



Drekkar Kingsway Limited

**Annual Report
2019**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

ANNUAL REPORT
2019

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VISION STATEMENT

We aspire to be known for the quality of our management and develop relationships with our stakeholders based on cooperation and ethical values.

MISSION STATEMENT

We strive to achieve excellence by meeting expectations of stakeholders through efficient, effective and organized management keeping constant high quality standards.



DREKKAR KINGSWAY LIMITED

Company Information

Drekkar Kingsway Limited was registered on June 28, 1993 under Companies Ordinance 1984 as Private Limited Company and subsequently converted into Public Limited Company as on June 29, 1994. The shares of the Company are quoted on Pakistan Stock exchange. The primary business of company was manufacturing of all type of electrical appliances, cosmetics, toiletries, leather goods, machinery, components and parts. In 1996 the company sold its plant and machinery. The Principal line of Business is To act as a consultants and advisors to individuals, corporations, financial institutions, Government bodies and departments, company, corporation and other entities.

We are able to bring highest potential cogs who have demonstrated their skills to compete and sustain at local and international avenues, with those business visionaries, investors and experts that will enable opportunities and potential for all the stakeholders rather than provide a mere assessment.

- | | | |
|--------------------|----|-----------------------------|
| Board of Directors | 1. | Mr. Ehmar Iqbal |
| | 2. | Mr. Muhammad Ahmed Imran |
| | 3. | Mr. Muhammad Ubaid |
| | 4. | Mr. Muhammad Arslan Habib |
| | 5. | Mr. Amir Hussain Kazmi |
| | 6. | Mrs. Mubashera Khan |
| | 7. | Mr. Mubasher Mehmood Abbasi |

- | | | |
|-----|----|-----------------|
| CEO | 1. | Mr. Ehmer Iqbal |
|-----|----|-----------------|

- | | | | |
|-----------------|----|---------------------------|----------|
| Audit Committee | 1. | Mr. Muhammad Arslan Habib | Chairman |
| | 2. | Mr. Amir Hussain Kazmi | Member |
| | 3. | Mr. Muhammad Ahmed Imran | Member |



DREKKAR KINGSWAY LIMITED

Human Resource	1.	Mr. Muhammad Ahmed Imran	Chairman
Remuneration	2.	Mr. Mubasher Mehmood Abbasi	Member
Committee	3.	Mrs. Mubashera Khan	Member

Company Secretary Mr. Ali Nawaz Bhatti

Registered Office Office No 17, 2nd Floor, Anique Arcade,
I-8 Markaz, Islamabad
Phone: +92 (51) 4862330-1
Fax: +92 (51) 4862330

Auditors M/s. Horwath Hussain Chaudhary & Co.
Legal Advisor Mr. Ch. Abdul Kahliq

Share Registrar F. D. Registrar Services (SMC-Pvt) Limited.
1705, 17th Floor, Saima Trade Tower A,
I.I Chundrigar Road Karachi.
Phone: (+92-21) 35478192-93, 32271906
Fax : (+92-21) 32621233

Our Values

1. The Company's Policy is to conduct business with honesty and integrity and to be ethical in all its dealings showing respect for the interest of those with whom it has relationships.
2. The Company complies with all laws and regulations. All employees are expected to familiarize themselves with laws and regulations governing their individual areas of responsibility, and not to transgress them. In case of any doubt the employees are expected to seek necessary advice. The Company believes in fair competition and supports appropriate competition laws.
3. The Company does not support any political party nor contribute to the funds of groups whose activities promote party interests.
4. The Company is committed to run its business in an environment that is sound and sustainable. As a good corporate entity, the Company recognizes its social responsibilities and will endeavor to contribute to community activities as a whole.
5. The Company believes in and fully adheres to the principles of reliability and credibility in its financial reporting and in transparency of business transactions.
6. The Company is an equal opportunity employer. Its employee recruitment and promotional policies are free of any gender bias and are merit and excellence oriented. It believes in providing its employees safe and healthy working conditions and in maintaining good channels of communications.
7. The Company expects its employees to abide by certain personal ethics whereby Company information and assets are not used for any personal advantage or gain. Any conflict of interest should be avoided, where it exists it should be disclosed and guidance sought.

The Board of Directors has constituted the 'Board Audit Committee' to ensure Compliance of above principles.

Notice of Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting of Drekkar Kingsway Limited will be held on October 26, 2019 at 10:00 am at Office No 17, 2nd Floor, Anique Arcade, I-8 Markaz, Islamabad, to transact the following business:-

Ordinary Business:-

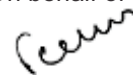
1. To confirm the minutes of 25th Annual General Meeting held on October 27, 2018.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2019 together with the Directors and Auditor's Report thereon.
3. To appoint Auditors for the year ending on 30th June 2020 and fix their remuneration. The Board has recommended, as suggested by the Audit Committee, the appointment of M/S Horwath Hussain Chaudhary, Chartered Accountants as he retiring auditors and being eligible, have offered themselves for re-appointment.
4. To consider any other business with the permission of the Chair.

Special Business:-

5. To consider and, if deemed fit, pass the following resolution as a special resolution under section 134 of the Companies Act 2017, with or without modification , as recommended by the Directors:-

“Resolved by way of special resolution that the consent and approval of shareholders be obtained for confirmation of disinvestment of 95.5% shares of subsidiary company M/S Invest Forum (Pvt) Ltd.

On behalf of the Board



Ehmer Iqbal
Chief Executive Office

October 05, 2019
Islamabad

Notes:**A. BOOK CLOSURE & PROXY**

- i). The Share Transfer Books of the company will be closed from October 19, 2019 to October 26, 2019 (both days inclusive). Transfers received at the Company's Share Registrar Office i.e. FD Registrar Services (Pvt) Ltd, Office No 1705, 17th Floor, Saima Trade Tower A, I.I Chundrigar Road, Karachi-74000 at the close of business on October 18, 2019 will be treated in time for the purpose of above entitlement to the transferees.
- ii). A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. A proxy need not be a member of the company.
- iii). Instrument of appointing proxy and the power of attorney or other authority under which it is signed or a notorially certified copy of the power or authority must be deposited at the Registered Office of the Company not later 48 hours before the time of the Meeting.
- iv). CDC Account Holders will have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

C. FOR ATTENDING THE MEETING:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

D. FOR APPOINTING PROXIES:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.



DREKKAR KINGSWAY LIMITED

E. FINANCIAL STATEMENTS TO BE PLACED ON WEBSITE

In compliance with SECP notification No. 634(I)/2014 dated: July 10, 2014, the audited financial statements and reports of the Company for the year ended June 30, 2018 have been placed on the Company's website: www.drekkarkingsway.com for the information, download and review of shareholders. From this year onwards, published copies of financial statement and reports will be furnished in Compact Disk form.

F. TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS THROUGH EMAIL:

In pursuance of the directions given by SECP vide SRO 787(I)/2014 dated: September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. www.drekkarkingsway.com and send the said form duly filled in and signed along with copy of his/her/its CNIC/Passport or other such information in the case of a body corporate to the Company's share registrar. This is optional; in case you do not wish to avail this facility please ignore this point. Annual Financial Statements will be sent to you at your registered address, as per normal practice.

G. NOTICE TO SHAREHOLDERS WHO HAVE NOT PROVIDED THEIR CNIC:

The Individual Members who have not yet submitted photocopy of their valid computerized National Identity Card (CNIC) to the Company / Share Registrar, are once again reminded to send the same at the earliest directly to Company' Share Registrar, M/s. Central Depository Company of Pakistan Limited. In case of non-receipt of the copy of valid CNIC, the Company would be constrained under section 243(3) of the Companies Act, 2017 to withhold dividend of such shareholders.

