



**HAMID  
TEXTILE  
MILLS  
LIMITED**



# **ANNUAL REPORT 2018**



Registration Number  
005



Certificate No. SG05/0299

**HAMID TEXTILE MILLS LIMITED**

Mills: Wan Adhan, Pattoki, Distt. Kasur

Web: [www.hamid-textile.com](http://www.hamid-textile.com)

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## COMPANY INFORMATION

CHAIRMAN	Mr. Basim Dilshad
CHIEF EXECUTIVE	Mr. Dilshad Ali
DIRECTORS	Mr. Dilshad Ali Mrs. Zulaibia Andleeb Mr. Khawar Almas Khawaja Mrs. Nighat Khawar Mr. Muhammad Alamgir Mr. Abid Hussain Mr. Basim Dilshad
AUDIT COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mrs. Zulaibia Andleeb
Member	Mr. Basim Dilshad
HR AND REMUNERATION COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mr. Khawar Almas Khawaja
Member	Mr. Muhammad Alamgir
COMPANY SECRETARY / CHIEF FINANCIAL OFFICER	Mr. Ralph Nazir Ullah
LEGAL ADVISOR	Mr. Javaid Hussain Shah (Javaid Shah Law Firm)
AUDITORS	Tabussum Saleem & Co. Chartered Accountants Lahore.
INTERNAL AUDITORS	Awan & Co. (Chartered Accountants), Lahore.
SHARES REGISTRAR	Corplink (Pvt) Ltd. Lahore
BANKERS	National Bank of Pakistan Bank Alfalah Limited. Meezan Bank Limited. Habib Metropolitan Bank Ltd. Soneri Bank Limited.
REGISTERED OFFICE	Suite # 1, 1 <sup>st</sup> Floor, Shan Arcade, New Garden Town, Lahore.
MILLS	Changa Manga Road, Wan Adhan Pattoki, Kasur.
TELEFAX	049-4528188
TELEPHONE	049-4528177, 049-4528099
E.MAIL	accounts@hamid-textile.com , sales@hamid-textile.com corporate@hamid-textile.com



## VISION

To be one of the leaders in textile sector by producing quality products according to Customer's specification.

## MISSION

- Our mission is to continuously improve our products and serve our customers.
- Provide quality products and services to our customers mainly engaged in the manufacturing of textile products and made-ups.
- Keeping pace with the rapidly changing technology by continuous balancing, modernization and replacement (BMR) of plant and machinery.
- Enhancing the profitability by improved efficiency and cost controls.
- Provide a professional open and participation environment to our dedicated employee for developing their potential and team performance.
- Protecting the environment and contribution towards the economic strength of the country and function as a good corporate citizen.



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 31<sup>st</sup> Annual General Meeting of **Hamid Textile Mills Limited** will be held on Sunday October 28, 2018 at 11:30 A.M at Mills , Changa Manga Road, Wan Adhan, Pattoki, Kasur to transact the following business:-

### ORDINARY BUSINESS

1. To confirm the Minutes of 30<sup>th</sup> Annual General Meeting of the shareholders held on Tuesday, October 31, 2017.
2. To receive, consider and adopt the Audited Accounts for the year ended June 30, 2018 together with the reports of Directors, Chairman Review and Auditors thereon.
3. To appoint auditors and fix their remuneration, M/S TABUSSUM SALEEM & CO., Chartered Accountants, Lahore retired. and being eligible, offer themselves for reappointment as auditors for the next financial year ending June 30, 2019.
4. To transact any other business with the permission of the Chairman

By Order of the Board

Lahore  
**October 07, 2018**  
**Notes:**

**Ralph Nazir Ullah**  
**Company Secretary**

1. The share transfer books of the Company will remain closed from October 07, 2018 to October 28, 2018 (both days inclusive).
2. A shareholder eligible to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her. In case of corporate entity, votes may be given through attorney or proxy. In both cases, the instrument of proxy duly completed, must reach to the Registered Office of the Company or at the office of our Share Registrar M/S Corplink (Pvt) Ltd.Lahore, not later than 48 hours before the time of holding Annual General Meeting
3. The original Computerized Identity Card of the Shareholder/Proxy is required to prove his/her identity along with account details etc. at the time of meeting. In case of corporate entity the Board of directors resolution/power of Attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form.
4. As per section 132(2) of the Companies Act, 2017, The company will provide the video link facility to those member(s) who hold minimum 10% of shareholding of the total paid-up capital and resident of city other than city, where company's Annual General Meeting is to be placed, upon request, such member(s) should submit request in writing to the company at least seven days before the date of meeting.
5. Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O 787(I)/2014 has facilitated the companies to circulate audited financial statements or notices etc. through email after obtaining prior written consent of its members. The member who intend to receive the audited accounts through emails are therefore, requested to kindly send their written consent along with valid email address on a standard request form available at website of the company at [www.hamid-textile.com](http://www.hamid-textile.com).
6. The Annual financial have been placed at website of the company at [www.hamid-textile.com](http://www.hamid-textile.com) however, (Company send hard copies as well to all members) the company shall send printed copy of its financial statements to desirous member within a week of such request without any cost.
7. As earlier requested, Members are again advised:
  - a) To provide the copies of their valid CNIC's if not provided earlier to update the members register.
  - b) To notify the change of address immediately, if any



## Chairman's Review

It is my humble honor to present the annual report for the year ended June 30, 2018 of Hamid Textile Mills Limited along with audited financial statements and auditors' report thereon.

As required under the Code of Corporate Governance, an annual evaluation of the board of directors of Hamid Textile Mills Limited is carried out. The purpose of this evaluation is to ensure that the board's overall performance and effectiveness is measured and benchmarked expectations in the context of objectives set for the company.

The board being responsible for the management of the company, formulates all significant policies and strategies, the board is governed by relevant law and regulations, during the financial year 2017-2018 the board met seven times the board act in consonance with pertinent laws and best practices, complying with all regulatory framework.

For the financial year ended June 30, 2018, the Board's overall performance and effectiveness has been assessed as satisfactory. Improvements is an ongoing process leading to action plans. The overall assessment as satisfactory is based on an evaluation of integral components, including vision, mission and values; engagements in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resources management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the board's business.

The Board of Director of the company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meeting. The board meets frequently enough to adequately discharge its responsibilities. The non- executive and independent directors are equally involved in important decisions.

Dated October 07, 2018.

**Basim Dilshad**  
Chairman



## DIRECTORS' REPORT TO THE MEMBERS

The board of directors of your company takes pleasure in presenting before you the performance review together with 31<sup>st</sup> Annual Report and Audited Financial Statements of the Company for the year ended on June 30, 2018 along with auditors' report thereon.

