



Accounts for the
Year Ended
June 30, 2021

GLOBE TEXTILE MILLS LIMITED

GLOBE TEXTILE MILLS LTD.

BOARD OF DIRECTORS

ARIF HAJI HABIB - Chief Executive Director
FARZANA ARIF - Non Executive Director
GUL BANO HAJI HABIB- Non Executive Director
ARSHAD ARIF - Executive Director
MISBAH ARIF - Non Executive Director
FARZEEN FAZL-E-UMER - Non Executive Director
SAMEERA YASIN SAYA - Non Executive Director

AUDIT COMMITTEE

ARSHAD ARIF -CHAIRMAN
MISBAH ARIF
FARZEEN FAZL-E-UMER

HR COMMITTEE

ARSHAD ARIF -CHAIRMAN
FARZANA ARIF
FARZEEN FAZL-E-UMER

COMPANY SECRETARY

HUMAIRA ARSHAD

CHIEF FINANACIAL OFFICER

SALIM MAYARI

BANKERS

MCB BANK LIMITED

LEGAL ADVISER

SADIA KHATOON (Advocate)

AUDITORS

PARKER RUSSELL-A.J.S.
Chartered Accountants.

REGISTERED OFFICE

105, IBRAHIM TRADE TOWER
SHAHRAH-E-FASIAL,
KARACHI.

E-MAIL

arshadarifhabib@gmail.com

www.jamapunji.pk



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- 🗨️ FAQs Answered

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(based on live feed from KSE)
- 📄 Knowledge center
- 📄 Risk profiler*
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GLOBE TEXTILE MILLS LIMITED
NOTICE OF MEETING

Notice is hereby given that the 54th Annual General Meeting of the Shareholders of Globe Textile Mills Limited will be held on Wednesday 27th October 2021 at 04:30 p.m. at the Registered office of the Company, at 105, Ibrahim Trade Tower Shahrah-e-Faisal Karachi to transact the following business:

1. To confirm the minutes of the last Annual General Meeting held on 28th October, 2020.
2. To receive and adopt the Directors ' Report and Audited Accounts for the period ended 30th June, 2021, together with the Auditors ' Report thereon.
3. To appoint auditors for the year ending June 30, 2022 and fix their remuneration.
4. To transact any other business with the permission of the chair.

Karachi :
Dated : 05-10-2021

By order of the Board
(HUMAIRA ARSHAD)
Company Secretary

1. The Share Transfer Books of the Company will remain closed from September 19, 2021 to September 27, 2021 (both days inclusive).
2. A Member of the Company entitled to attend and vote at this meeting may appoint any other Member as his/her proxy to attend, speak and vote at the meeting on his/her behalf Instruments appointing proxies, in order to be effective, must be received at the Registered Office of the Company, at 105, Ibrahim Trade Tower Shahrah-e-Faisal, Karachi. duly stamped, signed and witnessed not less than 48 hours before the time of holding the meeting.
3. Member are requested to communicate immediately to the Company for any change in their addresses.

Independent Auditor's Report to the Members of Globe Textile Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Globe Textile Mills Limited** ("the Company"), which comprise the statement of financial position as at June 30, 2021, and the statement of comprehensive income, the statement of changes in equity, the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of comprehensive income, the statement of changes in equity and the 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 June 30, 2020 and of the comprehensive loss, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter Paragraph

We draw attention to the following:

1. Note 5 to the accompanying financial statements, which states the creation of an advance to the Chief Executive Officer (CEO) of the Company amounting to Rs. 53.736 million via the interim order of Securities and Exchange Commission of Pakistan (SECP) in order to retrieve certain financial transactions of the Company.
2. Note 1.1 to the accompanying financial statements which states that a winding-up order against the Company has been filed by the SECP at Honorable High Court of Sindh which is currently pending adjudication.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

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

	Key audit matter's	ow the matter was addressed in our audit
1	<p>Non-going concern basis of accounting</p> <p>The Company is no longer a going concern, therefore, these financial statements have been prepared on the basis of estimated realisable / settlement values of assets and liabilities respectively. Estimated realisable value are based on management's best estimates. Estimation involves judgements based on the latest available reliable information, historical experience and other factors, including future events that are believed to be reasonable under the circumstances. Hence, the ultimate values at which assets will be valued and liabilities will be settled may be different from those carried in these financial statements.</p> <p>Therefore, we identified preparation of financial statements using the non-going concern basis of accounting as a key audit matter specially with reference to the estimates and judgments associated with the determination of estimated realizable / settlement values of assets and liabilities respectively.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • We checked compliance with "Guidelines on the Basis of Preparation of Financial Statements that Not Considered Going Concern" issued by The Institute of Chartered Accountants of Pakistan • We evaluated the estimates made by the management in arriving at realizable / settlement values of assets and liabilities respectively and the data on which it is based. • We considered events occurring up to the date of our report to obtain audit evidence regarding the estimates.

Information Other Than the Financial Statements and Auditor's Report Thereon

The management is responsible for the other information.

The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of comprehensive income, the statement of changes in equity and the cash flow statement 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) nozakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in independent auditors' report is Hina Kazi.

Chartered Accountants

Date: 05.10.2021
Karachi.

GLOBE TEXTILE MILLS LTD**DIRECTORS REVIEW**

Your Directors are placing before you the Annual Audited Accounts of Globe Textile Mills Limited for the period ended June 30, 2021

FINANCIAL RESULTS

The operating Loss of the company for the year ended June 30, 2021 was Rs (0.960) million as against operating Loss of Rs (2.269) million in the preceding year resulting into the following.

	Rs in 000's
After tax loss for the year	(960)
Add un-appropriated Profit brought forward	<u>(110,566)</u>
Carried to balance sheet	<u>(111,526)</u>

The Company is not in business due to past losses which is the reason for no business activity.