H. WITHHOLDING TAX ON DIVIDENDS:

Pursuant to the provision of the Finance Act, 2018 effective July 1, 2018 the deduction of withholding tax on the amount of Dividend paid by the companies under section 150 of the Income Tax Ordinance, 2001 are as under:

- a. Filers of Income Tax returns 15%
- b. Non-filers of Income Tax returns 30%

Shareholders who are filers are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, in any other case they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 30% instead of 15%. In order to enable the Company to follow the directives of the regulator(s) to determine shareholding ratio of the Joint Account Holder(s) by the Principal shareholder for deduction of withholding tax on dividend. Such shareholders are requested to furnish the ratio of shareholding being the Principal and Joint holders to the registrar of the Company. In the absence of any such notice from the Principal Shareholder, each shareholder will be assumed to have equal proportion of shares and the tax will be deducted as per law accordingly.



DREKKAR KINGSWAY LIMITED

I. PAYMENT OF CASH DIVIDEND ELECTRONICALLY (E-MANDATE):

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard has already been published by the Company in the newspapers, however, shareholders are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send the duly signed Electronic Mandate Form along with a copy of valid CNIC/NTN to their respective CDG participant / CDC Investor account services.

Title of Bank Account: _____

Bank Account (IBAN) Number: _____

Bank's Name: _____

Branch Name and Address: _____

CNIC Number of the Shareholder: _____

Cell Number of the Shareholder: _____

Landline No. of the Shareholder (if any): _____

Members are requested to submit declaration as per Zakat & Usher Ordinance 1980 for Zakat exemption and to advise change in address, if any.

CHAIRMAN REVIEW' REPORT

Dear Members,

On behalf of my colleagues on the board, I welcome to the twenty Sixth annual General Meeting of the Company and present before you the annual report, along with the audited financial statements of the Company, for the year ended June 30, 2019.

FINANCIAL PERFORMANCE

During the year under review, we directed all our efforts to improve the financial and operational condition of the company to create a fair value for our shareholders. To this effect, Company has changed its line of business to consultancy in accordance with special resolution passed by members of the company on May 02, 2019. Company is currently engaged in provisioning of consultancy services to individuals , corporate organizations and associations. The loss during the period amounting to Rs. 1.87 Million was mainly because of administrative expenses.

The Board members are pleased to state that the management of the Company is committed to good corporate governance and complying with the best practices. In compliance with the Code of Corporate Governance, the Directors are pleased to state as follows:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.

The Board considers sustainability as the key to success in the present competitive environment and is very much focused to enforce appropriate actions to maintain future business volume and profitability. For this purpose, the restructuring, rightsizing, portfolio adjustment activities, which were initiated last year, continued during the year across the Company.

Further, the Board also initiated measures to achieve cost efficiencies by optimizing the business processes.

CODE OF CONDUCT

In order to put in place professional standards and corporate values for promotion of integrity of the Board, senior management and other employees, the Board has approved and disseminated a Code of Conduct, defining therein acceptable and unacceptable behaviors. The same has been placed on the Company's Website.

SAFETY AND ENVIRONMENTS

The company strictly complies with the standards of the safety rules & regulations. It also follows environmental friendly policies.

BUSINESS PLANS & ACHIEVEMENT OF TARGETS

Short medium and long term targets are set by the Board. Management endeavors to achieve those through better planning, concerted efforts and hard work. Each year a comprehensive business plan is chalked out and duly approved by the Board. The management believes that based on orders in hand and expansion in production and marketing facilities, the Company will operate as a “Going Concern” till indefinite period.

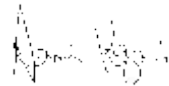
COMMUNICATION

Communication with the shareholders is given high priority. Annual, Half Yearly and Quarterly Accounts are circulated to them within the time specified in the Companies Act 2017. The Company also has a web site, which contains up to date information on Company's activities and financial reports. Every opportunity is given to the individual shareholders to attend and ask freely the questions about the Company' affairs at the Annual General Meeting.

ACKNOWLEDGEMENT

The Board would like to thank all of their stakeholders and customers and suppliers of the Company for their valuable support and sheer confidence. Such confidence has allowed the Company to perform well in a difficult business environment.

The Board would like to thank executives, staff members and workers of the Company for their commitment, dedication and hard work. We continue to pray to Allah for the continued success of your Company and for the benefit of all stakeholders, and the country in general.



(AAMIR HUSSAIN KAZMI)
Chairman

Dated: 27 September, 2019
Islamabad.

Director Report

During period of report director put all its efforts to improve the financial and operational condition of the company to create a fair value for our shareholders. In this context, during last quarter of the year, Company has changed its line of business to consultancy in accordance with special resolution passed by members. Currently line of business of the company is provisioning of consultancy services to corporate groups, individuals, intuitions and associations in the area of strategic planning, project management, institutional development, capacity building and other related services. Further, the management of company is committed to make long term contracts with the corporate groups for future sustainability of the continued services.

During the year, company earned 1.2 million from consultancy services and net loss for the period was Rs. 0.71 Million which was mainly because of administrative expenses.

Company remained unable to prepare consolidated financial accounts for the period ended June 30, 2019 due to non-availability of books of accounts of subsidiary company. Company approached Securities and Exchange Commission of Pakistan seeking relaxation under section 228 (7) of Companies Act 2017 for preparation of annual consolidated account for the period ended June 30, 2019 vide letter No DKL/SECP/190901 dated September 19, 2019 as the books of accounts of company's subsidiary (Invest Forum (Private) Limited) were seized and taken with them by Securities and Exchange Commission of Pakistan (Security Market Division) against seizure memo of records dated March 20, 2017.

Board of Directors and Election of Directors

The Board comprises of one Executive, three non executive and three independent directors. During year 2018-19, Tauseef Ullah Adnan resigned from the directorship and Mr. Muhammad Arsalan Habib was appointed to fill casual vacancy. These newly appointed directors will hold directorship of the company till next election of the directors.

Operating & Financial Data

Operating and Financial data and key ratios of the Company for preceding year is separately given in financial highlights.

Board of Directors Meetings

During the year 2018-19, Five meetings of the Board were held. The attendance of the Board members was as follows:

Name of Director	No of Meeting Attended
Mr. Muhammad Ahmed Imran	03
Mr. Muhammad Ubaid	01
Mr. Tauseef Ullah Adnan	01
Mrs Mubashera Khan	03
Mr. Muhammad Arsalan Habib	03
Mr. Aamir Hussain Kazmi	04
Mr. Ehmer Iqbal	05
Mr. Mubasher Mehmood Abbasi	01

Those Directors, who have not attended the required number of meetings, have applied for leave of absence which was duly granted by the Board.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information regarding pattern of shareholding is attached separately.

No trading in the shares of the Company was carried out by the Directors, the Chief Executive Officer and the Company Secretary and their spouses and minor children during the year under review.

Earning / Loss Per share

Loss per share for the year ended 30 June 2019 was Rs. (0.07) as compared to loss per Share of Rs. (0.29) of the last year.

Auditors

The Audit Committee and the Board of Directors have recommended re-appointment of M/S Horwath Hussain Chaudhry & Co. Chartered Accountants as the Auditor for the year 2019-2020.

