآں، آپ کی کمپنی متحرک رہی ہے اور الحمدللہ انتہائی مطلوب برانڈ کی تیاری میں کامیاب رہی ہے جس کو کسٹمرز کی جانب سے خوب پذیرائی ملی ہے۔ مربوط برینڈ ایکویٹی آپ کی کمپنی کی آمدنی میں اضافے کا اہم محرک ہے۔

باقی دنیا کی طرح پاکستان کی معیشت توانائی اور اشیائے ضروریہ کی بلند قیمتوں اور عالمی سطح پر جمود کے خدشات کے باعث ایک مشکل دور سے گزر رہی ہے۔ گذشتہ چند مہینوں سے کرنسی کی قدر میں مسلسل کمی کے باعث حالات مزید بگڑ رہے ہیں۔ یہ تمام عوامل صارفین کی قابل تصرف آمدنی پر شدید دباؤ ڈال رہے ہیں جس کے کھپت پر برے اثرات مرتب ہو سکتے ہیں۔ علاوہ ازیں، حالیہ سیلاب نے ہماری بنیادی فصلوں یعنی کپاس، گندم اور چاول کو نقصان پہنچایا ہے جس کے کرنٹ اور مالیاتی خسارے پر منفی اثرات مرتب ہوں گے۔

عملی طور پر ڈیٹ فائننسنگ کی عدم موجودگی اور خصوصاً بلند شرح سود اور عالمی مہنگائی کے رجحانات کے باوجود اس کی ایکویٹی میں استحکام کے باعث کمپنی کا کیپٹل اسٹرکچر کم قرض بنام ایکویٹی شرح کی عکاسی کرتا ہے۔

کاروباری سماجی ذمہ داری (CSR)

کمپنی مکمل یقین رکھتی ہے کہ کاروباری منافع اور مثبت سماجی اثرات میں مطابقت قائم کی جائے۔ اگر ہم سماجی سرمایہ کی قدر میں اضافہ کریں گے تو ہی کمپنی دائمی کامیابیاں حاصل کر سکے گی۔ زیر جائزہ مدت کے دوران ہماری CSR سرگرمیاں مندرجہ ذیل رہیں:

کمپنی نے RK-JK اسکواش کمپلکس کراچی میں 23-26 مارچ 2022ء کو منعقدہ آل پاکستان جونیئر اینڈ ویمن اسکواش چیمپئن شپ 2022ء کو اسپانسر کیا۔ اسکواش کے عالمی شہرت یافتہ لیجنڈ جہانگیر خان صاحب تقریب تقسیم انعامات کے مہمان خصوصی تھے۔

ہماری کمپنی کاروباری وسماجی ذمہ داری کی سمجھ بوجھ رکھتی ہے اور خواتین کی خودمختاری، تعلیم، صحت اور کمیونٹی ڈیویلپمنٹ جیسے شعبوں سے منسلک خیراتی اداروں کو باقاعدگی سے عطیات دے رہی ہے۔

پائیدار ترقیاتی اہداف (SDG)

کمپنی استحکام کی جانب سفر جاری رکھنے کے لئے پائیدار ترقیاتی اہداف (SDG) کو بطور اسٹریٹجک منصوبہ اپنانے کے لئے پرعزم ہے۔ رواں برس بھی ہم عالمی اہداف حاصل کرنے اور دائمی معاشی نمو کے لئے کاروبار سے منسلک طریقہ کار کو استعمال کرنے کے لئے اپنے طریق عمل کو سنوارنے کے لئے کوشاں رہے۔

SDG کو حاصل کرنے کی کوششوں کو بروئے کار لانے کے لئے ہماری کمپنی نے نیشنل انرجی ایفی شنسی اینڈ کنزرویشن اتھارٹی (NEECA) سے 3 نومبر 2021ء کو ایک معاہدے پر دستخط کئے تھے۔ اس کا مقصد کمپنی کے پیداواری مقامات پر شفاف توانائی کے استعمال میں اضافہ کے لئے بہترین لائٹنگ پالیسی کے نفاذ اور کمیونٹی کو سول انرجی سالیوشنز فراہم کرنے کی ٹیکنالوجی کے ذریعے عالمی ماحولیاتی تبدیلیوں کا تدارک اور ماحولیاتی فوائد حاصل کرنا تھا۔

تنوع اور شمولیت

جنس میں تنوع: ہماری کمپنی بہتر ماحولیاتی پالیسی کی ترویج اور کاروباری عمل داری میں بہتری کے لئے جنسی تغیر کی اہمیت سے ہماری کمپنی بخوبی آگاہ ہے۔ لہٰذا، ہماری کمپنی کا بورڈ نہ صرف تین خواتین ڈائریکٹرز پر مشتمل ہے بلکہ افرادی قوت میں خواتین کی معقول تعداد بھی کام کر رہی ہے۔ اسی طرح ایچ آر، مارکیٹنگ اور ڈیزائن کے شعبوں میں بھی خواتین کی کثیر تعداد کام کرتی ہے۔

اقلیتیں: ہماری کمپنی میں مذہب اور ذات کی بنیاد پر کوئی تفریق نہیں ہے۔ ہمارے عملے میں مسیحی، ہندو برادری وغیرہ سے تعلق رکھنے والے افراد بھی شامل ہیں۔ ہماری کمپنی تمام اقلیتی افراد کا خیال رکھتی ہے۔

غیر تربیت یافتہ افراد کی ٹریننگ اور تربیت یافتہ افراد کے لئے نشست: حالیہ برسوں میں غیر تربیت یافتہ ورکرز کی بھرتی، تعیناتی سے پہلے تربیت اور تعیناتی کے بعد پیدا مسائل سے نبرد آزما ہونے میں کمپنی نے خاطر خواہ کوششیں کی ہیں۔ اسی طرح سے، ہماری کمپنی ادارے کے اندر اور باہر اپنے تربیت یافتہ عملے کے پیشہ ورانہ تربیتی پروگرام بھی چلاتی ہے تاکہ ان کی پیشہ ورانہ مہارت کو نکھارا جاسکے۔ یہ تربیتی پروگرام باہمی تعلقات میں بہتری میں اہم کردار ادا کرتے ہیں۔

شریعہ کمپلائنس

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان مکمل طور پر مطمئن ہے کہ ہماری کمپنی شریعت کے کم از کم معیار کی تعمیل کرتی ہے اور SECP نے عرصہ تین سال کی مدت کے لئے کمپنی کو شریعہ کمپلائنس سرٹیفکیٹ سے نوازا ہے۔

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 30 جون 2022ء کو اختتام پذیر سال کے لئے 15 فی صد کی شرح سے بونس حصص کی سفارش کی ہے۔

امیج پاکستان لمیٹڈ کی ذیلی کمپنیاں

کمپنی تین ذیلی کمپنیوں کی 100 فی صد مالک ہے۔ ہر ذیلی کمپنی کی مختصر تفصیل حسب ذیل ہے:

1. <u>امیج ٹیک لمیٹڈ</u>

یہ ذیلی کمپنی حکومت پاکستان کی جانب سے ٹیکنالوجی کمپنیوں کے لئے جاری مراعات حاصل کرنے کی غرض سے 12 جولائی 2021ء کو بطور پبلک لمیٹڈ کمپنی قائم ہوئی تھی۔ اس کمپنی کے بنیادی کاروباری امور میں ڈیجیٹل الیکٹرونکس اور انٹرنیٹ پر مبنی خدمات یعنی ای-کامرس شامل ہے۔

2. <u>امیج انٹرنیشنل لمیٹڈ</u>

یہ غیر ملکی ذیلی کمپنی 17 نومبر 2021ء کو برطانیہ میں رجسٹر ہوئی۔ کمپنی ہذا نے برطانیہ میں FBA ماڈل چلا کر ایمزان پر بزنس اسکیل کرنے کا آغاز کیا۔

3. <u>ٹرائی-اسٹار امیج (امریکہ) انکارپوریٹڈ</u>

غیر ملکی ذیلی کمپنی 4 جنوری 2022ء کو امریکہ میں رجسٹر ہوئی اور کمپنی ہذا نے امریکہ میں FBA ماڈل چلا کر ایمزان پر بزنس اسکیل کرنے کا آغاز کیا۔

بورڈ آف ڈائریکٹرز

حالیہ بورڈ آف ڈائریکٹرز نے 24 دسمبر 2021ء سے عرصہ تین برس کے لئے اپنے فرائض کی انجام دہی کا آغاز کیا۔

آڈیٹرز

حالیہ آڈیٹرز میسرز فیروز شریف طارق اینڈ کو، چارٹرڈ اکاؤنٹنٹس ریٹائر ہونے والے ہیں اور اہلیت کی بنا پر خود کو دوبارہ تقرری کے لئے پیش کرنے کے اہل ہیں۔ کوڈ آف کارپوریٹ گورننس کے تحت آڈٹ کمیٹی بورڈ نے آئندہ برس کے لئے بطور کمپنی آڈیٹر میسرز فیروز شریف طارق اینڈ کو، چارٹرڈ اکاؤنٹنٹس کی تقرری کی سفارش کی ہے۔

شیئر ہولڈنگ کی وضع

30 جون 2022ء کو کمپنی کی شیئر ہولڈنگ کی وضع کا اعلامیہ صفحہ نمبر 103 پر موجود ہے۔

کارپوریٹ و مالیاتی رپورٹنگ فریم ورک پر اعلامیہ

a) کمپنی کی انتظامیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس سرمایے میں تبدیلی، کیش فلو، آپریشنز اور کاروباری امور کی بہترین عکاسی کرتی ہیں۔

b) کمپنی کے کھاتوں کی صحیح کتابیں تیار کی گئی ہیں۔

c) مالیاتی اسٹیٹمنٹس کی تیاری میں موافق اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ جات موزوں فیصلوں کی بنیاد پر لگائے گئے ہیں۔

d) مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز (IFRS) کی پیروی کی گئی ہے اور اس میں کسی بھی قسم کے سقم کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔

e) لسٹنگز ضوابط میں بیان کردہ کارپوریٹ گورننس کی بہترین عمل داری میں کوئی سقم موجود نہ ہے۔

f) ڈائریکٹرز کی جانب سے کی گئی حصص کی تجارت کی تفصیلات مندرجہ ذیل ہیں:

نام	عہدہ	تعداد حصص
جناب اسد احمد کے رائٹ حصص	ڈائریکٹر	7,923,687
محترمہ فرناز احمد کے رائٹ حصص	ڈائریکٹر	2,799,375
محترمہ عظمیٰ احمد کے رائٹ حصص	ڈائریکٹر	768,337
محترمہ عظمیٰ احمد کی جانب سے حصص کی خریداری	ڈائریکٹر	350,000
محترمہ مریم احمد کے رائٹ حصص	ڈائریکٹر	2,486,812
جناب ایس حسام سبزواری	ڈائریکٹر	750
جناب جاوید احمد صدیقی کے رائٹ حصص	ڈائریکٹر	431

g) کسی بھی ڈائریکٹر، چیف ایگزیکٹو، ایگزیکٹوز اوران کے/ کی شریک حیات اورکم سن بچوں نے مذکورہ بالا کے علاوہ مذکورہ سال کے دوران کمپنی کے حصص میں تجارت نہیں کی ہے۔

h) گذشتہ چھے ماہ کا اہم آپریٹنگ و مالیاتی ڈیٹا خلاصہ کی شکل میں منسلک ہے۔

i) سال بھر کے دوران بورڈ آف ڈائریکٹرز کے آٹھ (8) اجلاس منعقد ہوئے ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

نام ڈائریکٹر	اجلاس میں حاضری کی تعداد
جناب اسد احمد	8
محترمہ فرناز احمد	8
محترمہ عظمیٰ احمد	8
محترمہ مریم احمد	8
جناب جاوید احمد صدیقی	8
جناب ایس حسام سبزواری	8
جناب ایم زیاد اختر سید	-

ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضہ کی پالیسی منظور کی ہے۔ پالیسی کی بنیادی خصوصیات مندرجہ ذیل ہیں:

- بورڈ اور آڈٹ کمیٹیوں کے اجلاس میں شرکت کی فیس کے علاوہ کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز بشمول خود مختار ڈائریکٹرز کو کوئی معاوضہ ادا نہیں کرے گی۔
- کمپنیز ایکٹ 2017ء اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ضوابط، 2019ء کے تحت ڈائریکٹرز کا معاوضہ اور بورڈ اجلاس میں شرکت کی فیس کا تعین کیا جاتا ہے۔
- بورڈ آف ڈائریکٹرز، ڈائریکٹرز کے معاوضہ کی پالیسی پر ہمہ وقت نظر ثانی کرتا ہے اور اس کی منظوری دیتا ہے۔

j) سٹیفکیٹ ہولڈنگ کی وضع لف ہذا ہے۔

منجانب بورڈ

اسد احمد	**عظمیٰ احمد**
چیف ایگزیکٹو	ڈائریکٹر

مقام: کراچی

تاریخ: 28 ستمبر 2022ء

SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Islamic Finance Department

Certificate No. SECP/IFD/SCC/007 September 16, 2022

SHARIAH COMPLIANCE CERTIFICATE
FOR A _SHARIAH_ COMPLIANT COMPANY

The Securities and Exchange Commission of Pakistan, having considered the application for grant of certificate for a *Shariah* compliant company under regulation 5 of the *Shariah* Governance Regulations, 2018 ("the Regulations") read with Section 451 of the Companies Act, 2017 (XIX of 2017) submitted by **Image Pakistan Limited** and being satisfied that the company meets the minimum criteria for *Shariah* Compliance, hereby grants, in exercise of the powers conferred by Regulation 5 of the Regulations, *Shariah* compliance certificate subject to the conditions stated herein below or as may be prescribed or imposed hereafter:

(i) **Image Pakistan Limited** shall comply with the Companies Act, 2017, the Regulations, and any directives, circulars, codes, notifications and guidelines issued or are issued from time to time by the Commission and its *Shariah* Advisor;

(ii) **Image Pakistan Limited** shall submit annual, half yearly, quarterly, *Shariah* review or such other reports as specified in the applicable laws;

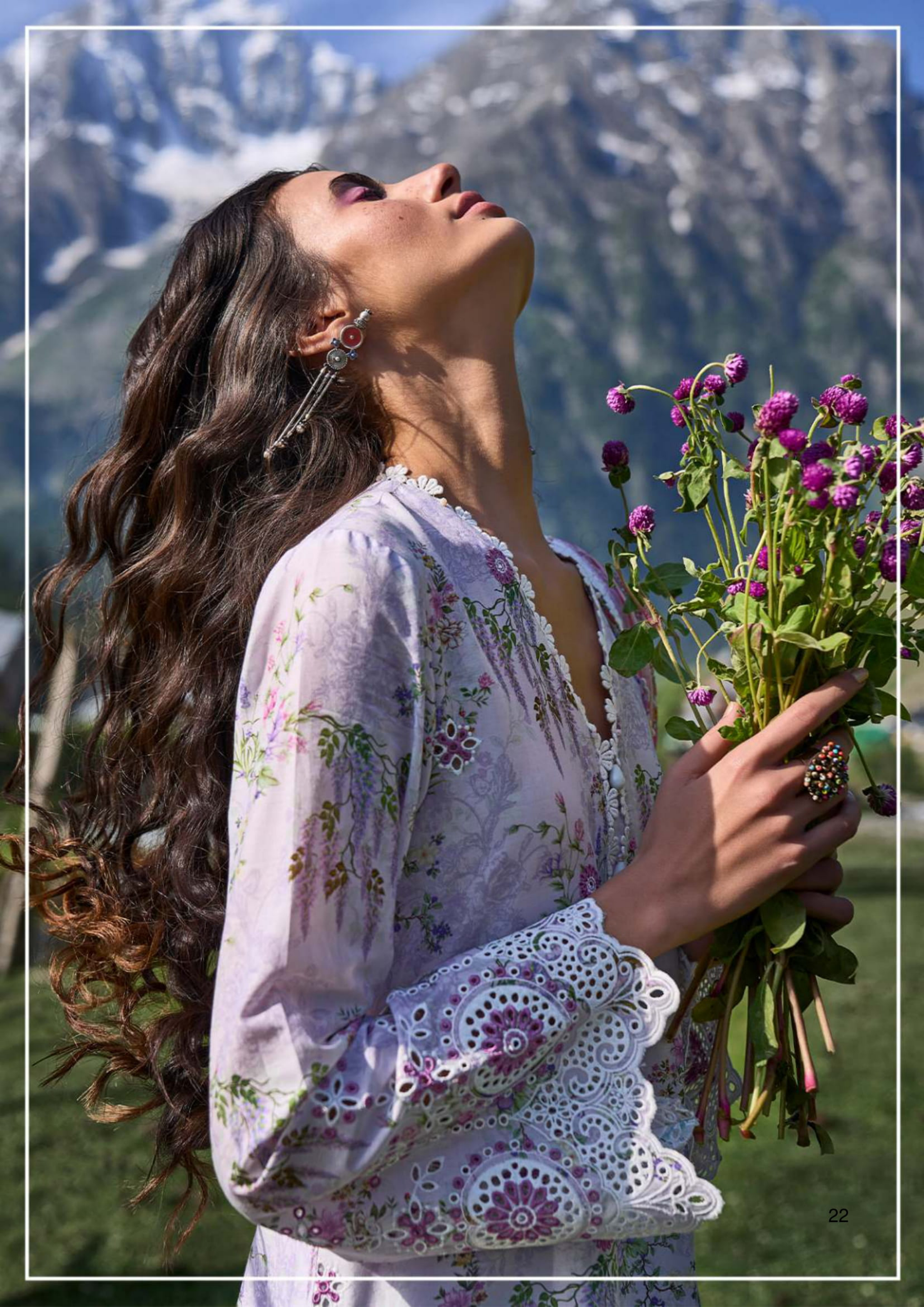
(iii) The company shall bi-annually intimate the commission regarding the status of auditor's qualification and on-going proceeding. In case of a consequential impact on the Shariah screening criteria, this certificate shall immediately be surrendered for cancellation.

(iv) This certificate shall remain valid for a period of three years from the date of certificate unless suspended or cancelled earlier by the Commission, and shall be renewable as specified in the Regulations.

This *Shariah* compliance certificate shall not be valid for the purpose of availing tax rebate as allowed under the criteria prescribed in Income Tax Ordinance, 2001.

SECURITIES & EXCHANGE COMMISSION OF PAKISTAN SECP

(Aamir Khan)
Commissioner/ Chairman



Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Year ended: June 30, 2022

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

1. The total number of directors are 7 as per the following:

   a) Male: 4
   b) Female: 3

2. The composition of board is as follows:

Independent Directors	Mr. S. Hussam Subzwari Mr. M. Ziyad Akhtar Syed
Non - Executive Director	Ms. Farnaz Ahmad
Executive Directors	Mr. Asad Ahmad (CEO) Ms. Uzma Ahmad Ms. Marium Ahmad Mr. Jawed Ahmed Siddiqui
Female Directors	Ms. Farnaz Ahmad Ms. Uzma Ahmad Ms. Marium Ahmad

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

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

9. The Chief Executive and one Director have the prescribed education and experience required for exemption under Clause 19(2) of Code of Corporate Governance (CCG) Regulations. Accordingly, they are exempt from attending directors' training program pursuant to the Clause 19(2) of the CCG Regulations. Five directors have attended and completed directors' training course conducted

by Pakistan Institute of Corporate Governance (PICG) and Institute of Cost & Management Accountants of Pakistan (ICMAP).

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

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

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

a)	Audit Committee:	Mr. M. Ziyad Akhtar Syed (Chairman) Mr. S. Hussam Subzwari Ms. Farnaz Ahmad
b)	HR and Remuneration Committee:	Mr. S. Hussam Subzwari (Chairman) Ms. Farnaz Ahmad Ms. Uzma Ahmad

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 committee were as per following:

a)	Audit Committee	Quarterly
b)	HR and Remuneration Committee	Annually

15. The Board has set up an effective internal audit function / or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, 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 requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Place: Karachi
Dated: September 28, 2022

Asad Ahmad
Chief Executive

Independent Auditors' Review Report to the Members of Image Pakistan Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Image Pakistan Limited** for the year ended 30th June 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of 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. 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.

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 regulations as applicable to the Company for the year ended 30th June 2022.

Further, we highlight below instance of non-compliance with the requirement of Regulation as reflected in the note 2 in the Statement of Compliance:

Reference		Description
i	8 (1)	As stated in para 2, of the statement of compliance of Code of Corporate Governance the Company has elected more than one third of executive directors whereby the Code required the Executive Directors not to be more than one third of the Board.

sd/-
Feroze Sharif Tariq & Co.
Chartered Accountants

September 28, 2022
Karachi
UDIN: CR2022101297hK9sd0Hy

Independent Auditors' Report to the Members of Image Pakistan Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

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

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

Basis for opinion

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

Key Audit Matters

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

Following or the key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
1.	**Related party transactions** Transactions with related parties are disclosed in note 36 to the unconsolidated financial statements. We identified transactions with related parties and relevant disclosures in the unconsolidated financial statements as key audit matter due to the nature and volume of transactions with related parties and their significance to the unconsolidated financial statements	Our audit procedures, amongst others, included the following: • obtaining an understanding of the process that management has established to identify, account for and disclose related party transactions and to authorize and approve related party transactions and arrangements; • comparing the related party transactions, on a sample basis, disclosed in the unconsolidated financial statements with the underlying

		records and performing procedures to identify related party transactions outside the normal course of business; • obtaining, on a sample basis, external confirmations of related party transactions and year-end balances and comparing the same with the Company's record; • comparing, on a sample basis, the recording of related party transactions with the underlying agreements / arrangements in place and supporting documentation and approvals; and • assessing the adequacy of disclosures in the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan.

Information Other than the Unconsolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 30th June 2022, but does not include the unconsolidated financial statements and our auditors' report thereon.
Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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.