FUTURE OUT LOOK

Your Directors had reviewed option for the revival of the company for which the business of spinning was selected but as you are aware that in past 10-12 months periods prices of cotton has peaked and then bottomed out resulting into massive loss to various textile units besides persisting power and gas load shedding plans of utilities which is the main hindrance in revival. The shareholders in Extra Ordinary General Meeting held on 08th November, 2019 have already approved and authorised revival plan. Directors of the Company are confident to implement the revival plan as such but due to delay in implementation of the plan and large amount of accumulated losses incline us to prepare Financial statements for this year on non-going concern basis. However under the present economic circumstances, which includes the interest rate scenario the Directors are of the view that time is not yet ripe to go for revival, hence the plan has been kept on abeyance.

BREAK VALUE OF THE SHARES

The break up value per share during the year under review was Rs.3.187 as compared to Rs 3.240 in the year 2020.

LOSS PER SHARE

The net Loss per share works out to Rs (0.06) as compared to net Loss of Rs (0.14) during the year 2020.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

The financial statements prepared by the Company fairly presents its state of affairs, the result of operations, cash flow and changes in equity.

Proper books of account have been maintained by the Company.

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

Applicable international accounting standards have been followed in preparation of financial statements and there had been no departure therefrom.

The system of internal controls has been effectively implemented and is continuously reviewed and monitored.

There had been no material departure from the best practices of the corporate governance as detailed in the listing regulations.

The key operating and financial data for the last six years is summarized.

During the year five meetings of the Board of Directors were held. Attendance of each director was as follows :

Name of Directors	Meetings Attended
Arif Haji Habib	4
Farzana Arif	4
Arshad Arif	4
Gul Bano Haji Habib	4
Misbah Arif	4
Farzeen Fazle Umer	4
Sameera Yasin Saya	4

AUDITORS REPORT FOR THE YEAR

During the year under report, the auditors have issued a unqualified report in respect of the Financial Statements.

ACKNOWLEDGEMENT

We would like to thank all the financial institutions having business relationship with us, our customers for their continued support and co-operation. We would like to share our deepest appreciation of executives, managers, supervisors and other employees for their dedication, loyalty and hard work.

On behalf of the Board of Directors

(Arif Haji Habib)
Chief Executive.

Karachi: 05.10.2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To The Members of Globe Textile Mills 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 **Globe Textile Mills Limited** (the Company) for the year ended June 30, 2021 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 controls systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the note / paragraph reference where these are stated in the Statement of Compliance:

Note / paragraph Reference	Description
Paragraph 2	No independent director exists on the board of directors of the Company
Paragraph 12	There is no independent director in the Audit Committee and the Chairman of the Audit Committee is not an independent director.
Paragraph 15 and 19	The board has not established an effective internal audit function.
Paragraph 19	The Chairman and the Chief Executive Officer of the Company is the same person.
Paragraph 19	75% of the directors on the Board have not acquired prescribed certification under any director training program as per the criteria specified by the Commission and approved by it.

Chartered Accountants

Place: Karachi

Date: 05.10.2021

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company:Globe Textile Mills Limited
Year ending : June 20, 2021

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

1. The total number of directors are 07 as per the following:
 - a. Male : 2
 - b. Female : 5

2. The composition of the Board is as follows:

Category	Name
Independent Director	None*
Non-Executive Directors	Farzana Arif (Female) Gul Bano Haji Habib (Female) Misbah Arif (Female) Farzeen Fazl-e-Umer (Female) Sameera Yaseen Saya (Female)
Executive Directors	Arif Haji Habib Arshad Arif

* The company does not have an independent director due to suspension in shares transfer

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 the 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. No directors training program was attended during the year by any director. Three directors fall under the exemption category having 14 years of education and 15 years of experience as director of a listed company.

10. The Board has approved appointment of chief financial officer and company secretary including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. However no head of internal audit was appointed by the Board.

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.

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

Audit Committee*	Arshad Arif – Chairman
	Misbah Arif
	Farzeen Faz-e-Umer

*There is no independent director in the Audit Committee and the Chairman of the Audit Committee is not an independent director.

Human Resource and Remuneration Committee	Arshad Arif – Chairman
	Farzana Arif
	Farzeen Faz-e-Umer

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 (quarterly/half yearly/ yearly) of the committee were as per following:

Board of Directors meeting	04
Audit Committee	04
Human Resource and Remuneration Committee	01

15. The board has not established an effective internal audit function.

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 of 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, 7, 8, 32, 33 and 36 of the Regulations have been complied with except for regulation 6 and 27 as stated in paragraph 2 and 12 above.

19. Explanation for non-compliance with requirements, other than, regulations 3, 6, 7, 8, 27, 32, 33 and 36 are given below:

Regulation / non compliance	Non-compliance	Explanation for non-compliance
Regulation 9	The Chairman and the Chief Executive Officer of the Company is the same person.	Due to winding-up case in Sindh High Court, this matter is on hold until it is resolved.
Regulation 10 (3) (iv) and Regulation 31	The board has not established an effective internal audit function.	As the company has been in-operative, hence the board has not established an internal audit function.

Regulation 18	75% of the directors on the Board have not acquired prescribed certification under any director training program as per the criteria specified by the Commission and approved by it.	Out of the 7 Directors, 3 are exempt from training program due to having Education of 14 years & being on the board for more than 15 years as per CGR 2019 Regulation 19 (2)
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ARIF HAJI HABIB
Chairman

Dated: September 15, 2021

PATTERN OF SHARE HOLDINGS
FROM- 34
Pattern of holding of the shares held by the shareholders of
Globe Textile Mills Limited
as at June 30, 2021