COMMENTS ON AUDITOR'S REPORT

1. CHANGE OF BUSINESS AND GOING CONCERN (Ref. Audit Report Para 1 & 4)

Company had sold its operating assets back in year 1996 and during last quarter of the year, Company has changed its line of business to consultancy in accordance with special resolution passed by members on May 02, 2019. Currently line of business of the company is provisioning of consultancy services to corporate groups, individuals, intuitions and associations in the area of strategic planning, project

management, institutional development, capacity building and other related services. Further, the management of company is committed to make long term contracts with the corporate groups for future sustainability of the continued services.

2. INVESTMENT IN DEBT

During year 2017-18, the company had made an investment amounting to Rs. 53 Million in Debt of M/S Noor Capital (Pvt) Ltd payable by M/S Service Fabrics Limited. M/S Noor Capital (Pvt) Ltd has transferred its rights as the creditor of Service Fabrics Limited to M/S Drekkar Kingsway Limited in relation to the Rs. 53 Million (Fifty Three Million) out of its total loan which stands Rs. 157,837,311/- (One Hundred Fifty Seven Million Eight Hundred Thirty Seven Thousands Three Hundred and eleven only) as on September 09, 2017. Company had agreed to become the creditor of M/S Service Fabrics Limited to the extent of the Loan amounting to Rs. 53 Million. Consideration amount will be mutually agreed in due course of time when cash flow of the company will become positive. As this step will increase the equity base of the company, so its approval was sought from the share holders in share holders meeting held on October 27, 2018.

2. PAYABLE TOSUBSIDIARY COMPANY

During year 2017-18, subsidiary company had made an agreement for sale of ISE Towers REIT Management (ISETRMCL) shares to M/S General Investment & Securities (Pvt) Ltd on August 09, 2017 through an agreement. The same can be verified from company legal documents. Further, the subsidiary company has made an application to Pakistan stock exchange Limited for surrender of Trading Right Entitlement Certificate (TREC) and intends to sell blocked 60% equity shares with CDC after surrendering of TREC.

STATEMENT ON CORPORATE FINANCIAL REPORTING FRAME WORK

The Company has complied with all the requirements of the code of Corporate Governance by the listing regulations.

Accordingly the Directors are pleased to confirm the following:

- i. The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 2017. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.
- ii. Proper books of accounts of the Company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in the preparation of financial statements which conform to the International Accounting Standards as applicable in Pakistan. The accounting estimates, wherever required are based on reasonable and prudent judgment.
- iv. The International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

- v. The system of Internal Control is sound in design and has been effectively implemented and monitored.
- vi. There are no significant doubts upon the Company's ability to continue as a going concern.
- vii. There has been no material departure from the best practices of Corporate Governance, as required by the listing regulations.
- viii. The key operating and financial data for the last six years is annexed.

AUDIT AND RISK MANAGEMENT COMMITTEE

Audit and Risk Management Committee were established by the Board to assist the directors in discharging their responsibilities, Corporate Governance, Financial Reporting and Corporate Control. The Committee consists of three members. Two members including Chairman of the Committee are Independent and one is non-executive director.

The Board Audit and Risk Management Committee is responsible for reviewing reports of the company's financial results, audit and adherence to standards of the system of management controls. The Committee reviews the procedures, ensures their independence with respect to the services performed for the Company and makes recommendations to the Board of Directors.

The Audit and Risk Management Committee held four meetings during the year under review, each before the Board of Directors meeting to review the financial statements, internal audit reports and compliance of the Corporate Governance requirements. These meetings included meeting with external auditors before and after completion of audit and other statutory meetings as required by the Code of Corporate Governance.

The present constitution of the Committee is as under:

Mr. Aamir Hussain Kazmi	Chairman
Mr. Muhammad Arsalan Habib	Member
Mr. Muhammad Imran	Member

NUMBER OF EMPLOYEES

The numbers of employees as on 30 June 2019 were 08 as it were in last year.

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Human Resource and Remuneration Committee was established by the Board to assist the Directors in discharging their responsibilities with regard to selection, evaluation, compensation and career planning of key management personnel. It is also involved in recommending improvements in

Company's human resource policies and procedures and their periodic review. The Committee consists of three members. One of the member of the committee is independent and two are non-executive directors.

RELATED PARTY TRANSACTIONS

All transactions with related parties are reviewed and approved by the Board. The Board approved pricing policy for related party transactions as disclosed in the notes to the accounts.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the Stock Exchanges in its Listing Regulations, relevant for the year ended 30 June 2019 have been duly complied with. A statement to this effect is annexed with the report.

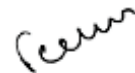
WEB PRESENCE

Company's periodic financial statements for the current financial year including annual reports for the last three years are available on the Company's website www.drekarkingsway.com for information of the investors.

On behalf of Board of Directors of the company, I am thankful to all worthy shareholders and staff members of the company for their untiring efforts for the betterment of the company.

September 27, 2019
Islamabad

On behalf of the Board



Ehmer Iqbal
CEO/Director

FINANCIAL HIGHLIGHTS : DREKKAR KINGSWAY LIMITED

	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019
Net Profit / (Loss) after Tax	(51,239,571)	6,313,590	41,427,054	(30,567,322)	(5,648,468)	(2,928,205)	(715,818)
LIQUIDITY RATIOS							
Current ratio	-	-	31.48	1.72	2.56	0.07	0.07
Quick /Acid test Ratio	-	-	31.48	1.72	0.39	0.07	0.005
PROFITABILITY RATIOS							
Return on Capital Employed	(2.29)	0.28	0.41	(0.31)	(0.16)	(0.16)	(0.02)
Earnings growth	(0.11)	(1.12)	5.56	(1.74)	(0.05)	(0.04)	(0.03)
INVESTMENT/MARKET RATIOS							
Earning per share	(22.88)	2.82	8.89	(3.62)	(0.58)	(0.58)	(0.07)



DREKKAR KINGSWAY LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBER OF DREKKAR KINGSWAY LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Drekkar Kingsway limited for the year ended June 30, 2019 in accordance with the requirement of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

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

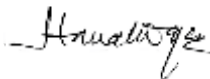
Following instance(s) of non-compliance with the requirement(s) of the Regulations was /were observed which is/are not stated in the Statement of Compliance:

- a) There is no representation of minority shareholders on the board of Directors.
- b) The mechanism for annual evaluation of the board's on performance has not been put in place.
- c) Grievance handling and whistleblowing mechanism are not in place.
- d) There is no annual review of overall business risks conducted by board
- e) Company Secretary and Chief Financial Officer should not be same person.

Based on our review, except for the above instance(s) of non-compliance, 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 Regulations as applicable to the Company for the year ended June 30, 2018.

Further, we highlight below instance(s) of non-compliance with the requirement(s) of the Regulations as reflected in the note/paragraph reference where it/these is/are stated in the Statement of Compliance:

Serial number	Description
9	During the year no orientation courses were arranged for its directors to apprise them of their duties and responsibilities. The board has ensured arrangement of orientation courses for its directors to apprise them of their duties and responsibilities by the end of June 30, 2019.
8	There is no policy and transparent procedures for remuneration of directors.
12	Nomination Committee and Risk management are not formed by the board.
15	During the year under review the company did not have any internal audit function.



HORWATH HUSSAIN CHAUDHURY & CO.

Chartered Accountants
Shahzad Qazi (FCA).

Date: 27 September, 2019
Islamabad



DREKKAR KINGSWAY LIMITED

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS. 2017.

NAME OF COMAPAY: Drekkar Kingsway Limited.