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 unconsolidated 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 unconsolidated 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 auditors' report to the related disclosures in the unconsolidated 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 auditors' 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund Established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Mohammad Tariq.

sd/-
Feroze Sharif Tariq & Co.
Chartered Accountants

September 28, 2022
Place: Karachi
UDIN: AR202210129MFPqrWRp8

WHO WE ARE

Vision Statement

Image Pakistan Limited is committed to strive for excellence in all areas of its activity

Mission Statement

We view our business objective of providing quality product that promote commerce and industry within the context of our overall objective of contributing to the nation's prosperity

Core Value

1. **Striving for continuous improvement and innovation with commitment and responsibility;**

2. **Treating stakeholders with respect, courtesy and competence;**

3. **Practicing highest personal and professional integrity;**

4. **Maintaining teamwork, trust and support, with open and candid communication;**

5. **Ensuring cost consciousness in all decisions and operations.**

Statement of Ethics and Business Practices

The articulation of this statement is based on following points:

1. **Questionable and improper payments or use of the Company's assets.**
2. **Political contributions.**
3. **Conflict of interest.**
4. **Books and records of the Company.**
5. **Payment of amounts due to customers, agents or distributors.**
6. **Reporting violations.**
7. **Means as important as the end.**
8. **Integrity and scrupulous dealings.**
9. **Strict observance of the laws of the country.**
10. **Giving and receiving gifts.**

UNCONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2022

Balance Sheet as at

	Notes	June 30, 2022	June 30, 2021
		(Rupees)	
EQUITY AND LIABILITIES			
CAPITAL & RESERVES			
Authorized Capital			
300,000,000 (2021: 100,000,000) Ordinary Shares of Rs. 10/- each		3,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	8	995,386,020	568,792,010
Capital Reserve			
Capital Reserve - (a Share Premium account)		252,683,670	39,386,665
Surplus on revaluation Property, Plant and Equipment	9	345,505,366	356,301,574
Unrealized gain due to change in fair value of investment through other comprehensive Income	21	-	150,056,225
Revenue Reserve			
Unappropriated Profit		232,603,180	104,485,282
Shareholder's Equity		1,826,178,236	1,219,021,756
NON-CURRENT LIABILITIES			
Long term Loan from Associated and related Parties	10	121,920,000	175,070,000
Diminishing Musharka Finance Facility	11	-	38,750,000
Diminishing Musharika - vehicle financing		10,298,787	-
Deferred Taxation	13	47,238,735	77,513,746
Provision for Gratuity	14	8,462,290	5,051,581
CURRENT LIABILITIES			
Trade and Other Payables	15	397,410,139	409,236,976
Accrued Interest on Loan from Associates		13,302,629	28,475,272
Accrued Interest to Financial Institution		-	999,523
Current maturity of non-current liabilities	11	17,553,972	73,000,000
Unclaimed Dividend	16	26,510,502	12,061,067
Provision for Taxation	17	8,759,124	31,579,313
		463,536,366	555,352,151
Contingencies and Commitments	18		
		2,477,634,413	**2,070,759,234**

June 30, 2022

		June 30, 2022	June 30, 2021
		(Rupees)	
ASSETS			
NON-CURRENT ASSETS			
Tangible Fixed Assets			
Property, Plant and Equipment	19	826,941,914	666,088,528
Long Term Deposits	20	19,020,671	6,906,405
Long Term Investments	21	22,108,589	184,566,900
CURRENT ASSETS			
Stores, Spares and Loose Tools	22	4,238,897	3,037,148
Stock-in-Trade	23	1,305,447,086	834,709,097
Trade Debtors - unsecured	24	245,802,826	360,321,198
Trade Deposits and Prepayments - considered good	25	13,433,963	454,126
Income Tax Refunds and Advances		5,475,665	3,188,910
Cash and Bank Balances	26	35,164,803	11,486,922
		1,609,563,240	1,213,197,401
		2,477,634,413	**2,070,759,234**

The annexed notes form an integral part of these accounts.

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

Mohammad Zameer
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022

	Notes	June 30, 2022	June 30, 2021
		(Rupees)	
SALES - Net	27	1,374,396,792	1,001,848,809
COST OF SALES	28	670,456,367	559,804,885
GROSS PROFIT		703,940,425	442,043,924
Operating Expenses			
Distribution and Selling Cost	29	327,125,041	166,304,129
Administrative and General Expenses	30	165,720,067	76,540,808
		492,845,108	242,844,938
OPERATING PROFIT		211,095,317	199,198,987
Other Income/(Loss)	31	(34,363,716)	78,772
		176,731,601	199,277,759
Finance Cost	32	31,541,340	35,660,361
		145,190,261	163,617,398
Other Charges		7,259,513	8,180,870
PROFIT BEFORE TAXATION		137,930,748	155,436,528
Taxation	33	36,114,249	(40,337,211)
PROFIT AFTER TAXATION		174,044,997	115,099,317
Earnings per share - basic & diluted	34	2.06	2.02

The annexed notes form an integral part of these accounts.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	June 30, 2022	June 30, 2021
	(Rupees)	
Profit for the Year	174,044,997	115,099,317
Items that will not be subsequently reclassify to Profit or Loss		
Other comprehensive Income:		
Unrealized gain / (loss) due to change in fair value of investment through other comprehensive Income	-	49,615,550
Reversal of unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income due to provision for impairment of full investmnet made by the board.	(150,056,225)	-
Remearuremnet of defined benefit liability	219,569	12,286
Related deferred tax	63,675	3,563
	155,894	8,723
Total comprehensive income for the period	24,144,666	164,723,590

The annexed notes form an integral part of these accounts.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2022

		June 30, 2022	June 30, 2021
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before Taxation		137,930,748	155,436,528
Adjustment for Non-Cash and Other Items:			
Depreciation		65,654,932	45,439,011
Provision for Gratuity - net of Payments		3,630,278	2,718,201
Provision for impairment in investment		34,510,675	
Financial expenses		31,541,340	35,660,361
		135,337,225	83,817,573
		273,267,973	239,254,102
Working Capital changes			
(Increase) / Decrease in Current Assets			
Stock in Trade		(470,737,989)	(70,633,057)
Stores and Spares		(1,201,749)	(401,014)
Trade debtors		114,518,372	(259,324,428)
Trade deposits, Prepayments & Statutory balances		(12,979,837)	424,125
Increase / (Decrease) in Current Liabilities			
Trade and Other Payables		(11,826,837)	203,685,701
Un-claimed Dividends		14,449,435	--
		(367,778,605)	(126,248,673)
Taxes Paid		(19,331,381)	(9,895,318)
Dividend Paid		(56,879,201)	
Financial charges Paid		(47,713,506)	(29,737,290)
		(123,924,088)	(39,632,608)
Net Cash Inflow/ (Outflow) from Operating Activities		(218,434,720)	73,372,822
CASH FLOW FROM INVESTING ACTIVITIES			
Investmnet made in Subsidiary Companies		(22,108,589)	
Acquisition of Fixed Assets		(226,508,318)	(120,650,215)
Sales Proceeds from Fixed Assets		--	--
Net Cash Inflow/ (Outflow) from Investing Activities		(248,616,907)	(120,650,215)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term Deposits		(12,114,266)	(2,122,400)
Diminishing Musharika		13,227,759	
Share Capital Issued against Cash		426,594,010	--
Share Premium received		213,297,005	
(Payments)/Loan Obtained thoughDiminishing Musharka Finance Facility-net		(97,125,000)	(14,750,000)
Dividend Paid		--	(8,682,331)
Long term Loan from Associated and related parties		(53,150,000)	82,229,000
Net Cash Inflow/ (Outflow) from Financing Activities		490,729,508	56,674,269
Net Increase in Cash and Cash Equivalents		23,677,881	9,396,876
Cash and Cash Equivalents at the Beginning		11,486,922	2,090,046
Cash and Cash Equivalents at the End	30	35,164,803	11,486,922

The annexed notes form an integral part of these accounts.
The even dated auditors report hitherto is annexed.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

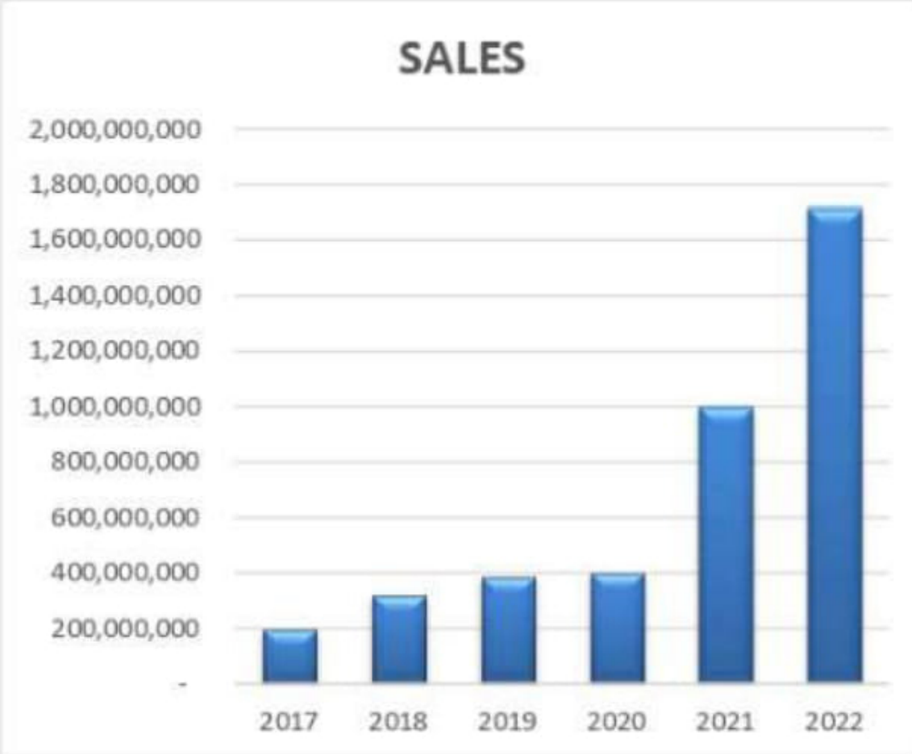
		Capital Reserve		Revenue Reserves		
	Share Capital	A Share Premium Account)	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	Unappropriated Profit/Accumulated (Loss)	Total
Balance as on June 30, 2020	568,792,010	39,386,665	368,297,361	100,440,675	(22,618,546)	1,054,298,165
Net Profit for the year ended June 2021	--	--			115,099,317	115,099,317
Other Comprehensive income			--	49,615,550	8,723	49,624,273
Total Comprehensive income	--	--	--	49,615,550	115,108,040	164,723,590
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(11,995,787)		11,995,787	-
Balance as on June 30, 2021	568,792,010	39,386,665	356,301,574	150,056,225	104,485,282	1,219,021,756
Net Profit for the year ended June 2022	--	--			174,044,997	174,044,997
Other comprehensive income			--	(150,056,225)	155,894	(149,900,331)
Total comprehensive income	--	--	--	(150,056,225)	174,200,891	24,144,666
Final Dividend for the year ended June 30, 2021 @ Rs. 1 per share	--	--	--	--	(56,879,201)	(56,879,201)
Issuance of Right Shares @ 75%	426,594,010	--	--	--	--	426,594,010
Share Prenium on Issuance of 75% Right Shares @ Rs. 5 per share		213,297,005	--	--	--	213,297,005
Transfer to Profit and Loss account of incremental depreciation (net of tax)	--	--	(10,796,208)	--	10,796,208	-
Balance as on June 30, 2022	568,792,010	252,683,670	345,505,366	-	232,603,180	1,826,178,236

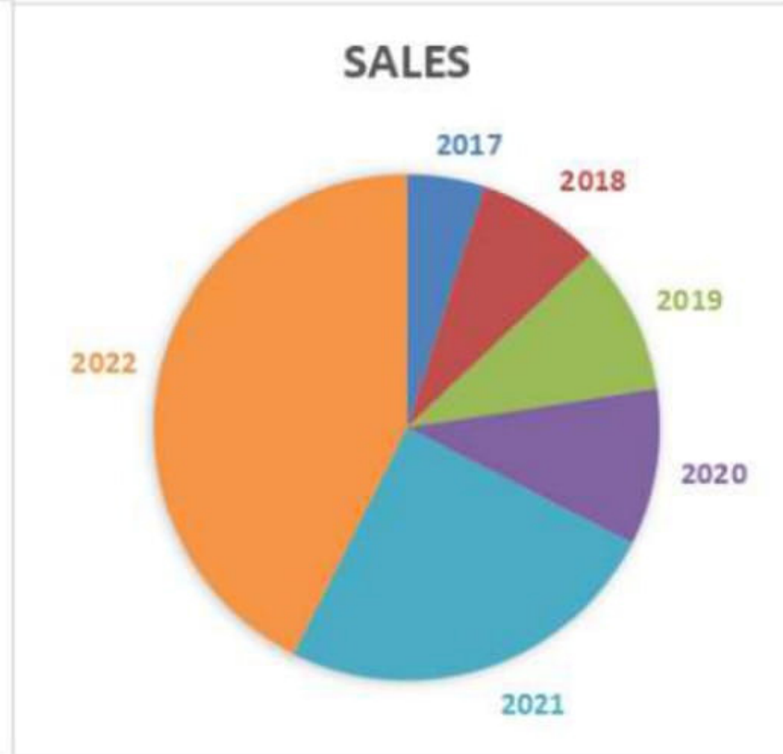
The annexed notes form an integral part of these accounts.
The even dated auditors report hitherto is annexed.

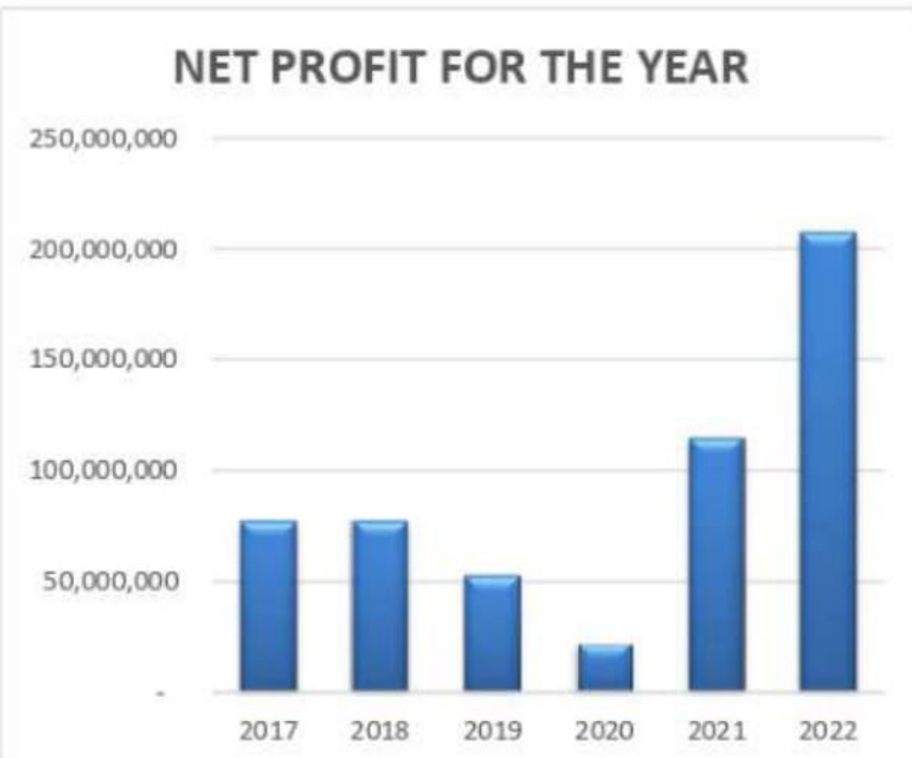
Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

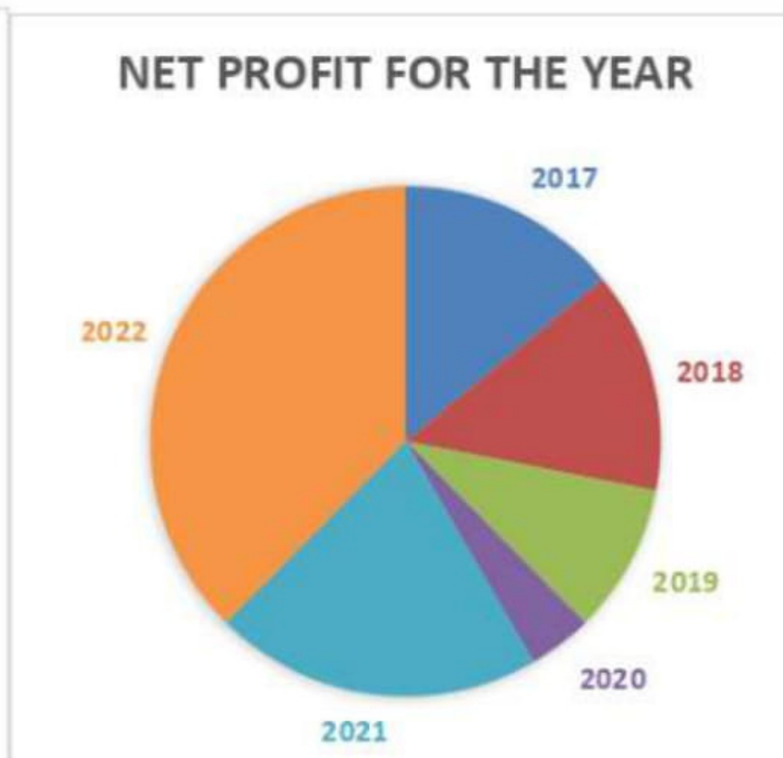
Last Six Years Results At A Glance

Particulars	2022	2021	2020	2019	2018	2017
Financial Position						
Paid -up Capital (Rs.)	995,386,020	568,792,010	568,792,010	568,792,010	450,780,390	214,657,330
Reserves (Rs.)	864,964,689	650,229,746	485,506,155	460,884,456	499,050,445	276,758,558
Fixed Assets - WDV (Rs.)	826,941,914	666,088,528	590,877,323	614,012,274	636,456,309	358,667,108
Investment (Rs.)	-	184,566,900	134,951,350	132,250,850	180,958,050	210,909,050
Current Assets (Rs.)	1,670,676,315	1,213,197,401	872,343,719	664,809,786	586,325,720	156,700,288
Current Liabilities (Rs.)	468,368,378	555,352,151	317,180,867	191,656,171	99,203,325	47,582,096
Income						
Sales	1,718,240,569	1,001,848,809	403,176,990	386,812,277	322,043,764	200,181,917
Net Profit for the year	208,161,853	115,099,318	22,404,807	52,671,854	77,800,009	77,847,285
Accumulated Profit/(Loss)	266,735,315	104,485,282	(22,618,546)	(57,868,398)	(80,271,826)	(143,391,777)
Statistics & Ratios						
Operating Profit/(Loss) Ratio(%)	14.28	19.88	16.16	19.24	31.53	37.03
Net Profit/(Loss) Ratio (%)	12.11	11.49	5.56	13.62	24.16	38.89
Current Ratio	3.57:1	2.18:1	2.56:1	3.47:1	5.91:1	3.29:1
Paid-up Value Per Share (Rs.)	10	10	10	10	10	10
Earning/(Loss) Per Share (Rs.)	2.37	2.02	0.39	0.93	1.50	2.34
Break value Per Share (Rs.)	18.69	21.43	18.54	18.10	21.07	22.89
Net Assets (Rs. in Million)	1860.35	1219.02	1054.30	1029.68	949.83	491.41
Cash Dividend (%)	-	10%	-	-	10%	-
Bonus Dividend (%)	15%	-	-	-	-	10%


SALES
2,000,000,000
1,800,000,000
1,600,000,000
1,400,000,000
1,200,000,000
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
-
2017
2018
2019
2020
2021
2022


SALES
2017
2018
2019
2020
2021
2022


NET PROFIT FOR THE YEAR
250,000,000
200,000,000
150,000,000
100,000,000
50,000,000
-
2017
2018
2019
2020
2021
2022


NET PROFIT FOR THE YEAR
2017
2018
2019
2020
2021
2022

Sales v Net Profit
Net Profit for the year
Sales
2017
2018
2019
2020
2021
2022
-
500,000,000
1,000,000,000
1,500,000,000
2,000,000,000

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 THE COMPANY AND ITS OPERATIONS

Image Pakistan Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed in the Pakistan Stock Exchange in Pakistan. The principal activity of the Company is manufacturing and sale of Embroidered Fabric and Ready-To-Wear garments and Polyester Filament Yarn.

The operations of the Polyester Filment Yarn remain discontinued during the year.

The geographical Location and address of the company's business units, including mill/plant are as under:

The registered office of the company and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

The Company also owned and on rent, selling outlets in Karachi, Lahore , Islamabad, Rawalpindi and Peshawar.

1.1 Summary of significant events and transactions in the current reporting period

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

The Company' main unit to produce polyester filament yarn remain not in operation and the company is to manufacture during the year value added embroided fabric as disclosed in note 1.

The Company obtained interest bearing loan from Related Parties and Financial Institutions during the year to meet the working capital requirements of the Company as disclosed in note 10 and 11.

Further , for a detailed discussion about the Company's performance, refer to the Directors' Report and respected note to the accounts.

2 STATEMENT OF COMPLIANCE

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The 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;
Provisions of and directives issued under the Companies Act, 2017.
Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION/MEASUREMENT

These unconsolidated financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date.

Item	Measurement basis
Land	Revaluation model
Building	Revaluation model
Plant and Machinery	Revaluation model
Employee benefits- Net defined benefit liability	Present value of the defined benefit liability, determined through

The method used to measure fair values are disclosed in respective policy notes.
These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiary companies, associates and jointly controlled entity are accounted for on the basis of direct equity interest rather than on the basis of reported results. Consolidated financial statements are prepared separately.

4 APPROVAL OF FINANCIAL STATEMENTS

These unconsolidated financial statements were approved by the Board of Directors and authorized for issue on September 28, 2022.

5 STANDARDS, AMENDMENTS, INTERPRETATION AND IMPROVEMENTS APPLICABLE TO THE FINANCIAL STATEMENTS

5.1 Amendments to approved accounting standards and the framework for financial reporting that became effective during the current year

The Company has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current year:

Amendment or Framework

IFRS 3 - Business Combinations - Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8 - Definition of Material (Amendments)
Conceptual Framework for Financial Reporting

The adoption of above amendments to the approved accounting standards and the framework for financial reporting did not have any material impact on the Company's financial statements.