### PERFORMANCE OF THE COMPANY

The salient feature of the company operational performance for the year under review is summarized as follow:

	2018 Rupees	2017 Rupees
Sales	163,849,894	171,838,859
Gross Profit/(Loss)	699,706	9,117,431
Operating Loss	(14,740,671)	(8,563,897)
Finance Cost	(267,295)	(257,469)
Profit/ (Loss) before taxation	(6,125,615)	(7,068,991)
Taxation	(3,442,503)	1,519,533
Profit/ (Loss) after taxation	(9,568,119)	(5,549,458)
Earnings/ (Loss) per share-basic	(0.72)	(0.42)

The company has achieved turnover Rs. 163.850 million as compared with last financial year turnover of Rs. 171.838 million. The turnover decreased by 4.64% as compared with the last year. The factor behind the decrease in turnover is the shifting of the company operation from self-manufacturing to toll manufacturing to earn conversion income. The reason for shifting to toll manufacturing is shortage of working capital as the company is unable to negotiate the terms of settlement with the bank, coarse count yarn and canvas fabric market decrease by 40% in Pakistan. The overall performance of the textile sector is volatile due to high cost of doing business in Pakistan as compared with other regional competitors which has drastic fall in country's export volume related to textile sector. However, the company manages to avoid cash losses as operating profit before taxation without depreciation is Rs. 19.071 million (June 30, 2017: Rs.20.397 million).

The financial results could be better if external environmental factors faced by company in general and the textile in particular turned in favor of the company and domestically Pakistan textile sector is dependent on Govt. initiatives to revive the textile exports; by reducing the cost of doing business, allowing incentive to exporters and specially focus on value added garments and made ups so that viability of the textile industry enables the exporters to meet their commitments at competitive prices in foreign market.

The spinning section of the mill was closed for about 2 and half months and the working capital shortage persists as settlement proposal with the bank is in process and is expected to be attained in the foreseeable future. However, keeping in view the financial constraints and other factors beyond the management control, the management has opted for alternate plan to make the unit operative through self-production plus conversion basis operation.



## FUTURE PROSPECTS

In the current scenario, the reduction in power crises; the revival of domestic textile industry is dependent on Govt. initiatives to facilitate exporters to compete with global market.

Although the cotton crop increased in the current year as compared with last year but unable to the country's demand for cotton and due to which import of cotton is inevitable which will also have adverse impact on current account of the country and as result our made up cost would be higher than the competitors.

To counter this challenging economic situation; the Pakistani textile sector shall have to be a cost effective niche marketing, product and customer development are the essential tools to remain competitive domestically and internationally. The efforts on marketing side especially focused on international brands and technical textiles, will ensure increased revenue and better margin. On the cost side, better supply-chain management for raw materials and innovation in production processes shall remain pivotal parts of the strategy. The management is confident that the company shall be able to improve its operational performance and going forward.

Further, the management is contributing funds for working capital through its sources as without successful negotiation for settlement of existing loaning with the major lender National Bank of Pakistan for restructuring or payment thereof, no working capital facilities from any bank can be arranged. The management is confident and hopeful that the efforts for restructuring and renewal of the financial limits would be succeeded in next foreseeable future and then, the operation of the mill shall be run on optimum production capacity level.

The management of the company is determined to turn the unit as viable, operative and profitable unit by improving cost effective measures and cost saving efforts in future.

## AUDITORS' REPORT QUALIFICATIONS: -

### I. Going Concern Assumption

The auditors have issued adverse audit opinion for the going concern assumption by stating the factors which may raise significant doubts about the company's ability to continue as going concern, we hereby submit that the factors enumerated as above, are temporary and management is making concentrated efforts to reverse the same and this is event from the financial results that the company achieve 0.43% gross profit margin, without considering the accounting depreciation then gross profit margin is 15.64%. The company is very much alive and is continuously operating despite non renewal of working capital limits from the bank. The company's overall assets against total liability exceeds by Rs. 378.024 million which means that the company will be able to discharge its liabilities, whereas, the bank principal liability is Rs.74.185 million and therefore, once the settlement is achieved with the NBP and the account becomes regular, the company shall be able to arrange the working capital as well from any bank or financial institution.

## CODE OF CORPORATE GOVERNANCE

As required by the Code of Corporate Governance the Directors are pleased to report that;

- a) The financial statements, prepared by the management fairly present its state of affairs, the result of its operations cash flows and changes in equity.
- b) Proper books of accounts have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparing financial statements and accounting estimates are based on reasonable and prudent judgement.





- d) International Accounting Standards, (IAS, IFRS) as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- e) The system of internal control is designed, strongly emphasized and has been effectively implemented and monitored.
- f) There are no significant doubts upon the company's ability to continue as a going concern, however, uncertain circumstances are discussed in note 1.2 of notes to the accounts. The company has sound potentials to continue as going concern.
- g) There has been no material departure from the best practices of Code of Corporate Governance, as defined in the listing regulations.
- h) We have prepared and circulated Statement of Ethics and Business Strategy among directors and employees.
- i) The company has sustained loss during the year therefore has not declared any dividend or bonus for the year.
- j) There are no statutory payments on account of taxes, duties, levies and charges which are outstanding except as disclosed in the accounts.
- k) No trade in shares of Hamid Textile Mills Ltd has been carried out by its directors, CEO, CFO, Company secretary and their spouses and minor children during the year.
- l) Key operating ratios and financial results of the company for the last six years are annexed.
- m) The company operates an un-funded gratuity scheme for its employees.
- n) No casual vacancies occurred on the board of directors of the company during the financial year ended on June 30, 2018.
- o) During the year Seven board meetings were held. Attendance by each director is appended below: -

Name of Director	Number of Meetings Attended
1. Mr. Dilshad Ali	07
2. Mr. Khawar Almas Khawaja	05
3. Mrs. Nighat Khawar	03
4. Mrs. Zulaibia Andleeb	07
5 Mr. Muhammad Alamgir	07
6. Mr. Abid Hussain	06
7. Mr. Basim Dilshad	07

### AUDIT COMMITTEE

The audit committee comprising of following members, attendance of each member is as under:

		Attended	Leave granted
Mr. Abid Hussain	Chairman	04	
Mr. Zulaibia Andleeb	Member	03	01
Mr. Basim Dilshad	Member	04	

### HR AND REMUNERATION COMMITTEE

The HR and Remuneration Committee comprising of following members, attendance of each member is as under:

		Attended	Leave granted
Mr. Abid Hussain	Chairman	01	
Mr. Khawar Almas Khawaja	Member	01	
Mr. M. Alamgir	Member	01	

**INTERNAL FINANCIAL CONTROLS**

The directors are aware of their financial responsibility with respect to internal financial controls. Through discussion with management and auditors (both internal and external), they confirm that adequate controls have been implemented by the company.

**PERSONNEL AND WORKING ENVIRONMENT**

Your company is well aware of the importance of team of skilled worker and staff. Therefore, in-house programs designed for this purpose are regularly undertaken. At the same time, other important areas like health, safety and better working environment are also being looked after very well.

**AUDITORS**

The present auditors, M/S TABUSSUM SALEEM & Co, Chartered Accountants, Lahore, retired and being eligible, offer themselves for re-appointment as auditors for the next financial year ending June 30, 2019.

**PATTERN OF SHAREHOLDING**

The pattern of shareholding for the year ended June 30, 2018 is annexed to this report.

**VOTE OF THANKS**

The directors wish to place on record their appreciation of the hard work and efforts made by the workers and staff and look forward that they will continue to make their best contribution in the future of the company.

On Behalf of Board.