NO. of Shareholders		Shareholding			Total Shares held
68	holding from	1	to	100	Shares 2,345
76	holding from	101	to	500	Shares 21,850
32	holding from	501	to	1000	Shares 22,484
24	holding from	1001	to	5000	Shares 65,527
176	holding from	5001	to	10000	Shares 1,610,483
83	holding from	10001	to	15000	Shares 998,773
4	holding from	15001	to	20000	Shares 76,738
2	holding from	20001	to	25000	Shares 48,330
1	holding from	45001	to	50000	Shares 49,515
1	holding from	50001	to	55000	Shares 53,000
2	holding from	90001	to	95000	Shares 186,452
1	holding from	125001	to	130000	Shares 126,554
1	holding from	145001	to	150000	Shares 149,060
1	holding from	230001	to	235000	Shares 234,041
1	holding from	445001	to	450000	Shares 445,250
1	holding from	465001	to	470000	Shares 468,077
2	holding from	620001	to	625000	Shares 1,246,700
1	holding from	1180001	to	1185000	Shares 1,182,611
2	holding from	1245001	to	1250000	Shares 2,493,400
1	holding from	1450001	to	1455000	Shares 1,451,650
2	holding from	1515001	to	1520000	Shares 3,036,657
1	holding from	2395001	to	2400000	Shares 2,396,854
					<u>16,366,351</u>
<u>483</u>					

Categories of Shareholders	Number	Share held	Percentage
Director, their Spouse(s) and Minor Children	16	13,417,306	81.98
Public Sector Companies, Banks, Corporations and Others	8	147,587	0.90
General Public	459	2,801,458	17.12
	<u>483</u>	<u>16,366,351</u>	<u>100.00</u>

GLOBE TEXTILE MILLS LTD.

DETAILS OF PATTERN OF SHAREHOLDING AS AT JUNE 30, 2021 AS PER REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE.

DIRECTORS THEIR SPOUSE(S) , MINOR CHILDREN AND RELATIVES

Arif Haji Habib (Chief Executive)	1	2,396,854
Farzana Arif (Director)	1	1,451,650
Gul Bano Haji Habib (Director)	1	93,968
Arshad Arif (Director)	1	468,077
Misbah Arif (Director)	1	234,041
Sameera Yasin Saya (Director)	1	149,060
Farzeen Fazle-e-Umer (Director)	1	126,554
Mehroon Yasin Saya (Mother of Sameera Yasin Saya)	1	445,250
Uzaib Yasin (Brother of Sameera Yasin Saya)	1	1,246,700
Shenyl Yasin (Brother of Sameera Yasin Saya)	1	1,246,700
Maheen Arif (Daughter of Arif Haji Habib)	1	1,517,615
Saman Arif (Daughter of Arif Haji Habib)	1	1,519,042
Yaseen haji Kassam (Cousin of Arif Haji Habib)	1	92,484
Ghalib Fazle Umer (Son of Gul Bano Haji Habib)	1	623,350
A. Latif Fazle Umer (Son of Gul Bano Haji Habib)	1	623,350
Humaira Arshad (Wife of Arshad Arif)	1	1,182,611
	<u>16</u>	<u>13,417,306</u>

PUBLIC SECTOR COMPANIES AND CORPORATION

Investment Corporation of Pakistan	1	2,035
National Bank of Pakistan - Trustee Department	1	80,930
National Investment Trust	1	16
National Industrial Co-Op Finance Corporation Ltd	2	48,330
Government Departments	2	1,776
The Bank of Punjab	1	14,500
	<u>8</u>	<u>147,587</u>

GENERAL PUBLIC

Local	<u>459</u>	<u>2,801,458</u>
	459	2,801,458

Shareholders holding 10% or more

Arif Haji Habib		2,396,854
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Detail of trading in the shares by:

Directors, CEO,CFO, Company Secretary, their spouses and Minor children

No trading was carried out by Director,CEO,CFO, Company Secretary, their spouses and minor children during the year under review.

GLOBE TEXTILE MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	June 30, 2021	June 30, 2020
Note	----- Rupees in '000' -----	
ASSETS		
NON-CURRENT ASSETS		
Plant and equipment	4 2,240	2,800
CURRENT ASSETS		
Due from related party	5 50,824	51,238
Cash and bank balance	6 38	18
	<u>50,862</u>	<u>51,256</u>
TOTAL ASSETS	<u><u>53,102</u></u>	<u><u>54,056</u></u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised share capital		
20,000,000 (2020: 20,000,000) ordinary shares of Rs. 10/- each	<u>200,000</u>	<u>200,000</u>
Capital reserves		
Issued, subscribed and paid-up capital	7 163,664	163,664
Revenue reserve - Accumulated loss	(111,526)	(110,566)
TOTAL EQUITY	<u>52,138</u>	<u>53,098</u>
CURRENT LIABILITIES		
Accrued liabilities and other payables	8 964	958
Contingencies & commitments	9	
TOTAL EQUITY AND LIABILITIES	<u><u>53,102</u></u>	<u><u>54,056</u></u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

		June 30, 2021	June 30, 2020
	Note	----- Rupees in '000' -----	
Revenue		-	-
Cost of sales		-	-
Administrative expenses	10	(421)	(692)
Other expenses	11	(560)	(1,316)
Other income	12	21	14
Operating loss		(960)	(1,994)
Financial charges	13	-	(275)
Loss before taxation		(960)	(2,269)
Taxation	14	-	-
Loss after taxation		(960)	(2,269)
Other comprehensive income		-	-
Total comprehensive loss for the year		(960)	(2,269)
Loss per share - basic & diluted (Rupees)	15	(0.06)	(0.14)

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

		June 30, 2021	June 30, 2020
	Note	----- Rupees in '000' -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(960)	(2,269)
Adjustments for non-cash charge:			
Impairment loss on idle plant and equipment	4	-	477
Depreciation - idle plant and equipment	4	<u>560</u>	<u>819</u>
Profit before working capital changes		(400)	(973)
(Decrease) / increase in current assets:			
Due from related party		414	1,035
(Decrease) / increase in current liabilities:			
Accrued liabilities and other payables		6	14
Due to related party		<u>-</u>	<u>(61)</u>
Net cash inflow after working capital changes		20	15
Net cash generated from operating activities		20	15
Net increase in cash and cash equivalents		<u>20</u>	<u>15</u>
Cash and cash equivalents at the beginning of the year		<u>18</u>	<u>3</u>
Cash and cash equivalents at the end of the year	6	<u>38</u>	<u>18</u>

* There were no cashflows of the Company from investing and financing activities.