Year ended: June 30, 2019

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

1. The total number of directors are 07 as per the following:

- a. Male: **06**
- b. Female: **01**

2. The composition of board is as follows:

a) Independent Directors

- Mr. Aamir Hussain Kazmi
- Mr. Muhammad Ahmed Imran
- Mr. Mubasher Mehmood Abbasi

b) Other Non-executive Director

- Mrs. Mubashera Khan
- Mr. Muhammad Ubaid
- Mr. Muhammad Arslan Habib

c) Executive Directors

- Mr. Ehmer Iqbal

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

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

9. The Board has arranged Director's Training Program for the following:

None of the Directors got training during the year.

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

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

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

a) Audit Committee (Name of members and Chairman)

1. Aamir Hussain Kazmi
2. Muhammad Arslan Habib
3. Muhammad Ahmed Imran

b) HR and Remuneration Committee (Name of members and Chairman)

1. Muhammad Ahmed Imran
2. Mubasher Mehmood Abbasi
3. Muabashera Khan

c) Nomination Committee (if applicable) (Name of members and Chairman)

The board has not formed Nomination Committee.

d) Risk Management Committee (if applicable) (Name of members and Chairman)

The board has not formed Risk Management Committee.

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:

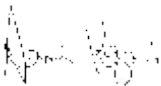
- a) Audit Committee **-04**
- b) HR and Remuneration Committee **-01**
- c) Nomination Committee (if applicable) **- Nil**
- d) Risk Management Committee (if applicable) **- Nil**

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

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with international Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.



(Aamir Hussain Kazmi)
Chairman



DREKKAR KINGSWAY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREKKAR KINGSWAY LIMITED

Report on the Audit of the Financial Statements

Opinion Adverse

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

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in in the basis for adverse opinion paragraph the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof 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 do not give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse 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.

1. As stated in note 1.1 to the annexed financial statements, the company was initially doing business as a manufacturing unit. Company had disposed off all its plant and machinery and currently it is involved in business of consultancy and advisory.
2. As disclosed in note 6 to annexed financial statements, company has taken over debt amounting to Rs.53 million of Noor Capital (Private) Limited advanced to M/S Service Fabrics Limited. After adjustment of amount receivable from Noor Capital and loan receivable from ex-related party now balance at reporting date amounting to Rs. 28,690,147 has been classified as long term loan which should have been reflected in current liabilities in the absence of any payment terms and condition with lender (M/S Noor Capital (Private) Limited. Moreover, there is no physical cash involved in the transaction and the Company has not amortized debt amounting to Rs. 53 million as required by IAS 39 (Financial Instruments – Recognition and Measurement).
3. In the absence of any agreement or relevant documents, we did not verify the amount Rs. 7,732,102/- received by the company on behalf of its subsidiary company Invest Forum (Private) Limited against sale of subsidiary company's shares of ISE Towers REIT management as disclosed in note 9 to the annexed financial statement.

Further the subsidiary has filed an application to Pakistan Stock Exchange regarding the surrender of TREC (Trading Right Entitlement Certificate) which give rise to significant uncertainty as the ability of the subsidiary company to continue operations has going concern in the foreseeable future. However, these financial statements do not contain any provision for diminution of value of investment in the subsidiary company on the basis of its going concern uncertainty. The management has not conducted impairment test as per IAS 36 (Impairment of Assets) on investment in subsidiary amounting to Rs. 17,190,000/- as appearing in Note 12.

4. As stated in the note 1 to the financial statements, the company has accumulated loss of 69,685,080/- as at June 30, 2019 (June 30, 2018: Rs. 68,969,262/-) and its equity has eroded which stands at Rs.30,314,920/- as at June 30, 2019

against issued, subscribed and fully paid up capital of Rs 100,000,000/- (June 30, 2018: Rs. 100,000,000/-). Further the company had disposed off all of its assets related to production and have been engaged in the business of consultancy and advisory services. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in the foreseeable future. However, these financial statements do not include any adjustment relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should the company be unable to continue as going concern. Moreover, the directors have not indicated any commitment to provide cash flow projections and the future plans to revive the operations since closed.

Emphasis of Matter

We draw attention to note 2.1.2 to the financial statements which describe the matter related to non-preparation of consolidated financial statements. Our opinion is not qualified in respect of this matter.

Key Audit Matter(s)

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.

Following are the Key audit matter(s)

S. No.	Key audit matter(s)	How the matter was addressed in our audit
1.	<p>During the year, the Company has first time adopted IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers).As part of this first-time adoption and transition to the requirements, the management performed an analysis to identify differences between the previous and the current applicable standards and as a result certain amendment relating to presentation and disclosures were made in the accompanying financial statements.</p> <p>Any change in presentation or classification of items has been accounted for in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.</p> <p>In view of the amendments and various new disclosures prepared and presented in the financial statements, we considered this as a key audit matter.</p>	<p>We reviewed and understood the requirements of IFRS 9 and IFRS 15. Our audit procedures included the following:</p> <p>Reviewed the management's process to identify the additional disclosure requirements and related revisions (if any) as a result of first-time adoption of IFRS 9 and IFRS 15;</p> <p>Obtained understanding of the recorded trade receivables by discussing with the management and making inquiries on the entire accounting process associated with the recording of trade receivables;</p> <p>Reviewed recording of provisions on the basis of expected credit loss on trade debts and contract assets as per the requirements of IFRS 9;</p> <p>Obtained relevant underlying supporting documents for ensuring that management has complied with the revenue recognition criteria as introduced by IFRS 15; and</p>

		Obtained relevant underlying supporting documentation on test basis for the additional disclosures and assessed their appropriateness for the sufficient audit evidence.
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Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual report 2019 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

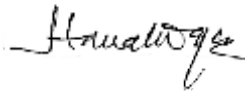
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

Report on Other Legal and Regulatory Requirements

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

- a) except for the effects of the matters stated above proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) except for the matters stated above the statement of financial position, the statement of profit or loss and other comprehensive income or the income and expenditure account, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat was not deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) by the company

The engagement partner on the audit resulting in this independent auditor's report is Shahzad Qazi (FCA).



HORWATH HUSSAIN CHAUDHURY & CO.
Chartered Accountants

Date :- September 27, 2019
Place: Islamabad




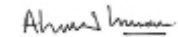
DREKKAR KINGSWAY LIMITED

DREKKAR KINGSWAY LIMITED
STATEMENT OF THE FINANCIAL POSITION
AS AT JUNE 30, 2019

	2019	2018
	(Rupees)	(Rupees)
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
AUTHORISED :		
10,000,000 (2018: 10,000,000) Ordinary shares of Rs.10/- each	<u>100,000,000</u>	<u>100,000,000</u>
ISSUED , SUBSCRIBED AND PAID UP:		
10,000,000 (2018: 10,000,000) Ordinary shares of Rs.10/- each fully paid	5 100,000,000	100,000,000
REVENUE RESERVES		
Un-appropriated loss	<u>(69,685,080)</u>	<u>(68,969,262)</u>
	30,314,920	31,030,738
NON-CURRENT LIABILITIES		
Long term financing	6 28,690,147	28,690,147
CURRENT LIABILITIES		
Loan from directors	7 2,966,196	2,835,970
Accrued & other payable	8 794,918	229,478
Payable against Investment		
Short term loan-unsecured		
Payable to subsidiary	9 7,732,102	7,732,102
Unclaimed dividend	647,731	647,731
Current tax liability	17 -	-
Contingencies and Commitments		
	10 -	-
Total Equity and Liabilities	<u><u>71,146,014</u></u>	<u><u>71,166,165</u></u>
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	11 102,773	130,282
Investment in subsidiary	12 17,190,000	17,190,000
Investment in debt	6 53,000,000	53,000,000
Long term financing-unsecured	13 -	-
CURRENT ASSETS		
Short term loan-unsecured	-	-
Advances & prepayments	14 2,000	19,940
Short term investments	15 1,252	2,154
Cash and bank balances	16 55,510	29,310
Advance Tax	17 794,480	794,480
Total Assets	<u><u>71,146,014</u></u>	<u><u>71,166,165</u></u>

The annexed notes, from 1 to 28, form an integral part of these financial statements.