Dilshad Ali  
Chief Executive

Date: October 07, 2018

## ڈائریکٹرز رپورٹ برائے ممبرز

آپ کی کمپنی کے بورڈ ڈائریکٹرز 30 جون 2018 کو ختم ہونے والے مالی سال کی رپورٹ بمعہ آڈٹ شدہ مالیاتی گوشوارے اور ایڈیٹر رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ کمپنی کی کارکردگی:

زیر غور کمپنی کی نمایاں متحرک کارکردگی کا خلاصہ مندرجہ ذیل ہے۔

2017 (روپے)	2018 (روپے)	
171,838,859	163,849,894	سیلز
9,117,431	699,706	گراس/منافع (نقصان)
(8,563,897)	(14,740,671)	آپریٹنگ منافع (نقصان)
(257,469)	(267,295)	فننشل چارجز
(7,068,991)	(6,125,615)	نفع (نقصان) ٹیکسیشن سے پہلے
1,519,533	(3,442,503)	ٹیکسیشن
(5,549,458)	(9,568,119)	نفع (نقصان) ٹیکسیشن کے بعد
(0.42)	(0.72)	بنیادی حصص کے مطابق آمدنی (نقصان)

زیر غور رواں مالی سال کمپنی نے 163.850 ملین روپے کی سیلز کا حدف حاصل کیا ہے جبکہ پچھلے سال کمپنی نے سیلز کا حدف 171.838 ملین روپے حاصل کیا تھا۔ پچھلے سال کے مقابلے کاروباری سیلز میں 4.64 فیصد کمی واقع ہوئی۔ اس کے پس منظر چند وجوہات ہیں جیسا کہ کمپنی نے اپنے آپریٹنگ ذاتی پیداوار سے ٹال مینوفیکچرنگ پر منتقل کیا ہے اس کا اصل حدف کنورژن انکم کمانا تھا۔ ٹال مینوفیکچرنگ پر منتقل ہونے کی وجہ یہ تھی کہ کمپنی کے پاس روزمرہ کاروباری سرمایہ کی قلت تھی۔ کمپنی بنک کے ساتھ سرمایہ کاری معاملات کو استوار کرنے میں ناکام رہی۔ ملک میں موٹے سوتی دھاگے اور کیٹس کپڑے کی سالانہ پیداوار میں 40% کمی واقع ہوئی ہے۔ کیونکہ پاکستان میں کاروباری اخراجات علاقائی حریفوں کے مد مقابل زیادہ ہونے کی وجہ سے ٹیکسٹائل سیکٹر کی کاروباری صلاحیت متحکم نہیں ہے جس کی وجہ سے ملکی ٹیکسٹائل سیکٹر کی مجموعی درآمدات میں بھی کمی واقع ہوئی ہے تاہم اوپر بیان کی گئی وجوہات کے باوجود کمپنی نے اپنے آپ کو مالیاتی نقصان سے محفوظ رکھا۔ اس بات کا اندازہ اس سے لگایا جاسکتا ہے کہ اگر (Depreciation) افسردگی کو نظر انداز کیا جائے تو کمپنی نے رواں مالی سال منافع ٹیکسیشن سے پہلے 19.071 ملین روپے کمایا (جبکہ سابقہ سال 30 جون 2017 میں 20.397 ملین روپے تھا)۔

اگر بیرونی ماحولیاتی عوامل کمپنی کے حق میں ہوتے تو کمپنی کے مالی نتائج بہتر ہو سکتے تھے۔ کیونکہ ملک میں ٹیکسٹائل سیکٹر کی بہتری کا دور و مدار حکومتی اقدامات پر ہے۔ حکومت کو چاہیے کہ وہ کاروبار کرنے کی

لاگت میں، برآمدات کرنے والوں کی حوصلہ افزائی اور خاص طور پر ویلویڈ گارنٹس کو خصوصی توجہ دے، تاکہ وہ غیر ملکی مارکیٹ میں مسابقتی قیمتوں پر کاروبار کر سکے۔

کمپنی کا سپلنگ سیکشن تقریباً اڑھائی ماہ بند رہا جس کی وجہ سے اس کی مجموعی پیداوار 37% سے کم رہی، جیسا کہ کمپنی کو روزمرہ مالیاتی سرمایہ کی کمی ہے اور کمپنی کی انتظامیہ مسلسل بینک کے ساتھ اپنے کاروباری معاملات کو استوار کرنے کی حکمت عملی پر گامزن ہے اور کمپنی کی انتظامیہ پر امید ہے کہ مستقبل قریب میں کمپنی بینک کے ساتھ اپنے مالی مسائل کو حل کرنے میں کامیاب ہو جائے گی۔

تاہم مالی بحران اور دیگر بیرونی عوامل کو دیکھتے ہوئے جو کہ انتظامیہ کے کنٹرول سے باہر ہیں، ادارے کو سیلف پروڈکشن اور کنورژن بنیادوں پر چلانے کی حکمت عملی بنائی ہے۔

### مستقبل کی حکمت عملی

موجودہ ملکی صورت حال میں اگر بجلی کے بحران میں کمی واقع ہو اور گورنمنٹ علاقائی ٹیکسٹائل سیکٹر اور ایکسپورٹ کی امداد کے لیے مناسب حکمت عملی تیار کرے تو ملکی ٹیکسٹائل سیکٹر بین الاقوامی مارکیٹ میں مسابقتی سطح پر کاروبار کرنے کے قابل ہو سکتا ہے۔

گوکہ گزشتہ سال کے مقابلے میں اس سال کمپاس کی پیداوار زیادہ تھی لیکن حکومت کی جانب سے دیا گیا حدف پورا نہ کیا جاسکا، جس کی وجہ سے رواں مالی سال میں صنعت کو کمپاس درآمد کرنا پڑی، اس سے نہ صرف وطن عزیز کے کرنٹ اکاؤنٹ پر منفی اثرات مرتب ہوئے بلکہ پورے خطے کے مقابلے میں ہماری مصنوعات کی لاگت اور قیمت میں بھی اضافہ ہوا۔

اخراجات میں کمی، مطلوبہ مارکیٹنگ، مصنوعات اور کسٹمرز کے حصول میں ترقی جیسے عناصر اور ان کے مالی مسائل کو حل کرنے اور دوسروں سے مقابلہ کرنے کے لیے بہت ضروری ہیں کہ مارکیٹنگ کے شعبے میں کوشش خاص طور پر غیر ملکی برانڈ اور ٹیکنیکل ٹیکسٹائلز پر زور دینا آمدن میں اضافہ اور زیادہ منافع کو یقینی بناتا ہے۔ اخراجات کے معاملے کو دیکھا جائے تو خام مال کے لیے بہتر سپلائی چین کے انتظامات اور پیداواری عوامل میں جدید حکمت عملی کے اہم حصے ہونے چاہیں۔

مالی وسائل کی عدم دستیابی کی وجہ سے کمپنی کو عملی صورت میں رکھنا بہت مشکل ہے۔ تاہم ادارے کو عملی صورت میں رکھنے کے لیے انتظامیہ اپنے وسائل کو بروئے کار لارہی ہے اور ادارے کو کنورژن بنیادوں پر بھی چلا رہی ہے تاکہ مالی نقصان کم سے کم ہو۔ انتظامیہ اپنے وسائل کو بروئے کار لاتے ہوئے پر عزم ہے کہ ادارہ اب ورکنگ کنڈیشن میں ہی رہے گا تاہم انتظامیہ امید کرتی ہے کہ نیفٹل بینک آف پاکستان جو کہ کمپنی کا نمایاں لینڈ رہے، قرضہ جات کی ری سٹرکچرنگ یا مالی حدود کی رینویول اور کوٹ سے باہر سیٹلمنٹ کرنے میں کامیاب ہو جائے گی۔