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Issued subscribed and paid-up capital	Revenue reserve - Accumulated loss	Total
	----- Rupees in '000' -----		
Balance as at June 30, 2019	163,664	(108,297)	55,367
Net loss for the year	-	(2,269)	(2,269)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(2,269)	(2,269)
Balance as at June 30, 2020	163,664	(110,566)	53,098
Net loss for the year	-	(960)	(960)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(960)	(960)
Balance as at June 30, 2021	<u>163,664</u>	<u>(111,526)</u>	<u>52,138</u>

The annexed notes from 1 to 23 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

GLOBE TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1. STATUS AND NATURE OF BUSINESS

Globe Textile Mills Limited (the Company) was incorporated on November 17, 1967 as a public limited company in Pakistan and registered under the Companies Act, 1913 [Repealed with the enactment of Companies Act 2017]. Its shares are quoted on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and selling of yarn. The Company has ceased its concerned operations since April 2006.

The registered office of the Company is situated at 105, Ibrahim Trade Tower Shahrah-e-Faisal, Karachi

- 1.1** The Securities and Exchange Commission of Pakistan (SECP) issued a winding up order dated December 08, 2015 based on the facts that the Company is in non-productive state since April 2006 and has not come up with any revival plan for recommencement of business. Consequently, winding-up petition against the Company has been filed before the honorable ^{the} ~~the~~ ~~SECP~~ ~~SECP~~. The Company has ceased its operations and sold its entire land, building, and significant portion of plant & machinery in order to pay off its loans/liabilities to the banks and other creditors. Further, as at reporting date, the Company has accumulated losses of Rs. 111.52 million equivalent to 68.14% of its paid-up capital. Therefore, the financial statements of the Company have been prepared on a non-going concern basis of accounting whereby the assets are stated at realisable values and the liabilities are stated at their approximate settlement.
- During the year ended June 30, 2012, the Company received an assessment order under section 122(5A) of the of the Income Tax Ordinance, 2001 for the tax year 2009 and accordingly demand of Rs. 10.672 million was raised in respect of WWF payable. The Company filed an appeal before Commissioner Inland Revenue (Appeals-I), Karachi challenging the above order on the ground that since the appellant is not an industrial establishment within the meaning of Workers Welfare Ordinance, 1971, the levy was not attracted to the Company. Commissioner Inland Revenue (Appeals-I) directed to delete the demand raised in respect of Workers Welfare Fund after which the Tax Department filed an appeal before Appellate Tribunal Inland Revenue. The appeal filed by the Tax Department before Appellate Tribunal Inland Revenue failed. In 2014 tax department filed an appeal before the High Court of Sindh which is still pending adjudication. The management in consultation with their tax lawyer is confident that the eventual outcome of the matter will be decided in favor of the Company. Accordingly, no adjustment has been made to the above pending a final decision in this matter.

2. BASIS OF PREPARATION

2.1 Basis of measurement

Due to the facts as fully mentioned in note 1.1 of these financial statements have been prepared on a basis other than going concern. All assets and liabilities are stated at their net realisable values and approximate settlement amounts.

Further, 'Guideline on the basis of preparation of financial statements for companies that are not considered going concern' issued by the Institute of Chartered Accountants of Pakistan (ICAP) is followed in this respect.

2.2 Statement of compliance

These 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 Standard (IFRS) 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 standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.3 Accounting convention

These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively.

2.4 Functional and presentation currency

The financial statements are presented in Pak Rupee which is the Company's functional and presentation currency.

2.5 New standards, interpretations and amendments to published approved accounting standards

2.5.1 Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2020, are considered not to be relevant for the Company's financial statements and hence have not been detailed here.

2.5.2 New accounting standards and amendments to standards not yet effective

The following Standards, interpretations and amendments to published approved accounting standards that are effective for accounting periods, beginning on or after the date mentioned against each to them.

		Effective for the period beginning on or after
IAS-1	Presentation of Financial Statements & Accounting Policies - Amendments regarding the classification of liabilities	January 01, 2023
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendment regarding the definition of accounting estimates)	January 01, 2023

IAS-12	Income Taxes (The amendments to narrow the scope of the initial recognition exemption)	January 01, 2023
		Effective for the period beginning on or after
IAS-16	Property, Plant and Equipment- Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 01, 2022
IAS-37	Provisions, Contingent Liabilities and Contingent Assets- Amendments regarding the costs to include when assessing whether a contract is onerous	January 01, 2022
IAS-41	Amendment Resulting from Annual Improvements to IFRS Standards 2018-2020 (the amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique)	January 01, 2022
IFRS-1	First-time Adoption of International Financial Reporting Standards - Amendments resulting from annual improvements to IFRS standards 2018-2020 (subsidiary as a first-time adopter)	January 01, 2022
IFRS-3	Business Combinations - Amendments updating a reference to the conceptual framework	January 01, 2022
IFRS-4	Insurance Contracts - Amendments regarding the expiry date of the deferral approach	January 01, 2023
IFRS-9	Financial Instruments -Amendments resulting from annual improvements to IFRS Standards 2018-2020 (fees in the '10 per cent' test for derecognition of financial liabilities)	January 01, 2022
IFRS-16	Leases (Extension in respect of the practical expedient for COVID-19 related rent concession by one year)	July 01, 2021
IFRS-16	Amendment Resulting Annual Improvements to IFRS Standards 2018-2020 (to resolve any potential confusion that might arise in lease incentives)	January 01, 2022

IFRS-10	Consolidated Financial Statements and IAS 28 - Investment in Associates and Joint Ventures (Amendment regarding sale or contribution of assets between an investor and its associate or joint venture).	The effective date for these changes has been deferred indefinitely until the completion of a broader review.
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Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments introduce a practical expedient to account for modifications of financial assets or financial liabilities if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 for lessees when accounting for lease modifications required by IOBR reform. The amendments also allow a series of exemptions from regular, strict rules around hedge accounting for hedging relationships directly affected by the interest rate benchmark reforms.

