TAHA SPINNING MILLS LIMITED
COMPANY INFORMATION

Board of Directors	Mr. Ashfaq Ahmed	Chief Executive
	Mr. Saqib Ashfaq	Executive Director
	Mr. Amir Ashfaq	Executive Director
	Mr. Niaz Mohammad	Independent
	Mr. M. Farooq	Non Executive
	Mr. Ikhlaq Husain	Non Executive
	Mr.Saleem Abbas	Non Executive
Audit Committee	Mr.Niaz Mohammad	Chairman
	Mr.Ikhlaq Husain	
	Mr. M.Farooq	
Human Resource & Remuneration Committee	Mr.Amir Ashfaq	Chairman
	Mr.Ikhlaq Hussain	
	Mr.Saleem Abbas	
Chief Financial Officer	Mr. Irfan Ahmed	
Company Secretary	Mr. Muhammad Sarfraz	

Auditors

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants
1st floor, Modern House
Beamount Road
Karachi.

Bankers

NIB Bank Limited
Askari Bank Limited
National Bank of Pakistan

Legal Advisor

Farooq Rashid & Co
Advocates and Corporate Consultants
403 Commerce Centre
Hasrat Mohani Road
Karachi-74200

Share Registrar and Transfer Office

Najeeb Consultants (Pvt)Ltd
405-Commerce Centre,
Hasrat Mohani Road, Karachi

Registered Office

406-Commerce Centre,
Hasrat Mohani Road, Karachi
Karachi 74200

Mills

Warburton Road, Tehsil Nankana Sahib
Distt. Sheikhpura,
Punjab

TAHA SPINNING MILLS LIMITED

VISION STATEMENT

The company is committed to remain abreast with the modern textile machinery in slow and steady steps. The primary vision is to reestablish the company and its manufacturing unit and produce quality yarn for its customers in local and International market.

MISSION STATEMENT

The company has taken on a mission to reestablish itself, improve its profitability and meet its financial commitments, improve the remuneration of its employees and give a fair return to its shareholders while complying with the best practices of Corporate Governance.

TAHA SPINNING MILLS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the shareholders of Taha Spinning Mills Limited, will be held on Saturday, 26th October, 2013 at 2.00 p.m at its registered office at 406-Commerce Centre, Hasrat Mohani Road, Karachi to consider the following business:

1. To confirm the minutes of the Extra Ordinary General Meeting held on 20th February.2013

2. To receive, consider and adopt the report of Directors, Auditors and the Audited Accounts of the company for the year ended June 30, 2013.

3. To appoint the Auditors for the year ending 30.6.2014 and fix their remuneration. The retiring auditors M/s. Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants being eligible, offers themselves for reappointment.

4. To discuss future business plan (setting up of power plant), means of finance and its completion time.

5. To consider any other business with the permission of the Chair.

By order of the Board

Company Secretary

Karachi: October 5,2013

Notes:

1. The share transfer books of the company will remain closed from 20th October, 2013 to 26th October , 2013 (both days inclusive)
2. A member entitled to attend and vote at this meeting may appoint to a member as his/her proxy to attend, speak and vote on his/her behalf. Proxies in order to be effective must be received by the company at the registered office not less than 48 hours before the meeting.
3. Any individual, beneficial owner of CDC, entitled to attend and vote at this meeting, must bring his/her original NIC or Passport, Account No. and participant's I.D number, to prove his/her identity, and in case of proxy must enclose an attested copy of his/her NIC or Passport.
4. In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of nominee/proxy shall be required.
5. Shareholders are requested to notify any change in their address immediately.

TAHA SPINNING MILLS LIMITED

KEY OPERATING & FINANCIAL RESULTS
SIX YEARS AT A GLANCE

OPERATING DATA	2013	2012	2010	2009	2008	2007
		----------RUPEES----------				
Sales	-	-	11,222,000	2,954,096	231,255,179	411,363,383
Cost of goods sold	-	-	14,424,828	13,394,805	230,204,275	385,202,717
Gross profit	-	-	(3,202,828)	(10,440,709)	734,209	26,160,666
Operating profit/(loss)	(30,128,400)	(2,367,497)	(5,962,971)	(12,171,513)	(4,251,019)	16,238,666
Profit/(loss) before taxation	(30,128,400)	(17,010,676)	(14,733,305)	(31,116,324)	(31,723,630)	(16,881,445)
Profit/(loss) after taxation	(30,128,400)	(17,010,676)	(14,931,808)	(27,980,321)	(32,534,387)	(20,815,124)
FINANCIAL DATA						
Paid up capital	40,500,000	40,500,000	40,500,000	40,500,000	40,500,000	40,500,000
Equity balance	(9,315,471)	(48,557,700)	8,092,632	23,143,162	54,516,363	82,986,711
Fixed assets	396,510	115,335,495	182,025,893	183,458,119	186,618,864	206,052,557
Current assets	10,282,477	24,154,089	70,272,980	85,260,042	255,347,110	201,665,716
Current liabilities	113,540,708	109,537,480	144,352,878	144,271,499	252,381,388	200,385,039
KEY RATIOS						
Gross margin (%)	-	-	(28.54)	(353.43)	0.32	0.06
Operating margin (%)	-	-	(53.14)	(412.02)	(1.84)	0.04
Net profit (%)	-	-	(133.06)	(947.17)	(14.07)	(0.05)
Return on capital (times)	323.42	35.03	(184.51)	(120.90)	(0.60)	0.30
Current ratio (%)	11.04	4.53	2.05	1.69	1.01	1.01
Earnings per share (Rs.)	(7.44)	(4.20)	(3.69)	(6.91)	(8.03)	6.12
Cash dividend (%)	-	-	-	-		
STATISTICS						
Number of spindles	-	15,216	15,216	15,216	15,216	15,216
Production into 20/s count (in 'million' Kgs)	-	-	-	0.02	1.91	4.84

TAHA SPINNING MILLS LIMITED
DIRECTORS' REPORT TO THE SHARE HOLDERS

The directors of your company are pleased to place their report together with the auditors report and audited financial statements of the company for the year ended June 30, 2013 before the 23rd Annual General Meeting.

AN OVERVIEW

Textile industry is a big capital incentive sector needs big investment to grow. Due to energy crises, bad governance and poor law and order situation in the country, investment in this sector has dried up and growth of the industry is at halt. Industry faced these crises throughout the year. Increase in inflation rate, fuel prices and mark up rate also increased cost of manufacturing in the country.

Due to heavy losses, company was facing a liquidity crunch. Bankers of the company did not renew the credit facilities and filed recovery suit. The management was forced to suspend its yarn manufacturing in July, 2008. Since the closure of mills operation management was trying to manage a revival plan but could not implement due to prolonged litigation with financial institution and a buyer. Therefore management decided to dispose off the fixed assets of the company and pay off its liabilities in an orderly manner.

OPERATING RESULTS

The Company incurred a loss for the year ended June 30, 2013 due to closure of mills. The results have been as follows:

	30 June 2013 Rupees	**30 June 2012 Rupees**
Sales – Net		
Net Loss/ (Profit) before tax	**(30,128,400)**	**(17,010,676)**
Provision for taxation:		
Current.		
Prior year		
Deferred		
Profit (loss) after tax	**(30,128,400)**	**(17,010,676)**
	=========	=========
Earning per share.	**(7.44)**	**(4.20)**

FINANCE COST

Finance cost represents mark-up on borrowing from banking companies and financial institutions. The mark up rates have increased substantially in the banking sector as a whole. Our finance costs have also increased accordingly.

TAXATION

Income tax returns are all upto date. Returns for the year are deemed to be accepted as filed.

DIVIDEND

Due to adverse financial condition of the company, board is not recommending any dividend.