5.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The following amendments and improvements to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

	Amendment or Improvement	Effective date (annual periods beginning on or
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	01 January 2022
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2022 (Amendments)	01 April 2022
IFRS 3	Reference to the Conceptual Framework (Amendments)	01 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	01 January 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	01 January 2022
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8	Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single	01 January 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
Improvements to Accounting Standards Issued by the IASB (2018-2021 cycle)		
IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2022
IAS 41	Agriculture – Taxation in fair value measurements	01 January 2022
IFRS 16	Leases: Lease incentives	01 January 2022

The above amendments and improvements are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

	Standard	IASB effective date (annual periods beginning
IFRS 1	First-time Adoption of International Financial Reporting Standards	01 January 2004
IFRS 17	Insurance Contracts	01 January 2023

6 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

6.1 Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Company. 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 tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

6.2 Taxation

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

6.3 Stock-in-trade and stores and Spares

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

Stores and Spares as disloded in note 8.6.

6.4 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

6.5 Contingencies

future events cannot be predicted with certainty. The company, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

6.6 Leases note 7.4,--- Present value measurement of lease liabilities, determinating lease term and whether a contract is or contains a lease and depreciation of right of used assets

6.7 Note 7.19 & 14 measuremnet of defined benefit obligations ; Key acturial assumptions

7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except application of new amendments and interpretations in the International Accounting Standards as described in note 5.

7.1 Taxation

Current Year

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of Income Tax Ordinance.

Deferred

Deferred tax is provided Proportionate to local sales using the liability method on all temporary differences at the balance sheet date, between the tax bases of assets and liabilities and their carrying amount for financial statements reporting purposes. Deferred tax liabilities are generally recognized for all temporary taxable differences or items recognised directly in equity or in OCI.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

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

7.2 Property, Plant and Equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Property, Plant and Equipment are stated at cost or revalued/adjusted amounts less accumulated depreciation and impairment losses, if any; except for capital works in progress which are stated at cost accumulated up to the balance sheet date.

Land, buildings, plant and Machinery and leasehold improvements are measured at the revalued amount less accumulated depreciation and impairment loss (if any).

Land (free hold and lease hold), Building and Plant and Machinery are recognized at revalued amounts based on valuation by external independent valuer. Long term leases of land in which the Company obtains control of the land are accounted for as property, plant and equipment and presented as 'leasehold land' and building . Revaluation surplus on property, plant and equipment is credited to shareholders' equity and presented as a separate line item in statement of financial position. Increases in the carrying amounts arising on revaluation of land are recognized, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in profit or loss, the increase is first recognized in profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Revaluation

Any revaluation increase arising on the revaluation of land, buildings and Plant and Machinery and leasehold improvements is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and leasehold improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation buildings and leasehold improvements to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Depreciation

Full Years Depreciation is charged on acquisition or transfer of assets from capital work in progress, while no depreciation is charged on assets disposed off during the year. Depreciation is charged to income using reducing balance method, at the rates specified in the annexed schedule in note no. 19 to the financial statements , whereby the cost/revalued amounts of asset is written off over its estimated useful life , reflecting the approximate value of the consumption of the respective assets economic benefits. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

- ***Repairs, renewals and maintenance***

Major repairs and renewals are capitalized . Normal repairs and maintenance are charged as expense when incurred. Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently.

7.3 **Impairment of non-financial assets other than inventories**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

7.4 **Leases**

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right of use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Rates of depreciation are mentioned in note 19.

The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

fixed payments (including in-substance fixed payments), less any lease incentives receivable;
variable lease payment that are based on an index or a rate;
amounts expected to be payable by the lessee under residual value guarantees;
the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments.

Short term leases and low-value assets

The Company has elected not to recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and the leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

7.5 Investment

Investment at fair value of investment through other comprehensive income are initially recognized at cost being the fair value of the consideration given including acquisition charges associated with. After initial recognition of investment are premeasured at fair value. Unrealized gains and losses on investment are recognized in other comprehensive income as required by IFRS 9 till the investment is sold or otherwise disposed off, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income. Measurement made as per IFRS 9 and disclosed the fair value as Price Quoted in Pakistan stock exchange

7.5.1 **Investments in subsidiaries**

Investments in subsidiaries are initially recognized at cost. At subsequent reporting dates, recoverable amounts are estimated to determine the extent of impairment loss, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense in profit or loss. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to their revised recoverable amounts but limited to the extent of initial cost of investments. Reversal of impairment loss is recognized in the profit or loss.

The profits and losses of subsidiaries are carried forward in their financial statements and not dealt within these unconsolidated financial statements except to the extent of dividend declared by the subsidiaries. Gain and losses on disposal of investments is included in other income. When the disposal of investment in subsidiary resulted in loss of control such that it becomes an associate the retained investment is carried at fair value.

7.6 Stores, Spares and Loose Tools

These are stated at the lower of weighted average cost and net realizable value (NRV). The cost of inventory is based on the FIFO basis. Items in transit are stated at cost accumulated up to the date of the balance sheet.

Stores, spare parts and loose tools are valued at weighted average cost and net realizable value except for items in transit which are stated at cost incurred up to the unconsolidated statement of financial position date less impairment, if any. Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. For items which are slow moving and / or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Company reviews the carrying amounts of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence, if there is any change in usage pattern or physical form of related stores, spare parts and loose tools.

7.7 Stock-in-Trade

These are valued as follows:

Raw Material	:	At lower of weighted average cost or net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	Net realizable value under the retail method
Work-in-Process	:	At weighted average cost. This comprises the direct cost of raw materials, wages, and appropriate manufacturing overheads.
Stock-in-Transit	:	At cost accumulated upto the balance sheet date.
Packing Material	:	At lower of weighted average cost or net realizable value.

These are valued at lower of cost and net realizable value. Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make a sale. The Company reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence, if there is any change in usage pattern or physical form of related stock in trade. Net Realizable Value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make the sale.

7.8 Trade Debts and other Receivables

Trade debts and other receivables are stated at original invoice amount less provision for doubtful debts, if any. Provision for doubtful debts / other receivables is based on the management's assessment of customers' outstanding balances and creditworthiness. Bad debts are written-off when identified. Allowance for expected credit losses is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts, if any, are written off when considered irrecoverable.

7.9 Foreign Currency Translation

Transactions in foreign currencies are translated in PKR (functional and presentation currency) at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into PKR at the rates of exchange approximating those prevalent at the date of unconsolidated statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in the unconsolidated profit or loss.

7.10 Revenue Recognition

- Revenue from sales is recognized on dispatch of goods to customers. Revenue is recognised when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods according to the terms. Performance obligation is satisfied at the point of time when control of goods has been transferred to the customers.
- Dividend income is recognized on the basis of declaration by the investee company.
- Other Income/Scrap Sales is recognized on accrual Basis.
- Unrealized gains/(losses) arising on revaluation of securities classified as "financial assets at fair value through other comprehensive income in the income statement in the period in which they arise.

7.11 Provisions

Provision is recognized in the balance sheet when the company has a legal or constructive obligation, and, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and that a reliable estimate can be made for the amount of this obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

7.12 Financial instruments

7.12.1 Financial assets

receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Company, the financial assets of the Company are measured and classified under IFRS 9 as follows;

Trade debts and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Long -term investments in NIT are designated at FVOCI at initial recognition. These are carried in the statement of financial position at fair value with net changes in fair value recognised in the Other Comprehanssive income.

7.12.2 Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement financial liabilities are either classified at amortised cost or fair value through profit or loss. The Company does not have any financial liability at fair value through profit or loss.

7.12.3 Impairment of financial assets - allowance for expected credit losses

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each date of statement of financial position, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

7.12.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7.12.5 Impairment of non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax assets are assessed at date of statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

7.13 Related Party Transaction

All transactions with related parties are carried out by the company at mark to market basis with the exception of loan taken from related parties which are interest/mark up free. Prices for these transactions are determined on the basis of admissible valuation methods.

7.14 Loan, Advances and other Receivables

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

7.15 Short Term and Long Term Loans

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/residual cost.

7.16 Contingent Liability

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

7.17 Contingent Assets

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

7.18 Trade and Other Payables

Trade and other payables are initially carried at the fair value of the consideration to be paid in future for goods and services received. Subsequent to initial recognition, these are carried at amortized cost.

7.19 Post Employment Benefits

Defined Benefit Plan

The Company operates an unfunded gratuity scheme for its staff. Provisions are made during the year, , during the year the company obtained actuarial valuation and restated the gratuity figure.

The Company operates an unfunded Gratuity Scheme (the Plan) for eligible employees of the Company. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognized in statement of profit or loss. The latest actuarial valuation was conducted by a qualified professional firm of actuaries as of June 30, 2022 using the "Projected Unit Credit Method".

7.20 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7.21 Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise of cash in hand, bank balances and short term investments with a maturity of three months or less from the date of acquisition. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

7.22 **Share Capital and Dividend**

Ordinary shares are classified as equity and recognized at their face value. Dividend distribution to the shareholders is recognized as liability in the period in which it is declared.

7.23 **Earnings per share**

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

7.24 **Segment reporting**

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Group's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief operating decision makers include items directly attributable to a segment as well as those that can be allocated on actual Basis as the Polyester Filment yarn section operations is closed.

8 Issued, Subscribed and Paid-up Capital

No. of Ordinary Shares of Rs. 10/- each

2022	2021		2022	2021
			Rupees	
95,619,629	**52,960,228**	Fully Paid in cash	**956,196,290**	**529,602,280**
3,918,973	**3,918,973**	Issued as fully paid bonus shares	**39,189,730**	**39,189,730**
99,538,602	56,879,201		995,386,020	568,792,010

8.1 Reconciliation of number of shares outstanding

	2022	2021
	Rupees	
Ordinary shares	**Numbers**	**Numbers**
Number of shares outstanding at the beginning of the year	56,879,201	56,879,201
Right Shares Issued against cash including Rs. 5/- share as Premium	42,659,401	-
Number of shares outstanding at the end of the year	99,538,602	56,879,201

8.1.1 All ordinary shares rank equally with regard to the Parent Company's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Parent Company.

8.1.2 As of the reporting date 169,223 (2021: 96,699) and 31,246,022 (2021: 16,916,630) ordinary shares of Rs. 10 each were held by associated companies and directors of the parent Company respectively.

8.2 Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for share holders and benefits for other stake holders, and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to share holders and/or issue new shares. There were no changes to Company's approach to capital management during the year.

		2022	2021
		Rupees	
9 Surplus on Revaluation of Property, Plant and Equipment			
Opening Balance	9.1	356,301,574	368,297,361
Surplus arising due to Revaluation - net of tax		--	--
Transfer to Profit and Loss account of incremental depreciation (net of tax)			
Related Deferred tax Liability		(10,796,208)	(11,995,787)
		345,505,366	356,301,574

9.1 The following fixed assets of the Company were revalued on June 29, 2018. The revaluation was carried out by independent valuer M/s. Sadruddin Associates (Private) Limited (Fire, Marine, Motor & Machinery Errection & Breakdown, Surveyor, Loss Adjustors, Plant and Machinery Valuers, Industrial Property & Real Estate Appraisers.). Basis of revaluation are as follows:

Land

Valuation of land is determined by obtaining key market data from property brokers, dealers and estate agents to ascertain the Present market value considering its location and market potential.

Building

Revalued amount of building has been determined is simple. After taking into account the re-statement value have been computed after applying present market rate of construction.

Plant and Machinery

Revalued amount of plant and machinery has been determined by Physically inspected the Plant and Machinery. The age, make, origin condition etc. has been taken into account, to arrive at the present market value. At the time of our survey/ inspection, we observed that plant/machinery were in operational Condition. the Present value has been computed after application of suitable appreciation/depreciation factors, Rate of inflation and devaluation has been considered for optimum and closest approximate result of the valuation of entire machinery for obtaining the nearest value have taken 5% to 10% installation charges and add other levies to start and Complete the machinery.

The revaluation has resulted in increase in surplus and corresponding carrying amounts of Land, Building and Plant & Machinery Rs. 231.342 million.

	WDV as June 30, 2018	Revalued Amounts as per revaluation Report	Revaluation Surplus
	Rupees		
Lease hold land	150,000,000	260,000,000	110,000,000
Factory building on lease hold land	88,736,050	193,485,434	104,749,384
Plant & machinery	90,206,730	106,799,100	16,592,370
Surplus on Revaluation	328,942,780	560,284,534	231,341,754

year	Revaluers name	Surplus Aries (Net)
2013	M/s. Sadruddin Associates (Pvt) Ltd.,	190,020,694
2018	M/s. Sadruddin Associates (Pvt) Ltd.,	231,341,754

The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

		2022	2021
		Rupees	
10 Long term Loan from Associated and related parties.			
Loan from Associated Under takings - unsecured		55,500,000	67,600,000
Director Loan - Unsecured		66,420,000	105,470,000
Loan from Sponsors - unsecured , Interest free	10.1	-	2,000,000
		121,920,000	175,070,000

10.1 As per the agreement dated June 30, 2021 the above loans are unsecured and interest bearing @ 10% (2021: 14%) per annum. The above loans has been acquired from Related Parties to meet the working Capital requirements of the Company.

10.2 The is not to be repaid till next tevlve month upto June 30, 2023.

10.3 The Borrower shall have the right to repay either entier amount of outstanding loan or any installment or part thereof or convert the loan into equity on mutual consent of both the parties.

11 Diminishing Musharka Finance Facility			
Opening Balance Facility I	11.1	69,000,000	126,500,000
Facility II	11.2	42,750,000	54,000,000
Paid during the year		(97,125,000)	(68,750,000)
		14,625,000	111,750,000
Maturity During the year			
Less: Current Portion		14,625,000	73,000,000
		-	38,750,000

11.1 Diminishing Musharika Finance Facility has been obtained from Islamic Commercial Bank. Musharika is payable in two years six months starting from August 16, 2020 and the last installment will be due on November 16, 2022 having principal amount Rs 11.500 million each installment exclusive of profit share. It carries profit ranging from Rs. 3,099,215 to Rs. 372,411 quarterly i.e. (Profit @ 3 month KIBOR+250bps) and secured against 1st equitable charge over all present and future assets of the company including Land, Building, Plant and Machinery.

11.2 In August 2020 the Company has availed SBP Refinance Scheme for wages and salaries through an Islamic Commercial Bank. This facility carries mark-up @ 3% per annum and is payable after a grace period of 6 months in 48 equal monthly installments and is secured against 1st equitable charge over all present and future assets of the company including Land, Building, Plant and Machinery.

12 Diminshing Musharaka Facility - Againt Right to use Assets Vehicles

	2022		2021	
	Diminishing Musharika Payments	Present Value of Diminishing Musharika	Diminishing Musharika Payments	Present Value of Diminishing Musharika
	(Rupees)			
Paid During the year	2,195,753	1,316,527	--	--
Less than one to two year	5,133,632	2,928,972	--	--
Two to five years	14,212,033	10,298,787	--	--
Total payments	21,541,418	14,544,286	--	--
Less: Paid during the year	(1,316,527)	(1,316,527)		
Less: Financial charges allocated to the future period	6,997,132	--	--	--
	13,227,759	13,227,759	--	--
Add: Security Deposits	--	--	--	--
Present value of payments	13,227,759	13,227,759	--	--
Less: Transferred to current maturity	2,928,972	2,928,972	--	--
	10,298,787	10,298,787	--	--

The Diminishing Musharaka Facility has been obtained from a Madaraba (Non-Banking Financial Institution) repayable in 60 equal monthly intallments. The payment of first installment started from October 2021 and last installment will be paid on December 2026 and carries profit @ 6 month KIBOR+3% per annum and secured against vehicles.

13 Deferred taxation

Liability / (asset) balances arising in respect of:		
Accelerated tax depreciation and others	9,963,622	34,881,516
Provisions and others	(2,412,357)	(1,464,958)
	7,551,265	33,416,558
Deferred tax liability in respect of:		
- Revaluation net of related depreciation	39,687,469	44,097,188
	47,238,735	77,513,746

		2022	2021
		Rupees	
14 Provision for Gratuity			
Balance at the beginning of the year		5,051,581	2,345,666
Provision made during the year as per actuarial Valuation	14.1	3,697,375	2,809,537
		8,748,956	5,155,203
Payment/ Adjusted during the year		286,666	103,622
		8,462,290	5,051,581

14.1 Staff gratuity payable

The Company operates unfunded gratuity scheme for its permanent eligible employees. Gratuity benefit is payable under the scheme to employees on cessation of employment due to death, retirement and resignation. Further during the year the acturies has made Calculation on Projected Unit Credit (PUC) Acturial Cost method as mandated under IAS 19.

The gratuity is payable based on the last drawn gross pay and the number of years of services.

14.1.1	Number of employees under the scheme	43	31

14.1.2 Principal actuarial assumptions

The latest actuarial valuations of the above gratuity scheme were carried out as at 30 June 2022 under the Project Unit Credit Method. Principal actuarial assumptions used in the valuation of the scheme is as follows:

	2022	2021
Financial assumptions		
Expected rate of increase in salaries	17.53%	8.50% p.a.
Discount rate	13.25% p.a.	10% p.a.
Average expected remaining working life times of employees	7 years	7 years

Mortality rate is based on adjusted SL1C 2001-2005 with one year age set back mortality table as per recomondation of

14.1.3	Staff Gratuity Payable		
	Present value of defined benefit obligations	8,462,290	5,051,581
	Plus Payables	--	--
		8,462,290	5,051,581
14.1.4	Reconciliation of present value of defined benefit obligation		
	Present value of defined benefit obligation - opening	5,051,581	2,345,666
	Service cost	2,927,070	1,408,095
	Past Service Cost (Credit)	499,049	1,218,750
	Interest on defined benefit liability	490,825	194,978
	Benefits paid	(286,666)	(103,622)
	Liability transferred to other account	--	--
	Actuarial gain	39,195	9,726
	Experience Adjustment	(258,764)	(22,012)
		8,462,290	5,051,581
14.1.5	Movement in present value of defined benefit obligations		
	Net defined benefit liability - Opening	5,051,581	2,345,666
	Expense chargeable to profit and loss account 14.1.6	3,916,944	2,821,823
	Remeausrement gain transferred to OCI	(219,569)	(12,286)
	Payments during the year	(286,666)	(103,622)
		8,462,290	5,051,581
14.1.6	**Expense chargeable to profit and loss account**		
	Service cost	2,927,070	1,408,095
	Past service Cost (Credit)	499,049	1,218,750
	Net interest on net defined benefit liability	490,825	194,978
14.1.7	Allocation of Charge for the year	3,916,944	2,821,823

14.1.8 Sensitivity analysis

Sensitivity analysis has been performed by varying on assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations under the gratuity scheme. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarized below:

Present value of defined benefit obligation		
Discount rate + 1%	7,898,211	4,713,147
Discount rate - 1%	9,149,292	5,461,871
Salary increase + 1%	9,155,372	5,464,675
Salary increase - 1%	7,882,345	4,704,231

		2022	2021
		Rupees	
15 Trade and Other Payables			
Trade Creditors		265,202,447	340,690,950
Accrued Expenses		109,935,505	56,816,115
Zakat Payable		2,661,256	2,661,256
Others	15.1	19,610,931	9,068,655
		397,410,139	409,236,976
15.1 Others			
With holding tax payable		11,427,771	648,249
Workers Profit Participation fund	15.1.1	7,259,513	8,180,870
Others		923,647	239,536
		19,610,931	9,068,655
15.1.1 Workers Profit Participation fund			
Opening Balance		8,180,870	2,028,916
Provided during the year		7,259,513	8,180,870
		15,440,383	10,209,786
Distributed during the year		(8,180,870)	(2,028,916)
		7,259,513	8,180,870

16 Unclaimed dividend

As per the provision of section 242 of the Companies Act, 2017 and directives of the Securities and Exchange Commission of Pakistan vide Circular No. 18 dated 01 August, 2017, cash dividend will only paid through electronic mode directly in the bank accounts of shareholders, accordingly this unpaid dividend pertains to those sahreholders who did not provided their valid bank accounts details

17 Provision for Taxation			
Balance at the beginning		31,579,313	9,834,471
Less: Adjustments	17.1	(31,579,313)	(9,834,471)
		-	--
Add: Provisions for Taxation			
Current year		8,759,124	31,579,313
		8,759,124	31,579,313

17.1 The income tax returns of the company has been filed up to tax year 2021 to income tax department and the assessments of the company have been finalized up to and including the tax year 2020. However, the Commissioner of Income Tax may at any time during a period of five years from the date of filling of return may select the deemed assessment for audit. Current Provision has been made under relvent section of Income tax Ordinance after adjusting the tax credit under Section 65F of the Income tax ordinace 2001.

18 Contingencies and Commitments		
Guarantees issued by banks	nil million	nil million
Letters of Credit in respect of committed capital expenditures	nil million	nil million
Letters of Credit for other than capital expenditures	nil million	nil million

18.1 The Sales Tax department has issued a show cause notice to the Company for non-payment of Sales Tax alongwith penalty and default surcharge amounting to Rs. 99,451,956/-. The Company has filed a Constitutional Petition before the Hon'ble High Court of Sindh challenging the legality of the show cause notice. The Hon'ble High Court of Sindh has restrained the Department from passing any adverse order against the Company.