January 01, 2022

2.5.3 New standards issued by IASB but not yet been notified / adopted by SECP

	Effective for the period beginning on or after
IFRS – 1 First Time Adoption of IFRS	July 01, 2009
IFRS – 17 Insurance Contracts	January 01, 2022

2.6 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are discussed below:

- realizable / settlement values of assets and liabilities respectively
- disclosure and assessment of contingencies.

2.7 Overall valuation policy

In view of the matter stated in note 1.1, these financial statements have been prepared on a basis other than going concern, whereby all assets are stated at the lower of carrying amount and their realisable values and all liabilities are stated at settlement values. In realizable / settlement value basis, assets are carried at amounts of cash and cash equivalents that could currently be obtained by selling the assets in an orderly disposal. Liabilities are carried at their settlement values, i.e. undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business. Realizable / settlement values of assets and liabilities respectively as disclosed in these financial statements are based on the managements' estimate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

3.1 Plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Revaluation is carried out sufficiently to ensure that the carrying amounts of assets do not differ materially from the fair value.

Subsequent costs, if reliably measureable, are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Company. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to profit or loss account during the period in which they are incurred.

Depreciation is charged by applying the reducing balance method after taking into account residual value, if any, whereby the depreciable amount of the assets is written-off over its estimated useful life at the rates mentioned in the note 4 to these financial statements. Depreciation is charged from the year the asset is available for use and up to the year, preceding the disposal.

Impairment loss, if any, or its reversal, is also charged to the statement of comprehensive income for the year. Where an impairment loss is recognised, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its estimated useful life.

The useful life of plant and equipment is reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to useful life is recognised prospectively as a change of accounting estimate in the statement of comprehensive income.

Disposal of assets is recognised when significant risks and rewards incidental to the ownership have been transferred to buyer. Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognised in the statement of comprehensive income.

General repairs and maintenance are charged to statement of comprehensive income as and when incurred. Gain or loss on disposal of plant and equipment is included in the statement of comprehensive income as and when incurred.

3.2 Stock-in-trade

Stock-in-trade is valued on the following basis :

- Raw material and trading stock, if any, at lower of weighted average cost and net realizable value
- Material in transit at cost accumulated up to balance sheet date.
- Work-in-process is at average manufacturing cost.
- Finished goods is at lower of average manufacturing cost and net realizable value.

Average cost in relation to work-in-process and finished goods signifies average manufacturing cost including apportionment of related direct overheads. Net realisable value represents the estimated selling price in the ordinary course of business less estimated costs necessarily to be incurred in order to make the sale.

3.3 Trade debts and other receivables

Trade and other receivables are stated at their realisable values.

3.4 Current and deferred tax

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

These financial statements have been prepared on a basis other than going concern, therefore deferred tax asset is not recognised in these financial statements.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.5.1 Initial measurement of financial assets

The financial assets are initially measured at fair value through other comprehensive income (FVTOCI), at fair value through other profit or loss (FVTPL) and at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. Financial assets are classified and measured at fair value through other comprehensive income (FVTOCI) or amortised cost, if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset and; (Business Model test);
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principle and Interest thereon. (SPPI test).

3.5.2 Subsequent measurement

Financial assets are subsequently measured at amortised cost if Business Model test and SPPI test is passed. These assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method and are subject to impairment as at each reporting date. Gains / losses are recognised in the statement of profit or loss when the asset is derecognised / retired / modified.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.

The Company, upon initial recognition, may make an irrevocable election to classify its equity investments at FVTOCI that are not held for trading purpose. Subsequent changes in the fair value of an equity investment are presented in other comprehensive income which are never reclassified to the statement of profit or loss. These are not subject to impairment assessment.

3.5.3 Financial liability

Financial liabilities are initially recognised as financial liability at fair value through profit or loss or at amortised cost using Effective Interest Rate (EIR) method as appropriate. Financial liabilities are initially recognised at fair value net of directly attributable transaction cost in case of loans, borrowings and payables. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are subsequently measured at amortised cost using the EIR method.

3.5.4 Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Derecognition of financial liabilities occurs from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

3.6 Offsetting of financial assets and liabilities

Financial asset and financial liability are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.7 Loss allowance for ECL / impairment

Financial assets

The Company assesses on a forward-looking basis the Expected Credit Losses (ECLs) associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk from the date of initial recognition of a financial asset. For trade receivables, the Company applies 'simplified approach' as permitted by IFRS 9. Loss allowances are recognised in the statement of comprehensive income as at reporting date.

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. An asset's recoverable amount is the higher of its fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment as at each reporting date. Reversal of impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss, or the reversal of an impairment loss, are both recognised in the statement of comprehensive income.

3.8 Revenue recognition

The Company recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

3.9 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

3.10 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at cost. For the purposes of statement of cash flow statement, cash and cash equivalent comprises of cash in hand and balance with bank on current account.

3.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed as at each reporting date and are adjusted to reflect the current best estimate.

3.12 Earning 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 period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.13 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the 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.

3.14 Related party transactions

Related parties comprises of entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel. Transactions with related parties are entered into at rates negotiated with them (agreed terms).

Following are the related parties of the Company:

Names of related party	Basis of relationship	(%) of shareholding
Globe Textile Mills (OE)	By the virtue of common directorship	Nil
Arif Haji Habib	Key management personnel	14.65%

4. PLANT AND EQUIPMENT

Particulars	Cost			Accumulated depreciation			Net book value as at June 30, 2021	%
	As at July 1, 2020	Additions	As at June 30, 2021	As at July 1, 2020	Charge for the year*	Impairment loss for the year		
Plant & equipment	658,534	-	658,534	609,672	560	-	610,232	20%
June 30, 2021	658,534	-	658,534	609,672	560	-	610,232	20%

Rupees in '000'

The statement of property, plant and equipment for the last year is as follows:

Particulars	Cost			Accumulated depreciation			Net book value as at June 30, 2020	%
	As at July 1, 2019	Additions	As at June 30, 2020	As at July 1, 2019	Charge for the year*	Impairment loss for the year*		
Plant & equipment	658,534	-	658,534	608,853	819	477	609,672	20%
June 30, 2020	658,534	-	658,534	608,853	819	477	609,672	20%

Rupees in '000'

* The entire depreciation and impairment loss has been allocated to 'other expenses' due to the non-productive status of plant & equipment.