OUTSTANDING STATUTORY PAYMENTS:

There are no overdue statutory payments except payments to a bank/creditors

CURRENT AND FUTURE OUTLOOK

The major issues faced by the industry is load shedding of electricity and gas in industrial sector, high rate of mark-up, rapid increase in fuel cost and wages is the main cause of increase of manufacturing cost which resulted non revival of the company. These issues need the attention of the government for revival of the industry.

Due to above extraordinary events and auditors qualified opinion, we submit that management was unable to run the mills and suspended its manufacturing operation. Mounting pressure from the creditors forced the management to sell the undertaking of the company and pay off its liabilities in an orderly manner and decide future business plan. Court litigation took long time, in the meantime a prosperous buyer approached the management and deal for sale of land and building has been finalized with them at Rs.124,094,000. Most of the issues with banks have been resolved amicably. Negotiation with balance creditors are continue. Management is not sure how long it will take, we are sure we will resolve the issue amicably and decide future business plan and line of action if conditions remains favourable.

RELATED PARTIES

Due to closure of mills, there is no transaction with related party during the year

ENVIRONMENT, HEALTH, SAFETY AND SOCIAL ACTIONS

Management provides and maintains, reasonably practicable, systems and working conditions which are safe and without risk to the health of all employees and public.

CHANGES IN THE BOARD OF DIRECTORS

There is no change in the board of directors during the year.

MEETING OF BOARD OF DIRECTORS

Six board meetings were held during the year and each director attended the following number of meetings.

Directors	No. of meetings
Mr. Ashfaq Ahmed	6
Mr. Saqib Ashfaq	4
Mr. Amir Ashfaq	4
Mr. Niaz Muhammad	5
Mr. Ikhlaq Husain	3
Mr.Mohammad Farooq	2
Mr. Saleem Abbas	6

Leave of absence was granted to the directors who could not attend some of the meetings. During the period under review there was no trading of the company’s share by the Chief Executive, Directors, Chief Financial Officer and Company Secretary, their spouses and minor children.

PATTERN OF SHARE HOLDING IS ANNEXED TO THIS REPORT.

There was no trading during the year in the company's share by its Directors, CEO, CFO, Company Secretary, Executives and their spouse and minor children.

AUDITORS

The present auditors of the company M/s. Naveed Zafar Ashfaq Jaffery & Co., Chartered Accountants retires and being eligible, offer themselves for reappointment under the terms of the Code of Corporate Governance. The Audit Committee recommended the board to appoint auditors for the year ending June 30, 2014.

CORPORATE GOVERNANCE

We are pleased to inform you that the company has taken necessary steps to comply with the provisions of the Code of Corporate Governance as incorporated in the regulations of Stock Exchanges.

STATEMENT OF DIRECTORS RESPONSIBILITIES UNDER THE CODE OF CORPORATE GOVERNANCE.

The Board of Directors state that:

a. The financial statements, prepared by the management of the company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.

b. Proper books of account of the company have been maintained.

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

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

e. The system of internal control is sound in design and has been effectively implemented and monitored.

f. Due to adverse factors, there are doubts upon the Company's ability to continue as a going concern.

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

h. Key operating and financial data of last six years in a summarized form is annexed.

i. The board of directors has adopted a mission statement and a statement of overall corporate strategy.

AUDIT COMMITTEE

The Board, in compliance to the Code of Corporate Governance, has formed an Audit Committee. Four meetings of the committee were held during the period. The names of its members are given in the company profile. The meetings were attended by all the members.

HUMAN RESOURCE AND REMUNERATION COMMTTEE

Human Resource Committee was formed but no meeting was held during the year under review.

STATEMENT OF ETHICS AND BEST BUSINESS PRACTICES

The Board has prepared the statement of ethics and best business practices which has been circulated to all the directors and employees for their acknowledgement, understanding and acceptance.

RELATIONSHIP WITH SHARE HOLDERS

The company reports formally to the shareholders three times a year all its financial results alongwith directors review on the operations and future outlook of the company. All the interim and final reports are sent to The Karachi Stock Exchange and at the registered addresses of the shareholders.

In addition to above, company sends its annual report and formal notification for holding Annual General Meeting at least 21days in advance to facilitate the shareholders to participate in the meeting.

ACKNOWLEDGEMENTS

The Board acknowledges the hard work and efforts of the staff and workers and hopes that this will continue in the forthcoming years. The Board also acknowledges ongoing support from its bankers.

For and on behalf of the Board

Chief Executive

Karachi: October 05, 2013

TAHA SPINNING MILLS LIMITED

STATEMENT OF ETHICS AND BUSINESS PRACTICES

As approved by the Board of Directors, the management of Taha Spinning Mills Limited is hereby advised to follow the under mentioned principles for excellent performance in the attempt to achieve the objectives of the company.

AS DIRECTOR

a. Commit to all the necessary and appropriate resources.
b. Foster a conducive environment through responsive policies.
c. Maintain organizational effectiveness for the achievement of targets.
d. Encourage and support compliance of legal and industrial requirements.
e. Protect the interest of the company and employees.

AS EXECUTIVE AND MANAGER

f. Protect the interest of the company and management.
g. Ensure increase in productivity and profitability of the company.
h. Provide the direction and leadership to the organization.
i. Ensure total customer satisfaction through quality product and services.
j. Promote a culture of excellence, devotion and continual improvement.
k Cultivate work ethics and harmony among colleagues and associates.
l Encourage initiatives and self-realization of responsibilities in juniors.
m. Ensure as equitable way of working and reward system.

AS EMPLOYEE AND STAFF

n. Devotion to your job.
o. Abide by company's policies and regulations.
p. Promote and protect the interest of the company.
q. Exercise prudence and honesty in using company's resources.
r. Observe cost effective practices in daily activities
s. Avoid making any personal gain at the cost of the company.

BRIBERY

t. The payment of bribes, kickbacks in cash or kind to obtain business or otherwise for the company is strictly prohibited.

FINANCIAL INTEGRITY

u. Compliance with accepted accounting rules and procedure is required at all times.
v. All information supplied to all concerns must be complete and not misleading.
w. The company will not knowingly assist fraudulent activities. If you have any reason to believe that fraudulent activities are taking place within the company or outside where we do business, you must inform the management immediately.

Appendix B

Statement of Compliance with the Code of
Corporate Governance
[See clause (XI)]

Name of Company: TAHA SPINNING MILLS LIMITED

Year Ending: 30th June, 2013

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 35 of listing regulations of Karachi Stock Exchange (Guarantee) Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Directors	Mr.Niaz Mohammad
Executive Directors	Mr.Ashfaq Ahmed Mr.Saqib Ashfaq Mr.Amir Ashfaq
Non-Executive Directors	Mr.Muhammad Farooq Mr.Ikhlaq Husain Mr.Saleem Abbas

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

3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred on the board during the year.

5. 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.

6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board.

8. 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 and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. The board arranged an orientation programs for its directors during the year. The company has on its board one director who is exempt from training as per exemption criteria of CCG. The board is initiating training programme for its directors.

10. No new appointment of CFO, Company Secretary and Head of Internal Audit has been made during the year.

11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.

13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.

14. The company has complied with all the corporate and financial reporting requirements of the CCG.

15. The board has formed an Audit Committee. It comprises three members, of whom two are non-executive directors and the chairman of the committee is an independent director.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17. The board has formed an HR and Remuneration Committee. It comprises three members, of whom two are non-executive directors and the chairman of the committee is an Executive director.

18. The board has set up an effective internal audit function.

19. The statutory auditors of the company have confirmed that at the time of their appointment they had a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities was determined and intimated to directors, employees and stock exchange(s).

22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).