19 Tangible Fixed Assets

Property, Plant and Equipment	826,941,914	666,088,528
	826,941,914	666,088,528

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate	Depreciation				Written Down
	As at July 01, 2021	Additions / Transfers/ (Deletion)	Revaluation	As at June 30, 2022	%	As at July 01, 2021	Transfer/ (Deletion)	For the year	As at June 30, 2022	Value As At June 30, 2022
	Rupees					Rupees				
Owned										
Assets Polyester Filment Yarn										
Lease hold land	260,000,000	-		260,000,000	-	-	-	-	-	260,000,000
Factory Building on lease hold land	286,635,517	5,290,893		291,926,410	10	142,339,637	-	14,958,677	157,298,314	134,628,096
Plant and Machinery	604,039,846	165,795,979		769,835,825	10	403,824,700	-	36,601,112	440,425,812	329,410,012
Polyester Filament Yarn Unit including value added Embroidered Fabric Machinery 18.1										
Electrical Installations	10,171,757	5,291,380	-	15,463,137	10	6,844,160	-	861,898	7,706,057	7,757,079
Furniture and Fixture	30,284,676	3,110,578	-	33,395,254	10	6,250,739	-	2,714,452	8,965,190	24,430,064
Office Equipments	1,770,182	-	-	1,770,182	10	868,600	-	90,158	958,758	811,425
Air Conditioner and Refrig.	17,082,922	2,206,000	-	19,288,922	10	5,643,735	-	1,364,519	7,008,254	12,280,668
Vehicles	6,882,255	4,947,948	-	11,830,203	20	4,593,294	-	1,447,382	6,040,676	5,789,527
Right for use of Assets - Vehicles		16,714,471		16,714,471	20			3,342,894	3,342,894	13,371,577
Fork Lifter	630,735	-	-	630,735	20	629,637	-	220	629,857	878
Computers	4,980,463	6,106,740	-	11,087,203	10	1,220,008	-	986,719	2,206,728	8,880,475
Studio Equipments	852,670	-	-	852,670	10	301,985	-	55,069	357,053	495,617
Generators	12,090,900	1,976,000	-	14,066,900	10	3,372,596	-	1,069,430	4,442,026	9,624,874
Elevator	8,547,000	15,068,329	-	23,615,329	10	2,939,313	-	2,067,602	5,006,915	18,608,414
Fire Fighting Equipments	861,872	-	-	861,872	10	180,847	-	68,102	248,950	612,922
Gas Installations	883,125	-	-	883,125	10	616,141	-	26,698	642,839	240,285
June 2022	1,245,713,919	226,508,318	-	1,472,222,237		579,625,391	-	65,654,932	645,280,323	826,941,914
June 2021	1,125,063,704	120,650,215	-	1,245,713,919		534,186,380	-	45,439,011	579,625,391	666,088,528

19.1. Its includes Total assets (Plant and Machinery and other assets) at cost of Value added Embroided Fabric of Rs. 452.480 (2021: Rs. 236.209) million and WDV Rs. 386.937 (2021: Rs. 186.260) million.

	Polyester Filament Yarn		Value added Embroidered Fabric	
	June 2022	June 2021	June 2022	June 2021
19.2 Allocation of Depreciation	Rupees		Rupees	
Depreciation for the period has been allocated as follows:				
Cost of Sales	35,365,872	28,745,653	20,287,649	11,600,193
Administrative and General Expense	9,913,632	1,346,414	87,780	3,746,751
	45,279,503	30,092,067	20,375,429	15,346,944

19.3 Leasehold land and buildings are subject to a first charge against the loan of Rs. 138 million obtained from AlBaraka Bank (Pakistan) Limited (note 9). This charge will remain till May 16, 2023.

19.4 Particulars of immovable properties (i.e. freehold land and building on freehold land) in the name of Company are as follows:

Location	e of Immovable Location Prope	Total Area
F-538, SITE , Karachi, Sindh	Manufacturing Facility	2 acres

19.5 Register of fixed assets of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Consequently the same remain not to be updated and could also not made available to the auditors.

19.6 Lease hold Land, Factory Building on lease hold land and Plant and Machinery were revalued on 29.06.2018 by M/s. Sadruddin Associates (Pvt) Ltd., a PBA approved valuer. The surplus on revaluation works out to Land , Building and Plant and Machinery by Rs. 231.342 million.

19.7 Had there been no revaluation the related figures of land, building and plant & machinery at June 30, 2022 would have been as follows:

	2022			
	Cost	Accumulated Depreciation	Depreciation charged during the year	Written Down Value
	Rupees			
Lease hold land	7,440,950	-		7,440,950
Factory building on lease h	30,979,497	29,335,136	164,436	1,479,925
Plant & machinery	565,415,437	442,570,309	12,284,513	110,560,615
Electrical Equipment	5,982,461	5,678,439	30,402	273,620
	609,818,345	477,583,884	12,479,351	119,755,110

	2021			
	Cost	Accumulated Depreciation	Depreciation charged during the year	Written Down Value
	Rupees			
Lease hold land	7,440,950	-		7,440,950
Factory building on lease h	30,979,497	29,152,429	182,707	1,644,361
Plant & machinery	565,415,437	428,920,850	13,649,459	122,845,128
Electrical Equipment	5,982,461	5,644,659	33,780	304,022
	609,818,345	463,717,938	13,865,946	132,234,461

19.8 The forced sale value of revalued assets is Rs. 737,315,000 as on June 2018.

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate	Depreciation				Written Down
	As at July 01, 2020	Additions / Transfers/ (Deletion)	Revaluation	As at June 30, 2021	%	As at July 01, 2020	Transfer/ (Deletion)	For the year	As at June 30, 2021	Value As At June 30, 2021
	Rupees					Rupees				
Owned										
Assets Polyester Filment Yarn										
Lease hold land	260,000,000	--		260,000,000	--	--	--	--	--	260,000,000
Factory Building on lease hold land	286,635,517	--		286,635,517	10	126,306,761	--	16,032,876	142,339,637	144,295,880
Plant and Machinery	505,531,845	98,508,001		604,039,846	10	381,578,573	--	22,246,127	403,824,700	200,215,146
Polyester Filament Yarn Unit including value added Embroidered Fabric Machinery 18.1										
Electrical Installations	8,101,544	2,070,213	--	10,171,757	10	6,474,427	--	369,733	6,844,160	3,327,597
Furniture and Fixture	14,199,235	16,085,441	--	30,284,676	10	3,580,301	--	2,670,437	6,250,739	24,033,937
Office Equipments	1,497,982	272,200	--	1,770,182	10	768,424	--	100,176	868,600	901,583
Air Conditioner and Refrig.	15,567,422	1,515,500	--	17,082,922	10	4,372,714	--	1,271,021	5,643,735	11,439,187
Vehicles	6,882,255	--	--	6,882,255	20	4,021,054	--	572,240	4,593,294	2,288,961
Fork Lifter	630,735	--	--	630,735	20	629,362	--	275	629,637	1,098
Computers	3,402,963	1,577,500	--	4,980,463	10	802,180	--	417,828	1,220,008	3,760,455
Studio Equipments	852,670	--	--	852,670	10	240,797	--	61,187	301,985	550,685
Generators	12,090,900	--	--	12,090,900	10	2,403,896	--	968,700	3,372,596	8,718,304
Elevator	8,547,000	--	--	8,547,000	10	2,316,237	--	623,076	2,939,313	5,607,687
Fire Fighting Equipments	240,512	621,360	--	861,872	10	105,178	--	75,669	180,847	681,025
Gas Installations	883,125	--	--	883,125	10	586,476	--	29,665	616,141	266,984
June 2021	1,125,063,704	120,650,215	--	1,245,713,919		534,186,380	--	45,439,011	579,625,391	666,088,528
June 2020	1,111,036,928	14,026,776	--	1,125,063,704		497,024,653	--	37,161,727	534,186,380	590,877,324

-- 17.1. Its includes Plant and Machinery and other assets at cost of Value added Embroided Fabric of Rs. 228.83 (2020: Rs. 108.182) million and WDV Rs. 201.76 (2020: Rs. 81.115) million.

	Polyester Filament Yarn		Value added Embroidered Fabric	
	June 2021	June 2020	June 2021	June 2020
17.2.Allocation of Depreciation	Rupees		Rupees	
Depreciation for the period has been allocated as follows:				
Cost of Sales	28,745,653	27,643,247	11,600,193	5,941,075
Administrative and General Expense	1,346,414	108,284	3,746,751	3,469,122
	30,092,067	27,751,531	15,346,944	9,410,197

		2022	2021
		Rupees	
20	**Long term Deposits**		
	Karachi Electric Supply Corporation	403,810	100,245
	Telephone	3,200	3,200
	Pakistan Oxygen Limited	14,000	14,000
	Sui Southern Gas Company	1,595,760	1,595,760
	Al-Feroze (PVT) Ltd	1,755,000	1,755,000
	Dolmen Real Estate Management (PVT) Ltd	1,677,000	1,677,000
	Packages Real Estate (Pvt) Ltd.	2,732,400	--
	Nishat Hotels & Properties Limited	6,828,301	--
	Nayatel	10,200	10,200
	Rental Deposits for shops	4,000,000	1,750,000
	Others	1,000	1,000
		19,020,671	6,906,405

		Country of incorporation	Amount in Percentage	Foreign of		2022	2021
						Rupees	
21	**Long Term Investment**						
	Fair value through other comprehensive income						
	2,455,000 (2021: 2,455,000) N.I.T units				21.1	34,510,675	34,510,675
	(Average cost price Rs. 14.0573)						
	Market value as at June 30, are as under						
	June 30 (2021: June 30) @ Rs. 54.97 . (Rs.53.87) per unit					150,056,225	150,056,225
						184,566,900	184,566,900
	Provision made during the year					(184,566,900)	-
						-	184,566,900
	Investments in related parties						
	Subsidiary companies - at cost - unquoted						
	Image Tech Ltd.						
	1,998,500 ordinary shares @ Rs 10/-	Pakistan	99.99%	Pak Rupee		19,985,000	-
	Image International Ltd.	UK	99.94%	£ 4,997			
	4,997 ordinary shares @ £ 1/- per share				21.3	1,201,779	-
	Tri-Star Image (USA) Inc.	USA	100%	$ 4,500			
	4,500 ordinary shares @ $ 1/- per share				21.4	921,810	-
						22,108,589	184,566,900

21.1 In, September 1996, the Income Tax Authorities raided the Company's premises and took away, by force, all the records, documents, and valuable securities, including FEBC's/Bearer NIT units of all the Group companies, which included the bearer NIT units of the company; without lawful authority and without making any inventory. This raid caused a serious disruption in the company's business. The company has filed a suit against the Income Tax Authorities in the Honorable High Court of Sind, challenging the said act as being illegal. The Honorable High Court of Sind, vide its Order dated July 31, 1998, held that the presence of irregularities and malafides in the act of the Income Tax Department cannot be ruled out. Further, the remaining two ingredients namely balance of convenience and causing irreparable loss and injury, also exists in favor of the company. Further, the Income Tax Department was directed to submit their report keeping in view the provisions of Section 146(c) of The Income Tax Ordinance, 1979, declaring how much more time they would need to return the impounded documents and records. The matter is now in evidence stage.

21.2 The above investment of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Consequently the same remain to be updated and could also not be made available to the auditors for physical verification.

21.3 Image International Ltd.

The Company holds 4,997 (2021: nil) ordinary shares of £ 1/- per share in Image International Limited - UK which represents 100 interest in IIL - UK, a jointly controlled entity of the Company and Directors of the Company, a related party. This is an equity investment therefore period of investment is not specific, the company has not received any return from this investment, and during the term of investment no default/breach is made.

Beneficial owners of Image International Limited are as follows:

Name	Holding	Address
Image Pakistan Limited	99.97%	F/538, S.I.T.E. Karachi.
Asad Ahmad	0.01%	21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan
Uzma Ahmad	0.01%	21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan
Marium Ahmad	0.01%	21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan

21.4 Tri-Star Image (USA) Inc.

The Company holds 4,500 (2021: nil) ordinary shares @ $ 1/- per share in Tri-Star Image (USA) Inc. which represents 100% interest in TSI-USA, a jointly controlled entity of the Company and the Directors of the Company, a related party. This is an equity investment therefore period of investment is not specific, the company has not received any return from this investment, and during the term of investment no default/breach is made.

Beneficial owners of Tri-Star Image (USA) Inc. are as follows:

Name	% of Holding	Address
Image Pakistan Limited	100%	F/538, S.I.T.E. Karachi.

22 Stores, Spares & Loose Tools

Stores and Spares	204,759	409,914
Packing Material	2,826,190	1,419,286
Cops	1,207,948	1,207,948
	4,238,897	3,037,148

23 Stock-in-Trade

Raw Materials	408,284,636	244,732,728
Work in Process	151,301,732	141,348,047
Finished Goods	745,860,718	448,628,322
	1,305,447,086	834,709,097

24 Trade Debts - considered good

Local Receivables - considered good (An Associated Undertaking)	245,802,826	360,321,198
considered doubtful	--	--
	245,802,826	360,321,198
Impairments allowance for Doubtful debts	--	--
	245,802,826	360,321,198

24.1 The aging of debtors (related party) at the reporting date was:

Up to one month	25,573,284	239,984,960
1 to 6 months	--	25,463,293
More than 6 months	--	19,599,089
More than one year	220,229,542	75,273,857
	245,802,826	360,321,199

24.2 Maximum amount due at any month during the year with related party amounting to Rs. 245.803 Million (2021: Rs.360.321 Million)

25 Trade Deposits, Prepayments and Statutory Balances - Considered good

Advance imports and others	29,702	29,702
Advance to Employees	25,000	
Deposits	3,171,592	412,092
Sales Tax Refundable	9,629,322	--
Interest on term Deposits	12,332	12,332
Others	566,015	--
	13,433,963	454,126

26 Cash and Bank Balances

Cash in Hand		31,617,002	4,513,769
Cash at Banks - Current Accounts	26.1	2,447,801	5,873,153
Term Deposit Certificates	26.2	1,100,000	1,100,000
		35,164,803	11,486,922

26.1 The Company has conventional banking relationships with all the banks except one which is an Islamic bank.

26.2 Term Deposit Receipts carries mark-up @ 11% per annum.

27 Sales

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
Gross Sale						
Local	1,462,669,697	1,095,054,635	-	-	1,462,669,697	1,095,054,635
Export	72,144,732	38,283,914	-	-	72,144,732	38,283,914
	1,534,814,429	1,133,338,549	-	-	1,534,814,429	1,133,338,549
Sales Tax	160,417,637	131,489,640	-	-	160,417,637	131,489,640
Net Sales	**1,374,396,792**	**1,001,848,909**	-	-	**1,374,396,792**	**1,001,848,909**

28 Cost of Sales

	Note	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
				(Rupees)			
Raw material - opening stock		246,152,014	252,748,444	-	-	246,152,014	252,748,444
Purchases / Acquired		852,749,566	430,563,018	-	-	852,749,566	430,563,018
Raw material		1,098,901,580	683,311,462	-	-	1,098,901,580	683,311,462
Raw material - closing stock		(411,110,826)	(246,152,014)	-	-	(411,110,826)	(246,152,014)
		687,790,754	437,159,448			687,790,754	437,159,448
Fuel and Power, Oil and Lubricant		37,861,761	44,541,550	--	--	37,861,761	44,541,550
Water		982,100	779,500	--	--	982,100	779,500
Salaries, Wages and Other Benefits	28.1	164,138,114	96,670,173	--	--	164,138,114	96,670,173
EOBI Contribution		4,251,202	2,755,703	--	--	4,251,202	2,755,703
SESSI Contribution		4,149,895	2,410,524	--	--	4,149,895	2,410,524
Store consumed		3,758,909	986,932	--	--	3,758,909	986,932
Building Repairs and Maintenance		2,344,061	3,720,932	--	--	2,344,061	3,720,932
Conveyance Expenses		132,617	215,521	--	--	132,617	215,521
Freight Inward		811,900	547,540	--	--	811,900	547,540
Oil and Grease		2,200	34,549	--	--	2,200	34,549
Security Expenses		1,598,306	1,534,567	--	--	1,598,306	1,534,567
Entertainment		122,218	342,581	--	--	122,218	342,581
Vehicle up-keep		2,101,852	788,304	--	--	2,101,852	788,304
Communication charges		954,593	433,184	--	--	954,593	433,184
Stationery and printing		3,270,504	918,867	--	--	3,270,504	918,867
Insurance		1,001,863	717,059			1,001,863	717,059
Repairs and Maintenance		6,716,079	2,946,147	--	--	6,716,079	2,946,147
Depreciation	18.2	35,365,872	11,600,193	20,287,649	28,745,653	55,653,520	40,345,847
		957,354,800	601,513,306	20,287,649	28,745,653	977,642,448	637,848,927
Work-in-Process - Opening		141,348,047	22,385,002	--	--	141,348,047	22,385,002
Work-in-Process - Closing		(151,301,732)	(141,348,047)	--	--	(151,301,732)	(141,348,047)
Cost of Goods Manufactured		947,401,115	482,550,261	20,287,649	28,745,653	967,688,763	518,885,883
Finished Goods - Opening		448,628,322	489,547,324	--	--	448,628,322	489,547,324
Finished Goods - Closing		(745,860,718)	(448,628,322)	--	--	(745,860,718)	(448,628,322)
		650,168,719	523,469,263	20,287,649	28,745,653	670,456,367	559,804,885

28.1 Salaries, wages and other benefits include nil relating to staff retirement benefits.

29 Selling and Distribution Expenses

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
			(Rupees)			
Advertisement Expenses	152,842,556	72,679,830	--	--	152,842,556	72,679,830
Despatching Expenses	16,362,399	13,918,675	--	--	16,362,399	13,918,675
Conveyance Expenses	54,808	125,925	--	--	54,808	125,925
Sales Promotion	2,892,088	506,622	--	--	2,892,088	506,622
Salaries	33,052,070	19,381,284	--	--	33,052,070	19,381,284
Rent Expenses	76,870,057	41,103,140	--	--	76,870,057	41,103,140
Entertainment	770,231	549,038	--	--	770,231	549,038
Stationery and printing	188,524	157,613	--	--	188,524	157,613
Vehicle up-keep	16,020	36,763	--	--	16,020	36,763
Electric Repair & Maintenance	729,218	192,824	--	--	729,218	192,824
Travelling Expenses	585,053	481,082	--	--	585,053	481,082
Building Repair & Maintenance	5,763,219	1,157,680	--	--	5,763,219	1,157,680
Electric Expenses	6,214,698	1,840,600	--	--	6,214,698	1,840,600
Telephone Expenses	89,859	48,067	--	--	89,859	48,067
Professional Fees	3,052,950	1,865,200	--	--	3,052,950	1,865,200
Maintenance / Utility Expenses	21,228,660	12,039,970	--	--	21,228,660	12,039,970
Communication Expenses	514,252	**49,607**	-	-	514,252	**49,607**
Annual White Wash	592,746	**159,254**	-	-	592,746	**159,254**
General Expense	639,952	**10,955**	-	-	639,952	**10,955**
Computer Expenses	133,158	-	-	-	133,158	-
Website Maintanance	2,859,036	-	-	-	2,859,036	-
Design Development	596,677	-	-	-	596,677	-
Insurance	1,076,810	-	-		1,076,810	-
	327,125,041	166,304,129	-	-	327,125,041	166,304,129

30 Administrative and General Expenses

	Note	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
				(Rupees)			
Vehicle up Keep		532,351	214,301	--	--	532,351	214,301
Postage, Telephone and Telex		1,752,953	923,499	--	--	1,752,953	923,499
Printing and Stationery		355,069	178,663	--	--	355,069	178,663
Salaries and Benefits		77,542,221	43,841,893	--	--	77,542,221	43,841,893
Fees and Subscription		14,871,872	1,412,401	--	--	14,871,872	1,412,401
Depreciation	17.2.	9,913,632	3,746,751	87,780	1,346,414	10,001,412	5,093,165
General Expenses		262,004	189,555	--	--	262,004	189,555
Computer Expenses		349,751	1,106,954	--	--	349,751	1,106,954
Entertainments Expenses		517,291	260,955	--	--	517,291	260,955
Travelling Expenses		7,246,743	433,660	--	--	7,246,743	433,660
Conveyance Expenses		135,857	80,630	--	--	135,857	80,630
Legal Fee & Expenses		2,609,832	882,200	--	--	2,609,832	882,200
Gratuity Expenses		3,916,944	2,821,523	--	--	3,916,944	2,821,523
Medical Expenses		1,005,363	80,836	--	--	1,005,363	80,836
Professional Fee		8,740,412	2,815,091	--	--	8,740,412	2,815,091
Registrar Services		614,135	222,722	--	--	614,135	222,722
Computer software		8,349,394	1,419,367	--	--	8,349,394	1,419,367
Security Expenses		2,530,014	441,478	--	--	2,530,014	441,478
Insurance		1,384,977	591,064	--	--	1,384,977	591,064
Trade Mark Maintenance		321,000	126,000	--	--	321,000	126,000
Rent Expenses		6,000,000	9,000,000	--	--	6,000,000	9,000,000
Donation		2,800,000	10,000	--	--	2,800,000	10,000
Site Maintenances		40,100	106,185	--	--	40,100	106,185
House Keeping		1,326,786	1,069,890	--	--	1,326,786	1,069,890
Building repair & Maintenance		880,832	2,089,438	--	--	880,832	2,089,438
Auditors Remuneration	30.1	800,000	500,000	--	--	800,000	500,000
Annual White Wash		2,528,383	502,460	--	--	2,528,383	502,460
Fire Fighting Expenses		213,757	26,550	--	--	213,757	26,550
Under writing Commission		6,774,735	-	--	--	6,774,735	-
Property Tax		1,315,879	-	--	--	1,315,879	-
Bad bedts write off		-	100,328	--	--	-	100,328
		165,632,287	75,194,394	87,780	1,346,414	165,720,067	76,540,808

30.1 Auditors Remuneration

Annual Audit Fee	500,000	400,000
Review fee of Half yearly financial statements	100,000	100,000
Audit fee for consolidated financial statements	200,000	--
	800,000	500,000

31 Other Income

Exchange Fluctuation	(74,359)	--
Interest on Term Deposit	(72,600)	78,772
Provision against NIT units (Note no.20)	34,510,675	--
	34,363,716	78,772

32 Finance Cost

Bank Charges and Commission	14,722,864	7,135,383
Interest on Loan from Associates and Directors	13,302,629	12,452,162
Markup on SBP Refinance	861,135	919,940
Markup on Diminishing Musharka Finance Facility - Vehicle Finance	859,220	--
Markup on Diminishing Musharka Finance Facility	1,795,492	14,400,757
Financial Charges	--	752,119
	31,541,340	35,660,361

		2022	2021
		Rupees	
33 Taxation			
Current	17	8,759,124	31,579,313
Prior		(14,534,687)	(1,461,586)
Deferred	13	(30,338,686)	10,219,484
		(36,114,249)	40,337,211