کمپنی کی مینجمنٹ اخراجات میں کمی لاتے ہوئے ادارے کو عملی صورت میں چلانے اور منافع بخش بنانے کے لیے پر عزم ہے۔

### آڈیٹر رپورٹ میں اعتراضات

#### گوئنگ کنسرن تصور

آڈیٹر نے اپنی رپورٹ میں اعتراضات/اندیشہ ظاہر کیا ہے کہ کمپنی مستقبل قریب میں اپنے آپ کو عملی صورت میں رکھنے سے قاصر رہ سکتی ہے تاہم انتظامیہ سمجھتی ہے کہ یہ عناصر عارضی ہیں۔ انتظامیہ پُر امید ہے کہ ادارہ اپنی عملی صورت میں ہی رہے گا اس بات کا اندازہ اس بات سے لگایا جاسکتا ہے کہ رواں سال کمپنی نے گراس پرافٹ 0.43 فیصد کمایا ہے۔ اور اگر ہم (Depreciation) افسردگی کو نظر انداز کیا جائے تو کمپنی کا سالانہ گراس پرافٹ 15.64 فیصد ہے، بغیر رینویول آف ورکنگ کیپٹل سہولیات کے کمپنی مسلسل عملی صورت میں رواں دواں ہے، کمپنی کے مجموعی اثاثہ جات کمپنی کے مجموعی قرضہ جات سے 378.024 ملین روپے زیادہ ہیں۔ جبکہ کل قرضہ جات (Principal Loan) کی مالیت 74.185 ملین روپے ہیں۔ جس سے ظاہر ہوتا ہے کہ کمپنی اپنی واجب الادا قرضہ جات واپس کرنے کے اہل ہے اور کمپنی کی انتظامیہ نیفٹل بینک آف پاکستان سے آؤٹ آف کورٹ سیٹلمنٹ کرنے کی بھرپور کوشش کر رہی ہے۔

### کوڈ آف کارپوریٹ گورننس

کمپنی کی طرف سے 30 جون 2018 ختمہ سال کے لیے پاکستان سٹاک ایکسچینج کی لسٹنگ کے ضابطہ کار کی طرف سے مقرر کردہ کوڈ آف کارپوریٹ گورننس کی ضروریات کو اپنایا گیا ہے اور ان پر باضابطہ عمل کیا گیا اس سلسلے میں ایک بیان ساتھ لف ہے۔

### بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ کے سات اجلاس منعقد ہوئے ہر ڈائریکٹر کی حاضری مندرجہ ذیل ہے۔



اجلاس میں شرکت کی تعدادی

ڈائریکٹر کا نام

07	1۔ دانشا علی
05	2۔ خاور الماس خواجہ
03	3۔ مس نگہت خاور
07	4۔ مس ذولبیہ عنید لیب
07	5۔ محمد عالمگیر
06	6۔ عابد حسین
07	7۔ باسم دلشاد

آڈٹ کمیٹی کے اجلاس:

سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے، ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

رخصت	حاضری	عہدہ	ڈائریکٹر کا نام
--	04	چیئر مین	عابد حسین
01	03	ممبر	مس ذولبیہ عنید لیب
--	04	ممبر	باسم دلشاد

انسانی وسائل اور معاوضہ کمیٹی کے اجلاس:

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کا ایک اجلاس منعقد ہوا، ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

رخصت	حاضری	عہدہ	ڈائریکٹر کا نام
--	01	چیئر مین	عابد حسین
--	01	ممبر	خاور الماس خواجہ
--	01	ممبر	محمد عالمگیر

اندرونی مالیاتی کنٹرول:

کمپنی کے ڈائریکٹر جنوبی آگاہ ہیں کہ اندرونی مالیاتی کنٹرول کس اہمیت کے حامل ہیں، انتظامیہ اور ایڈیٹرز (اندرونی اور بیرونی) کے ساتھ بات چیت کے ذریعے وہ اس بات کی تصدیق کرتے ہیں کہ کمپنی کی جانب سے مناسب کنٹرول لاگو کیے گئے ہیں۔

ورکرز اور کام کرنے کا ماحول:

آپ کی کمپنی ہنرمند ورکر اور عملے کی اہمیت سے اچھی طرح واقف ہے۔ لہذا اس مقصد کے لیے ڈیزائن کیے گئے ان ہاؤس پروگرام پر باقاعدگی سے عمل کیا جاتا ہے۔ دوسری طرف صحت، حفاظتی اقدامات اور بہتر کام کرنے کے ماحول جیسے دیگر اہم حصوں کی بہت اچھی طرح سے دیکھ بھال کی جارہی ہے۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز تبسم سلیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس لاہور، ریٹائرڈ ہوئے ہیں اور اپنی خدمات برائے مالیاتی سال 2019 عہدہ پیش کرنے کے اہل ہیں۔

شیئرز ہولڈنگ کا نمونہ:

30 جون 2018 کے حصص کی تفصیل سالانہ رپورٹ کا حصہ ہے۔

اعتراف:

میں بورڈ آف ڈائریکٹرز کی جانب سے اپنے ان تمام شراکت داروں کا خصوصی شکریہ ادا کرنا چاہتا ہوں۔

بحکم بورڈ

دانشا علی

دانشا علی



## KEY OPERATING AND FINANCIAL DATA OF LAST SIX YEARS

### Profit and Loss account

	2018	2017	2016	2015	2014	2013
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales	163,849,894	171,838,859	90,100,736	178,751,304	251,941,812	136,879,520
Cost of sales	(163,150,188)	(162,721,428)	(107,786,598)	(183,331,952)	(250,581,826)	(136,491,952)
Gross Profit/(Loss)	699,706	9,117,431	(17,685,862)	(4,580,648)	1,359,986	387,568
Operating Expenses						
- Distribution cost	(425,550)	(659,543)	(262,692)	(460,715)	(607,172)	(255,803)
- Administrative expenses	(15,014,826)	(17,021,785)	(9,528,833)	(10,236,277)	(9,316,039)	(9,681,573)
- Other operating expenses	-	-	-	-	-	-
	(15,440,376)	(17,681,328)	(9,791,525)	(10,696,992)	(9,923,211)	(9,937,376)
	-	-	-	-	-	-
Operating Profit/ (Loss)	(14,740,671)	(8,563,897)	(27,477,387)	(15,277,640)	(8,563,225)	(9,549,808)
Other operating income	8,882,350	1,752,376	18,580			
Finance cost	(267,295)	(257,469)	(259,524)	(323,120)	(1,263,565)	(2,846,590)
Profit/(Loss) before derecognition of financial liabilities	(6,125,615)	(7,068,991)	(27,718,331)	(15,600,760)	(9,826,790)	(12,396,398)
Derecognition of financial liabilities	-	-	-	-	-	12,833,838
Profit/(Loss) before taxation	(6,125,615)	(7,068,991)	(27,718,331)	(15,600,760)	(9,826,790)	437,440
Taxation	(3,442,503)	1,519,533	19,899,725	11,884,058	(23,577,198)	71,624,390
Profit/(Loss) after taxation	(9,568,119)	(5,549,458)	(7,818,607)	(3,716,703)	(33,403,989)	72,061,829