23. We confirm that all other applicable material principles contained in the CCG have been complied with.

ASHFAQ AHMED
Chief Executive

Karachi: October 5, 2013

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
A member firm of
PrimeGlobal | An Association of Independent Accounting Firms

1st Floor, Modern Motors House,
Beaumont Road, Karachi, Pakistan
Ph: +92-21-35671909, 35673754
Fax: +92 21-35210626
Email:khi@nzaj.com.pk
Web: www.nzaj.com.pk

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Taha Spinning Mills Limited** ("the Company"), to comply with the Listing Regulations of the Karachi Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of the audit of 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 Boards statement on internal control covers all risks and control, or to form an opinion on the effectiveness of such internal controls, the company corporate governance procedures and risks.

Further, Sub-Regulation (xiii a) of Listing Regulations 35 notified by the Karachi Stock Exchange Limited requires the company to place before the Board of Directors for their *consideration and approval related party transactions* distinguishing between transactions carried out on terms equivalent to those that prevail in the arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the board of directors and placement of such transactions before audit committee. We have not carried out any procedures to determine 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 best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2013.

Naveed Zafar Ashfaq Jaffery & Co

Karachi
Date: 05 OCT 2013

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants
Engagement Partner: **Ahsan Elahi Vohra**
NZAJ

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

A member firm of
PrimeGlobal | An Association of Independent Accounting Firms

1st Floor, Modern Motors House,
Beaumont Road, Karachi, Pakistan
Ph: +92-21-35671909, 35673754
Fax: +92 21-35210626
Email:khi@nzaj.com.pk
Web: www.nzaj.com.pk

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **TAHA SPINNING MILLS LIMITED** ("the Company") as at June 30, 2013 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of above said statements. We believe that our audit provides a reasonable basis for our opinion, we report that:

I. The financial statements of the company has been prepared on going concern basis, despite of the facts that company incurred a net loss after tax of Rupees (30.128) million and having negative equity of Rupees (9.315) million. The management has closed down the factory in July, 2008, and production activities remained suspended. The management has also obtained approval from the shareholders in Extra Ordinary General Meeting to dispose off the assets of the company including land, building, plant & machinery and pay off to its debts; and subsequent to balance sheet date assets were sold. Furthermore, the company has not prepared any detailed business plan including profit or cash flow projection for an appropriate period subsequent to the balance sheet date. The foregoing conditions indicate material uncertainty which cast a significant doubt on the company's ability to continue as a going concern.

   The significance of matters discussed in the preceding paragraph, lead us believe that the going concern assumption used in preparation of the financial statements of the company is inappropriate: consequently the assets and liabilities should have been stated at their realizable and settlement amount respectively.

NZAJ

In our opinion:

a. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984 , and are in agreement with the books of account and are further in accordance with accounting policies consistently applied ;

b. the expenditure incurred during the year was for the purpose of the Company's business; and

c. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

d. due to significance of the matter referred to in paragraph (I) above, in our opinion and to the best of our information and according to the explanations given to us, the financial statements together with the notes have not been prepared in all material respect as at 30 June, 2013 and of its loss, comprehensive loss, its cash flow and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan, and do not give the information required by the Companies Ordinance, 1984.

e. no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

The financial statements of the company for the year ended June 30, 2012; were audited by another firm of Chartered Accountants whose report dated October 08, 2012; expressed an adverse opinion thereon.

Naveed Zafar Ashfaq Jaffery & Co

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants NZAJ
Engagement Partner: **Ahsan Elahi Vohra - FCA**

Karachi
Dated: 05 OCT 2013

Taha Spinning Mills Limited

Balance Sheet

As At June 30, 2013

	NOTE	2013 Rupees	2012 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
6,100,000 (2012 : 6,100,000) ordinary shares of rupees 10 each.		61,000,000	61,000,000
Issued, subscribed and paid up share capital	5	40,500,000	40,500,000
Accumulated (Loss)		(49,815,471)	(89,057,700)
		(9,315,471)	(48,557,700)
Surplus on revaluation of fixed assets	6	-	27,534,601
NON-CURRENT LIABILITIES			
Long term financing	7	-	14,057,272
Long term financing from directors	8	-	35,770,958
Deferred liabilities	9	-	6,671,276
		-	56,499,506
CURRENT LIABILITIES			
Trade and other payables	10	1,463,670	1,143,472
Interest and accrued markup	11	937,726	28,765,581
Short term borrowings	12	-	13,162,139
Current portion of non current liabilities	13	111,139,312	66,466,288
		113,540,708	109,537,480
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		**104,225,237**	145,013,887
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	396,510	115,335,495
Long term deposits	16	546,250	5,524,303
CURRENT ASSETS			
Stores, spares and loose tools	17	-	535,222
Trade debts - considered good	18	-	16,331,362
Other financial assets	19	-	408,162
Loans and advances income tax	20	146,388	3,183,323
Other receivables- Sales tax	21	5,950,745	1,950,745
Cash and bank balances	22	4,185,344	1,745,275
		10,282,477	24,154,089
Non current assets held for sale	23	93,000,000	-
TOTAL ASSETS		**104,225,237**	145,013,887

N2A2

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

TAHA SPINNING MILLS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2013

	Notes	2013 Rupees	2012 Rupees
Administrative expenses	24	(5,130,491)	(2,367,497)
Other operating expenses	25	(24,747,570)	(14,641,263)
Other operating income	26	158,523	-
Finance cost	27	(408,862)	(1,916)
(Loss) before taxation		(30,128,400)	(17,010,676)
Taxation		-	-
(Loss) after taxation		(30,128,400)	(17,010,676)
Earnings / (Loss) per share (Basic and diluted)	28	(7.44)	(4.20)

N2A2

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

TAHA SPINNING MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2013

	2013 Rupees	2012 Rupees
(Loss) after taxation	(30,128,400)	(17,010,676)
Other comprehensive income	-	-
Total comprehensive (loss) for the year transferred to equity	(30,128,400)	(17,010,676)

N2A2

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

TAHA SPINNING MILLS LIMITED
CASHFLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2013

	2013 Rupees	2012 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(30,128,400)	(17,010,676)
Adjustments for:		
Gain on sale of fixed assets	(158,523)	-
Property plant and equipment transfer held for sale	92,464,778	-
Loss on sale of fixed assets	40,712,482	-
Long term Accrued Markup waived off	(15,964,912)	-
Finance cost	408,862	1,916
	117,462,687	1,916
Loss before working capital changes	87,334,287	(17,008,760)
(Increase)/Decrease in current assets		
Stores, spares and loose tools	535,222	14,641,263
Assets held for sale	(93,000,000)	
Other financial assets	408,162	-
Trade debts	16,331,362	2,993,036
Loans and advances	3,037,811	2,833,276
Other receivable	(4,000,000)	8,655
	(76,687,443)	20,476,230
Increase/(Decrease) in current liabilities		
Trade and other payables	320,199	-
Cash used in operations	10,967,043	3,467,470
Finance cost paid	(12,271,805)	(1,916)
Gratuity paid	-	(1,872,637)
Taxes paid/adjustment	(877)	(36,177)
	(12,272,682)	(1,910,730)
Net cash (used in)/generated from operating activities	**(1,305,640)**	1,556,740
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets and stores	17,085,000	-
Security deposits	4,978,053	-
Net cash generated from investing activities	**22,063,053**	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	(13,162,139)	(1,000,000)
Long term financing	(5,155,206)	(700,000)
Net cash used from financing activities	**(18,317,345)**	(1,700,000)
Net increase/(decrease) in cash and cash equivalents	2,440,069	(143,260)
Cash and cash equivalents at the start of the year	1,745,275	1,888,535
Cash and cash equivalents at the end of the year	**4,185,344**	1,745,275