34 Earnings Per Share - Basic and diluted

Profit after Taxation		174,044,997	115,099,317
Weighted Average Number of Ordinary Shares at year end		84,344,843	56,879,201
Earning Per Share - Basic and diluted	Rupees	2.06	2.02

35 Remuneration of Chief Executive, Director and Executives

	2022			2021		
Particulars	**Chief Executive**	**Directors**	**Executives**	**Chief Executive**	Directors	Executives
		(Rupees)			(Rupees)	
Managerial Remuneration	**12,250,000**	**14,808,204**	**18,290,711**	8,727,273	10,721,579	7,481,929
House rent allowance	**4,500,000**	**5,923,282**	**7,316,285**	3,490,909	4,288,632	2,992,772
Utilities allowance	**1,125,000**	**1,480,820**	**1,829,071**	872,727	1,072,158	748,193
Medical allowance	**1,125,000**	**1,480,820**	**1,829,071**	1,309,091	1,608,236	482,565
Total	**19,000,000**	**23,693,126**	**29,265,138**	14,400,000	17,690,605	11,705,459
Number of persons	**1**	**4**	**13**	1	4	5

35.1 The Executives of the company are provided with free use of company maintained cars

36 Related Party Transactions

Related parties comprise subsidiary, associated companies, companies where directors also hold directorship, retirement benefit fund and key management personnel. Significant transactions with related parties during the year are as under:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2022 (Rupees)	2021 (Rupees)
Tri-Star Power Ltd	Associated company by virtue of common directorship Shareholding : NIL	Markup accrued	2,000,000	2,000,000
		Loan repaid	-	-
		Electricity Purchased	--	14,114,000
		Lease Rental	13,740,000	--
		Loan Payable at the year end	20,000,000	20,000,000
Mr. Asad Ahmad	Chief Executive	Loan repaid	8,544,070	9,591,000
		Loan received	10,544,070	2,270,000
		Markup accrued	372,766	497,232
		Loan Payable at the year end	2,000,000	-
Ms. Uzma Ahmad	Director	Loan repaid	-	-
		Loan received	-	-
		Loan Payable at the year end	-	-
Ms. Farnaz Ahmad	Director	Loan repaid	97,500,000	9,000,000
		Loan received	56,200,000	90,000,000
		Markup accrued	6,761,041	4,780,000
		Loan Payable at the year end	61,200,000	102,500,000
Ms. Marium Ahmad	Director	Loan repaid	-	10,000,000
		Loan received	250,000	2,500,000
		Markup accrued	297,068	342,972
		Loan Payable at the year end	3,220,000	2,970,000
Ms. Shamima Begum	Sponsor	Loan repaid	-	-
		Loan received	-	-
		Markup accrued	-	-
		Loan Payable at the year end	-	-
Indus Battery Industries (Pvt) Ltd.	Associated company by virtue of common directorship	Loan received	500,000	21,500,000
		Loan repaid	11,700,000	7,850,000
		Markup accrued	3,803,425	4,773,375
		Loan Payable at the year end	35,500,000	46,700,000
UMF (Pvt) Limited	Associated company by virtue of common	Loan received	-	900,000
		Loan repaid	900,000	-
		Markup accrued	21,205	-
Image Embroidered Fabric	Associated undertaking by virtue of sales	Sale of goods	--	25,722,913
		Amount recoverd / adjusted aga	-	51,822,657
		Purchase	110,296,253	52,171,887
		Payable at the year end	354,024	43,080,979
Habib Jamal & Co.	Partnership Firm by virtue of common	Purchase of Goods and Assets	233,865,709	187,815,360
		Sale of goods	--	251,146,226
		Payable at the year end	1,367,773	108,974,001
First Tri-Star Modaraba	Associated company by virtue of common directorship	Rent accrued	6,000,000	9,000,000
		Rent paid	-	26,300,000

Whole Owned Subsidiaries

Image International Ltd. Share holding 99.97%

Tri-Star Image (USA) Inc. Share holding 100%

The outstanding balance with related parties as at the year-end have been disclosed in the respective notes to the financial statements. were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment are given in Note 35 above.

	2022	2021
	Rupees	
37 Cash and Cash Equivalents		
Cash and Bank Balances	35,164,803	11,486,922

		Rupees	
38 Plant Capacity and Production		M.Tons	M.Tons
Attainable Production Capacity	38.1	4,000	4,000
Actual production on Annual Basis		nil	nil

38.1 Reason for Filament yarn Unit not in Production

No production activity was done in Polyester Filament Yarn unit during the year due to industry not being viable.

38.2 The company made production of value added fabric (as textile unit) with the Brand name Image for stitched and unstitched suits. The

39 OPERATING SEGMENT

These financial statements have been prepared on the basis of two reportable segment i.e. segment of Polyester Filament yarn unit

		Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
Net Sales	26	1,374,396,792	1,001,848,809	-	-	1,374,396,792	1,001,848,809
Cost of Sales	27	650,168,719	523,469,263	20,287,649	28,745,653	670,456,367	559,804,885
Gross Profit/(Loss)		724,228,073	478,379,546	(20,287,649)	(28,745,653)	703,940,425	442,043,924
Selling & Distribution costs	28	327,125,041	166,304,129	-	-	327,125,041	166,304,129
Administrative Expenses	29	165,632,287	75,194,394	87,780	1,346,414	165,720,067	76,540,807
		492,757,328	241,498,523	87,780	1,346,415	492,845,108	242,844,937
Segment Results		231,470,746	236,881,023	(20,375,429)	(30,092,068)	211,095,318	199,198,989
Segments Assets		2,019,629,765	1,590,930,457	**459,212,596**	481,036,725	2,019,629,765	2,071,967,182
Segments Liabilities		**2,477,634,413**	2,070,759,234	-	-	2,477,634,413	2,070,759,234
Capital Expenditure - Excluding revaluation at cost		226,508,318	120,650,215	-	-	226,508,318	120,650,215
Depreciation		45,279,503	30,092,067	20,375,429	15,346,944	65,654,932	45,439,011

All non current assets of the Company as at June 30, 2022 are located in Pakistan except two subsidaries Companies as disclosed in Note 21 to the Financial Statements.

95.30% (2021: 96.62%) of sales of embroidered Fabrics/ garnment are local sales and 4.70 % (2021: 3.38%) of sales of embroidered Fabrics/ gamment are export sales in different parts of the world.

40 Financial Instruments

The Company has exposures to the following risks from its use of financial instruments:

Credit Risk

Liquidity Risk

Market Risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

40.1 Credit Risk

Credit risk is the risk that one party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Company believes that it is not exposed to major concentration of credit risk. However, to reduce exposure to credit risk, if any, the management monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

The maximum exposure to credit risk at the reporting date is:

	June 30, 2022	June 30, 2021
	Rupees	
Long Term Investment	22,108,589	184,566,900
Long Term Deposits	19,020,671	6,906,405
Trade Debtors - unsecured	245,802,826	360,321,198
Trade Deposits and Prepayments	3,804,641	454,126
Cash with Banks in Current Accounts	35,164,803	11,486,922
	207,468,668	563,735,551

40.2 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liability

The company is exposed to liquidity risk in respect of non current interest bearing liabilities, short term borrowings, trade and other payable and mark up accrued.

2022					
Particulars	Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	121,920,000	152,400,000		-	152,400,000
Diminishing Musharika Finance	17,553,972	20,586,421	20,586,421		-
Trade and other payables	412,392,351	412,392,351	412,392,351	-	-
Accured interest on Loans	29,497,017	29,497,017	29,497,017	-	-
Unclaimed Dividend	12,060,558	12,060,558	12,060,558	-	-
	593,423,898	626,936,347	474,536,347	-	152,400,000

2021					
Particulars	Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	175,070,000	204,544,795	-	-	204,544,795
Diminishing Musharika Finance	111,750,000	113,545,230	23,862,500	89,682,730	-
Trade and other payables	409,236,976	409,236,976	409,236,976	-	-
Accrued Interest on Loans	29,474,795	29,474,795	29,474,795	-	-
Unclaimed Dividend	12,061,067	12,061,067	12,061,067	-	-
	737,592,838	768,862,863	474,635,338	89,682,730	204,544,795

40.3 Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate resulting in as a result of changes in market prices or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activates, supply and demand of Product and liquidity in the market.

40.4 Currency Risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

Foreign currency risk

The PKR is the functional currency of the Company and, as a result, currency exposures arise from transactions and balances in currencies other than PKR. The Company's potential foreign currency exposure comprise:

Transactional exposure in respect of non functional currency monetary items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically revalued to PKR equivalent, and the associated gain or loss is taken to the profit or loss. The foreign currency risk related to monetary items is managed as part of the risk management strategy

40.5 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates, majority of the interest rate exposure arises from short and long term borrowings from bank and term deposits and deposits in profit and loss sharing accounts with banks.

40.6 Risk Management Policies

Risk management is carried out by the management under policies approved by board of directors. The board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

40.7 Capital Risk Management

The Company's objective when managing capital are 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.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowings ('long term loan' and 'short term borrowings' as shown in the balance sheet). Total capital comprises share holders' equity as shown in the balance sheet under 'share capital and reserves'.

	June 30, 2022	June 30, 2021
	Rupees	
Total Borrowings	139,473,972	286,820,000
Less: Cash and Bank Balances	35,164,803	11,486,922
Net Debt	104,309,169	275,333,078
Total Equity	1,826,178,236	1,219,021,756
Total Capital	**1,930,487,405**	**1,494,354,834**
Gearing Ratio	**0.05**	**0.18**

40.8 Fair Value of Financial Instruments

values.

41 Non -Adjusting Event After the Reporting Period

(i) The Board of Directors in its meeting held on July 12, 2021 approved to issue 75% right shares on Rs. 15/- including Rs. 5/- as premium per share amounting Rs. 639,891,015/-. The last date of subscription was September 14, 2021 as approved by the Pakistan Stock Exchange and the same was fully subscribed.

(ii) Proposed cash dividend of Rs. 1/- per share for the year ended June 30, 2021 was declared amounting to Rs. 56,879,201/- which was approved by the members at the Annual General Meeting held on October 28, 2021.

42 Number of Employees

Number of persons employed contractual and permanent as at year end were 639 (2021: 541) and the average number of persons employed during the year were 640 (2021:590).

43 General

a. Figures have been rounded off to the nearest rupee.

b. Functional and Presentation Currency

Items included in the unconsolidated financial statements are measured using the currency of the primary economic environment in which the company operates. The unconsolidated financial Statements are presented in Pakistani rupees, which is the Company's functional and Presentational currency.

c. Corresponding figures

Corresponding figures have been re-arranged and reclassified, whenever necessary, for the purposes of comparison. During the year there were no major reclassifications to report .

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

Directors' Report to the Shareholders To the members of Image Pakistan Limited Report on the Audit of the Consolidated Financial Statements

On behalf of Board of Directors of Holding Company of Image Tech Limited, Image International Limited and Tri-Star Image (USA) Inc., it is our pleasure to present Directors' Report with Audited Consolidated Financial Statements for the year ended June 30, 2022.

1. ***Image Tech Limited***
   This subsidiary was incorporated as Public Limited Company on 12th July, 2021 to avail the incentives announced by the Government of Pakistan for technology companies including digital electronics and internet related services such as e-commerce.

2. ***Image International Limited***
   This overseas subsidiary was incorporated on 17th November, 2021 in the UK and has started scaling business on Amazon by operating FBA model in UK.

3. ***Tri-Star Image (USA) Inc.***
   This overseas subsidiary was incorporated on 4th January, 2022 in USA and has started scaling business on Amazon by operating FBA model in USA.

On behalf of the Board

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

Place: Karachi, September 28, 2022

Independent Auditors' Report to the Members of Image Pakistan Limited

Report on the Audit of the consolidated Financial Statements

Qualified Opinion

We have audited the annexed consolidated financial statements of Image Pakistan Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30th June 2022 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the Fact disclosed in the basis for qualified opinion para below the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30th June 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Qualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 qualified opinion.

a) The audited Financial Statement of two subsidiaries namely Image International Limited (UK) and Tri-Star Image (USA) Inc. was not available, therefore, the consolidation made on unaudited Financial Statements of the same as fully disclosed in Note No. 1 to the financial statements.

Key Audit Matters

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

Following or the key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
1	**Related party transactions** Transactions with related parties are disclosed in note 36 to the unconsolidated financial statements. We identified transactions with related parties and relevant disclosures in the unconsolidated financial statements as key audit matter due to the nature and volume of transactions with related parties and their significance to the unconsolidated financial statements	Our audit procedures, amongst others, included the following: • obtaining an understanding of the process that management has established to identify, account for and disclose related party transactions and to authorize and approve related party transactions and arrangements; • comparing the related party transactions, on a sample basis, disclosed in the unconsolidated financial statements with the underlying records and performing procedures to identify related party transactions outside the normal course of business;

		• obtaining, on a sample basis, external confirmations of related party transactions and year-end balances and comparing the same with the Company's record; • comparing, on a sample basis, the recording of related party transactions with the underlying agreements / arrangements in place and supporting documentation and approvals; and • assessing the adequacy of disclosures in the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the unconsolidated financial statements and our auditors' report thereon.

Our opinion on the unconsolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

The engagement partner on the audit resulting in this independent auditors' report is Mohammad Tariq.

sd/-
Feroze Sharif Tariq & Co.
Chartered Accountants

Date: September 28, 2022
Place: Karachi
UDIN: AR202210129QzxtpSu05

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE, 2022

Balance Sheet as at

	Notes	June 30, 2022	June 30, 2021
		(Rupees)	
EQUITY AND LIABILITIES			
CAPITAL & RESERVES			
Authorized Capital			
300,000,000 (2021: 100,000,000) Ordinary Shares of Rs. 10/- each		3,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	8	995,386,020	568,792,010
Capital Reserve			
Capital Reserve - (a Share Premium account of Parent Company)		252,683,670	39,386,665
Surplus on revaluation Property, Plant and Equipment	9	345,505,366	356,301,574
Unrealized gain due to change in fair value of investment through other comprehensive Income	21	-	150,056,225
Revenue Reserve			
Unappropriated Profit		266,735,315	104,485,282
Equity attributable to owners		1,860,310,371	
Non controlling interest		40,338	
Shareholders Equity		1,860,350,709	1,219,021,756
NON-CURRENT LIABILITIES			
Long term Loan from Associated and related Parties	10	121,920,000	175,070,000
Diminishing Musharka Finance Facility	11	0	38,750,000
Lease Laibility against Diminishing Muharaka - Veihcle	12	10,298,787	
Deferred taxation	13	47,238,735	77,513,746
Provision for Gratuity	14	8,462,290	5,051,581
CURRENT LIABILITIES			
Trade and Other Payables	15	402,242,151	409,236,976
Accrued Interest on Loan from Associates		13,302,629	28,475,272
Accrued Interest on Financial Institution		-	999,523
Non current Liabilities of Long term Liabilities	11	17,553,972	73,000,000
Unclaimed Dividend	16	26,510,502	12,061,067
Provision for Taxation	17	8,759,124	31,579,313
		468,368,378	555,352,151
Contingencies and Commitments	18		
		2,516,638,899	2,070,759,234

June 30, 2022

		June 30, 2022	June 30, 2021
		(Rupees)	
ASSETS			
NON-CURRENT ASSETS			
Tangible Fixed Assets			
Property, Plant and Equipment	19	826,941,914	666,088,528
Long Term Deposits	20	19,020,671	6,906,405
Long Term Investments	21	-	184,566,900
CURRENT ASSETS			
Stores, Spares and Loose Tools	22	4,238,897	3,037,148
Stock-in-Trade	23	1,305,447,086	834,709,097
Trade Debtors - unsecured	24	284,740,816	360,321,198
Trade Deposits and Prepayments - considered good	25	29,049,481	454,126
Income Tax Refunds and Advances		5,475,665	3,188,910
Cash and Bank Balances	26	41,724,370	11,486,922
		1,670,676,315	1,213,197,401
		2,516,638,899	2,070,759,234

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

Mohammad Zameer
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022

	Notes	2022	2021
		(Rupees)	
SALES - Net	27	1,718,240,569	1,001,848,809
COST OF SALES	28	973,389,785	559,804,885
GROSS PROFIT		744,850,785	442,043,924
Operating Expenses			
Distribution and Selling Cost	29	332,736,249	166,304,129
Administrative and General Expenses	30	166,833,860	76,540,808
		499,570,109	242,844,938
OPERATING PROFIT		245,280,676	199,198,987
Other Income/(Loss)	31	(34,363,716)	78,772
		210,916,960	199,277,759
Finance Cost	32	31,609,843	35,660,361
		179,307,117	163,617,398
Other Charges		7,259,513	8,180,870
PROFIT BEFORE TAXATION		172,047,604	155,436,528
Taxation	33	36,114,249	40,337,211
PROFIT AFTER TAXATION		208,161,853	115,099,317
Profit attributable to			
Owners of the Parent company		208,137,237	-
Non - Controlling Interest		24,616	-
		208,161,853	

The annexed notes form an integral part of these accounts.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	June 30, 2022	June 30, 2021
	(Rupees)	
Profit for the Year	208,161,853	115,099,317
Items that will not be subsequently reclassify to Profit or Loss		
Other comprehensive Income:		
Unrealized gain / (loss) due to change in fair value of investment through other comprehensive Income	-	49,615,550
Reversal of unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income due to provision for impairment of full investmnet made by the board.	**(150,056,225)**	-
Remearuremnet of defined benefit liability	**219,569**	**12,286**
related deferred tax	**63,675**	**3,563**
	155,894	**8,723**
Items that may be subsequently reclassify to Profit or Loss		
Exchange Gain on translation of Long term investment in equity accounted investees	**39,895**	
Total comprehensive income for the period	58,301,417	164,723,590
Total comprehensive Income for the year attribute to		
Owners of the Parent company	**58,276,801**	-
Non controlling Interests	**24,616**	-
	58,301,417	-

The annexed notes form an integral part of these accounts.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2022

		2022	2021
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Taxation		172,047,604	155,436,528
Adjustment for Non-Cash and Other Items:			
Depreciation		65,654,932	45,439,011
Provision for Gratuity - net of Payments		3,630,278	2,718,201
Provision for impairment in investment		34,510,675	--
Financial Expenses		31,609,843	35,660,361
		135,405,728	83,817,573
		307,453,332	239,254,102
Working Capital changes			
(Increase) / Decrease in Current Assets			
Stock in Trade		(470,737,989)	(70,633,057)
Stores and Spares		(1,201,749)	(401,014)
Trade debtors		75,580,382	(259,324,428)
Trade deposits, Prepayments & Statutory balances		(28,595,355)	424,125
Increase / (Decrease) in Current Liabilities			
Trade and Other Payables		(6,994,824)	203,685,701
Un-claimed Dividends		14,449,435	--
		(417,500,100)	(126,248,673)
Taxes Paid		(19,331,381)	(9,895,318)
Dividend Paid		(56,879,201)	
Financial charges Paid		(47,726,392)	(29,737,290)
		(123,936,974)	(39,632,608)
Net Cash Inflow/ (Outflow) from Operating Activities		(233,983,742)	73,372,822
CASH FLOW FROM INVESTING ACTIVITIES			
Investmnet made in Subsidiary Companies		--	
Acquisition of Fixed Assets		(226,508,318)	(120,650,215)
Sales Proceeds from Fixed Assets		--	--
Net Cash Inflow/ (Outflow) from Investing Activities		(226,508,318)	(120,650,215)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term Deposits		(12,114,266)	(2,122,400)
Diminishing Musharika		13,227,759	
Share Capital Issued against Cash		426,594,010	--
Share Premium received		213,297,005	
(Payments)/Loan Obtained through Diminishing Musharka Finance Facility - net		(97,125,000)	(14,750,000)
Dividend Paid		--	(8,682,331)
Long term Loan from Associated and related parties		(53,150,000)	82,229,000
Net Cash Inflow/ (Outflow) from Financing Activities		490,729,508	56,674,269
Net Increase in Cash and Cash Equivalents		30,237,448	9,396,876
Cash and Cash Equivalents at the Beginning		11,486,922	2,090,046
Cash and Cash Equivalents at the End	30	41,724,370	11,486,922

The annexed notes form an integral part of these accounts.
The even dated auditors report hitherto is annexed.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

		Capital Reserve		Revenue Reserves				
	Share Capital	A Share Premium Account	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	Exchange Translation Reseve	Unappropriated Profit/Accumulated (Loss)	Non- Controlling Interest	Total
Balance as on June 30, 2020	568,792,010	39,386,665	368,297,361	100,440,675		(22,618,546)	-	1,054,298,165
Net Profit for the year ended June 2021	--	--				115,099,317	-	115,099,317
Other Comprehensive income			--	49,615,550		8,723	-	49,624,273
Total comprehensive income	--	--	--	49,615,550		115,108,040	--	164,723,590
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(11,995,787)			11,995,787	-	-
Balance as on June 30, 2021	568,792,010	39,386,665	356,301,574	150,056,225	–	104,485,282	-	1,219,021,756
Non-Controlling Interest on business combination							15,722	15,722
Net Profit for the year ended June 2022	--	--				208,137,237	24,616	208,161,853
Other Comprehensive income			--	(150,056,225)	39,895	155,894		(149,860,436)
Total Comprehensive income	--	--	--	(150,056,225)	39,895	208,293,131	24,616	58,301,417
Non-Controlling Interest on business combination								--
Final Dividend for the year ended June 30, 2021 @ Rs. 1 per share						(56,879,201)		(56,879,201)
Issuance of Right Shares @ 75%	426,594,010							426,594,010
Share Prenium on Issuance of 75% Right Shares @ Rs. 5 per share		213,297,005						213,297,005
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(10,796,208)			10,796,208		-
Balance as on June 30, 2022	568,792,010	252,683,670	345,505,366	-	39,895	266,695,420	40,338	1,860,350,709

The annexed notes form an integral part of these accounts.
The even dated auditors report hitherto is annexed.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

1 THE GROUP AND ITS OPERATIONS

Image Pakistan Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed in the Pakistan Stock Exchange in Pakistan. The principal activity of the Company is manufacturing and sale of Embroidered Fabric and Ready-To-Wear garments and Polyester Filament Yarn.

The Parent Company's Operations of the Polyester Filament yarn remain discontinued during the year.