 Chief Executive


 Chief Financial Officer


 Director




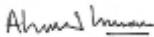
DREKKAR KINGSWAY LIMITED

**DREKKAR KINGSWAY LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u> <u>(Rupees)</u>	<u>2018</u> <u>(Rupees)</u>
Consultancy Services	1,225,000	-
Cost of sales and services	-	-
Gross Profit	1,225,000	-
Fair market value adjustment / Loss on sale of other company shares	(903)	(3,471)
	<u>1,224,097</u>	<u>(3,471)</u>
Other income	18	465,425
Administrative expenses	19	(3,390,159)
Finance cost	-	-
(Loss) before Tax	<u>(715,818)</u>	<u>(2,928,205)</u>
Taxation	-	-
(Loss) after Tax	<u>(715,818)</u>	<u>(2,928,205)</u>
(Loss) per Share - Basic	<u>24</u>	<u>(0.07)</u>

The annexed notes, from 1 to 28, form an integral part of these financial statements.


Chief Executive


Chief Financial Officer

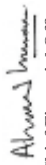

Director


**DREKKAR KINGSWAY LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
	<u>Rupees</u>	<u>(Rupees)</u>
(Loss) after tax	(715,818)	(2,928,205)
Other comprehensive income	-	-
Total comprehensive (loss) for the year	<u>(715,818)</u>	<u>(2,928,205)</u>

The annexed notes, from 1 to 28, form an integral part of these financial statements.


Chief Executive


Chief Financial Officer

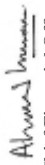

Director


**DREKKAR KINGSWAY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019**

	Share capital (Rupees)	Unappropriate Profit/ (Loss) (Rupees)	Total (Rupees)
Balance as at June 30, 2017	100,000,000	(66,041,057)	33,958,943
Total Comprehensive (loss) for the year	-	(2,928,205)	(2,928,205)
Balance as at June 30, 2018	100,000,000	(68,969,262)	31,030,738
Total Comprehensive (loss) for the year	-	(715,818)	(715,818)
Balance as at June 30, 2019	100,000,000	(69,685,080)	30,314,920

The annexed notes, from 1 to 28, form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director




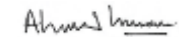
DREKKAR KINGSWAY LIMITED

DREKKAR KINGSWAY LIMITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	2019 (Rupees)	2018 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES :		
(Loss) for the year	(715,818)	(2,928,205)
Adjustment for non-cash items :		
Depreciation	27,508	37,057
Finance Cost	-	-
Working Capital Changes		
Increase/(Decrease) in Current Liabilities		
Payable against Investment	-	-
Payable to Subsidiary	-	7,732,102
Loan from Director's	130,227	1,353,000
Unclaimed dividend	-	-
Accrued and other payables	565,440	(15,504)
(Increase)/Decrease in Current Assets		
Advances & prepayments	17,940	(4,540)
Cash generated from Operations	25,298	6,173,909
Finance Cost		
Income Tax Paid	-	(7,272)
Net Cash Flow From Operating Activities	25,298	6,166,637
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, Plant & Equipment purchased	-	(68,500)
Investment in subsidiary	-	-
Investment in Debt	-	-
Short term Investments	903	10,936
Net Cash Flows From Investing Activities	903	(57,564)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of Share Capital		
Short term loan-unsecured	-	5,149,825
Long term financing	-	(11,339,231)
Net Cash Flow From Financing Activities	-	(6,189,406)
Net Increase / (Decrease) in Cash and Cash Equivalent	26,201	(80,334)
Cash and Cash Equivalents at the beginning of the Year	29,309	109,643
	55,510	29,309

The annexed notes, from 1 to 28, form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

**DREKKAR KINGSWAY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

1 THE COMPANY AND ITS OPERATIONS

1.1 Legal Status and Operations

Drekkar Kingsway Limited was registered on June 28, 1993 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) as Private Limited Company and subsequently converted into Public Limited Company as on June 29, 1994. The shares of the Company are quoted on Pakistan Stock exchange.

The principle activity of company was manufacturing of all type of electrical appliances, cosmetics, toiletries, leather goods, machinery, components and parts. In 1996 the company sold its plant and machinery. Further, the company has changed its principle line of business from engineering to consultancy services in accordance with special resolution passed by members on May 02, 2019 and currently company is engaged in provisioning of consultancy services to companies and individuals.

The registered office of the Company is situated at Office No. 17, 2nd Floor, Anique Arcade, I-8 Markaz, Islamabad.

The company has accumulated loss of Rs.69,685,080/- (June 30, 2018: Rs. 68,969,262 /-) as at June 30, 2019 against issued, subscribed and paid up capital of Rs 100,000,000/- (June 30, 2018: Rs 100,000,000/-). The Company has changed its principle line of business from engineering to consultancy services in accordance with special resolution passed by members on May 02, 2019.

These financial statements are the separate financial statements of the company in which investment in subsidiary company is accounted for on the basis of direct equity interest rather than on the basis of reported results. Consolidated financial statements are prepared separately.

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

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

- The company has changed its principle line of business from engineering to consultancy services in accordance with special resolution passed by members on May 02, 2019 and currently company is engaged in provisioning of consultancy services to companies and individuals.

2 Basis of preparation

2.1 Statement of compliance

2.1.1 These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of:

- International Financial Reporting Standard (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where 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.

2.1.2 During preceding year, the books of accounts of company's subsidiary (Invest Forum (Private) Limited) were seized and taken with them by Securities and Exchange Commission of Pakistan (Security Market Division) against seizure memo of records dated March 20, 2017. The company has approached SECP (Corporate Supervision Deptt) vide letter dated September 19, 2019 to seek relaxation under section 228 (7) of Companies Act 2017 for preparation of annual consolidated account for year ended June 30, 2019 on stated grounds.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost convention, except for certain investments which are measured at fair value as described in note 15.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of property, plant and equipment – (Note 4.1 & 11)
- Classification and valuation of investments (note 15.1)

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.5 Significant accounting estimates

The preparation of financial statements in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are discussed in the ensuing paragraphs.

2.6 Property and equipment

Management has made estimates of residual values, useful lives and recoverable amounts of certain items of property, plant and equipment. Any change in these estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on the depreciation charge and impairment loss.

2.7 Provisions

A provision is recognized when, and only when the Company has a present obligation (legal or constructive) as a result of past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

2.8 Impairment

The carrying amount of the Company's assets are reviewed regularly to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is charged to profit and loss account.

2.9 Income taxes

The Company takes into account the current income tax law and decisions taken by 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.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

The following amendments/improvements to approved accounting standards, effective for accounting periods beginning from the dates specified below and are either not relevant to the Company's current operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures:

IFRS15	-	Revenue from contracts with customer (effective for annual periods beginning on or after 01 July 2018).
IFRS16	-	Leases - (effective for annual periods beginning on or after 01 January 2019).
IFRS 9	-	Financial Instruments - (effective for annual periods beginning on or after 01 July 2018).

4 SUMMARY SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment

Initial recognition

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

Subsequent measurement

Items of property, plant and equipment other than land, buildings, leasehold improvements and capital work in progress are measured at cost less accumulated depreciation and impairment loss (if any).

Capital work in progress is stated at cost less impairment loss (if any).