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

CHIEF EXECUTIVE

DIRECTOR

TAHA SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

	PAID-UP SHARE CAPITAL	ACCUMULATED (LOSS)	RESERVE FOR ASSETS CLASSIFIED AS HELD FOR SALE.	TOTAL
		--------------------Rupees-------------------		
Balance as at July 01, 2011	40,500,000	(72,047,024)	-	(31,547,024)
Total comprehensive (loss) for the year ended June 30,2011	-	(17,010,676)	-	(17,010,676)
Balance as at June 30,2012	**40,500,000**	**(89,057,700)**	-	**(48,557,700)**
Total comprehensive (loss) for the year ended June 30, 2013		(30,128,400)	-	(30,128,400)
Realisation of surplus on theft assets		12,321,058	-	12,321,058
Deferred Tax realized		6,671,276	-	6,671,276
Unrealized gain on assets classified as held for sale		-	50,378,295	50,378,295
Balance as at June 30, 2013	**40,500,000**	**(100,193,766)**	**50,378,295**	**(9,315,471)**

N2A)

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Taha Spinning Mills Limited

Notes to the Financial Statements
For The Year Ended June 30, 2013

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Taha Spinning Mills Limited (the "Company") was incorporated in Pakistan as a Private Limited Company under the Companies Ordinance, 1984 in 1991 and subsequently converted to a Public Limited company on 16-06-1991. Shares of the company were listed on the Karachi Stock Exchange in Pakistan on 01-02-1994. The principal business of the company is to manufacture and sale of yarn. Mill is located at Sheikhupura in the Province of Punjab.

1.2 The Company suspended its production of yarn operation since July, 2008.The Company has incurred a net loss of Rs. (30.128) million (June 30, 2012 : net loss of Rs.(17.01) million) during the year.Accumulated loss stands at Rs.(49.815) million (June 30 2012 : Rs.(89.06) million. Banks /Financial institutions are not willing to finance the company due to non clearance of CIB report, default in payments to financial institutions and court cases, therefore management of the company decided to disposed off the fixed assets of the company. Shareholders have also approved the disposal of fixed assets.The management had entered with a buyer to sell land, building and machinery. The deal could not materialized and matter went to court and litigation took long time. Future business plan was not decided due to non availability of funds and undecided court cases. Management is still negotiating with the banks for settlement of their existing liabilities amicably. In the meantime a prospective buyer approached the management for purchase of land and building of the company. The deal has been finalized and subsequently sold out land and building.Management is in the process of negotiation with the banks and other creditors to clear their dues.Future business plan depends on clearance from banks, clear CIB report of the company and settlement of court issues.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with the requirements of the Companies Ordinance, 1984 (the ordinance) and the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, Provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commision of Pakistan differ with requirements of IFRS or IFAS, the requirments of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards

2.2.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

During the year, the following standards, amendments to standards and interpretations including amendments to interpretations became effective, however, the application of these amendments and interpretations did not have material impact on the financial statements of the Company:

Standards, interpretations and amendments	Description
Amendments to IAS 1 - Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income	The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, net gains on hedges of net investments, exchange differences on translation of foreign operations, net movements on cash flow hedges and net losses or gains on available-for-sale financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans). Income tax on items of other comprehensive income is required to be allocated on the same basis i.e. the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments require retrospective application. The amendment is effective for annual periods beginning on or after July 01, 2012.

2.2.2 Approved accounting standards, interpretations and amendments thereto issued but not effective as at the reporting date

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date.

Standards, interpretations and amendments	Description
Amendments to IAS 16 - Property, Plant and Equipment – Classification of servicing equipment	This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory. The standard is effective for annual periods beginning on or after January 01, 2013.

Amendments to IAS 19 - Employee Benefits	The amendments eliminate the corridor approach and therefore require an entity to recognize changes in defined benefit plans obligations and plan assets when they occur. All actuarial gains or losses arising during the year are recognized immediately through other comprehensive income. The amendments also require additional disclosures and retrospective application with certain exceptions. The application of the amendments to IAS 19 would result in the recognition of cumulative unrecognized actuarial loss in other comprehensive income in the period of initial application. The standard is effective for annual periods beginning on or after January 01, 2013.
Amendments to IAS 32 Financial Instruments: Presentation - Tax effects of distributions to holders of an equity instrument, and transaction costs of an equity transaction	This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes. The standard is effective for annual periods beginning on or after January 01, 2013.
Amendments to IAS 32 Financial Instruments: Presentation - Offsetting financial assets and financial liabilities	These amendments clarify the meaning of "currently has a legally enforceable right to set-off". It will be necessary to assess the impact to the entity by reviewing settlement procedures and legal documentation to ensure that offsetting is still possible in cases where it has been achieved in the past. In certain cases, offsetting may no longer be achieved. In other cases, contracts may have to be renegotiated. The requirement that the right of set-off be available for all counterparties to the netting agreement may prove to be a challenge for contracts where only one party has the right to offset in the event of default. The standard is effective for annual periods beginning on or after January 01, 2014.
Amendments to IAS 34 - Interim Financial Reporting - Interim reporting of segment information for total assets and total liabilities	The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures. The standard is effective for annual periods beginning on or after January 01, 2013.
Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting financial assets and financial liabilities	These amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognized financial instruments that are set off in accordance with IAS 32 Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. The amendment is effective for annual periods beginning on or after January 01, 2013.
IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine	This interpretation applies to waste removal (stripping) costs incurred in surface mining activity, during the production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. The amendment is effective for annual periods beginning on or after January 01, 2013.

2.2.3 Securities and Exchange Commission of Pakistan through SRO 182(I)/2013 dated 4th March 2013 has amended the requirements of 4th Schedule of the Companies Ordinance 1984. The amendments require some additional disclosure and modification of existing disclosure.

3 BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

3.2 The company's significant accounting policies are stated in note 4. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

Provision for taxation

The company takes into account the current income tax law and decisions taken by the appellate authorities. Instances where the company's' view differs from the view taken by the income tax department at the assessment stage and where the company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Staff retirement benefits - gratuity

Certain actuarial assumptions have been adopted as disclosed in relevant note to the financial statements for valuation of present value of defined benefit obligation. Any changes in these assumptions in future year might affect unrecognized gains and losses in those years.

Financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on market conditions existing at balance sheet date.

Property, plant and equipment

The company reviews recoverable amount, useful life , residual value and possible impairment on an annual basis. Any changes, if material in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

4 SIGNIFICANT ACCOUNTING POLICIES

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

Property, plant and equipment - owned

Recognition

Property, plant and equipment except for freehold land are stated at cost / revalued amount less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Cost of tangible assets consists of historical cost pertaining to erection / construction period and other directly attributable cost of bringing the asset to working condition.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Surplus arising on revaluation of an item of property, plant and equipment is credited to surplus on revaluation of property, plant and equipment, except to the extent that it reverses deficit on revaluation of the same assets previously recognized in profit or loss, in which case the surplus is credited to profit or loss to the extent of deficit previously charged to income. Deficit on revaluation of an item of property, plant and equipment is charged to profit or loss to the extent that it exceeds the balance, if any held in surplus on revaluation of property, plant and equipment relating to previous revaluation of that item. On subsequent sale or retirement of revalued item of property, plant and equipment the attributable surplus remaining in the surplus on revaluation of property, plant and equipment is transferred directly to unappropriated profit. The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related assets is transferred to unappropriated profit.

Depreciation

Depreciation on all items of property, plant and equipment except for freehold land is charged to income applying the reducing balance method so as to write off historical cost of an asset over its estimated useful life. During the year the company renewed the useful life and residual value and revised the rate of depreciation as mention in note No 15.