The comparative Figure for the year June 30, 2021 in consolidated finacial statemnets shown stand alone Financial statemnets of the Image Pakitstan limited due to Last year the Group has no Subsidiary the Group has invested in subsidiries during the the year ended June 30, 2022. Therefore , the Comparative figures are represenets results of the stand alone financial statemnets of Image Pakistan Limited.

The geographical Location and address of the Group's business units, including mill/plant are as under:

The registered office of the Group and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

The Company also owned and on rent, selling outlets in Karachi, Lahore , Islamabad, Rawalpindi and Peshawar.

As at the reporting date, the Parent Group has the following subsidiaries, which together with the Parent Group Constitutes "the Group".

Subsidiary companies	Nature of business	Holding	Financial Year
Image Tech Ltd. The registered office of the company is located at A/33, Central Commercial Area, Block 7/8. KCHSU, Main shahrah -e- Faisal , Kararchi, Pakistan.	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	1,998,500 ordinary shares @ Rs 10/-	The financial year is from 01 July - 30 June
Image International Ltd. Incorporated in the UK	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	4,997 ordinary shares @ £. 1/- per share	The first financial year will be ending on 30th June 2023
Tri-Star Image (USA) Inc. incorporated in USA	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	4,500 ordinary shares @ $. 1/- per share	The first financial year will be ending on 30th June 2023

1.1 Summary of significant events and transactions in the current reporting period

The Group's financial position and performance was particularly affected by the following events and transactions during the reporting period:

The Group' main unit to produce polyester filament yarn remain not in operation and the Group is to manufacture during the year value added embroided fabric as disclosed in Note 1.

The Group obtained interest bearing loan from Related Parties and Financial Institutions during the year to meet the working capital requirements of the Group as disclosed in Note 11 and 12.

Further , for a detailed discussion about the Group's performance, refer to the Directors' Report and respected note to the accounts.

2 STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The 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;
Provisions of and directives issued under the Companies Act, 2017.

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

Basis of consolidation

These consolidated financial statements include the financial statements of the Parent Group and the subsidiary companies together constituting "the Group".

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in consolidated statement of profit or loss immediately. Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in consolidated statement of profit or loss. Any contingent gain is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in consolidated statement of profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

These consolidated financial statements include Image Pakistan Limited (IPL) and all companies in which the image Pakistan Limited directly controls, beneficially owns or holds more than 99.99 and 100% of the voting securities

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary, except those part of the initial acquisition transaction, that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise of interests in associates and a jointly controlled entity. Associates are those entities in which the Group has significant influence, but not control over the financial and operating policies. A jointly controlled entity is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the jointly controlled entity are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence or joint control ceases.

Transactions elimination in consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra- group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Pak Rupee at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Pak Rupee at the exchange rates at the dates of the transactions. Foreign currency differences are recognised in the consolidated statement of comprehensive income, and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the consolidated profit or loss account as part of the gain or loss on disposal. When the Group disposes of only a part of an associate or jointly controlled entity while retaining significant influence or control, the relevant proportion of the cumulative amount is reclassified to consolidated statement of profit or loss.

3 BASIS OF PREPARATION/MEASUREMENT

These unConsolidated financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date.

Item		Measurement basis
Land		Revaluation model
Building		Revaluation model
Plant and Machinery		Revaluation model
Employee benefits- Net defined benefit liability		Present value of the defined benefit liability, determined through actuarial

The method used to measure fair values are disclosed in respective policy notes.

4 Approval of consolidated consolidated financial statements

These consolidated financial statements were approved by the Board of Directors and authorized for issue on September 28, 2022.

5 STANDARDS, AMENDMENTS, INTERPRETATION AND IMPROVEMENTS APPLICABLE TO THE consolidated consolidated

5.1 Amendments to approved accounting standards and the framework for financial reporting that became effective during the current

The Group has adopted the following amendments to International Financial Reporting Standards (IFRSs) which became effective for the current year:

Amendment or Framework

IFRS 3 - Business Combinations - Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8 - Definition of Material (Amendments)
Conceptual Framework for Financial Reporting

The adoption of above amendments to the approved accounting standards and the framework for financial reporting did not have any material impact on the Group's consolidated consolidated financial statements.

5.2 Standards, amendments and improvements to the approved accounting standards that are not yet effective

The following amendments and improvements to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

	Amendment or Improvement	Effective date (annual periods beginning on or after)
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	01 January 2022
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2022	01 April 2022
IFRS 3	Reference to the Conceptual Framework (Amendments)	01 January 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	01 January 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	01 January 2022
IAS 1	Classification of Liabilities as Current or Non-current (Amendments)	01 January 2023
IAS 1	Disclosure of Accounting Policies (Amendments)	01 January 2023
IAS 8	Definition of Accounting Estimates (Amendments)	01 January 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single	01 January 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

Improvements to Accounting Standards Issued by the IASB (2018-2021 cycle)

IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2022
IAS 41	Agriculture – Taxation in fair value measurements	01 January 2022
IFRS 16	Leases: Lease incentives	01 January 2022

The above amendments and improvements are not expected to have any material impact on the Group's consolidated consolidated financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Group's consolidated consolidated financial statements in the period of initial application.

Standard		IASB effective date (annual periods beginning on or after)
IFRS 1	First-time Adoption of International Financial Reporting Standards	01 January 2004
IFRS 17	Insurance Contracts	01 January 2023

6 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of Consolidated financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Group's accounting policies, management has made the following estimates and judgments which are significant to the Consolidated financial statements:

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the Consolidated financial statements:

6.1 Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Group. Further, the Group 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 tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

6.2 Taxation

In making the estimates for income taxes payable by the Group, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

6.3 Stock-in-trade

The Group reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

6.4 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

6.5 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the out come of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

6.6 Leases note 8.4,--- Present value measurement of lease liabilities, determinating lease term and whether a contract is or contains a lease and depreciation of right of used assets

6.7 Note 8.19 & 14 measuremnet of defined benefit obligations ; Key acturial assumptions

7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these Consolidated financial statements are consistently applied except application of new amendments and interpretations in the International Accounting Standards as described in note 5.

7.1 Taxation

Current Year

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of Income Tax Ordinance.

Deferred

Deferred tax is provided Proportionate to local sales using the liability method on all temporary differences at the balance sheet date, between the tax bases of assets and liabilities and their carrying amount for consolidated financial statements reporting purposes. Deferred tax liabilities are generally recognized for all temporary taxable differences or items recognised directly in equity or in OCI.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

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

7.2 Property, Plant and Equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Property, Plant and Equipment are stated at cost or revalued/adjusted amounts less accumulated depreciation and impairment losses, if any; except for capital works in progress which are stated at cost accumulated up to the balance sheet date.

Land, buildings, plant and Machinery and leasehold improvements are measured at the revalued amount less accumulated depreciation and impairment loss (if any).

Land (free hold and lease hold), Building and Plant and Machinery are recognized at revalued amounts based on valuation by external independent valuer. Long term leases of land in which the Group obtains control of the land are accounted for as property, plant and equipment and presented as 'leasehold land'. Revaluation surplus on property, plant and equipment is credited to shareholders' equity and presented as a separate line item in statement of financial position. Increases in the carrying amounts arising on revaluation of land are recognized, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in profit or loss, the increase is first recognized in profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Revaluation

Any revaluation increase arising on the revaluation of land, buildings and leasehold improvements is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and leasehold improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Group's shareholders. The surplus on revaluation buildings and leasehold improvements to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Depreciation

Full Years Depreciation is charged on acquisition or transfer of assets from capital work in progress, while no depreciation is charged on assets disposed off during the year. Depreciation is charged to income using reducing balance method, at the rates specified in the annexed schedule in note no. 18 to the consolidated consolidated financial statements , whereby the cost/revalued amounts of asset is written off over its estimated useful life , reflecting the approximate value of the consumption of the respective assets economic benefits. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

- ***Repairs, renewals and maintenance***

Major repairs and renewals are capitalized . Normal repairs and maintenance are charged as expense when incurred. Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently.

7.3 **Impairment of non-financial assets other than inventories**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Group recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

7.4 **Leases**

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right of use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right of use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Rates of depreciation are mentioned in note 18.

The Group presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

fixed payments (including in-substance fixed payments), less any lease incentives receivable;
variable lease payment that are based on an index or a rate;
amounts expected to be payable by the lessee under residual value guarantees;
the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments.

Short term leases and low-value assets

The Group has elected not to recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and the leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

7.5 Investment

Investment at fair value of investment through other comprehensive income are initially recognized at cost being the fair value of the consideration given including acquisition charges associated with. After initial recognition of investment are premeasured at fair value. Unrealized gains and losses on investment are recognized in other comprehensive income as required by IFRS 9 till the investment is sold or otherwise disposed off, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income. Measurement made as per IFRS 9 and disclosed the fair value as Price Quoted in Pakistan stock exchange

7.6 Stores, Spares and Loose Tools

These are stated at the lower of weighted average cost and net realizable value (NRV). The cost of inventory is based on the FIFO basis. Items in transit are stated at cost accumulated up to the date of the balance sheet.

Stores, spare parts and loose tools are valued at weighted average cost and net realizable value except for items in transit which are stated at cost incurred up to the consolidated statement of financial position date less impairment, if any. Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. For items which are slow moving and / or identified as surplus to the Group's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Group reviews the carrying amounts of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence, if there is any change in usage pattern or physical form of related stores, spare parts and loose tools.

7.7 Stock-in-Trade

These are valued as follows:

Raw Material	:	At lower of weighted average cost or net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	Net realizable value under retail method.
Work-in-Process	:	At weighted average cost. This comprises the direct cost of raw materials, wages, and appropriate manufacturing overheads.
Stock-in-Transit	:	At cost accumulated upto the balance sheet date.
Packing Material	:	At lower of weighted average cost or net realizable value.

These are valued at lower of cost and net realizable value. Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make a sale. The Group reviews the carrying amount of stock in trade on a regular basis and provision is made for obsolescence, if there is any change in usage pattern or physical form of related stock in trade. Net Realizable Value signifies the estimated selling price in the ordinary course of business less cost necessary to be

7.8 Trade Debts and other Receivables

Trade debts and other receivables are stated at original invoice amount less provision for doubtful debts, if any. Provision for doubtful debts / other receivables is based on the management's assessment of customers' outstanding balances and creditworthiness. Bad debts are written-off when identified. Allowance for expected credit losses is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts, if any, are written off when considered irrecoverable.

7.9 Foreign Currency Translation

Transactions in foreign currencies are translated in PKR (functional and presentation currency) at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into PKR at the rates of exchange approximating those prevalent at the date of unconsolidated statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in the unconsolidated profit or loss.

7.10 Revenue Recognition

- Revenue from sales is recognized on dispatch of goods to customers. Revenue is recognised when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods according to the terms. Performance obligation is satisfied at the point of time when control of goods has been transferred to the customers.
- Dividend income is recognized on the basis of declaration by the investee Group.
- Other Income/Scrap Sales is recognized on accrual Basis.
- Unrealized gains/(losses) arising on revaluation of securities classified as "financial assets at fair value through other comprehensive income in the income statement in the period in which they arise.

7.11 Provisions

Provision is recognized in the balance sheet when the Group has a legal or constructive obligation, and, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and that a reliable estimate can be made for the amount of this obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

7.12 Financial instruments

7.12.1 Financial assets

The financial assets of the Group mainly include trade debts, loans, deposits, short term investments, other receivables and cash and bank balances.

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Based on the business model of the Group, the financial assets of the Group are measured and classified under IFRS 9 as follows;

Trade debts and other financial assets are measured at amortised cost using the effective interest rate method less an allowance for expected credit losses, if any.

Long -term investments in NIT are designated at FVOCI at initial recognition. These are carried in the statement of financial position at fair value with net changes in fair value recognised in the Other Comprehanssive income.

7.12.2 Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs. For the purpose of subsequent measurement financial liabilities are either classified at amortised cost or fair value through profit or loss. The Group does not have any financial liability at fair value through profit or loss.

7.12.3 Impairment of financial assets - allowance for expected credit losses

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At each date of statement of financial position, the Group assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Group uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

7.12.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7.12.5 Impairment of non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax assets are assessed at date of statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

7.13 Related Party Transaction

related parties which are interest/mark up free. Prices for these transactions are determined on the basis of admissible valuation methods.

7.14 Loan, Advances and other Receivables

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

7.15 Short Term and Long Term Loans

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/residual cost.

7.16 Contingent Liability

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or the Group has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

7.17 Contingent Assets

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

7.18 Trade and Other Payables

Trade and other payables are initially carried at the fair value of the consideration to be paid in future for goods and services received. Subsequent to initial recognition, these are carried at amortized cost.

7.19 Post Employment Benefits

Defined Benefit Plan

The Group operates an unfunded gratuity scheme for its staff. Provisions are made during the year, , during the year the Group obtained actuarial valuation and restated the gratuity figure.

The Group operates an unfunded Gratuity Scheme (the Plan) for eligible employees of the Group. The Group's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognized in statement of profit or loss. The latest actuarial valuation was conducted by a qualified professional firm of actuaries as of September 22, 2022 using the "Projected Unit Credit Method".

7.20 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7.21 Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise of cash in hand, bank balances and short term investments with a maturity of three months or less from the date of acquisition. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

7.22 Share Capital and Dividend

Ordinary shares are classified as equity and recognized at their face value. Dividend distribution to the shareholders is recognized as liability in the period in which it is declared.

7.23 Earnings per share

The Group presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

8 Issued, Subscribed and Paid-up Capital

No. of Ordinary Shares of Rs. 10/- each

2022	2021	2022	2021
		Rupees	
95,619,629	**52,960,228**	**956,196,290**	**529,602,280**
3,918,973	**3,918,973**	**39,189,730**	**39,189,730**
99,538,602	56,879,201	995,386,020	568,792,010

		2022	2021
		Rupees	
8.1	**Reconciliation of number of shares outstanding**		
		Numbers	Numbers
	Ordinary shares		
	Number of shares outstanding at the beginning of the year	56,879,201	56,879,201
	Right Shares Issued for cash	42,659,401	-
	Number of shares outstanding at the end of the year	99,538,602	56,879,201

8.1.1 All ordinary shares rank equally with regard to the Parent Company's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Parent Company.

8.1.2. As of the reporting date 169,223 (2021: 96,699) and 31,246, 022(2021: 16,916,630) ordinary shares of Rs. 10 each were held by associated companies and directors of the parent Company respectively.

8.2 Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for share holders and benefits for other stake holders, and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to share holders and/or issue new shares. There were no changes to Company's approach to capital management during the year.

			2022	2021
			Rupees	
9	**Surplus on Revaluation of Property, Plant and Equipment**			
	Opening Balance	9.1	356,301,574	368,297,361
	Surplus arising due to Revaluation - net of tax		--	--
	Transfer to Profit and Loss account of incremental depreciation (net of tax)			
	Related Deferred tax Liability		(10,796,208)	(11,995,787)
	- Rate difference adjustments and Other		--	--
			345,505,366	356,301,574

9.1 The following fixed assets of the Group were revalued on June 29, 2018. The revaluation was carried out by independent valuer M/s. Sadruddin Associates (Private) Limited (Fire, Marine, Motor & Machinery Errection & Breakdown, Surveyor, Loss Adjustors, Plant and Machinery Valuers, Industrial Property & Real Estate Appraisers.). Basis of revaluation are as follows:

Land

Valuation of land is determined by obtaining key market data from property brokers, dealers and estate agents to ascertain the Present market value considering its location and market potential.

Building

Revalued amount of building has been determined is simple. After taking into account the re-statement value have been computed after applying present market rate of construction.

Plant and Machinery

Revalued amount of plant and machinery has been determined by Physically inspected the Plant and Machinery. The age, make, origin condition etc. has been taken into account, to arrive at the present market value. At the time of our survey/ inspection, we observed that plant/machinery were in operational Condition. the Present value has been computed after application of suitable appreciation/depreciation factors, Rate of inflation and devaluation has been considered for optimum and closest approximate result of the valuation of entire machinery for obtaining the nearest value have taken 5% to 10% installation charges and add other levies to start and Complete the machinery.

The revaluation has resulted in increase in surplus and corresponding carrying amounts of Land, Building and Plant & Machinery Rs. 231.342 million.

	WDV as June 30, 2018	Revalued Amounts as per revaluation Report	Revaluation Surplus
	Rupees		
Lease hold land	150,000,000	260,000,000	110,000,000
Factory building on lease hold land	88,736,050	193,485,434	104,749,384
Plant & machinery	90,206,730	106,799,100	16,592,370
Surplus on Revaluation	328,942,780	560,284,534	231,341,754

year	Revaluers name	Surplus Aries (Net)
2013	M/s. Sadruddin Associates (Pvt) Ltd.,	190,020,694
2018	M/s. Sadruddin Associates (Pvt) Ltd.,	231,341,754

The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

		2022	2021
		Rupees	
10 Long term Loan from Associated and related Parties.			
Loan from Associated Under takings - unsecured		55,500,000	67,600,000
Director Loan - Unsecured		66,420,000	105,470,000
Loan from Sponsors - unsecured , Interest free	10.1	-	2,000,000
		121,920,000	175,070,000

10.1 As per the agreement dated June 30, 2021 the above loans are unsecured and interest bearing @ 10% (2021: 14%) per annum. The above loans has been acquired from Related Parties to meet the working Capital requirements of the Group.

10.2 The is not to be repaid till next tevlve month upto June 30, 2023.

10.3 The Borower shall have the right to repay either entier amount of outstanding loan or any intallment or part thereof or convert the loan into equity on mutual consent of both the parties.

11 Diminishing Musharka Finance Facility			
Opening Balance Facility I	11.1	69,000,000	126,500,000
Facility II	11.2	42,750,000	54,000,000
Paid during the year		(97,125,000)	(68,750,000)
		14,625,000	111,750,000
Maturity During the year			
Less: Current Portion		14,625,000	73,000,000
Over due Portion			
		-	38,750,000

11.1 Diminishing Musharika Finance Facility has been obtained from Islamic Commercial Bank. Musharika is payable in two years six months starting from August 16, 2020 and the last installment will be due on November 16, 2022 having principal amount Rs 11.500 million each installment exclusive of profit share. It carries profit ranging from Rs. 3,099,215 to Rs. 372,411 quarterly i.e. (Profit @ 3 month KIBOR+250bps) and secured against 1st equitable charge over all present and future assets of the company including Land, Building, Plant and Machinery.

11.2 In August 2020 the Company has availed SBP Refinance Scheme for wages and salaries through an Islamic Commercial Bank. This facility carries mark-up @ 3% per annum and is payable after a grace period of 6 months in 48 equal monthly installments and is secured against 1st equitable charge over all present and future assets of the company including Land, Building, Plant and Machinery.

12 Diminshing Musharaka Facility - Againt Right to use Assets Vehicles

	2022		2021	
	Minimum Lease Payments	Present Value of minimum lease payments	Minimum Lease Payments	Present Value of minimum lease payments
	(Rupees)			
Paid During the year	2,195,753	1,316,527	--	--
Less than one to two year	5,133,632	2,928,972	--	--
Two to five years	14,212,033	10,298,787	--	--
Total minimum lease payments	21,541,418	14,544,286	--	--
Less: Paid during the year	(1,316,527)	(1,316,527)		
Less: Financial charges allocated to the future period	6,997,132	--	--	--
	13,227,759	13,227,759	--	--
Add: Security Deposits	--	--	--	--
Present value of minimum lease payments	13,227,759	13,227,759	--	--
Less : Transferred to current maturity	2,928,972	2,928,972	--	--
	10,298,787	10,298,787	--	--

The Diminishing Musharaka Facility has been obtained from a Madaraba (Non-Banking Financial Institution) repayable in 60 equal monthly intallments. The payment of first installment started from October 2021 and last installment will be paid on December 2026 and carries profit @ 6 month KIBOR+3% per annum and secured against vehicles.

13 Deferred taxation

Liability / (asset) balances arising in respect of:		
Accelerated tax depreciation and others	9,963,622	34,881,516
Provisions and others	(2,412,357)	(1,464,958)
	7,551,265	33,416,558
Deferred tax liability in respect of:		
- Revaluation net of related depreciation	39,687,469	44,097,188
	47,238,735	77,513,746

14 Provision for Gratuity

Balance at the beginning of the year	5,051,581	2,345,666
Provision made during the year as per actuarial Valuation	3,697,375	2,809,537
	8,748,956	5,155,203
Payment/ Adjusted during the year	286,666	103,622
	8,462,290	5,051,581

14.1 Staff gratuity payable

The Company operates unfunded gratuity scheme for its permanent eligible employees. Gratuity benefit is payable under the scheme to employees on cessation of employment due to death, retirement and resignation. Further during the year the acturies has made Calculation on Projected Unit Credit (PUC) Acturial Cost method as mandated under IAS 19.

The gratuity is payable based on the last drawn gross pay and the number of years of services.