### Balance Sheet

Share Capital	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000
Accumulated loss	(231,922,347)	(244,515,791)	(255,206,176)	(264,146,890)	(278,841,312)	(264,024,031)
Net worth	(99,206,347)	(111,799,791)	(122,490,176)	(131,430,890)	(146,125,312)	(131,308,031)
Long term liabilities	1,146,776	46,750,432	52,994,278	74,248,886	78,678,297	60,197,547
Current liabilities	194,886,221	149,584,618	193,902,145	204,513,165	218,070,824	194,272,304
	196,032,997	196,335,050	246,896,423	278,762,051	296,749,121	254,469,851
Property, plant and equipment	514,691,918	388,316,199	415,700,484	445,743,474	482,466,874	514,787,145
Long term deposits	-	-	-	-	-	-
Current assets	59,365,168	47,228,889	77,349,816	87,240,458	71,607,727	30,432,331
	574,057,086	435,545,088	493,050,300	532,983,932	554,074,601	545,219,476

### Key Financial Ratios

Gross profit ratio (%)	0.43	5.31	(19.63)	(2.56)	0.54	0.28
Operating profit ratio (%)	(9.00)	(5.0)	(30.50)	(8.55)	(3.40)	(6.98)
Net profit ratio (%)	(5.84)	(3.23)	(8.68)	(2.08)	(13.26)	52.65
Current ratio	0.30	0.32	0.40	0.43	0.33	0.16
Leverage (Total liabilities/Net worth)	(1.98)	(1.76)	(2.02)	(2.12)	(2.03)	(1.94)
Earning per share (Rs./share)	(0.72)	(0.42)	(0.59)	(0.28)	(2.52)	5.43



## STATEMENT OF COMPLIANCE WITH THE (CODE OF CORPORATE GOVERNANCE, REGULATIONS 2017)

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

1. The total number of directors are Seven (7) as per the following:
  - a. Male: 5
  - b. Female: 2
2. The composition of board is as follows:
 

a) Independent Director	Mr. Abid Hussain.
b) Other Non-executive Directors	Mr. Basim Dilshad. Mr. Muhammad Alamgir. Mrs. Zulaibia Andleeb. Mrs. Nighat Khawar.
c) Executive Directors	Mr. Dilshad Ali Mr. Khawar Almas Khawaja
3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. 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 two directors of the company have enough experience to get exemption from the requirement of Directors' Training program and the other directors will comply with the prescribed condition of Code of Corporate Governance by June 30, 2019.



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
    1. Mr. Abid Hussain (Independent Director) – Chairman
    2. Mr. Basim Dilshad (Non-Executive Director)
    3. Mrs. Zulaibia Andleeb (Non-Executive Director)
  - b) HR and Remuneration Committee
    1. Mr. Abid Hussain – (Independent Director) – Chairman
    2. Mr. KhawarAlmas Khawaja (Executive Director)
    3. Mr. Muhammad Alamgir (Non-Executive Director)
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:  
Four quarterly meetings were held during the financial year ended June 30, 2018
  - b) HR and Remuneration Committee  
One Meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2018.
15. The board has set up an effective internal audit function which is considered suitably qualified, experienced for the purpose and 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.

**On behalf of the Board**  
**Chairman**

**Dated: October 07, 2018**



To the Members of Hamid Textile Mills Limited.

**REVIEW REPORT ON THE STATEMENT  
OF COMPLIANCE CONTAINED 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 Hamid Textile Mills Limited for the year ended June 30, 2018 in accordance with the requirements 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.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.



**TABUSSUM SALEEM & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**ENGAGEMENT PARTNER:**  
**Muhammad Aslam Tabussum**

**Dated: October 07, 2018**  
**Place: Lahore**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the members of Hamid Textile Mills Limited**

### **Report on the Audit of the Financial Statements**

#### **Adverse Opinion**

We have audited the annexed financial statements of Hamid Textile Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss and other comprehensive income, 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, 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 do not 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, 2018 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

#### **Basis for Opinion**

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

#### **Material Uncertainty relating to Going Concern**

1. The financial statement of the company for the year ended June 30, 2018 reflected loss after taxation Rs. (9.568) million (2017: Rs. (5.549) million, and as of that date it has accumulated losses of Rs. 231.922 million (2017: Rs. 244.516 Million) which has resulted in net capital deficiency of Rs. 99.206 million (2017: Rs. 111.800 Million), its current liabilities exceed its current assets by Rs. 135.521 million (2017: 102.356 Million). The company's financial facilities stand expired which are not renewed and the company is unable to ensure the timely repayments of the debts owing to financial constraints due to the squeezed working capital facilities. Spinning department of the company remained closed for 2 and half months during the year. These conditions indicate the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern. Despite of all above factors financial statement is prepared on going concern basis. Under the circumstances we are constrained to give adverse report.

## **Key Audit Matter**

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 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 is the key auditing matter:

Key Audit Matters	How our audit addressed the key audit matters
<b>1. Preparation of financial statements under Companies Act, 2017</b>	
As referred to in note 2.7(b) to the accompanying financial statements, the Companies Act, 2017 (the Act) became applicable for the first time for the preparation of the Company's annual financial statements for the year ended 30 June 2018.	We assessed the procedures applied by the management for identification of the changes required in the financial statements due to the application of the Act. We considered the adequacy and appropriateness of the additional disclosures and changes to the previous disclosures based on the new requirements. We also evaluated the sources of information used by the management for the preparation of the above referred disclosures and the internal consistency of such disclosures with other elements of the financial statements.
The Act forms an integral part of the statutory financial reporting framework as applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements.	
In the case of the Company, a summary of key additional disclosures and changes to the existing disclosures have been stated in note 2.7(b) to the accompanying financial statements.	
The above changes and enhancements in the financial statements are considered important and a key audit matter because of the volume and significance of the changes in the financial statements resulting from the transition to the new reporting requirements under the Act.	

## **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:

- 1.** 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.
- 2.** 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.
- 3.** 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.
- 4.** Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of 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) No zakat is deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

**Other Matter (s)**

Prior Year Financial Statements are audited by HLB Ijaz Tabussum & Company Chartered Accountants and it also gave adverse opinion.

The engagement partner on the audit resulting in this independent auditors' report is Muhammad Aslam Tabussum.