4.1 The market value of plant and equipment of the Company were assessed on June 30, 2020 by a PBA approved independent professional valuator M/s Sadruddin Associates (Private) Limited. The valuator assessed market value of the plant and equipment to be Rs. 2.7 million which resulted in an impairment loss of Rs. 0.477 million during the year ended June 30, 2020 which was duly incorporated in the financial statements during prior period. The carrying amounts of plant and equipment as at June 30, 2021 is expected not to differ materially from its fair value.

4.2 The plant and equipment of the Company is stored at the premise of Company's related party, Globe Textile Mills (OE) Limited due to non-availability of storage space with the Company.

	Note	June 30, 2021	June 30, 2020
---Rupees in '000'---			

5. DUE FROM RELATED PARTY

Chief Executive Officer (CEO)	5.1	<u>50,824</u>	<u>51,238</u>
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5.1 This represents amount receivable from CEO in compliance with the interim order of Enforcement Department of Securities and Exchange Commission of Pakistan (SECP). SECP while disposing off the proceedings initiated against the Company, its CEO and directors in violation of provisions of Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017) had directed the Company to record a receivable from the CEO amounting to Rs. 53.736 million, which was admitted by him, to retrieve certain financial transaction of the Company in the preceding years which were not approved by SECP and were directed to be reintroduced in the books of account of the Company. No mark-up to be charged on the outstanding amount.

5.2 The maximum amount outstanding calculated with reference to month end balances is Rs. 51.238 million (2020: Rs. 52.273 million).

	June 30, 2021	June 30, 2020
---Rupees in '000'---		
6. CASH AND BANK BALANCE		
Cash in hand	1	1
Cash at bank		
-Current account	<u>37</u>	<u>17</u>
	<u>38</u>	<u>18</u>

7. SHARE CAPITAL AND RESERVE

Authorized share capital			June 30, 2021	June 30, 2020
Number of shares			<u>20,000,000</u>	<u>20,000,000</u>
		Ordinary shares of Rs.10/. each	<u>200,000</u>	<u>200,000</u>

Issued, subscribed and paid-up share capital			June 30, 2021	June 30, 2020
Number of shares			<u>16,366,351</u>	<u>16,366,351</u>
		Ordinary shares of Rs.10/. each allocated for consideration paid in cash	<u>163,664</u>	<u>163,664</u>

7.1 As at reporting date, chief executive officer, directors and their spouses held 81.98 % (2020: 81.98%), associated undertaking held nil % (2020: nil%), foreign investors held nil% (2020: nil%) and the balance of 18.02% (2020: 18.02%) are held by individuals and others.

- 7.2 All ordinary shares rank equally with regard to residual assets of the Company. The ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting rights, board selection, right of first refusal and block voting are in proportion to shareholding.

June 30, **June 30,**
2021 **2020**
---Rupees in '000'---

8. ACCRUED LIABILITIES AND OTHER PAYABLES

Accrued liabilities	165	304
Payable to Central Depository Company	302	302
Payable to Pakistan Stock Exchange	416	284
Others	81	68
	964	958
	964	958

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at reporting date except for as disclosed in note 1.1 to the financial statements (2020: nil).

June 30, **June 30,**
2021 **2020**
---Rupees in '000'---

10. ADMINISTRATIVE EXPENSES

Note

Subscription, fees and taxes		183	397
Legal charges		6	49
Professional charges		-	38
Printing, stationery and others		3	6
Advertisement		9	18
Auditors' remuneration	10.1	220	184
		421	692
		421	692

10.1 Auditor's remuneration

Annual audit fee		150	125
Fee for half yearly review, Code of Corporate Governance and other certification in the capacity of external auditor		65	54
Out of pocket expense		5	5
		220	184
		220	184

11. OTHER EXPENSES

Depreciation - idle plant and equipment	4	560	819
Impairment loss on idle plant and equipment	4	-	477
Other		-	20
		560	1,316
		560	1,316

June 30, June 30,
2021 2020
---Rupees in '000'---

12. OTHER INCOME

Miscellaneous

	21	14
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13. FINANCIAL CHARGES

	-	275
--	---	-----

14. TAXATION

14.1 The income tax assessments of the Company have been finalised up to and including the tax year 2020.

June 30, June 30,
2021 2020
---Rupees---

15. LOSS PER SHARE - BASIC & DILUTED

Loss after taxation

	(960,484)	(2,268,966)
--	-----------	-------------

Weighted average number of shares

	16,366,351	16,366,351
--	------------	------------

Basic & diluted - loss per share (Rupees)

	(0.06)	(0.14)
--	--------	--------

16. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

No remuneration has been paid to the Chief Executive Officer or any of the directors of the Company. Their were no executives of the Company during the reporting period (2020: nil).

17. RELATED PARTY TRANSACTIONS

The related parties of the Company include entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel as disclosed in note 3.14.

Related Party	Nature of relationship	Nature of transaction / balance	June 30, 2021	June 30, 2020
			---Rupees in '000'---	
Globe Textile Mills (OE) Limited	Common directorship	Payment made to associate undertaking by the Company	-	61
Chief Executive Officer	Director	Payment received from Chief Executive of the Company	414	1,035

18. FINANCIAL INSTRUMENTS BY CATEGORY

	Amortised cost	FVTOCI	FVTPL	TOTAL
-----Rupees in '000'-----				
June 30, 2021				
Financial assets				
Due from related party	50,824	-	-	50,824
Cash and bank balance	38	-	-	38
	<u>50,862</u>	<u>-</u>	<u>-</u>	<u>50,862</u>
Financial liabilities				
Accrued liabilities and other payables	964	-	-	964
	<u>964</u>	<u>-</u>	<u>-</u>	<u>964</u>
-----Rupees in '000'-----				
June 30, 2020				
Financial assets				
Due from related party	51,238	-	-	51,238
Cash and bank balance	18	-	-	18
	<u>51,256</u>	<u>-</u>	<u>-</u>	<u>51,256</u>
Financial liabilities				
Accrued liabilities and other payables	958	-	-	958
	<u>958</u>	<u>-</u>	<u>-</u>	<u>958</u>

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Due to limited activities and non-operational status the Company as refer to in note 1.1 to the financial statements, the Company is exposed to limited financial risks i.e. market risk, credit risk and liquidity risk. The Board of Directors supervises the overall risk management approach within the Company which is managed through monitoring and controlling activities primarily set-up to be performed based on limits established by the management.