14.1.1 Number of employees under the scheme	43	31

14.1.2 Principal actuarial assumptions

The latest actuarial valuations of the above gratuity scheme were carried out as at 30 June 2022 under the Project Unit Credit Method. Principal actuarial assumptions used in the valuation of the scheme is as follows:

	2022	**2021**
Financial assumptions		
Expected rate of increase in salaries	17.53%	8.50% p.a.
Discount rate	13.25% p.a.	10% p.a.
Average expected remaining working life times of employees	7 years	7 years

Mortality rate is based on adjusted SL1C 2001-2005 with one year age set back mortality table as per recomondation of Pakitan Society of Acturies (PSOA)

14.1.3 Staff Gratuity Payable

Present value of defined benefit obligations	8,462,290	5,051,581
Plus Payables	--	--
	8,462,290	5,051,581

14.1.4 Reconciliation of present value of defined benefit obligation

Present value of defined benefit obligation - opening	5,051,581	2,345,666
Service cost	2,927,070	1,408,095
Past Service Cost (Credit)	499,049	1,218,750
Interest on defined benefit liability	490,825	194,978
Benefits paid	(286,666)	(103,622)
Liability transferred to other account	--	--
Actuarial gain	39,195	9,726
Experience Adjustment	(258,764)	(22,012)
	8,462,290	5,051,581

14.1.5 Movement in present value of defined benefit obligations

Net defined benefit liability - Opening		5,051,581	2,345,666
Expense chargeable to profit and loss account	14.1.6	3,916,944	2,821,823
Remeausrement gain transferred to OCI		(219,569)	(12,286)
Payments during the year		(286,666)	(103,622)
		8,462,290	5,051,581

14.1.6 Expense chargeable to profit and loss account

Service cost	2,927,070	1,408,095
Past service Cost (Credit)	499,049	1,218,750
Net interest on net defined benefit liability	490,825	194,978
14.1.7 Allocation of Charge for the year	3,916,944	2,821,823

14.1.8 Sensitivity analysis

Sensitivity analysis has been performed by varying on assumption keeping all other assumptions constant and calculating the impact on the present value of the defined benefit obligations under the gratuity scheme. The increase / (decrease) in the present value of defined benefit obligations as a result of change in each assumption is summarized below:

Present value of defined benefit obligation		
Discount rate + 1%	7,898,211	4,713,147
Discount rate - 1%	9,149,292	5,461,871
Salary increase + 1%	9,155,372	5,464,675
Salary increase - 1%	7,882,345	4,704,231

		2022	2021
		Rupees	
15 Trade and Other Payables			
Trade Creditors		269,544,618	340,690,950
Accrued Expenses		110,408,531	56,816,115
Zakat Payable		2,661,256	2,661,256
Others	15.1	19,627,747	9,068,655
		402,242,151	409,236,976
15.1 Others			
With holding tax payable		11,444,587	648,249
Workers Profit Participation fund	15.1.1	7,259,513	8,180,870
Others		923,647	239,536
		19,627,747	9,068,655
15.1.1 Workers Profit Participation fund			
Opening Balance		8,180,870	2,028,916
Provided during the year		7,259,513	8,180,870
		15,440,383	10,209,786
Distributed during the year		(8,180,870)	(2,028,916)
		7,259,513	8,180,870

16 Unclaimed dividend

As per the provision of Section -242 of the Companies Act, 2017 and directives of the Securities and Exchange Commission of Pakistan vide circular no. 18 dated 01 August, 2017, cash dividend will only paid through electronic mode directly in the bank accounts of shareholders, accordingly this unpaid dividend pertains to those sahreholders who did not provided their valid bank accounts details

17 Provision for Taxation			
Balance at the beginning		31,579,313	9,834,471
Less: Adjustments	17.1	(31,579,313)	(9,834,471)
		-	--
Add: Provisions for Taxation			
Current year		8,759,124	31,579,313
		8,759,124	31,579,313

17.1 The income tax returns of the Group has been filed up to tax year 2021 to income tax department and the assessments of the Group have been finalized up to and including the tax year 2019. However, the commissioner of income tax may at any time during a period of five years from the date of filling of return may select the deemed assessment for audit.

Management had a practice of recording tax expense based on the generally accepted interpretation of tax laws and accordingly sufficient provision in respect of taxation for last three years has been provided in these consolidated consolidated financial statements.

Subsequent to the amendment of section 5(A) of the Income tax Ordinance, 2001, tax at the applicable rate shall be imposed on every public Group which derives profit for the year. However, this tax shall not apply in case of a Group which distributes at least specified percentage of after tax profits within six months of the end of the tax year in the form of cash dividend. Liability in respect of such tax, if any, is recognized when the prescribed time period for distribution of dividend expires.

18 Contingencies and Commitments

Guarantees issued by banks	nil million	nil million
Letters of Credit in respect of committed capital expenditures	nil million	nil million
Letters of Credit for other than capital expenditures	nil million	nil million

18.1 Contingent assets as disclosed in note 19.1.

18.2 The Sales Tax department has issued a show cause notice to the Company for non-payment of Sales Tax alongwith penalty and default surcharge amounting to Rs. 99,451,956/-. The Company has filed a Constitutional Petition before the Hon'ble High Court of Sindh challenging the legality of the show cause notice. The Hon'ble High Court of Sindh has restrained the Department from passing any adverse order against the Company.

	2022	2021
	Rupees	
19 Tangible Fixed Assets		
Property, Plant and Equipment	826,941,914	666,088,528
	826,941,914	666,088,528

Property, Plant and Equipment - At cost less accumulated depreciation

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate %	Depreciation				Written Down Value As At June 30, 2022
	As at July 01, 2021	Additions / Transfers/ (Deletion)	Revaluation	As at March 31, 2022		As at July 01, 2021	Transfer/ (Deletion)	For the year	As at June 30, 2022	
	Rupees					Rupees				
Owned										
Lease hold land	260,000,000	--		260,000,000	--	--	--	--	--	260,000,000
Factory Building on Lease hold land	286,635,517	5,290,893		291,926,410	10	142,339,637	--	14,958,677	157,298,314	134,628,096
Plant and Machinery	604,039,846	165,795,979		769,835,824	10	403,824,700	--	36,601,112	440,425,812	329,410,012
Electrical Installations	10,171,757	5,291,380	--	15,463,137	10	6,844,160	--	861,898	7,706,057	7,757,079
Furniture and Fixture	30,284,676	3,110,578	--	33,395,254	10	6,250,739	--	2,714,452	8,965,190	24,430,064
Office Equipments	1,770,182	--	--	1,770,182	10	868,600	--	90,158	958,758	811,425
Air Conditioner and Refrig.	17,082,922	2,206,000	--	19,288,922	10	5,643,735	--	1,364,519	7,008,254	12,280,668
Vehicles	6,882,255	21,662,419	--	28,544,674	20	4,593,294	--	4,790,276	9,383,570	19,161,104
Fork Lifter	630,735	--	--	630,735	20	629,637	--	220	629,857	878
Computers	4,980,463	6,106,740	--	11,087,203	10	1,220,008	--	986,719	2,206,728	8,880,475
Studio Equipments	852,670	--	--	852,670	10	301,985	--	55,069	357,053	495,617
Generators	12,090,900	1,976,000	--	14,066,900	10	3,372,596	--	1,069,430	4,442,026	9,624,874
Elevator	8,547,000	15,068,329	--	23,615,329	10	2,939,313	--	2,067,602	5,006,915	18,608,414
Fire Fighting Equipments	861,872	--	--	861,872	10	180,847	--	68,102	248,950	612,922
Gas Installations	883,125	--	--	883,125	10	616,141	--	26,698	642,839	240,285
June 2022	1,245,713,919	226,508,318	--	1,472,222,237		579,625,391	--	65,654,932	645,280,323	826,941,913
June 2021	1,125,063,704	120,650,215	--	1,245,713,919		534,186,380	--	45,439,011	579,625,391	666,088,528

19.1 Its includes Total assets (Plant and Machinery and other assets) at cost of Value added Embroidered Fabric of Rs. 452.480 (2021: Rs. 236.209) million and WDV Rs. 386.937 (2021: Rs. 186.260)million.

	Value added Embroidered Fabric		Polyester Filament Yarn	
	June 2022	June 2021	June 2022	June 2021
19.2 Allocation of Depreciation	Rupees		Rupees	
Depreciation for the period has been allocated as follows:				
Cost of Sales	35,365,872	28,745,653	20,287,649	11,600,193
Administrative and General Expense	9,913,632	1,346,414	87,780	3,746,751
	45,279,503	30,092,067	20,375,429	15,346,944

19.3 Leasehold land and buildings are subject to a first charge against the loan of Rs. 138 million obtained from AlBaraka Bank (Pakistan) Limited (note 9). This charge will remain till May 16, 2023.

19.4 Particulars of immovable properties (i.e. freehold land and building on freehold land) in the name of Group are as follows:

Location	Use of Immovable Location Property	Total Area
F-538, SITE , Karachi, Sindh	Manufacturing Facility	2 acres

19.5 Register of fixed assets of the Parent company was illegally removed by the officials of the Income tax department at the time of conducting raid at the Group's premises which has not yet been returned. Consequently the same remain not to be updated and could also not made available to the auditors.

19.6 Lease hold Land, Factory Building on lease hold land and Plant and Machinery were revalued on 29.06.2018 by M/s. Sadruddin Associates (Pvt) Ltd., a PBA approved valuer. The surplus on revaluation works out to Land , Building and Plant and Machinery by Rs. 231.342 million.

19.7 Had there been no revaluation the related figures of land, building and plant & machinery at June 30, 2022 would have been as follows:

	2022			
	Cost	Accumulated Depreciation	Depreciation charged during the year	Written Down Value
	Rupees			
Lease hold land	7,440,950	-		7,440,950
Factory building on lease h	30,979,497	29,335,136	164,436	1,479,925
Plant & machinery	565,415,437	442,570,309	12,284,513	110,560,615
Electrical Equipment	5,982,461	5,678,439	30,402	273,620
	609,818,345	477,583,884	12,479,351	119,755,110

	2021			
	Cost	Accumulated Depreciation	Depreciation charged during the year	Written Down Value
	Rupees			
Lease hold land	7,440,950	-		7,440,950
Factory building on lease h	30,979,497	29,152,429	182,707	1,644,361
Plant & machinery	565,415,437	428,920,850	13,649,459	122,845,128
Electrical Equipment	5,982,461	5,644,659	33,780	304,022
	609,818,345	463,717,938	13,865,946	132,234,461

19.8 The forced sale value of revalued assets is Rs. 737,315,000 as on June 2018.

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate	Depreciation				Written Down
	As at July 01, 2020	Additions / Transfers / (Deletion)	Revaluation	As at June 30, 2021	%	As at July 01, 2020	Transfer/ (Deletion)	For the year	As at June 30, 2021	Value As At June 30, 2021
	Rupees					Rupees				
Owned										
Assets Polyester Filment Yarn										
Lease hold land	260,000,000	--		260,000,000	--	--	--	--	--	260,000,000
Factory Building on	286,635,517	--		286,635,517	10	126,306,761	--	16,032,876	142,339,637	144,295,880
lease hold land										
Plant and Machinery	505,531,845	98,508,001		604,039,846	10	381,578,573	--	22,246,127	403,824,700	200,215,146
Polyester Filament Yarn Unit including value										
added Embroidered Fabric Machinery 18.1										
Electrical Installations	8,101,544	2,070,213	--	10,171,757	10	6,474,427	--	369,733	6,844,160	3,327,597
Furniture and Fixture	14,199,235	16,085,441	--	30,284,676	10	3,580,301	--	2,670,437	6,250,739	24,033,937
Office Equipments	1,497,982	272,200	--	1,770,182	10	768,424	--	100,176	868,600	901,583
Air Conditioner and Refrig.	15,567,422	1,515,500	--	17,082,922	10	4,372,714	--	1,271,021	5,643,735	11,439,187
Vehicles	6,882,255	--	--	6,882,255	20	4,021,054	--	572,240	4,593,294	2,288,961
Fork Lifter	630,735	--	--	630,735	20	629,362	--	275	629,637	1,098
Computers	3,402,963	1,577,500	--	4,980,463	10	802,180	--	417,828	1,220,008	3,760,455
Studio Equipments	852,670	--	--	852,670	10	240,797	--	61,187	301,985	550,685
Generators	12,090,900	--	--	12,090,900	10	2,403,896	--	968,700	3,372,596	8,718,304
Elevator	8,547,000	--	--	8,547,000	10	2,316,237	--	623,076	2,939,313	5,607,687
Fire Fighting Equipments	240,512	621,360	--	861,872	10	105,178	--	75,669	180,847	681,025
Gas Installations	883,125	--	--	883,125	10	586,476	--	29,665	616,141	266,984
June 2021	1,125,063,704	120,650,215	--	1,245,713,919		534,186,380	--	45,439,011	579,625,391	666,088,528
June 2020	1,111,036,928	14,026,776	--	1,125,063,704		497,024,653	--	37,161,727	534,186,380	590,877,324

-- 17.1. Its includes Plant and Machinery and other assets at cost of Value added Embroided Fabric of Rs. 228.83 (2020: Rs. 108.182) million and WDV Rs. 201.76 (2020: Rs. 81.115) million.

	Polyester Filament Yarn		Value added Embroidered Fabric	
	June 2021	June 2020	June 2021	June 2020
17.2. Allocation of Depreciation	Rupees		Rupees	
Depreciation for the period has been allocated as follows:				
Cost of Sales	28,745,653	27,643,247	11,600,193	5,941,075
Administrative and General Expense	1,346,414	108,284	3,746,751	3,469,122
	30,092,067	27,751,531	15,346,944	9,410,197

		2022	2021
		Rupees	
20	**Long term Deposits**		
	Karachi Electric Supply Corporation	403,810	100,245
	Telephone	3,200	3,200
	Pakistan Oxygen Limited	14,000	14,000
	Sui Southern Gas Group	1,595,760	1,595,760
	Al-Feroze (PVT) Ltd	1,755,000	1,755,000
	Dolmen Real Estate Management (PVT) Ltd	1,677,000	1,677,000
	Packages Real Estate (Pvt) Ltd.	2,732,400	--
	Nishat Hotels & Properties Limited	6,828,301	--
	Nayatel	10,200	10,200
	Rental Deposits for shops	4,000,000	1,750,000
	Others	1,000	1,000
		19,020,671	6,906,405

			2022	2021
			Rupees	
21	**Long Term Investment**			
	Fair value through other comprehensive income			
	2,455,000 (2021: 2,455,000) N.I.T units	21.1	34,510,675	34,510,675
	(Average cost price Rs. 14.0573)			
	Market value as at June 30, are as under			
	June 30 (2021: June 30) @ Rs. 54.97 . (Rs.53.87) per unit		150,056,225	150,056,225
			184,566,900	184,566,900
	Provision made during th year		(184,566,900)	-
			-	184,566,900
			--	184,566,900

21.1 In, September 1996, the Income Tax Authorities raided the Group's premises and took away, by force, all the records, documents, and valuable securities, including FEBC's/Bearer NIT units of all the Group companies, which included the bearer NIT units of the Group; without lawful authority and without making any inventory. This raid caused a serious disruption in the Group's business. The Group has filed a suit against the Income Tax Authorities in the Honorable High Court of Sind, challenging the said act as being illegal. The Honorable High Court of Sind, vide its Order dated July 31, 1998, held that the presence of irregularities and malafides in the act of the Income Tax Department cannot be ruled out. Further, the remaining two ingredients namely balance of convenience and causing irreparable loss and injury, also exists in favor of the Group. Further, the Income Tax Department was directed to submit their report keeping in view the provisions of Section 146(c) of The Income Tax Ordinance, 1979, declaring how much more time they would need to return the impounded documents and records. The matter is now in evidence stage.

21.2 The above investment of the Group was illegally removed by the officials of the Income tax department at the time of conducting raid at the Group's premises which has not yet been returned. Consequently the same remain to be updated and could also not be made available to the auditors for physical verification.

22	**Stores, Spares & Loose Tools**		
	Stores and Spares	204,759	409,914
	Packing Material	2,826,190	1,419,286
	Cops	1,207,948	1,207,948
		4,238,897	3,037,148
23	**Stock-in-Trade**		
	Raw Materials	408,284,636	244,732,728
	Work in Process	151,301,732	141,348,047
	Finished Goods	745,860,718	448,628,322
		1,305,447,086	834,709,097
24	**Trade Debts - Considered Good**		
	Local Receivables - considered Good	280,921,011	360,321,198
	considered Doubtful	3,819,805	--
		284,740,816	360,321,198
	Provision for Doubtful debts	--	--
		284,740,816	360,321,198

24.1 The aging of debtors (Related Party) at the reporting date was:

Up to one month	64,521,184	239,984,960
1 to 6 months	--	25,463,293
More than 6 months	--	19,599,089
More then one year	220,219,632	75,273,857
	284,740,816	360,321,199

24.2 Maximum amount due at any month during the year with Related Party amounting to Rs. 220.220 Million (2021: Rs.358.494 Million)

25 Trade Deposits, Prepayments and Statutory Balances - Considered good

Advance imports and others	29,702	29,702
Advance to Employees	25,000	
Deposits	3,171,592	412,092
Sales Tax Refundable	25,244,840	--
Interest on term Deposits	12,332	12,332
Others	566,015	--
	29,049,481	454,126

	Note	2022	2021
		Rupees	
26 Cash and Bank Balances			
Cash in Hand		33,319,975	4,513,769
Cash at Banks - Current Accounts	26.1	7,304,395	5,873,153
Term Deposit Certificates	26.2	1,100,000	1,100,000
		41,724,370	11,486,922

26.1 The Group has conventional banking relationships with all the banks except one which is on Islamic bank.

26.2 Term Deposit Receipts Carries Mark @ 6.60% per annum.

27 Sales

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
			(Rupees)			
Gross Sales						
Local	1,844,330,638	1,095,054,635	-	-	1,844,330,638	1,095,054,635
Export	72,144,732	38,283,814	-	-	72,144,732	38,283,814
	1,916,475,370	1,133,338,449	-	-	1,916,475,370	1,133,338,449
Sales Tax	198,234,801	131,489,640	-	-	198,234,801	131,489,640
Net Sales	1,718,240,569	1,001,848,809	-	-	1,718,240,569	1,001,848,809

28 Cost of Sales

	Note	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
				(Rupees)			
Raw material - opening stock		246,152,014	252,748,444	-	-	246,152,014	252,748,444
Purchases / Acquired		1,155,682,983	430,563,018	-	-	1,155,682,983	430,563,018
Raw material		1,401,834,997	683,311,462	-	-	1,401,834,997	683,311,462
Raw material - closing stock		(411,110,826)	(246,152,014)	-	-	(411,110,826)	(246,152,014)
		990,724,171	437,159,448			990,724,171	437,159,448
Fuel and Power, Oil and Lubricant		37,861,761	44,541,550	--	--	37,861,761	44,541,550
Water		982,100	779,500	--	--	982,100	779,500
Salaries, Wages and Other Benefits		164,138,114	96,670,173	--	--	164,138,114	96,670,173
EOBI Contribution		4,251,202	2,755,703	--	--	4,251,202	2,755,703
SESSI Contribution		4,149,895	2,410,524	--	--	4,149,895	2,410,524
Store consumed		3,758,909	986,932	--	--	3,758,909	986,932
Building Repairs and Maintenance		2,344,061	3,720,932	--	--	2,344,061	3,720,932
Conveyance Expenses		132,617	215,521	--	--	132,617	215,521
Freight Inward		811,900	547,540	--	--	811,900	547,540
Oil and Grease		2,200	34,549	--	--	2,200	34,549
Security Expenses		1,598,306	1,534,567	--	--	1,598,306	1,534,567
Entertainment		122,218	342,581	--	--	122,218	342,581
Vehicle up-keep		2,101,852	788,304	--	--	2,101,852	788,304
Communication charges		954,593	433,184	--	--	954,593	433,184
Stationery and printing		3,270,504	918,867	--	--	3,270,504	918,867
Insurance		1,001,863	717,059			1,001,863	717,059
Repairs and Maintenance		6,716,079	2,946,147	--	--	6,716,079	2,946,147
Depreciation	18.2	35,365,872	11,600,193	20,287,649	28,745,653	55,653,520	40,345,847
		1,260,288,217	601,513,306	20,287,649	28,745,653	1,280,575,866	637,848,927
Work-in-Process - Opening		141,348,047	22,385,002	--	--	141,348,047	22,385,002
Work-in-Process - Closing		(151,301,732)	(141,348,047)	--	--	(151,301,732)	(141,348,047)
Cost of Goods Manufactured		1,250,334,532	482,550,261	20,287,649	28,745,653	1,270,622,181	518,885,883
Finished Goods - Opening		448,628,322	489,547,324	--	--	448,628,322	489,547,324
Finished Goods - Closing		(745,860,718)	(448,628,322)	--	--	(745,860,718)	(448,628,322)
		953,102,136	523,469,263	20,287,649	28,745,653	973,389,785	559,804,885

28.1 Salaries, wages and other benefits include nil relating to staff retirement benefits.

29 **Selling and Distribution Expenses**

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
			(Rupees)			
Advertisement Expenses	152,842,556	72,679,830	--	--	152,842,556	72,679,830
Despatching Expenses	21,939,646	13,918,675	--	--	21,939,646	13,918,675
Conveyance Expenses	54,808	125,925	--	--	54,808	125,925
Sales Promotion	2,892,088	506,622	--	--	2,892,088	506,622
Salaries	33,052,070	19,381,284	--	--	33,052,070	19,381,284
Rent Expenses	76,870,057	41,103,140	--	--	76,870,057	41,103,140
Entertainment	770,231	549,038	--	--	770,231	549,038
Stationery and printing	188,524	157,613	--	--	188,524	157,613
Vehicle up-keep	16,020	36,763	--	--	16,020	36,763
Electric Repair & Maintenance	729,218	192,824	--	--	729,218	192,824
Travelling Expenses	585,053	481,082	--	--	585,053	481,082
Building Repair & Maintenance	5,763,219	1,157,680	--	--	5,763,219	1,157,680
Electric Expenses	6,214,698	1,840,600	--	--	6,214,698	1,840,600
Telephone Expenses	89,859	48,067	--	--	89,859	48,067
Professional Fees	3,086,911	1,865,200	--	--	3,086,911	1,865,200
Maintenance / Utility Expenses	21,228,660	12,039,970	--	--	21,228,660	12,039,970
Communication Expenses	514,252	**49,607**			514,252	**49,607**
Annual White Wash	592,746	**159,254**			592,746	**159,254**
General Expense	639,952	**10,955**			639,952	**10,955**
Computer Expenses	133,158	-			133,158	-
Website Maintanance	2,859,036	-			2,859,036	-
Design Development	596,677	-			596,677	-
Insurance	1,076,810	-			1,076,810	-
	332,736,249	166,304,129	-	-	332,736,249	166,304,129