Depreciation on additions is charged from the month in which the asset become available for uses while no depreciation is charged in the month of disposal.

Derecognition

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the assets) is included in the income statement in the year the assets is derecognized.

Accounting for leases and assets subject to finance lease

4.2.1 Finance lease

Recognition

Leases where the company has substantially all the risks and rewards of ownership are classified as finance lease. Assets subject to finance lease are initially recognized at the commencement of the lease term at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets, each determined at the inception of the lease. Subsequently these assets are stated at cost less accumulated depreciation and any identified impairment loss. The related rental obligations, net off finance cost, are included in liabilities against assets subject to finance lease. The liabilities are classified as current and non current depending upon the timing of payments.

Financial charges

Lease payments are allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The finance cost is charged to income over the lease term.

Depreciation

Assets acquired under a finance lease are depreciated in the same manner and at the same rates used for similar owned assets, so as to depreciate these assets over their estimated useful lives in view of certainty of ownership of these assets at the end of lease term. Depreciation of the leased assets is charged to income.

Deferred income

Income arising from sale and lease back transaction, if any, which results in finance lease, is deferred and amortized equally over the lease period.

4.2.2 Operating lease

Leases where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income on a straight-line basis over the period of lease.

Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss. Transfers are made to relevant fixed assets category as and when assets are available for intended use.

Long term deposits

These are stated at cost which represents the fair value of consideration given.

Stores, spare parts and loose tools

These are valued at lower of cost and net realizable value. Cost is determined by moving average method. Items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

Stock in trade

These are valued at lower of cost and net realizable value except waste which is valued at net realizable value. Cost is determined as follows.

4.6.1	**Raw material**		
		In hand	Weighted average cost
		In transit	Cost comprising invoice value plus other charges incurred thereon
4.6.2	**Finished goods and work in process**		Raw material cost plus appropriate manufacturing cost
4.6.3	**Waste**		Net realizable value

Net realizable value signifies the estimated selling prices in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sales.

Trade debts and other receivables

Trade debts originated by the company are recognized and carried at original invoice value less any allowance for uncollectible amounts. An estimated provision for doubtful debts is made when there is objective evidence that collection of the full amount is no longer probable. The amount of provision is charged to income. Bad debts are written off as incurred. Other receivables are stated at amortized cost. Known impaired receivables are written off, while receivables considered doubtful are provided for.

Cash and cash equivalents

Cash in hand, cash at bank and short term deposits, which are held to maturity, are carried at cost. For the purpose of cash flow statements, cash and cash equivalent comprise cash in hand, with banks on current & saving accounts and short term borrowings.

Staff retirement benefits

Defined benefit plan
The company operates an unfunded gratuity scheme covering for all its permanent employees who have attained the minimum qualifying period for entitlement to the gratuity.

Provision is made annually to cover the obligation on the basis of actuarial valuation and charged to income currently. The most recent actuarial valuation was carried on June 30, 2009 using the Projected Unit Credit Method.

Net cumulative unrecognized actuarial gains / losses relating to previous reporting periods in excess of the higher of 10 percent of present value of defined benefit obligation or 10 percent of the fair value of plan assets are recognized as income or expense over the estimated remaining working lives of the employees.

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account, except to the extent that it relates to items recognized directly in equity or below equity, in which case it is recognized in equity or below equity respectively.

4.10.1 Current

Provision for current taxation is based on taxability of certain income streams of the company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credit and tax rebates available, if any. The charge for current tax includes any adjustment to past years liabilities.

4.10.2 Deferred

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Trade and other payables

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

Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation as a result of past event, and it is probable that an out flow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

Borrowings and borrowing costs

Borrowings are recorded at the proceeds received. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid.

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset up to the date of its commissioning.

Revenue recognition

Revenue is recognized on dispatch of goods or on performance of services. Return on deposits is recognized on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange prevailing at the balance sheet date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.

Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument and derecognized when the company loses control of contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the profit and loss account for the year.

All financial assets and financial liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Offsetting of financial assets and liabilities

A financial asset and financial liability is offset and the net amount is reported in the balance sheet if the company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and the liabilities simultaneously.

Impairment

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is the greater of net selling price and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income immediately.

Related party transactions

All transactions with related parties are carried out by the company at arms' length price using the method prescribed under the Companies Ordinance, 1984 with the exception of loan taken from related parties which is interest / mark up free.

Government grants

Government grants for meeting revenue expenses are set off from respective expenses in the year in which they become receivable.

Research and development cost

Research and development cost is charged to profit and loss account in the year in which it is incurred.

Dividend

The dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

			2013 Rupess	2012 Rupees

5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2013	2012			
Number of shares				
4,050,000	4,050,000	Ordinary shares of Rs. 10 each fully paid in cash	40,500,000	40,500,000
4,050,000	4,050,000		**40,500,000**	40,500,000

5.1 The shareholders are entitled to receive all distribution to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction.

5.2 There is no movement in share capital during the year.

6 SURPLUS ON REVALUATION OF FIXED ASSETS

	2013	2012
Opening surplus on revaluation of fixed assets	27,534,601	27,534,601
Surplus on revaluation relating to assets theft	(12,321,058)	-
Surplus on revaluation arises during the year	37,232,981	-
Surplus on revaluation relating to sales of generator	(2,068,229)	
Surplus transferred to equity on account of held for sales assets	(50,378,295)	-
Closing surplus on revaluation of fixed assets	**-**	27,534,601

6.1 This represents surplus over book values resulting from the revaluation of fixed assets carried out on 19 September, 2002 and 01 January, 2013 adjusted by surplus realized on disposal of revalued assets, incremental depreciation arising out of revaluation and deferred taxation.

7 LONG TERM FINANCING

		2013	2012
Secured-from banking companies and other financial institutions			
Term Finance	**7.1**	34,062,274	34,062,274
Demand finance	**7.2**	14,056,080	14,056,080
		48,118,354	48,118,354
Current portion of long term financing			
Current portion for the year		(8,380,227)	(15,939,424)
Over due		(39,738,127)	(18,121,658)
The amount has been included in current muturity		(48,118,354)	(34,061,082)
		-	14,057,272

7.1 The loan is secured against second charge on fixed assets of the company and personal guarantees of directors. The loan has been paid off subsequently of balance sheet date.

7.2 The loan is secured against fourth charge on fixed assets of the company and personal guarantees of sponsoring directors and the mark-up rate is average three month kibor (2012 average three month kibore) The loans are repayable in 8 quartarly instalments by August 01, 2010 .

			2013 Rupess	2012 Rupees

8 LONG TERM FINANCING FROM SPONSORS, DIRECTORS AND OTHERS

Opening balance		35,770,958	35,770,958
Addition during the year		27,950,000	-
		63,720,958	35,770,958
Less: Transferred to current portion	13	(63,720,958)	-
		-	35,770,958

This is unsecured, interest free and not repayable within next twelve months.

9 DEFERRED LIABILITIES

Staff retirement benefits - gratuity	**9.1**	-	-
Deferred taxation	**9.2**	-	6,671,276
		-	6,671,276

9.1 Movement in the net liability recognized in the balance sheet

Balance sheet liability (Opening)	-	1,872,637
Benefits paid during the period	-	(1,872,637)
Balance sheet liability (Closing)	-	-

Due to closure of mill provision for gratuity required through projected unit credit method has not been provided.