19.1 Credit risk

Credit risk is the risk that counterparty will cause a financial loss to the Company by failing to discharge its obligations. As at reporting date, the Company is mainly exposed to such credit risk arising from balance receivable from CEO amounting to Rs. 50.824 million (2020: 51.238 million). No significant liquid funds are placed with Banks, therefore, no material credit risk arises with these deposits as at reporting date.

19.2 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with its financial liabilities. Due to non-operational status of the Company, the Company is required to make payments in respect of certain general nature of services received during the year. The Company arranges funds as and when these liabilities become due in normal course of business and discharge them accordingly. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Non-interest / Non-mark up bearing			Total
	Less than 3 months	3 months to 12 months	1 to 5 years	
Accrued liabilities and other payables	964	-	-	964
As at June 30, 2021	964	-	-	964
Accrued liabilities and other payables	958	-	-	958
As at June 30, 2020	958	-	-	958

19.3 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market variables such as interest rates, foreign exchange rates and equity prices. Due to the non-operational status and limited number of activities, the Company is not exposed to such risks as at reporting date.

19.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The carrying amounts reflected in the financial statements represent net realisable values in respect of assets and settlement amounts in respect of current liabilities as refer in note 1.1 to the financial statements.

June 30, June 30,
2021 2020
---Rupees in '000'---

20. NUMBER OF EMPLOYEES

Number of employees at the year end

-	1
---	---

Average number of employees during the year

-	1
---	---

21. AUTHORIZATION FOR ISSUE

These financial statements were authorized on _____ by the Board of Directors of the Company.

22. CORRESPONDING FIGURES

Corresponding figures have been re-classified / re-arranged, wherever necessary for the purpose of comparison, however, there was no material reclassification during the year.

23. GENERAL

Figures have been rounded off to the nearest thousand of rupees.

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

گلوب ٹیکسٹائل ملز لمیٹڈ

ڈائریکٹرز کا جائزہ

آپ کے ڈائریکٹرز آپ کے سامنے گلوب ٹیکسٹائل ملز لمیٹڈ کا سالانہ مالی جائزہ اختتام پذیر 30 جون،

2021 پیش کرتے ہیں۔

مالیاتی نتائج:

کمپنی کا خسارہ برائے سال اختتام پذیر 30 جون، 2021 (0.960) ملین روپے رہا جبکہ گذشتہ

سال خسارہ (2.269) ملین روپے تھا، ماخذ ذیل ہے:

(960)

سال کی ٹیکس ادائیگی کے بعد، خسارہ

(110,566)

غیر متوقع منافع جو سامنے آیا

(111,526)

موجودہ واصل باقی

کمپنی ماضی میں ہونے والے نقصانات کے سبب کاروبار نہیں کر رہی ہے، جو کہ کاروباری سرگرمیاں متاثر

ہونے کی اصل وجہ ہیں۔

آئندہ امکانات:

آپ کے ڈائریکٹرز نے کمپنی کی تجدید کے آپشن کا جائزہ لیا ہے، اس کے لئے کٹائی کے کاروبار کا انتخاب

کیا ہے مگر جیسا کہ آپ آگاہ ہیں کہ پچھلے 10-12 ماہ کے دوران کپاس کی قیمتوں میں بتدریج اضافہ ہوا ہے اور

اس کے نتیجے میں مختلف ٹیکسٹائل اداروں کو بھاری خسارہ برداشت کرنا پڑا ہے، علاوہ ازیں بجلی اور گیس کی لوڈ

شیڈنگ کے اوقات کا تجدید کی راہ میں بڑی رکاوٹ ہیں۔ حصص داران نے غیر معمولی جنرل میٹنگ جو کہ مورخہ

8 نومبر 2019 کو منعقد ہوئی، میں تجدیدی منصوبہ بندی کو منظور کیا ہے اور کمپنی مختار ڈائریکٹرز تجدیدی منصوبہ

بندی پر عمل درآمد کیلئے پراعتماد ہیں، جیسا کہ رواں بنیادوں پر اکاؤنٹ تیار کیا جا چکا ہے۔ تاہم موجودہ مالی حالات

کو مد نظر رکھتے ہوئے، جس میں سودی نرخ کا منظر نامہ بھی شامل ہے، اس کے تحت ڈائریکٹرز تجدید کے جانب

گامزن ہونے سے قاصر ہیں، لہذا منصوبہ عارضی تعطل کا شکار ہے۔

جاری ہے۔۔۔

حصص کی اصل و تدر:

رواں سال فی حصص خالص قدر 3.187 روپے رہی، جبکہ سال 2020 میں یہ قدر 3.240 روپے

تھی۔

آمدن فی حصص:

خالص خسارہ فی حصص (0.06) روپے ہوا، جبکہ سال 2020 میں یہ خسارہ (0.14) روپے تھا۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک پر بیانیہ:

☆ کمپنی کی جانب سے تیار کیے گئے مالیاتی بیانیے واضح طور پر مسائل کی نوعیت، کاروباری نتائج، نقدی کی

مقدار اور اداروں میں تبدیلیاں، بیان کرتے ہیں۔

☆ کمپنی کی جانب سے درست طریقے سے اکاؤنٹ کی کتابیں برقرار رکھی گئی ہیں۔

☆ مالیاتی بیانیے کی تیاری میں یکساں طور پر اکاؤنٹنگ پالیسیوں لاگو کی گئی ہیں اور معقول و محتاط فیصلوں کی