30 Administrative and General Expenses

Administrative and General Expenses

	Note	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
				(Rupees)			
Vehicle up Keep		532,351	214,301	--	--	532,351	214,301
Postage, Telephone and Telex		1,752,953	923,499	--	--	1,752,953	923,499
Printing and Stationery		367,069	178,663	--	--	367,069	178,663
Salaries and Benefits		77,542,221	43,841,893	--	--	77,542,221	43,841,893
Fees and Subscription		14,898,482	1,412,401	--	--	14,898,482	1,412,401
Depreciation	18.2.	9,913,632	3,746,751	87,780	1,346,414	10,001,412	5,093,165
General Expenses		267,942	189,555	--	--	267,942	189,555
Computer Expenses		349,751	1,106,954	--	--	349,751	1,106,954
Entertainments Expenses		517,291	260,955	--	--	517,291	260,955
Travelling Expenses		7,246,743	433,660	--	--	7,246,743	433,660
Conveyance Expenses		135,857	80,630	--	--	135,857	80,630
Legal Fee & Expenses		3,502,077	882,200	--	--	3,502,077	882,200
Gratuity Expenses		3,916,944	2,821,523	--	--	3,916,944	2,821,523
Medical Expenses		1,005,363	80,836	--	--	1,005,363	80,836
Professional Fee		8,767,412	2,815,091	--	--	8,767,412	2,815,091
Registrar Services		614,135	222,722	--	--	614,135	222,722
Computer software		8,349,394	1,419,367	--	--	8,349,394	1,419,367
Security Expenses		2,530,014	441,478	--	--	2,530,014	441,478
Insurance		1,384,977	591,064	--	--	1,384,977	591,064
Trade Mark Maintenance		321,000	126,000	--	--	321,000	126,000
Rent Expenses		6,000,000	9,000,000	--	--	6,000,000	9,000,000
Donation		2,800,000	10,000	--	--	2,800,000	10,000
Site Maintenances		40,100	106,185	--	--	40,100	106,185
House Keeping		1,326,786	1,069,890	--	--	1,326,786	1,069,890
Building repair & Maintenance		880,832	2,089,438	--	--	880,832	2,089,438
Auditors Remuneration	29.1	1,100,000	500,000	--	--	1,100,000	500,000
Annual White Wash		2,528,383	502,460	--	--	2,528,383	502,460
Fire Fighting Expenses		213,757	26,550	--	--	213,757	26,550
Under writing Commission		6,774,735	-			6,774,735	-
Property Tax		1,315,879	-			1,315,879	-
Bad bedts write off		-	100,328	--	--	-	100,328
		166,896,080	75,194,394	87,780	1,346,414	166,983,860	76,540,808

		2022	2021
		Rupees	
30.1	**Auditors Remuneration**		
	Audit Fee	500,000	400,000
	Review fee of Half yearly financial statements	100,000	100,000
	Audit fee for consolidated Financial Statements	200,000	
	Audit fee for Subsidiary Companies	150,000	
		950,000	500,000

31	**Other Income**		
	Exchange Fluctuation	(74,359)	--
	Interest on Term Deposit	(72,600)	78,772
	Provision against NIT units (note no.20)	34,510,675	--
		34,363,716	78,772

32	**Finance Cost**		
	Bank Charges and Commission	14,791,367	7,135,383
	Interest on Loan from Associated and Directors	13,302,629	12,452,162
	Markup on SBP Refinance	861,135	919,940
	Interest on Diminishing Musharka Finance Facility - Vehicle Finance	859,220	--
	Interest on Diminishing Musharka Finance Facility	1,795,492	14,400,757
	Financial Charges	--	752,119
		31,609,843	35,660,361

33	**Taxation**			
	Current	17	8,759,124	31,579,313
	Prior		(14,534,687)	(1,461,586)
	Deferred	13	(30,338,686)	10,219,484
			(36,114,249)	40,337,211

34 **Remuneration of Chief Executive, Director and Executives**

	2022			2021		
Particulars	**Chief Executive**	**Directors**	**Executives**	**Chief Executive**	Directors	Executives
		(Rupees)			(Rupees)	
Managerial Remuneration	**12,250,000**	**14,808,204**	**18,290,711**	8,727,273	10,721,579	7,481,929
House rent allowance	**4,500,000**	**5,923,282**	**7,316,285**	3,490,909	4,288,632	2,992,772
Utilities allowance	**1,250,000**	**1,480,820**	**1,829,071**	872,727	1,072,158	748,193
Medical allowance	**1,125,000**	**1,480,820**	**1,829,071**	1,309,091	1,608,236	482,565
Total	**19,125,000**	**23,693,126**	**29,265,138**	14,400,000	17,690,605	11,705,459
Number of persons	**1**	**4**	**13**	1	4	5

34.1 The Chief Executive Officer, Director and Executives of the Group are provided with free use of Group maintained cars and utilities at their residences.

35 **Related Party Transactions**

Related parties comprise subsidiary, associated companies, companies where directors also hold directorship, retirement benefit fund and key management personnel. Significant transactions with related parties during the year are as under:

Name of the related party	**Relationship and percentage shareholding**	**Transactions during the year and year end balances**	**2022 (Rupees)**	**2021 (Rupees)**
Tri-Star Power Ltd	Associated company by virtue of common directorship Shareholding : NIL	Markup accrued	2,000,000	2,000,000
		Loan repaid	-	-
		Lease Rental	13,740,000	--
		Electricity Purchased	--	14,114,000
		Loan Payable at the year end	20,000,000	20,000,000
Mr. Asad Ahmad	Chief Executive	Loan repaid	8,544,070	9,591,000
		Loan received	10,544,070	2,270,000
		Markup accrued	372,766	497,232
		Loan Payable at the year end	2,000,000	-
Ms. Uzma Ahmad	Director	Loan repaid	-	-
		Loan received	-	-
		Loan Payable at the year end	-	-
Ms. Farnaz Ahmad	Director	Loan repaid	97,500,000	9,000,000
		Loan received	56,200,000	90,000,000
		Markup accrued	6,761,041	4,780,000
		Loan Payable at the year end	61,200,000	102,500,000
Ms. Marium Ahmad	Director	Loan repaid	-	10,000,000

Ms. Shamima Begum	Sponsor	Loan repaid	-	-
		Loan received	-	-
		Markup accrued	-	-
		Loan Payable at the year end	-	-
Indus Battery Industries (Pvt) Ltd.	Associated company by virtue of common directorship	Loan received	500,000	21,500,000
		Loan repaid	11,700,000	7,850,000
		Markup accrued	3,803,425	4,773,375
		Loan Payable at the year end	35,500,000	46,700,000
UMF (Pvt) Limited	Associated company by virtue of common	Loan received	-	900,000
		Loan repaid	900,000	-
		Markup accrued	21,205	-
Image Embroidered Fabric	Associated undertaking by virtue of sales arrangement	Sale of goods	--	25,722,913
		Amount recoverd / adjusted aga	-	51,822,657
		Purchase	110,296,253	52,171,887
Habib Jamal & Co.	Partnership Firm by virtue of common	Purchase of Goods and Assets	233,865,709	187,815,360
		Sale of goods	--	251,146,226
First Tri-Star Modaraba	Associated company by virtue of common	Rent accrued	6,000,000	9,000,000
		Rent paid	-	26,300,000

The outstanding balance with related parties as at the year-end have been disclosed in the respective notes to the consolidated consolidated financial statements.

All transactions were carried out on commercial terms and conditions and were valued at arm's length price. Reimbursement of expenses were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment are given in Note 35 above.

		2022	2021
		Rupees	
36	**Cash and Cash Equivalents**		
	Cash and Bank Balances	41,724,370	11,486,922

			2022		2021
			Rupees		
37	**Plant Capacity and Production**	M.Tons		M.Tons	
	Actual production on Annual Basis	37.1	4,000		4,000
	Actual production	nil		nil	

37.1 Reason for Filament yarn Unit not in Production

No production activity was done in Polyester Filament Yarn unit during the year due to industry not being viable.

37.2 The Group made production to value added fabric (as textile unit) with the Brand name Image for stitched and unstitched suits the capacity of the Group cannot be determined as this depends upon designing and styling of the garment and Fabric of the customer/market demand.

38 **OPERATING SEGMENT**

Filament yarn unit which Idle Since long and Remain closed during the year the Other Segment is Value added Embroided Fabric/ garnment Unit which is in Operations.

		Value added Embroidered Fabric		Polyester Filament Yarn		Total	
		June 2022	June 2021	June 2022	June 2021	June 2022	June 2021
Net Sales	26	1,718,240,569	1,001,848,809	-	-	1,718,240,569	1,001,848,809
Cost of Sales	27	953,102,136	523,469,263	20,287,649	28,745,653	973,389,785	559,804,885
Gross Profit/(Loss)		765,138,433	478,379,546	(20,287,649)	(28,745,653)	744,850,785	442,043,924
Selling & Distribution costs	28	332,736,249	166,304,129	-	-	332,736,249	166,304,129
Administrative Expenses	29	166,746,080	75,194,394	87,780	1,346,414	166,833,860	76,540,807
		499,482,329	241,498,523	87,780	1,346,415	499,570,109	242,844,937
Segment Results		265,656,105	236,881,023	(20,375,429)	(30,092,068)	245,280,677	199,198,989
Segments Assets		2,029,629,765	1,590,930,457	**703,807,474**	840,149,975	2,029,629,765	2,431,080,432
Segments Liabilities		**2,487,634,413**	2,070,759,234	-	-	2,487,634,413	2,070,759,234
Capital Expenditure - Excluding revaluation at cost		226,508,318	120,650,215	-	-	226,508,318	120,650,215
Depreciation		45,279,503	30,092,067	20,375,429	15,346,944	65,654,932	45,439,011

All non current assets of the Group as at June 30, 2022 are located in Pakistan Except Two subsidaries Companies as disclosed in note 21 to the consolidated consolidated financial statements.

95.30% (2021: 96.62%) of sales of embroidered Fabric/ garnment local sales and 4.70 % (2021: 3.38%) of sales of embroidered Fabric/ garnment export sales in different parts of the World.

39 Financial Instruments

The Group has exposures to the following risks from its use of financial instruments:

Credit Risk

Liquidity Risk

Market Risk

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

39.1 Credit Risk

Credit risk is the risk that one party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Group believes that it is not exposed to major concentration of credit risk. However, to reduce exposure to credit risk, if any, the management monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

The maximum exposure to credit risk at the reporting date is:

	June 30, 2022	June 30, 2021
	Rupees	
Long Term Investment	--	184,566,900
Long Term Deposits	19,020,671	6,906,405
Trade Debtors - unsecured	284,740,816	360,321,198
Trade Deposits and Prepayments	29,049,481	454,126
Cash with Banks in Current Accounts	41,724,370	11,486,922
	207,468,668	563,735,551

39.2 Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liability when due.

The Group is exposed to liquidity risk in respect of non current interest bearing liabilities, short term borrowings, trade and other payable and mark up accrued.

2022					
Particulars	Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	121,920,000	152,400,000		-	152,400,000
Diminishing Musharika Finance	17,553,972	20,586,421	10,667,059	42,271,188	(32,351,826)
Trade and other payables	412,392,351	412,392,351	412,392,351	-	-
Accured interest on Loans	29,497,017	29,497,017	29,497,017	-	-
Unclaimed Dividend	12,060,558	12,060,558	12,060,558	-	-
	593,423,898	626,936,347	464,616,985	42,271,188	120,048,174

2021					
Particulars	Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	175,070,000	204,544,795	-	-	204,544,795
Diminishing Musharika Finance	111,750,000	113,545,230	23,862,500	89,682,173	-
Trade and other payables	409,236,976	409,236,976	409,236,976	-	-
Accrued Interest on Loans	29,474,795	29,474,795	29,474,795	-	-
Unclaimed Dividend	12,061,067	12,061,067	12,061,067	-	-
	737,592,838	768,862,863	474,635,338	89,682,173	204,544,795

39.3 Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate resulting in as a result of changes in market prices or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activates, supply and demand of Product and liquidity in the market.

39.4 Currency Risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Group is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

Foreign currency risk

The PKR is the functional currency of the Group and, as a result, currency exposures arise from transactions and balances in currencies other than PKR. The Group's potential foreign currency exposure comprise:

Transactional exposure in respect of non functional currency monetary items
Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Group are periodically revalued to PKR equivalent, and the associated gain or loss is taken to the profit or loss. The foreign currency risk related to monetary items is managed as part of the risk management strategy

39.5 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates, majority of the interest rate exposure arises from short and long term borrowings from bank and term deposits and deposits in profit and loss sharing accounts with banks.

39.6 Risk Management Policies

Risk management is carried out by the management under policies approved by board of directors. The board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

39.7 Capital Risk Management

The Group's objective when managing capital are to safeguard the Group'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 Group may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances.

Consistent with others in the industry, the Group manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowings ('long term loan' and 'short term borrowings' as shown in the balance sheet). Total capital comprises share holders' equity as shown in the balance sheet under 'share capital and reserves'.

	June 30, 2022	June 30, 2021
	Rupees	
Total Borrowings	139,473,972	286,820,000
Less: Cash and Bank Balances	41,724,370	11,486,922
Net Debt	97,749,602	275,333,078
Total Equity	1,860,350,709	1,219,021,756
Total Capital	**1,958,100,311**	**1,494,354,834**
Gearing Ratio	**0.05**	**0.18**

39.8 Fair Value of Financial Instruments

As at the reporting date the fair value of all financial assets and liabilities are estimated to approximate their carrying values.

40 **Non -Adjusting Event After the Reporting Period**

(i) The Board of Directors in its meeting held on September 28, 2022 approved to issue 15% bonus Shares for approval of the members at the Annual General Meeting to be held on October 28, 2022.

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41 Number of Employees

Number of persons employed contractual and Permanent as at year end were 639 (2021: 541) and the average number of persons employed during the year were 640 (2021:590).

42 General

a. Figures have been rounded off to the nearest rupee.

b. Functional and Presentation Currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pakistani rupees, which is the Group's functional and Presentational currency. Sunsidiary company's of the Out of Country Converted in Pak Ruppe at the June 30, 2022 Conversion Rate in Pakistan.

c. Corresponding figures

Corresponding figures have been re-arranged and reclassified, whenever necessary, for the purposes of comparison. During the year there were no major reclassifications to report . Moreover the comparative Figure for the year June 30, 2021 in consolidated finacial statemnets shown stand alone Financial statemnets of the Image Pakitstan limited due to Last year the Group has no Subsidiary the Group has invested in subsidiries during the the year ended June 30, 2022. Therefore , the Comparative figures are represenets results of the stand alone financial statements of Image Pakistan Limited.

Asad Ahmad	Uzma Ahmad	Mohammad Zameer
Chief Executive	Director	Chief Financial Officer

Pattern of Shareholding
As At June 30, 2022

Number of Shareholders	Shareholding From		To	Total Shares Held
703	1	-	100	35,838
1,341	101	-	500	483,849
1,842	501	-	1,000	1,575,317
1,767	1,001	-	5,000	4,438,038
467	5,001	-	10,000	3,696,481
170	10,001	-	15,000	2,155,463
105	15,001	-	20,000	1,948,429
74	20,001	-	25,000	1,732,688
53	25,001	-	30,000	1,517,529
37	30,001	-	35,000	1,233,830
23	35,001	-	40,000	887,925
16	40,001	-	45,000	693,900
28	45,001	-	50,000	1,381,375
15	50,001	-	55,000	792,791
12	55,001	-	60,000	697,935
9	60,001	-	65,000	558,728
10	65,001	-	70,000	694,500
7	70,001	-	75,000	512,248
10	75,001	-	80,000	772,545
4	80,001	-	85,000	339,825
4	85,001	-	90,000	352,000
2	90,001	-	95,000	185,500
14	95,001	-	100,000	1,398,000
2	100,001	-	105,000	209,500
4	105,001	-	110,000	437,240
4	120,001	-	125,000	497,500
3	125,001	-	130,000	383,125
1	135,001	-	140,000	140,000
4	145,001		150,000	590,500
2	150,001	-	155,000	309,932
1	160,001	-	165,000	163,500
3	165,001	-	170,000	501,000
3	170,001	-	175,000	521,500
1	175,001	-	180,000	179,500
1	185,001	-	190,000	187,750
1	190,001	-	195,000	193,000
5	195,001	-	200,000	1,000,000
1	205,001	-	210,000	202,562
1	210,001		215,000	210,500

2	215,001	-	220,000	436,500
2	220,001	-	225,000	448,000
2	230,001	-	235,000	466,250
1	245,001	-	250,000	250,000
1	275,001	-	280,000	280,000
2	285,001	-	290,000	575,875
1	305,001	-	310,000	305,129
1	320,001	-	325,000	325,000
2	345,001	-	350,000	698,500
1	380,001	-	385,000	384,500
1	395,001	-	400,000	400,000
1	435,001	-	440,000	437,500
2	450,001	-	455,000	910,000
1	465,001	-	470,000	466,625
1	470,001	-	475,000	474,875
1	475,001	-	480,000	478,000
1	490,001	-	495,000	490,500
1	550,001	-	555,000	550,500
1	560,001	-	565,000	560,497
1	630,001	-	635,000	632,000
1	700,001	-	705,000	702,537
1	755,001	-	760,000	760,000
1	765,001	-	770,000	760,500
1	795,001	-	800,000	797,500
2	995,001	-	1,000,000	1,996,623
1	1,020,001	-	1,025,000	1,021,500
1	1,045,001	-	1,050,000	1,050,000
1	1,070,001	-	1,075,000	1,072,590
1	1,085,001	-	1,090,000	1,085,542
1	1,090,001	-	1,095,000	1,090,250
1	1,115,001	-	1,120,000	1,117,500
1	1,195,001	-	1,200,000	1,200,000
1	1,215,001	-	1,220,000	1,219,000
1	1,605,001	-	1,610,000	1,607,500
1	1,610,001	-	1,615,000	1,614,625
1	1,920,001	-	1,925,000	1,925,000
1	2,745,001	-	2,750,000	2,750,000
1	2,985,001	-	2,990,000	2,985,500
1	3,750,001	-	3,755,000	3,750,341
1	5,595,001	-	5,600,000	5,600,000
1	6,470,001	-	6,475,000	6,475,000
1	15,570,001	-	15,575,000	15,575,000
6,799				**99,538,602**

CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2022

Categories of Shareholders	No. of Shares Held	Percentage
Directors, Chief Executive Officer and their spouses and Minor Children	31,246,022	31.39
Associated Companies, Undertakings and Related Parties	169,223	0.17
NIT & ICP	29,102	0.03
Banks, NBFCs, DFIs, Takaful, Pension and Stock Funds	1,270,506	1.28
Modarabas & Mutual Funds	1,275,862	1.28
Insurance & Leasing Companies	336,115	0.34
Investment Companies	45,459	0.05
General Public (Local)	57,274,842	57.54
Other Companies	6,388,988	6.42
Joint Stock Companies	1,502,483	1.51
	99,538,602	**100.00**

CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2022

SR #	CATEGORIES OF SHAREHOLDERS		SHARES HELD	PERCENTAGE
1	**Directors, CEO and their spouses and minor children**			
	Mr. Asad Ahmad	(Director)	17,115,542	17.195
	Mr. Syed Hussam Ashraf Subzwari	(Director)	1,750	0.002
	Mr. Jawed Ahmed Siddiqui	(Director)	1,006	0.001
	Mr. M. Ziyad Akhtar Syed	(Director)	500	0.001
	Ms. Uzma Ahmad	(Director)	1,792,787	1.801
	Ms. Marium Ahmad	(Director)	5,802,562	5.829
	Mrs. Farnaz Ahmad	(Director)	6,531,875	6.562
2	**Associated Companies, Undertaking and Related Parties**			
	First Tri-Star Modaraba		833	0.001
	Prestige Enterprises (Pvt.) Limited		61,150	0.061
	Tri-Star Investment Limited		107,240	0.108
3	**NIT & ICP**			
	Investment Corporation of Pakistan		29,102	0.029
4	**Banks, NBFCs, DFIs, Takaful, Pension and Stock Funds**		1,270,506	1.276
5	**Insurance & Leasing Companies**			
	Insurance Companies			
	State Life Insurance Corporation of Pakistan		305,129	0.307
	New Jubilee Insurance Company		12,045	0.012
	Crescent Star Insurance Limited		1,314	0.001
	Leasing Companies			
	Dadabhoy Leasing Company Limited		17,263	0.017
	National Development Leasing Corporation Limited		364	0.000
6	**Investment Companies**			
	Pyramid Investments (Pvt.) Limited		44,967	0.045
	Shirazi Investments (Pvt.) Limited		54	0.000
	Paramount Investments Limited		438	0.000
7	**Modarabas & Mutual Funds**		1,275,862	1.282
8	**General Public (Local)**		57,274,842	57.540
9	**Other Companies**		6,388,988	6.419
10	**Joint Stock Companies**		1,502,483	1.509
			99,538,602	**100.000**
11	**SHAREHOLDERS HOLDING 05% OR MORE**			
	Mr. Asad Ahmad		17,115,542	17.195
	Ms. Marium Ahmad		5,802,562	5.829
	Mrs. Farnaz Ahmed		6,531,875	6.562
12	**TRADING IN THE SHARES OF COMPANY DURING THE YEAR BY THE DIRECTOR, CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, COMPANY SECETARY AND THEIR SPOUSES AND MINOR CHILDREN**			
	Right Shares Mr. Asad Ahmad		7,923,687	7.96
	Right Shares Ms. Farnaz Ahmad		2,799,375	2.81
	Right Shares Ms. Uzma Ahamd		768,337	0.77
	Shares Purchased by Ms. Uzma Ahmad		350,000	0.35
	Right Shares Ms. Marium Ahmad		2,486,812	2.50
	Right Shares Mr. Syed Hussam Ashraf Subzwari		750	0.00
	Right Shares Mr. Jawed Ahmed Siddiqui		431	0.00

Proxy Form

I, _____ of _____ being a member of Image Pakistan Ltd., Karachi and holder of _____ Shares as per R.F. No. _____ and / or CDC Participant I.D. No. _____ and Sub Account No. _____ hereby appoint _____ of _____ or failing him _____ of _____ as my proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Company to be held on October 28, 2022 at F/538, S.I.T.E., Karachi and at any adjournment thereof.

As witness my hand this _____ day of _____, 2022.

Signed by the said _____

Please affix Rs. 5/- Revenue Stamp

To be singed over Revenue Stamp

IMPORTANT:

a) This form of proxy duly completed must be received at the office of the Company at F/538, S.I.T.E., Karachi, not later than 48 hours before the time of holding the meeting.

b) CDC Shareholders and their Proxies must each attach an attested photocopy of their National Identity Card or Passport with their proxy form.

c) A proxy should also be a shareholder of the Company.