**TABUSSUM SALEEM & COMPANY**  
**CHARTERED ACCOUNTANTS**

**Date:** October 07, 2018  
**Place:** Lahore



# STATEMENT OF FINANCIAL POSITION

## AS AT JUNE 30, 2018

	Note	JUNE 2018 Rupees	JUNE 2017 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	514,691,918	388,316,199
Deferred tax Asset	16.1	-	1,394,380
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools	5	10,899,269	12,052,307
Stock in trade	6	21,337,679	10,916,115
Trade debts	7	16,720,570	18,050,362
Loans and advances	8	579,239	2,215,873
Trade deposits and short term prepayments	9	229,996	210,000
Tax refunds due from the Government	10	3,277,551	3,003,609
Cash and bank balances	11	6,320,865	780,623
		59,365,168	47,228,889
		<b>574,057,086</b>	<b>436,939,468</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital			
15,000,000 shares (2017: 15,000,000) of Rs. 10/= each		150,000,000	150,000,000
Issued, subscribed and paid up capital	12	132,716,000	132,716,000
Accumulated loss		(231,922,347)	(244,515,791)
		(99,206,347)	(111,799,791)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	13	477,230,437	352,404,209
<b>NON-CURRENT LIABILITIES</b>			
Long term loan from Banking Companies - secured	14	-	-
Long term loan from related parties - unsecured	15	-	46,693,739
Deferred liabilities	16	1,146,776	56,693
		1,146,776	46,750,432
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	42,378,247	39,667,182
Accrued mark-up	19	32,676,328	34,839,787
Loan from Director	20	47,922,955	-
Short term borrowings	21	24,520,298	24,520,298
Current & overdue portion of long term liabilities	22	47,388,393	50,557,352
		194,886,221	149,584,619
CONTINGENCIES AND COMMITMENTS	23	-	-
		<b>574,057,086</b>	<b>436,939,468</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
Chief Executive

  
Chief Financial Officer

  
Director



## STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2018

	Note	JUNE 2018 Rupees	JUNE 2017 Rupees
Sale - (Net)	24	163,849,894	171,838,859
Cost of sales	25	(163,150,188)	(162,721,428)
Gross Profit/ (Loss)		699,706	9,117,431
- Distribution Cost	26	425,550	659,543
- Administrative Expenses	27	15,014,826	17,021,785
		(15,440,376)	(17,681,328)
Operating loss		(14,740,671)	(8,563,897)
Other income	28	8,882,350	1,752,376
Finance Cost	29	(267,295)	(257,469)
		(6,125,615)	(7,068,991)
Taxation	30	(3,442,503)	1,519,533
(Loss)/ profit after taxation carried to statement of comprehensive income		(9,568,119)	(5,549,458)
(Loss) / Earning Per Share - Basic	31	(0.72)	(0.42)

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
Chief Executive

  
Chief Financial Officer

  
Director





## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	JUNE 2018 Rupees	JUNE 2017 Rupees
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	(9,568,119)	(5,549,458)
Items that will not be reclassified to profit or loss		
Revaluation Reserve charged during the year-net of tax	146,957,869	
Gain / (Loss) on remeasurement of staff retirement benefit obligation	29,924	-
	146,987,793	-
Items that may be reclassified subsequently to profit or loss:		
Incremental Depreciation on revalued assets	22,131,640	23,536,005
Related deferred tax	-	(7,296,162)
	22,131,640	16,239,843
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>159,551,314</b>	<b>10,690,385</b>

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
**Chief Executive**

  
**Chief Financial Officer**

  
**Director**





## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED JUNE 30, 2018

	Share Capital	Accumulated Loss	Surplus on Revaluation of Fixed Assets	Total
(Amounts in Rupees)				
<b>Balance as at July 01, 2016</b>	132,716,000	(255,206,176)	368,644,052	246,153,876
Total Comprehensive income for the year	-	10,690,385	-	10,690,385
Revaluation Surplus	-	-	-	-
Incremental Depreciation effect (net of deferred tax)			(16,239,843)	(16,239,843)
<b>Balance as on June 30, 2017</b>	132,716,000	(244,515,791)	352,404,209	240,604,418
Total Comprehensive income for the year	-	159,551,314	-	159,551,314
Increase in revaluation reserve due to revaluation		(146,957,869)	146,957,869	
Incremental Depreciation effect			(22,131,640)	(22,131,640)
<b>Balance as on June 30, 2018</b>	132,716,000	(231,922,347)	477,230,438	378,024,092

The annexed notes from 1 to 41 form an integral part of these financial statements.

  
**Chief Executive**

  
**Chief Financial Officer**

  
**Director**



# STATEMENT OF CASH FLOW

## FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss)/ profit before taxation		(6,125,615)	(7,068,991)
<b>ADJUSTMENTS</b>			
Depreciation	4	25,196,650	27,466,488
Provision/ (Reversal) for gratuity	16	1,150,007	1,149,503
Gain on disposal of fixed assets		-	(82,203)
De-recognition of financial liability		(8,882,350)	(1,670,173)
Finance cost		267,295	257,469
		<u>17,731,602</u>	<u>27,121,084</u>
Operating profit before adjustment of working capital		11,605,987	20,052,094
<b>(Increase) / decrease in current assets:</b>			
Stores, spares and loose tools		1,153,038	(1,257,295)
Stock in trade		(10,421,564)	25,742,403
Trade debts		1,329,792	4,579,587
Loans and advances		1,636,634	1,281,152
Trade deposits and short term prepayments		(19,996)	(7,692)
Tax refunds due from the Government		(273,943)	(1,169,879)
		<u>(6,596,039)</u>	<u>29,168,276</u>
<b>Increase/(decrease) in current liabilities:</b>			
Trade and other payables		9,299,723	(38,755,692)
<b>Cash generated from operations</b>		<u>14,309,671</u>	<u>10,464,678</u>
Gratuity paid		(30,000)	(10,995,983)
Finance Cost		(2,430,754)	(257,469)
Taxes paid		<u>(2,123,389)</u>	<u>(1,767,946)</u>
<b>Net cash generated from operating activities</b>		<u>9,725,528</u>	<u>(2,556,722)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Asset	4	(4,614,500)	(1,648,575)
Disposal proceeds of Fixed Asset		-	1,648,575
<b>Net cash (outflow) from investing activities</b>		<u>(4,614,500)</u>	<u>-</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Short term loan from related parties - unsecured		1,229,216	(1,842,104)
Long term loan from related parties - unsecured	20	-	5,446,176
Repayment of Finance Lease (overdue)	17	(800,000)	(2,000,000)
<b>Net cash outflow from financing activities</b>		<u>429,216</u>	<u>1,604,072</u>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<u>5,540,244</u>	<u>(952,651)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>(23,739,676)</u>	<u>(22,787,025)</u>
<b>Cash and cash equivalents at the end of the year</b>	32	<u><u>(18,199,433)</u></u>	<u><u>(23,739,676)</u></u>

The annexed notes from I to 41 form an integral part of these financial statements.

  
Chief Executive

  
Chief Financial Officer

  
Director



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### I. THE COMPANY AND ITS ACTIVITIES

- I.1** Hamid Textile Mills Limited ( the "Company") was incorporated in Pakistan on April, 09, 1987 as a Private Limited Company and was subsequently converted on February 15, 1988 into Public Limited Company under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange in Pakistan. The registered office of the Company is at Changa Manga Road, Wan Adhan, Tehsil Pattoki, district Kasur. The principal business of the company is to manufacture yarn and grey cloth, which are marketed within and outside Pakistan. The Company's manufacturing activities are located at Wan Adhan, Tehsil Pattoki, Distt. Kasur, and company's registered/Head office situated at Suite no # 1, 1st Floor, Shan Arcade Barkat Market, New Garden town Lahore.
- I.2** The financial statement of the company for the year ended June 30, 2018 reflected loss after taxation Rs.(9.568) million (2017: Rs. (5.549) million), and as of that date it has accumulated losses of Rs. 231.922 million (2017: Rs. 244.515 million) which has resulted in net capital deficiency of Rs. 99.206 million (2017: Rs. 111.799 million), its current liabilities exceeds its current asset by Rs.135.521 million (2017: 102.356 million). The company financial facilities stand expired which are not renewed and the company is unable to ensure the timely repayments of the debts owing to financial constraints due to the squeezed working capital facilities. Spinning department of the company remained closed for 2 1/2 months during the year. These conditions indicates the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern.