9.2 Deferred taxation

Taxable temporary differences-		
Accelerated tax depreciation allowances	45,636,430	45,636,430
Finance lease arrangements	(2,329,289)	(2,329,289)
Un-absorbed tax depreciation	(36,635,865)	(36,635,865)
Deferred tax asset writen off	(6,671,276)	-
	-	6,671,276

10 TRADE AND OTHER PAYABLES

Offer money against sales of assets	1,000,000	-
Accrued Liabilities	65,000	1,125,187
Unclaimed dividend	18,285	18,285
Other payable	380,385	-
	1,463,670	1,143,472

		NOTE	2013 Rupess	2012 Rupees
11	**INTEREST AND ACCRUED MARK UP**			
	Long term financing		937,726	15,962,404
	Short term borrowings		-	8,236,235
	Finance lease		-	4,566,942
			937,726	28,765,581

12 SHORT TERM BORROWINGS - Secured

Secured from Banking companies and other financial institutions

	Note	2013	2012
- Running finance	12.1 & 13.2	**-**	13,162,139

12.1 The finance facility has expired and has not been renewed by the bank. The facility is secured by pari passu hypothecation charge, pledge of stocks, lien on export bills under collection and by way of personal guarantees of sponsoring directors of the company. No markup has charged after the expiry of the facility.

13 CURRENT PORTION OF NON CURRENT LIABILITIES

	Note	2013	2012
Opening balance			
Long term financing		59,916,082	44,676,658
Liabilities against assets subject to finance lease		6,550,206	6,550,206
		66,466,288	51,226,864
Add: During the year			
Long term financing from sponsors, directors and others	8	63,720,958	-
Long term finance		14,057,272	15,939,424
		144,244,518	67,166,288
Less:Paid during the year	13.2	(33,105,206)	(700,000)
		111,139,312	66,466,288

13.2 CURRENT PORTION OF NON CURRENT LIABILITIES (UNDER SETTLEMENT OF NIB BANK)

	Note	2013	2012
Opening balance		-	-
Add: Transfer during the year			
Long term financing		26,555,000	-
Liabilities against assets subject to finance lease		6,550,206	-
		33,105,206	-
Transfer from:-			
Short term Borrowing (Running Finance)	12	13,162,139	-
Accrued mark-up		11,862,943	-
Lease key money		(3,037,811)	-
Advance against lease		(1,852,477)	-
		53,240,000	-
Less:Paid during the year		(53,240,000)	-
		-	-

14 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

	2013	2012
Guarantee to Sui Northern Gas Pipelines Limited	**5,000,000**	5,000,000

COMMITMENTS

There is no commitements as on Balance sheet date June 30,2013. (2012 : Nil)

15 PROPERTY, PLANT AND EQUIPMENT

15.1 The following is a statement of operating assets:

Particulars	COST / REVALUATION					D E P R E C I A T I O N					W.D.V. June 30, 2013	Annual Rate %
	As at July 01 2012	Additions/ Transfer/ (deletion)	Revaluation/ impairment during the year	Transfer to assets held for sale	As on June 30 2013	As at July 01 2012	For the Year Depreciation	Adjustment/ Transfer	Revaluation during the year	As on June 30 2013		
	--R u p e e s--											
OWN ASSETS												
Land - free hold	7,566,000	-	42,934,000	(50,500,000)	-	-	-	-		-	-	-
Building - free hold	81,695,326	-	(7,769,248)	(73,926,078)	-	31,426,078	-	(31,426,078)		-	-	0
Plant and machinery	60,041,301	(60,041,301)		-	-	37,308,791	-	(37,308,791)		-	-	0
Furniture and fixtures	106,190	(106,190)			-	88,567	-	(88,567)		-	-	0
Factory equipments	1,254,370	(1,254,370)			-	31,728	-	(31,728)		-	-	0
Office equipments	187,408	(187,408)			-	2,472	-	(2,472)		-	-	0
Vehicles	231,557	5,808,408 (5,440,965)		-	599,000	2,183,971	-	(1,981,481)		202,490	396,510	0
	151,082,152	**(61,221,826)**	**35,164,752**	**(124,426,078)**	**599,000**	**71,041,607**	**-**	**(70,839,117)**	**-**	**202,490**	396,510	
LEASED ASSETS												
Generator	19,777,668	-	2,068,229	(21,845,897)	-	6,845,897	-	(6,845,897)		0	-	0
Plant and machinery	20,701,900	(20,701,900)		-	-	5,290,761	-	(5,290,761)		0	-	0
Compressor	1,825,202	(1,825,202)		-	-	681,570	-	(681,570)		0	-	0
Vehicles	5,808,408	(5,808,408)		-	-	2,181,874	-	(2,181,874)		0	-	0
	48,113,178	(28,335,510)	2,068,229	(21,845,897)	-	15,000,102	-	(15,000,102)	-	-	-	
June 30, 2013	**199,195,330**	**(89,557,336)**	37,232,981	(146,271,975)	**599,000**	**86,041,709**	**-**	**(85,839,219)**	**-**	**202,490**	**396,510**	
June 30, 2012	**199,195,330**	**-**		-	**199,195,330**	**83,859,835**	**-**	**-**		**83,859,835**	**115,335,495**	

Revaluation of freehold land, building and plant & machinery at 19 September, 2002, produced a revaluation surplus of which was credited to surplus on revaluation of fixed assets account to comply with the requirement of Section 235 of Companies Ordinance, 1984. Revaluation was carried out by the independent valuers M/s Asif Associates (Pvt) Limited, an approved independent valuer. Revaluation is worked on depreciated replacement values.

Revaluation of freehold land, building and generator at 01 January,2013 was carried out to arrive a revalued amount of assets which was credited to assets held for sales account to comply with the requirement of IFRS-5 Revaluation was carried out by the independent valuers PBC M/s Asif Associates (Pvt) Limited.

15.2 DISPOSAL OF OPERATING FIXED ASSETS

Description	**Cost**	**Accumulated Depreciation**	**Book value**	**Sales Proceed**	**Gain/(loss)**	**Gain/(loss)**	**Mode of Disposal**	**Particular of Purchase**
Vehicles- Mehran	350,000	113,252	236,748	250,000	13,252		by negotiation	Mr Ashfaq Ahmed
Vehicles- Mehran	350,000	113,252	236,748	210,000	(26,748)		by negotiation	Mr Sohail Abbas
Vehicles - Cultus	560,000	231,459	328,541	350,000	21,459		by negotiation	Mr Nasir Mehmood
Vehicles- Honda Civic	1,065,600	546,064	519,536	525,000	5,464		by negotiation	Mr Fayyaz Ahmed Malik
Vehicles- Honda City	878,100	302,217	575,883	600,000	24,117		by negotiation	Mr Imran Afzal Malik
Vehicles- Cultus	677,580	245,834	431,746	450,000	18,254		by negotiation	Mr. Farooq
Vehicles - Alto	541,585	167,857	373,728	375,000	1,272		by negotiation	Mr. Abdul Hadi
Vehicles- Honda City	1,018,100	261,546	756,554	775,000	18,446		by negotiation	Mr Mohsin Zia
Plant and machinery	60,041,301	37,308,791	22,732,510	-	-	(22,732,510)	Theft	Note 15.3
Furniture and fixtures	106,190	88,567	17,623	-	-	(17,623)	Theft	Note 15.3
Factory equipments	1,254,370	31,728	1,222,642	-	-	(1,222,642)	Theft	Note 15.3
Office equipments	187,408	2,472	184,936	-	-	(184,936)	Theft	Note 15.3
Plant and machinery	20,701,900	5,290,761	15,411,139	-	-	(15,411,139)	Theft	Note 15.3
Compressor	1,825,202	681,570	1,143,632	-	-	(1,143,632)	Theft	Note 15.3
	84,116,371	**43,403,889**	**40,712,482**	**3,535,000**	**75,516**	**(40,712,482)**		

15.3 During illegal possession of the mills premises, possessor removed different type of machinery and equipment from the mills premises. Possession of the mills was taken back by the Official Assignee, High Court of Sindh on 31.10.2012 with the assistance of local police force as directed by High Court of Sindh vide its order dated 22.10.2012. After taking back the possession, it was revealed in the Official Assignee report to court that machinery halls are empty and there is no machinery and equipments. Value of stolen machinery was estimated at Rs.22 million as per our books written down value including surplus on revaluation of the machinery is Rs.44 million. Since the mill was under the control of Official Assignee, therefore official assignee lodged FIR with the area police station Nankana. Company is also pursuing the matter with the court of law and matter is subjudice.