Depreciation

Depreciation is charged so as to write off the cost or revalued amount of assets (other than land and capital work in progress) over their estimated useful lives, using the straight-line method at rates specified in note 11 to the financial statements.

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

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

Disposal

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

Judgements and estimates

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

4.2 Taxation

Income tax expense comprises of current tax.

Current Tax

Provision for current taxation is based on taxable income at the applicable rates of taxation after taking into account tax credits and tax rebates, if any. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

4.3 Investments

The Investments of the Company determines the appropriate classification of its investment at the time of purchase or increase in holding and classifies its investment through profit or loss, available for sale, held to maturity, loans and receivables. The classification depends on purpose for which the investment were acquired.

All investments are initially recognized at cost, being the fair value of consideration given including transaction cost associated with the investment except in the case of fair value through profit or loss investments where transaction costs are charged to the profit and loss account when incurred. (See Note 15 for Short term Investments).

Investment in subsidiaries

Investment in subsidiarary is initially recognized at cost. At subsequent reporting date, recoverable amounts estimated to determine the extent of impairment loss, if any, and carrying amount of investment is adjusted accordingly. Impairment losses are recognized as expenses in profit or loss. Where impairment loss subsequently reverses, the carrying amounts of the investments are increased to its revised recoverable amount but limited to the extent of initial cost of investment. Reversal of impariment losses are recognized in the profit or loss.

The profits and losses of subsidiaries are carried forwarded in their financial statements and not dealt within these financial statements except to the extent of dividend declared by subsidiary. When the disposal of investment in subsidiary resulted in loss of control such that it becomes an associate, the retained investment is carried at cost.

Investment available for sale

These are initially measured at their fair value plus directly attributable transaction cost and at subsequent reporting dates measured at fair values and gains or losses from changes in fair values other than impairment loss are recognised in other comprehensive income until disposal at which time these are recycled to profit or loss. Impairment loss on investments available for sale is recognised in the profit or loss.

Investments at fair value through profit or loss

Investments which are acquired principally for the purpose of selling in the near term or the investments that are part of a portfolio of financial instruments exhibiting short term profit taking, are classified as fair value through profit or loss and designated as such upon initial recognition. These are stated at fair values with any resulting gains or losses recognized directly in profit or loss.

Investments which are acquired principally for the purpose of selling in the near term or the investments that are part of a portfolio of financial instruments exhibiting short term profit taking, are classified as fair value through profit or loss and designated as such upon initial recognition. These are stated at fair values with any resulting gains or losses recognized directly in profit or loss.

Held to maturity

These are stated at amortized cost less impairment loss, if any, recognized to reflect irrecoverable amounts. Impairment loss is charged to the profit and loss account.

4.4 Cash and Cash Equivalents

Cash and cash equivalents are carried at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash at banks in current and saving accounts.

4.5 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and de-recognised when the Company loses control of the 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. All financial assets and liabilities other than at fair value through profit or loss are initially recognised at fair value plus transaction costs. Financial assets and liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are charged to profit or loss for the year. Any gain or loss on derecognition of financial assets and financial liabilities is included in profit or loss for the year.

Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to setoff the recognised amounts and the Company intends to settle on a net basis, or realise the asset and settle the liability simultaneously.

4.6 Trade and other payable

Liabilities for trade and other amounts payable are carried at cost which is the fair value of consideration to be paid or given in future for goods and services or to be delivered or for any other amount, whether or not billed to the Company.

4.7 Dividends

Dividends are recognized as a liability in the period in which these are declared.

4.8 Income

Dividends are recognized as income when Company's right to receive the dividend is established. All the other revenues are recorded on accrual basis.

4.9 Finance Income and Finance Cost

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gain on disposal of available-for-sale financial assets and changes in fair value of investments held for trading. Interest income is recognised as it accrues in profit or loss, using effective interest method. Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

Finance costs comprise interest expense on borrowings, changes in fair value of investment carried at fair value through profit or loss and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using effective interest method.

4.10 Earnings per share

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

	Notes	2019 (RUPEES)	2018 (RUPEES)
5 Share capital :			
- Authorized			
10,000,000 (2018: 10,000,000) Ordinary Shares of Rs 10/- each		<u>100,000,000</u>	<u>100,000,000</u>
- Issued, subscribed and fully paid up			
10,000,000 (2018: 10,000,000) Ordinary Shares of Rs 10/- each		100,000,000	100,000,000
		<u>100,000,000</u>	<u>100,000,000</u>
5.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year is as under			
Opening balance		10,000,000	10,000,000
Issued during the year		-	-
Closing balance		<u>10,000,000</u>	<u>10,000,000</u>

6 LONG TERM FINANCING

During preceding period, the company had made an investment amounting to Rs. 53 Million in Debt of M/S Noor Capital (Pvt) Ltd payable by M/S Service Fabrics Limited vide an agreement dated September 09, 2017. M/S Noor Capital (Pvt) Ltd has transferred its rights as the creditor of Service Fabrics Limited to M/S Drekkar Kingsway Limited in relation to the Rs. 53 Million (Fifty Three Million) out of its total loan which stands Rs. 157,837,311/- (One Hundred Fifty Seven Million Eight Hundred Thirty Seven Thousands Three Hundred and eleven only) as on September 09, 2017. Company has agreed to become the creditor of M/S Service Fabrics Limited to the extent of the Loan amounting to Rs. 53 Million. Consideration amount will be mutually agreed in due course of time. After adjustment of amount receivable from M/S Noor Capital (Pvt) Ltd. and loan receivable from ex-related party stands at Rs. 28,690,147/- at reporting date.

7 LOAN FROM DIRECTORS

Sheraz Monno-Director

Opening Balance		1,482,970	1,482,970
Re-paid / Received during period		-	-
Closing Balance - Current Portion of Loan	7.1	1,482,970	1,482,970

Bilal Aurangzeb Noor

Opening Balance	1,353,000	-
Received during period	130,226	1,353,000
Closing Balance - Current Portion of Loan	1,483,226	1,353,000
Total Loan from related party	2,966,196	2,835,970

- 7.1 This represents, loan obtained from directors and ex-directors of the company and remaining balance of ex-director has been accounted for as current portion.

	Notes	2019 (RUPEES)	2018 (RUPEES)
8 ACCRUED AND OTHER PAYABLE			
With Holding tax payable		107,743	104,478
Audit Fee		375,000	125,000
Rent payable		93,175	-
Professional fee payable		219,000	-
		<u>794,918</u>	<u>229,478</u>
9 PAYABLE TO SUBSIDIARY COMPANY			

This represents payment received on behalf of subsidiary company against sale of 3,034,603/- shares of ISE Towers REIT Mangement (ISETRMCL) received to subsidiary company in pursuance of corporatization and demutualization of (ISETRMC) in accordance with the requirement of Stock Exchanges under corporatization, Demutualization and Integration Act, 2012 . Subsidiary company has made an agreement for sale of these shares to M/S General Investment & Securities (Pvt) Ltd on August 09, 2017. On August 15, 2017 Subsidiary company has made an application to Pakistan stock exchange Limited for surrender of Trading Right Entitlement Certificate (TREC) and intends to sell blocked 60% equity shares with CDC after surrendering of TREC.

Securities Exchange Commission of Pakistan vide its Order dated December 17, 2017 has refused Invest Forum (Pvt) Ltd (Subsidiary company) to grant / renewal of licence as securities broker due to non compliant with the provisions of the Regulations read with Securities Act. SECP has directed PSX and NCCPL in this regard to suspend the trading terminal of Invest Form (Pvt) Ltd and proceed further under the applicable regulatory Frame work.