However total assets exceeds its total liabilities by Rs. 378.024 million as on the balance sheet date, and therefore, the company will be able to liquidate its liabilities in normal course of business. However, the management is making concentrated efforts to revive the unit into viable operations and the management feels that with the elimination of the energy crises and with the reduction of KIBOR to 6.4% by the SBP management would be successful in negotiating the settlement with the banks for restructuring and renewal of the financial facilities. So, the mill would be made operative and will revive the equity of the shareholders, therefore, these financial statements have been prepared under the going concern basis without any adjustment to assets and liabilities as the management expects that these factors are temporary, will be reversed in foreseeable future and the unit could be operative.

### **I.3 Significant Transaction and Events affecting the Company's Financial Position and Performance.**

- I.3.1** The unsecured, interest free arrangement by the sponsors/members of the company, during the year management of the company entered in agreement with the related parties and reclassified the long term loan into short term borrowings. (See note 15&20)
- I.3.2** The company entered in out court settlement with Samba Bank Limited ("Bank") who was successor in interest of Pakistan Industrial Leasing Corporation Limited (PILCORP) and consequently, upon extinguishment of settled amount, the Bank granted No Objection Certificate for release of charge against the lease facility and the residual financial liability is derecognised during the year. (see no note 17.3)
- I.3.3** Adoption of Companies Act, 2017



## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

The accounting and reporting standards applicable in Pakistan comprise of international financial reporting standards, IFRS issued by the international accounting standard board (IASB) as notified under Companies Act, 2017 and provision of and directives issued under the Companies Act, 2017 where provision of and directives issued under the Companies Act, 2017 differ from the IFRS the provision of and directive issued by Company Act, 2017 have been followed.

### 2.2 Accounting convention

These financial statements have been prepared under the historical cost convention and on accrual basis except that inventories are carried at lower off cost or net reliable value, recognition of the staff retirement benefits at present value and land, building and plant and machinery stated at revalued amounts as stated in notes 3.1 & 3.3. These financial statements have been prepared following accrual basis of accounting except for cash flow information.

### 2.3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make estimate and to exercise judgements in the process of applying the accounting policies that have the most significant effect on the amounts recognized in the financial statements. The estimates and judgements are continually evaluated and are based on historical experience including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgements were exercised in application of accounting policies are as follows:

### 2.4 Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the company. Further, the company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

### 2.5 Provision for doubtful debts

The company reviews its receivable against any provision required for any doubtful balances on an ongoing basis. The provision is made while taking into consideration expected recoveries, if any.

### 2.6 Functional and presentation currency

These financial statements are prepared and presented in Pakistani rupee, which is the company's functional and presentation currency.

### 2.7 Changes / Amendments in Accounting Standards

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

The following standards and amendments are either not relevant to the company's operations and are not expected to have significant impact on the company's financial statements other than certain additional disclosures

IAS 7 Statement of cash flow- Amendments as a result of the disclosure initiative.



IAS 12 Income taxes<sup>1</sup>- clarifies deferred tax treatment for debt instrument and also addresses question regarding the determination of future taxable profit for the recognition test of deferred tax.

The Companies Act, 2017 promulgated in the current financial year. The companies Act, 2017 also revised the 4th schedule of the companies ordinance, 1984 and brought changes in the presentation and disclosures of the financial statements of the listed companies. These changes are applicable for the first time to the company i.e. for the year ended June 30, 2018.

## 2.8 Amendments/ Improvements to Accounting Standards not yet effective

The following amendments and interpretations with respect to the approved accounting standards as applicable would be effective from the dates mentioned below against the respective standard or interpretation.

		<b>Effective date(annual periods beginning on or after)</b>
IFRS 2	Share Based Payments- clarification on the Classification and measurement of Share Based Payments	January 01,2018
IFRS 9	Financial instruments- This standard will supersede IAS 39 Financial instruments: recognition and measurement upon its effective date	July 01,2018
IFRS 9	Financial instruments- amendment regarding payment features with negative compensation and modification of financial liabilities.	January 01,2019
IFRS 15	Revenue- This standard will supersede IAS 18, IAS 11 IFRIC 13,15,18 and SIC 31 upon its effective date.	July 01,2018
IFRS 10	Consolidated Financial statements <sup>1</sup> and IAS 28 investment in associates and joint ventures- sale or contribution of assets between an investor and its associate or joint venture. IAS 28 investment in associates and joint ventures- amendments regarding long term interest in associate and joint ventures.	January 01,2019
IAS 40	Investment property- clarification on transfer of property to or from investment property.	January 01,2018
IFRS 16	Leases- This standard will supersede IAS 17	January 01,2019
IFRS 4	Insurance contracts- amendments regarding the interaction of IFRS 4 & IFRS 9.	January 01,2019
IAS 19	Employee Benefits- amendments regarding plan amendment , curtailments or settlements.	January 01,2019
IFRIC22	Foreign currency transaction and advance consideration provides guidance on monetary prepaid asset.	January 01,2018
IFRIC 23	Uncertainty over Income Tax treatment clarifies accounting treatment in relation to determination of taxable profits (tax loss) tax base, unused tax losses, unused tax credits and tax rate.	January 01,2019



## 2.9 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

The following new standards and interpretation have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by Securities and Exchange Commission of Pakistan.

### IASB effective date (annual periods beginning on or after)

IFRS 1	First time adoption of international financial reporting standards.	January 01,2018
IFRS 14	Regulatory Deferral Accounts	January 01,2016
IFRS 17	Insurance contracts.	January 01,2021

The management anticipates that the adoption of the above standards and amendments in future periods will have no material impact on the company's financial statements.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Staff retirement benefits

Company operate an unfunded gratuity scheme (defined benefit plan) covering all eligible employees, who have completed the minimum qualifying period of service as defined in the scheme, benefit payable at the cessation of employment. Provisions are to cover the obligations under the scheme on the basis of actuarial valuation and are charged to Statement of profit and Loss. The most recent valuation was carried out on June 30, 2018 using the "Projected Unit Credit Method".

The amount recognized on balance sheet represents the present value of defined benefit obligation. Actuarial gains or loss are recognized immediately in other comprehensive income as required by IAS 19 Employee Benefits. The details of the scheme are referred to in note 16 to the financial statements.

### 3.2 Taxation

#### Current

The charge for current tax is based on taxable income at current tax rates after considering the rebates and tax credits available, if any.

#### Deferred

The company accounts for deferred taxation using the balance sheet liability method on all major temporary differences arising between the carrying value of assets and liabilities in the financial statements and corresponding tax base used in the computation of taxable profit.



Deferred tax liabilities are recognized for all taxable temporary differences which are likely to reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

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

Deferred tax is recognized as income or expense in the profit or loss account except when it relates to items that are credited or charged to equity where it is included in equity.