		2013 Rupess	2012 Rupees
16	**LONG TERM DEPOSITS**		
	Security deposits - Utilities	500,000	3,625,576
	Advance against lease	-	1,852,477
	CDC deposit	46,250	46,250
		546,250	5,524,303
17	**STORES, SPARE PARTS AND LOOSE TOOLS**		
	Stores	-	206,290
	Spares parts	-	304,010
	Loose tools	-	24,922
		-	535,222
18	**TRADE DEBTS- Considered good**		
	Local - unsecured	-	16,331,362
19	**OTHER FINANCIAL ASSETS**		
	Held for maturity		
	Short term deposits held under lien by bank	-	408,162

The deposits remain under lien of NDFC (Now National Bank of Pakistan) and would be refunded as the entire amount stands repaid.

		2013	2012
20	**LOANS AND ADVANCES**		
	Lease key money	-	3,037,811
	Advance income tax	146,388	145,512
		146,388	3,183,323
21	**OTHER RECEIVABLES**		
	Considered good		
	Sales tax receivable	1,950,745	1,950,745
	Others	4,000,000	-
		5,950,745	1,950,745
22	**CASH AND BANK BALANCES**		
	Cash in hand	3,829,633	1,226,573
	Cash at banks		
	Current accounts	355,711	518,702
		4,185,344	1,745,275
23	**ASSETS HELD FOR SALES**		
	Transfer from Property Plant and Equipment:-		
	Land - free hold	50,500,000	-
	Building - free hold	42,500,000	-
	Generator	15,000,000	-
	Value of the assets	108,000,000	-
	Less : Sales of Generator	(15,000,000)	-
		93,000,000	-

Revaluation of freehold land, building and generator at 01 January,2013 was carried out to arrive a revalued amount of assets which was credited to assets held for sales account to comply with the requirement of IFRS-5 Revaluation was carried out by the independent valuers PBC M/s Asif Associates (Pvt) Limited.

23.1 DISPOSAL OF HELD FOR SALES ASSETS

Description	Fair value	Sales Proceed	Gain/(loss)	Mode of Disposal	Particular of Purchase
Generator	15,000,000	13,000,000	(2,000,000)	Negotiation	HMI Energy (Pvt)Limited, Karachi.
-	15,000,000	13,000,000	(2,000,000)	-	

	NOTE	2013 Rupess	2012 Rupees
24 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		311,000	1,848,000
Communication expenses		1,175	-
Auditors' remuneration	24.1	75,000	150,000
Legal and professional		846,704	106,000
Vehicle and misc. expenses		-	20,000
Printing and stationery		25,200	24,704
Fees and subscriptions		217,833	195,358
Utility Charges and claims		3,530,774	-
Other expenses		122,805	23,435
		5,130,491	2,367,497
24.1 Auditors' remuneration			
Statutory audit fee		65,000	140,000
Half yearly review fee		10,000	10,000
		75,000	150,000
25 OTHER OPERATING EXPENSES			
Loss on theft of plant and machinery	15.2	40,712,482	-
Write off store,spare and loose tools		-	14,641,263
Long term Accrued Markup waived off		(15,964,912)	-
		24,747,570	14,641,263
26 OTHER OPERATING INCOME			
Gain on disposal of assets held for sales- net of unrealized gain	23	68,229	-
Gain on sales of vehicle		75,516	-
Gain on sales of Store spare and loose tools		14,778	-
		158,523	-
27 FINANCE COST			
Bank charges		700	1,916
Excise Duty investment certificate not recoverable		408,162	-
		408,862	1,916
28 LOSS PER SHARE (BASIC AND DILUTED)			
Loss for the year		(30,128,400)	(17,010,676)
Weighted average number of ordinary shares		4,050,000	4,050,000
Loss per share - basic		**(7.44)**	(4.20)

28.1 There is no dilutive effect on basic loss per share.

29 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The chief executive and directors have waived off their remunerations and meeting fees for the year. One director is entitled for maintenance of two cars. No employee of the company fall under the definition of executive as defined in the Companies Ordinance, 1984.

	JUNE 30, 2013.			JUNE 30, 2012.		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
Meeting fees	-	46,750	-	-	44,550	-
Remunerations	-	-	-	-	-	358,000
	-	**46,750**	**-**	-	44,550	358,000
Number of persons	**-**	**6**	**-**	-	6	2

29.1 Chief executive of the company has waived his remuneration and meeting fees.

29.2 Directors of the company have waived their remuneration.

30 FINANCIAL INSTRUMENT AND RELATED DISCLOSURES

The company has exposures to the following risks from its use of financial instruments.

30.1 Credit risk
30.2 Liquidity risk
30.3 Market risk

The board of directors has overall responsibility for the establishment and oversight of company's risk management framework. The board is also responsible for developing and monitoring the company's risk management policies.

30.1 Credit risk

30.1.1 Exposure to credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and cash and bank balances. Out of total financial assets of Rs. 8.731 million (June 30, 2012 : Rs. 27.046 million), financial assets which are subject to credit risk aggregate to Rs. 8.375 million (June 30, 2012 : Rs. 26.528 million). The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows.

	2013 Rupees	2012 Rupees
Long term deposit	546,250	5,524,303
Trade debts	-	16,331,362
Other financial assets	-	408,162
Loans and advances	-	3,037,811
Other receivables	4,000,000	-
Cash and bank balances	4,185,344	1,745,275
	8,731,594	27,046,913

30.1.2 The maximum exposure to credit risk for trade debts at the balance sheet date by geographical region is as follows.

Domestic	-	16,331,362

30.1.3 The maximum exposure to credit risk for trade debts at the balance sheet date by type of customer is as follows.

Yarn	-	13,065,090
Waste	-	3,266,272
	-	16,331,362

30.1.4 The aging of trade debtors at the balance sheet is as follows.

	Gross debtors	
	2013 Rupees	2012 Rupees
Past due more than 1 year	-	16,331,362

30.2 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, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	2013					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	111,139,312		111,139,312	-	-	-
Long term financing from directors	-	-	-	-	-	-
Liability against assets subject to finance lease	-	-	-	-	-	-
Trade and other payables	1,463,670	1,463,670	1,463,670	-	-	-
Accrued mark up / interest	937,726	937,726	937,726	-	-	-
Short term borrowings	-	-	-	-	-	-
	113,540,708	**2,401,396**	**113,540,708**	**-**	**-**	**-**

	2012					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	One to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term financing	73,973,354	76,611,301	28,275,848	28,275,848	20,059,605	-
Long term financing from directors	35,770,958	35,770,958	-	-	-	35,770,958
Liability against assets subject to finance lease	6,550,206	7,639,343	3,819,672	3,819,672	-	-
Trade and other payables	1,143,472	1,143,472	1,143,472	-	-	-
Accrued mark up / interest	28,765,581	28,765,581	28,765,581	-	-	-
Short term borrowings	13,162,139	15,316,781	7,658,391	7,658,391	-	-
	159,365,710	165,247,436	69,662,964	39,753,911	20,059,605	35,770,958

30.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30. The rates of mark up have been disclosed in relevant notes to these financial statements.

30.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities, and liquidity in the market. The company is exposed to currency risk and interest rate risk only.