بنیاد پر اکاؤنٹنگ تخمینہ لگایا گیا ہے۔

☆ مالیاتی بیانیے کی تیاری میں لاگو بین الاقوامی اکاؤنٹ معیارات کو ملحوظ خاطر رکھا گیا ہے اور اس سے کسی بھی

قسم کا انحراف نہیں کیا گیا ہے۔

☆ اندرونی کنٹرولز کا نظام مؤثر انداز میں لاگو ہے اور اس اس کی مستقبل بنیادوں پر نظر ثانی و نگرانی کی جارہی

ہے۔

☆ مستحسن اجتماعی طرز حکمرانی کو یقینی بنانے کیلئے کوئی بھی مادی انحراف موجود نہیں ہے، جن کی تفصیل ضوابط

میں مندرج ہے۔

☆ گذشتہ 6 سالہ کی آپریٹنگ اور فنانشل ڈیٹا خلاصہ کیا گیا ہے۔

جاری ہے۔۔۔

صفحہ نمبر (3)

رواں سال کے دوران بورڈ آف ڈائریکٹرز کی پانچ میٹنگ منعقد ہوئیں۔ ہر ڈائریکٹر کی شرکت ذیل مطابق تھی:

ڈائریکٹر کا نام	میٹنگز میں شرکت
عارف حاجی حبیب	4
فرزانہ عارف	4
ارشد عارف	4
گل بانو حاجی حبیب	4
مصباح عارف	4
فرزین فضل عمر	4
سمیرا یاسین سایا	4

زیر غور سال کیلئے آڈیٹرز کی رپورٹ:

زیر غور سال کے دوران، آڈیٹرز نے مالیاتی گوشواروں کے حوالے سے ایک عمومی رپورٹ جاری کی

ہے۔

تسلیمات:

ہم تمام مالیاتی اداروں کا ہمارے ساتھ کرو باری تعلق قائم رکھنے اور ہمارے صارفین کی جانب مسلسل حمایت اور معاونت کا شکریہ ادا کرنا چاہیں گے۔ اور ہم اپنے ایگزیکٹو، مینجر، سپروائزر اور دیگر ملازمین کا ان کی تہدیت، وفاداری اور سخت محنت کو گہریوں کے ساتھ سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

(عارف حاجی حبیب)

چیف ایگزیکٹو

کراچی: 05-10-2021

گلوب ٹیکسٹائل ملز لمیٹڈ

اطلاع برائے میٹنگ

بذریعہ ہذا مطلع کیا جاتا ہے کہ 54 ویں سالانہ جنرل میٹنگ برائے حصص داران گلوب ٹیکسٹائل ملز لمیٹڈ بروز بدھ مورخہ 27 اکتوبر، 2021 کو بوقت شام 04:30 بجے، کمپنی کے رجسٹرڈ دفتر واقع 105، ابراہیم ٹریڈ ٹاور، شاہراہ فیصل، کراچی میں ذیل کاروباری معاملات کیلئے منعقد کی جائے گی:

- (1) گذشتہ سالانہ جنرل میٹنگ مورخہ 28 اکتوبر 2020 کے منٹس کی تصدیق کیلئے۔
- (2) ڈائریکٹرز کی رپورٹ اور آڈیٹ اکاؤنٹ برائے دورانیہ اختتام پذیر 30 جون 2021 جو کہ دونوں ڈائریکٹرز کی رپورٹ میں موجود ہے، کو وصول و قبول کرنے کیلئے۔
- (3) برائے دورانیہ اختتام پذیر 30 جون 2022 کیلئے آڈیٹرز کی تقرری اور ان کی تنخواجات مقرر کرنے کیلئے۔
- (4) چیئرمین کی اجازت کے ساتھ دیگر کاروباری لین دین کیلئے۔

بحکم بورڈ

حمیر ارشد

کمپنی سیکریٹری

کراچی، بتاریخ: 05-10-2021

- (1) کمپنی کی حصص منتقلی کتاب 19 ستمبر 2021 سے 27 ستمبر 2021 (جمع دونوں دن) بند رہے گی۔
- (2) کمپنی کا ہر ممبر اس میٹنگ میں حاضر ہونے اور ووٹ دینے کا حقدار ہے، اور اپنے توسط سے اس میٹنگ میں شرکت کرنے، بولنے اور ووٹ دینے کیلئے کسی فرد کو نامزد کرنے کا اہل ہے۔ اس کی جانب سے نامزدگی کیلئے، باضابطہ ممبر، دستخط شدہ اور تصدیق شدہ اطلاع، کمپنی کے رجسٹرڈ دفتر واقع 105، ابراہیم ٹریڈ ٹاور، شاہراہ فیصل، کراچی پر اس میٹنگ کے شروع ہونے سے 48 گھنٹے قبل لازماً موصول ہونی چاہئے۔
- (3) ممبران سے التماس کی جاتی ہے کہ وہ فوری طور پر کمپنی کو اپنے ایڈریس کی تبدیلی سے متعلق آگاہ کریں۔

Globe Textile Mills Limited

Form of Proxy

I _____
of _____
being a member of GLOBE TEXTILE MILLS LIMITED and the holder of _____
Ordinary Shares as per Share Register Folio No. _____
hereby appoint _____
of _____ Folio No. _____
as my proxy to attend and vote for me and on my behalf at the FIFTYTH FOUR ANNUAL GENERAL
MEETING of the Company to be held on October 27, 2021 or any adjournment thereof.

1) Witness _____

Name _____

Signed by me this _____ day of _____ 2021

Address _____

NIC NO. _____

Signed _____

Affix Revenue
Stamp Rs.5.00

Notes:

- 1 Signature should tally with the specimen signature registered with the Company
- 2 This form of proxy, duly completed, witnessed and signed across five rupees Revenues Stamp, must be deposited at the Company's Registered Office not later than 48 hours before the meeting.
- 3 A proxy must be a member of the Company.

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered, please return to:
GLOBE TEXTILE MILLS LIMITED
105, Ibrahim Trade Tower, Shahrāh-e-Faisal,
Karachi.