10 CONTINGENCIES AND COMMITMENTS

(i) During preceding year, Security and Exchange Commission of Pakistan had passed an order vide Letter No 1(32) SMD /PRPD/ PSX/ISE/2017 dated 13 December 2017 through which penalty amounting Rupees Five Million was imposed on Invest Forum (Pvt) Ltd (Subsidiary Company) as subsidiary Company contravened provision of Companies Act 2017, Brokers Regulations and Rule Book of PSX. The Subsidiary company has filed an appeal against order, which is pending before Applete Tribunal of SECP.

(ii) On Balance sheet, there no other material contingencies and commitments outstanding as at the balance sheet date (June 30, 2018: Rs. Nil).

11 PROPERTY, PLANT AND EQUIPMENT

All figures in PKR

	Furniture and Fixture	Office Equipment	Computer and Accessories	Total
Year Ended June 30, 2018				
Opening Book Value	33,851	19,833	45,154	98,838
Addition	-	20,500	48,000	68,500
Deletions	-	-	-	-
Deprecation for the year	(5,077.64)	(4,033)	(27,946)	(37,057)
Closing Net Book Value	<u>28,773</u>	<u>36,300</u>	<u>65,208</u>	<u>130,281</u>
At June 30, 2018				
Cost	50,600	44,800	141,200	236,600
Accumulated Deprecation	(21,827)	(8,500)	(75,992)	(106,319)
Net Book Value	<u>28,773</u>	<u>36,300</u>	<u>65,208</u>	<u>130,282</u>
Year Ended June 30, 2019				
Opening Book Value	28,773	36,300	65,208	130,281
Addition	-	-	-	-
Deletions	-	-	-	-
Deprecation for the year	(4,316)	(3,630)	(19,563)	(27,508)
Closing Net Book Value	<u>24,457</u>	<u>32,670</u>	<u>45,645</u>	<u>102,773</u>
At June 30, 2019				
Cost	50,600	44,800	141,200	236,600
Accumulated Deprecation	(26,143)	(12,130)	(95,555)	(133,827)
Net Book Value	<u>24,457</u>	<u>32,670</u>	<u>45,646</u>	<u>102,773</u>
	%	15	10	30

12 INVESTMETN IN SUBSIDIARY

During the previous period, the Company purchased 95.5% shares of Invest Forum (Private) Limited against cash consideration of Rs.17,190,000 @ 35.29 per share. This transaction was undertaken as on May 13, 2017.

Notes	2019 (RUPEES)	2018 (RUPEES)
13 LONG TERM FINANCING		
Loan to Noor Capital (Private) Limited	-	12,970,622
Adjustment / Repayment of loan	-	(13,230,042)
Interest on Loan	-	259,420
	<u>-</u>	<u>-</u>

The loan was un-secured and carries interest at agreed rate of 8.16% (KIBOR + 2%) p.a.

14 ADVANCES & PREPAYMENTS		
Loan to Employee	2,000	3,000
Prepaid rent	-	16,940
	<u>2,000</u>	<u>19,940</u>

15 SHORT TERM INVESTMENTS		
Investments at fair value through profit or loss		
Investment in securities (Note : 15.1)	1,252	2,154
	<u>1,252</u>	<u>2,154</u>

15.1 Investments are carried at fair value through profit and loss account

	2019		2018	
	NO. OF SHARES	FAIR VALUE (RUPEES)	NO. OF SHARES	FAIR VALUE (RUPEES)
First Paramount Modarba	62	279	62	403
The Searle Company Limited	3	440	3	1,019
Service Febrics Limited	198	533	198	732
	<u>263</u>	<u>1,252</u>	<u>263</u>	<u>2,154</u>

Fair values of these investments are determined using quoted market / repurchase price.

16 CASH AND BANK BALANCE		
Cash in hand	41,294	7,584
Cash at bank	14,216	21,726
	<u>55,510</u>	<u>29,310</u>

17 CURRENT TAX ASSET		
The current tax / Liability represent the net balance of:		
Advance income tax	794,480	907,230
Provision for taxation	-	(112,750)
	<u>794,480</u>	<u>794,480</u>

	Notes	<u>2019</u> <u>(RUPEES)</u>	<u>2018</u> <u>(RUPEES)</u>
18 OTHER INCOME			
Interest on loan		-	465,281
Dividend income		-	144
		<u>-</u>	<u>465,425</u>
19 ADMINISTRATIVE EXPENSES			
Communication		18,766	44,757
Entertainment-meals		161,871	388,866
Fees & subscription		-	170,277
Fuel expense		30,720	44,360
Hotel accommodation		-	-
Janitorial services		10,000	-
Legal fee		128,239	796,012
Audit fee (annual and half yearly)	19.1	175,000	200,000
Office supplies		18,236	25,630
Postage & courier		4,860	20,290
Printing & stationery		74,951	123,477
Professional fee		359,000	390,640
Repair and maintenance		3,900	26,000
Salaries expenses		253,128	298,800
Rent expense		435,375	386,540
Travel expense		70	242,700
Utilities		109,524	167,019
Bank service charges		6,777	2,734
Depreciation		27,508	37,057
Medical expense		5,760	-
Advertisement expense		116,230	25,000
		<u>1,939,915</u>	<u>3,390,159</u>
19.1 AUDITOR'S REMUNERATION			
Audit fee (annual and half yearly)		<u>175,000</u>	<u>200,000</u>
		<u>175,000</u>	<u>200,000</u>
20 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES			

The Chief Executive, Directors do not take any remuneration.

21 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKING/RELATED PARTIES

The associated undertaking / related parties comprise of associated companies, key management personnel. Transactions carried out with associated undertakings / related parties during the year are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2019 Rupees	2018 Rupees
Invest forum Private Limited	Susidiary Company holds share 95.5% (2018: 95.5%)	Investment in subsidiary Payable at year end	17,190,000 7,732,102	17,190,000 7,732,102
Noor Capital (Pvt) Ltd	Company	Repayment / Adjustment Loan received Payable/(Receivable) at year end		(12,970,622) 28,949,567 28,949,567
Sheraz Monno	Director	Payable at year end	1,482,970	1,482,970
Bilal Aurenzged Noor	Advisor BOD	Repayment of Loan Loan Received Payable at year end		- 130,226 1,353,000
			1,483,226	1,353,000

22 DISCLOSURE RELATING TO PROVIDENT FUND

No provident fund was maintained by the company.

23 FINANCIAL INSTRUMENTS

	2019						Total
	Interest / markup bearing			Non-Interest / Interest markup bearing			
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Financial Assets							
Loan to Noor Capital (Private) Limited	-	-	-	-	-	-	-
Short term Investments	-	-	-	1,252	-	1,252	1,252
Loan to Employee	-	-	-	2,000	-	2,000	2,000
Advance rent	-	-	-	-	-	-	-
Cash and bank balances	-	-	-	55,510	-	55,510	55,510
	-	-	-	58,761	-	58,761	58,761

Financial liabilities

Loan from Noor Capital (Private) Limited	-	-	-	-	-	-
Loan from directors	-	-	-	2,966,196	-	2,966,196
Unclaimed dividend	-	-	-	647,731	-	647,731
Accrued & other payable	-	-	-	794,918	-	794,918
Contingencies and commitments	-	-	-	-	-	-
	-	-	-	4,408,845	-	4,408,845
	-	-	-	4,408,845	-	4,408,845

2018						Total
Interest / markup bearing			Non-Interest / Interest markup bearing			
Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	