30.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At the balance sheet date the interest rate profile of the company's interest bearing financial instrument is as follows.

	2013 Rupees	2012 Rupees
Fixed rate instruments		
Financial liabilities	-	6,550,206
Variable rate instruments		
Financial liabilities	111,139,312	87,135,493

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for June 30, 2013.

	Profit and loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	Rupees			
Cash flow sensitivity - variable rate instruments 2013	**1,111,393**	**(1,111,393)**	-	-
Cash flow sensitivity - variable rate instruments 2012	871,355	(871,355)	-	-

30.4 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

	2013 Rupees	2012 Rupees
30.5 Off balance sheet items		
Contingencies		
Guarantee to Sui Northern Gas Pipelines Limited	**5,000,000**	5,000,000
Commitments		
There is no commitments as on Balance sheet date	**-**	-

30.6 The effective rate of interest / mark up for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

31 CAPITAL RISK MANAGEMENT

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder 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 or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term loan from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

		2013 Rupees	2012 Rupees
Borrowings		111,139,312	129,456,657
Total equity		(9,315,471)	(48,557,700)
Total capital employed	Rupees	**101,823,841**	80,898,957
Gearing ratio	Percentage	**109.15**	160.02

32 PLANT CAPACITY AND PRODUCTION

It is difficult to describe precisely the production capacity in textile industry since it fluctuates widely depending on various factors such as count of yarn spun, raw material used, spindle speed and twist. It would also vary according to the pattern of production adopted in a particular year.

	2013 Rupees	2012 Rupees
Total number of spindles installed	-	15,216
Total number of spindles worked	-	-
Number of shifts per day	-	3
Rated capacity converted at 20/1 count (Kgs.)	-	3,459,535
Actual production converted at 20/1 count (Kgs.)	-	-

33 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

Management has sold subsequently the balance sheet date land and building for Rs. 113.229 million with the gain of Rupees 14.8 million

34 CORRESPONDING FIGURES

Figures have been rearranged / reclassified whenever necessary for the purpose of comparison. However, no major reclassification / rearrangement was made in these financial statements.

35 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on --------------------- by the board of directors of the company.

CHIEF EXECUTIVE **DIRECTOR**

TAHA SPINNING MILLS LIMITED

PATTERN OF HOLDING OF SHARES HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2013

No. of Shareholders	Share Holding			Shares Held
12	1	To	100	77
54	101	To	500	26,612
4	501	To	1,000	3,311
7	1,001	To	5,000	18,000
2	5,001	To	10,000	20,000
-	10,001	To	15,000	-
-	15,001	To	20,000	-
-	20,001	To	25,000	-
-	25,001	To	30,000	-
-	30,001	To	35,000	-
-	35,001	To	40,000	-
-	40,001	To	45,000	-
2	45,001	To	50,000	100,000
1	50,001	To	55,000	50,500
1	55,001	To	60,000	60,000
-	60,001	To	65,000	-
-	65,001	To	70,000	-
-	70,001	To	75,000	-
-	75,001	To	80,000	-
-	80,001	To	85,000	-
-	85,001	To	90,000	-
-	90,001	To	95,000	-
-	95,001	To	100,000	-
-	100,001	To	105,000	-
-	105,001	To	110,000	-
-	120,001	To	115,000	-
-	125,001	To	120,000	-
-	130,001	To	135,000	-
1	135,001	To	140,000	135,500
-	140,001	To	145,000	-
-	145,001	To	150,000	-
1	150,001	To	155,000	150,300
-	155,001	To	160,000	-
-	160,001	To	165,000	-
-	165,001	To	170,000	-
1	170,001	To	175,000	173,100
-	175,001	To	180,000	-
-	180,001	To	185,000	-
-	185,001	To	190,000	-
-	190,001	To	195,000	-
-	195,001	To	200,000	-
2	200,001	To	250,000	457,800
-	250,001	To	300,000	-
-	300,001	To	350,000	-
-	350,001	To	400,000	-
-	400,001	To	450,000	-
-	450,001	To	500,000	-
1	500,001	To	1,000,000	833,300
-	1,000,001	To	1,500,000	-
-	1,500,001	To	2,000,000	-
1	2,000,001	To	4,000,000	2,021,500
90				4,050,000

CATEGORY WISE SUMMARY OF SHAREHOLDERS

S. No.	Category Name	No. of Shareholders	Share Held	Percentage
1.	Individuals	82	846,400	20.90
2.	Joint Stock Companies	7	2,370,300	58.53
3.	Financial Institutions	1	833,300	20.58
	Grand Total	90	4,050,000	100.00

TAHA SPINNING MILLS LIMITED

PATTERN OF SHAREHOLDING AS PER LISTING
REGULATIONS AS AT 30TH JUNE, 2013

SHARE HOLDERS' CATEGORY		No.of Share held.	Percentage
1	Associated Companies, Undertaking and related parties.		
	HMI Energy (Pvt) Ltd.	2,021,500	49.914
2	Mutual Funds	-	-
3	CEO,Directors & their Spouses and minor children.		
	Mr.Ashfaq Ahmed (Chief Executive)	500	0.012
	Mr.Saqib Ashfaq	500	0.012
	Mr.Amir Ashfaq	500	0.012
	Mr.Niaz Muhammad	500	0.012
	Mr.Mohammad Farooq	50,500	1.247
	Mr.Ikhlaq Husain	500	0.012
	Mr.Saleem Abbas	500	0.012
4	Executives.	-	-
5	Public Sector Companies & Corporation:	-	-
6	Joint Stock Companies:	348,800	8.612
7	Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies,Takaful, Modarabas and Pension Funds.		
	National Bank of Pakistan	833,300	20.575
8	Individuals.	792,900	19.578
	Total	4,050,000	100.000
9	Shareholders holding 5% or more voting rights in the company.		
	HMI Energy (Pvt)Ltd	2,021,500	49.914
	National Bank of Pakistan	833,300	20.575
	Mushtaq Ahmed Vohra	233,100	5.755
	Gulshad Begum	224,700	5.548

TAHA SPINNING MILLS LIMITED

FORM OF PROXY
23RD ANNUAL GENERAL MEETING

I/We____ of ________________in the district of _________________ being a member(s) of TAHA SPINNING MILLS LIMITED and holder of ________________ ordinary shares as per Share Register Folio No.___________ and / or CDC Participant ID No._______________ and A/c No.____________hereby appoint _______________________________ of _____________ or failing him/her ____ of ________________ who is/are also member(s) of TAHA SPINNING MILLS LIMITED vide Registered Folio No. ___________ as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday 26th October, 2013 at 2.00 p.m at 406 Commerce Centre, Hasrat Mohani Road, Karachi and/or any adjournment thereof.

Affix Five
Rupees Revenue Stamp

Signature ____
(Signature should be agree with the specimen signature registered with the Registrar)

Signed on__________

1.Witness Signature______________
Name__________________________
CNIC__________________________

2.Witness Signature________________
Name_____________________________
CNIC_____________________________

NOTE:

1. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
2. In the case of bank or company, the proxy form must be executed under its common seal and signed by its authorized person.
3. If this proxy form is signed under power of attorney then a notarilly certified copy of that power of attorney/authority must be deposited alongwith this proxy form.
4. Proxy form duly completed and signed, must be received at the registered office of the company at 406-Commerce Centre, Hasrat Mohani Road, Karachi. at least 48 hours before the time of holding the meeting.
5. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
6. In case of CDC account holders:
   i) The proxy form shall be witnessed by two persons whose names, address and NIC numbers shall be mentioned on the form
   ii) Attested copies of NIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
   iii) The proxy shall produce his original NIC or Original passport at the time of meeting.