Financial Assets

Loan to Noor Capital (Private) Limited	-	-	-	-	-	-
Short term Investments	-	-	-	2,154	-	2,154
Loan to Employee	-	-	-	3,000	-	3,000
Advance rent	-	-	-	16,940	-	16,940
Cash and bank balances	-	-	-	29,310	-	29,310
	-	-	-	51,403	-	51,403
	-	-	-	51,403	-	51,403

Financial liabilities

Loan from Noor Capital (Private) Limited	-	-	-	-	28,690,147	28,690,147	28,690,147
Loan from directors	-	-	-	2,835,970	-	2,835,970	2,835,970
Unclaimed dividend	-	-	-	647,731	-	647,731	647,731
Accrued & other payable	-	-	-	229,477	-	229,477	229,477
Contingencies and commitments	-	-	-	-	-	-	-
	-	-	-	3,713,178	-	3,713,178	3,713,178
	-	-	-	3,713,178	-	3,713,178	3,713,178

23.1 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a variety of financial risks : Credit risk , liquid risk and market risk (including interest /mark-up rate risk, foreign exchange risk and equity price risk).The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects or the financial performance. The Company activity monitors the key factors that affect the stock market. The Company consistently manages its exposure to financial risk in the manner described in the notes below.

23.2 Risk Management framework

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. As there are no foreign receivables / payables of the Company, it is not exposed to currency risk.

(ii) Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to equity and commodity price risk.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant long-term interest-bearing assets / liabilities.

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant long-term interest-bearing assets / liabilities.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2019	2018
Rupees in thousand.....	
Advance and & prepayments	2	20
Bank balances	14	22
	<u>16</u>	<u>42</u>

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Following are the contractual maturities of financial liabilities, including interest payments.

	Carrying Amount	Contractual cash flows	6 month or less	6-12 month	1-2 Years	2-5 Years
Rupees in thousand.....					
Financing and loans	39,388	39,388	10,698			28,690
Trade and other payables	795	795	795			-
	<u>40,183</u>	<u>40,183</u>	<u>11,493</u>	<u>-</u>	<u>-</u>	<u>28,690</u>

Contractual maturities of financial liabilities as at June 30, 2018:

	Carrying Amount	Contractual cash flows	6 month or less	6-12 month	1-2 Years	2-5 Years
Rupees in thousand.....					
Financing and loans	39,258	39,258	10,568	-	-	28,690
Trade and other payables	229	229	229	-	-	-
	<u>39,488</u>	<u>39,488</u>	<u>10,798</u>	<u>-</u>	<u>-</u>	<u>-</u>

24 (LOSS)/EARNING PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

Total Comprehensive (loss)	<u>(715,818)</u>	<u>(2,928,205)</u>
	Number of shares	
Weighted Average number of shares in issue	<u>10,000,000</u>	<u>10,000,000</u>
(Loss) per Share	<u>(0.07)</u>	<u>(0.29)</u>

25 NUMBER OF EMPLOYEES

Number of employees as at June	<u>9</u>	<u>9</u>
Average number of employees during the year	<u>9</u>	<u>9</u>

26 CORRESPONDING FIGURES

The preparation and presentation of these financial statements for the year ended June 30, 2018 is in accordance with requirements in Companies Act, 2017. Accordingly, the corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017 and for better presentation. Following major reclassifications have been made during the year:


Description	Reclassified from	Reclassified to	2019 Rupees	2018 Rupees
Auditor's Remuneration	Other Operating Expenses	Administrative Expenses	175,000	200,000

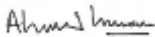
27 DATE OF AUTHORIZATION

These financial statements were authorized for issue by the Board of Directors of the company on September 27, 2019.

28 GENERAL

Figures have been rounded off to the nearest rupee.


Chief Executive


Chief Financial Officer


Director



DREKKAR KINGSWAY LIMITED

F. D. Registrar Services (SMC-Pvt.) Limited

Drekkar Kingsway

Pattern Of Shareholding - Form "34

Shareholders Statistics As At June 30, 2019

Number Of Share Holders	Share Holding		Total Shares Held	
	From	To		
51	1	-	100	1,058
158	101	-	500	75,403
160	501	-	1000	158,071
377	1001	-	5000	1,145,968
133	5001	-	10000	1,049,010
45	10001	-	15000	593,465
20	15001	-	20000	361,809
27	20001	-	25000	634,500
11	25001	-	30000	302,507
6	30001	-	35000	204,329
2	35001	-	40000	77,000
5	40001	-	45000	216,925
7	45001	-	50000	337,000
3	50001	-	55000	157,500
3	55001	-	60000	180,000
3	60001	-	65000	193,000
2	65001	-	70000	136,500
1	70001	-	75000	72,000
3	75001	-	80000	235,655
2	80001	-	85000	169,400
1	85001	-	90000	86,500
1	90001	-	95000	91,500
3	95001	-	100000	295,900
1	100001	-	105000	105,000
2	120001	-	125000	246,500
1	125001	-	130000	129,500
1	135001	-	140000	138,000
1	150001	-	155000	150,500
1	220001	-	225000	223,000
1	255001	-	260000	259,000
1	265001	-	270000	269,000
1	295001	-	300000	300,000
1	685001	-	690000	686,500
1	715001	-	720000	718,000
1036				10,000,000



DREKKAR KINGSWAY LIMITED

Drekkar Kingsway Limited

Details Of Pattern Of Shareholdings As On June 30, 2019

S. No.	Categories Shareholders	Shares Held	% Age
1	Directors, CEO, Their Spouses And Minor Childern	5,464	0.05
1	Mr. Mubasher Mehmood Abbasi	1,232	
2	Muhammad Ubaid	1,732	
3	Aamir Hussain Kazmi	500	
4	Mubashra Khan	500	
5	Ehmer Iqbal	500	
6	Muhammad Ahmed Imran	500	
7	Muhammad Arsalan Habib	500	
2	General Public	9,221,335	92.21
3	Banks, DFIS, NBFIS, Insurance Companies, Modarabas Joint Stock Companies, Mutual Funds And Others	773,201	7.73
Total		10,000,000	100.00

Shareholders Holding Ten Percent Or More In The Company

NIL



DREKKAR KINGSWAY LIMITED

FORM OF PROXY

The Company Secretary,
Drekkar Kingsway Limited,
17, Second Floor, Anique Arcade,
I – 8 Markaz,
ISLAMABAD

I/We _____ of _____
_____ being a member (s) of Drekkar Kingsway Limited and
holder of _____ ordinary shares as per Share Register Folio No. _____
(in case of Central Depository System Account Holder A/C no. _____)
hereby appoint Mr./ Ms. _____ of _____
(of failing him / her) Mr. / Ms. _____ of _____
as a proxy of vote on my / our behalf at the Annual General Meeting of the Company to be held
on Date: _____ at _____ Islamabad.
Signed this _____ day of _____ 2019.

WITNESS

Signature _____
Name _____
Address _____

Note:

1. A member entitled to attend and vote at the meeting may appoint any other person as his / her proxy to attend and vote instead of him / her. A Corporation being a member of the Company may appoint as its proxy any person authorized by the Directors of Corporation.
2. Proxies in order to be valid must be received at the company’s Registered Office not less than 48 hours before the meeting duly stamped, signed and witnessed.
3. In case of Central Depository System Account Holder, an attested copy of identity card should be attached to this Proxy Form.

If Undelivered Please Return to:

DREKKAR KINGSWAY LIMITED

Office # 17, 2nd Floor, Aneeq Arcade, I-8 Markaz, Islamabad, Pakistan

Tel: +92 51 4862330-1 | info@drekarkingsway.com

www.drekarkingsway.com