### 3.3 Property, plant, equipment and depreciation

#### Owned

Property plant and equipment (except free hold land, building, plant and machinery) are stated as cost less accumulated depreciation and impairment losses, if any. Freehold land, building, plant and machinery are stated at revalued amounts less subsequent accumulated depreciation and subsequent impairment losses, if any. Capital work-in-progress (if any) is stated at cost less impairment.

A revaluation surplus is recorded in other comprehensive income (OCI) and credit to the assets revaluation surplus reserve in equity. However, the increase is recorded in statement of profit or loss to extent it reverses a revaluation deficit of the same assets previously a decrease as a result of revaluation is recognized in the statement of profit or loss however, a decrease is recorded in statement of other comprehensive income to the extent of any credit balance entry in revaluation surplus in respect of same assets.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against gross carrying amount of the assets and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus to particular asset being sold is transferred to retained earnings.

Land, building and plant and machinery have been valued on the basis of revaluation carried out on June 30, 2018 (Note 4). Depreciation is charged to profit or loss account applying the reducing balance method whereby the cost of an asset is written off over its estimated useful life at the rate specified in the Note 4.1.

Depreciation on additions during the year is charged on pro-rata basis when the asset is available for use.

Similarly the depreciation on deletion is charged on pro-rata up to the period when the asset is derecognized.

The assets residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.



Gains and losses on disposal of property, plant & equipment are charged to the statement of profit or loss. Normal repair and maintenance and replacement is charged to income as and when incurred while major renewals and improvements are capitalized.

### **Assets subject to Finance Lease**

The company accounts for assets under finance lease by recording the assets and the related liability. The amounts are determined on the basis of the lower of fair value of the assets and the present value of minimum lease payments. Financial charges are charged to profit and loss account using the internal rate of return method.

Depreciation is charged at the rate as specified in the note 4.1, so as to write off the assets over their useful lives in view of certainty of ownership of the assets at the end of the lease term. The security deposit paid against lease arrangements will be adjusted at the end of the lease term.

### **3.4 Impairment of assets**

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the estimated recoverable amount of that asset is determined and impairment losses are recognized in the profit or loss account, for the difference between recoverable and carrying amount.

### **3.5 Stores, spares and loose tools**

These are valued at lower of moving average cost or net realizable value, except items in transit, which are stated at cost plus other charges incurred thereon up to balance sheet date.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

### **3.6 Stock in trade**

These are valued at lower of cost and net realizable value except waste, which are valued at contract price. Cost is determined as under:

Raw material	Moving average cost.
Work in process and finished goods	Prime cost plus estimated production overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

### **3.7 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable, in the normal course of business.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer.





### 3.8 Provision

A provision is recognized in the financial statements when company has legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

### 3.9 Trade debts and other receivables

These are carried at original invoice amount less an estimate made for doubtful receivables based on review of the outstanding amounts individually at year end. Bad debts are written off when identified.

### 3.10 Financial instruments

Financial assets and liabilities are recognized at cost, which is fair value of the consideration given or received at the time when the company becomes a party to the contractual provisions of the instrument. The company de-recognizes a financial asset or a portion of financial asset when, and only when, the enterprise loses control of the contractual rights that comprise the financial assets or portion of financial asset. While a financial liability or part of financial liability is de-recognized from the balance sheet when, and only when, it is extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expired.

Any gain or loss on recognition and settlement of financial assets and liabilities is included in net profit or loss in the period in which it arises.

### 3.11 Long term deposits

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

### 3.12 Trade and other payables

Liabilities for trade and other payable are measured at cost which is the fair value of consideration to be paid in future for goods and services.

### 3.13 Borrowing cost

Borrowing costs are recognized as an expense in which these are incurred except to the extent these are directly attributable to acquisition, construction or production of qualifying assets, where these are added to the cost of those assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use/sale.

### 3.14 Foreign currency transaction

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the balance sheet date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing at the date of transaction or on the date when fair values are determined. All exchange difference are taken to profit and loss account.

### 3.15 Off setting of financial assets and liabilities

Financial assets and liabilities are off set and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amount and the company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

### 3.16 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at book value which approximates their fair values. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with bank on current, saving and deposit accounts, short term bank borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to in significant risk of change in value.

### 3.17 Related party transaction and transfer pricing

Transaction and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

Parties are said to be related if they able to influence the operating and financial decisions of the company and vice versa.

#### 4 Property, plant and equipment

The following is a statement of Operating Fixed assets:

As at June 30, 2018										
	Land	Building	Plant & Machinery		Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
			Owned	Leased						
<b>NET CARRING VALUE BASIS</b>										
Opening net book value (NBV)	75,000,000	127,634,758	180,903,411	3,328,813	115,391	19,847	339,292	719,841	254,846	388,316,199
Addition / Transfers	-	-	4,895,932	(2,995,932)	-	-	-	27,500	2,687,000	4,614,500
Revaluation Surplus	6,250,000	48,406,980	92,300,889	-	-	-	-	-	-	146,957,869
Depreciation Charge	-	(6,381,738)	(18,200,232)	(332,881)	(11,539)	(1,985)	(33,929)	(74,425)	(159,922)	(25,196,650)
Closing net book value	81,250,000	169,660,000	259,900,000	-	103,852	17,862	305,363	672,916	2,781,924	514,691,918

### GROSS CARRYING VALUE BASIS

Cost/Revaluation	81,250,000	239,605,476	520,414,570	-	1,503,568	331,921	2,530,932	3,207,632	5,502,401	854,346,500
Accumulated Depreciation	-	(69,945,476)	(260,514,570)	-	(1,399,716)	(314,059)	(2,225,569)	(2,534,716)	(2,720,477)	(339,654,583)
Closing net book value	81,250,000	169,660,000	259,900,000	-	103,852	17,862	305,363	672,916	2,781,924	514,691,918

Depreciation rate % per annum	5%	10%	10%	10%	10%	10%	10%	20%
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**As at June 30, 2017**

	Land	Building	Plant & Machinery		Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
			Free Hold	Leased						
<b><u>NET CARRING VALUE BASIS</u></b>										
Opening net book value (NBV)	75,000,000	134,352,377	201,003,790	3,698,681	128,212	22,052	376,991	799,823	318,558	415,700,484
Addition / Transfers	-	-	-	-	-	-	-	-	1,648,575	1,648,575
Disposal	-	-	-	-	-	-	-	-	(1,648,575)	(1,648,575)
Depreciation Charge	-	(6,717,619)	(20,100,379)	(369,868)	(12,821)	(2,205)	(37,699)	(79,982)	(145,915)	(27,466,489)
Adjustment for disposal	-	-	-	-	-	-	-	-	82,203	82,203
Closing net book value	75,000,000	127,634,758	180,903,411	3,328,813	115,391	19,847	339,292	719,841	254,846	388,316,198

### GROSS CARRYING VALUE BASIS

Cost/Revaluation	75,000,000	191,198,496	405,047,160	21,166,521	1,503,568	331,921	2,530,932	3,180,132	2,815,401	702,774,131
Accumulated Depreciation	-	63,583,738	(224,143,749)	(17,837,708)	(1,388,177)	(312,074)	(2,191,640)	(2,460,291)	(2,560,555)	(314,457,933)
Closing net book value	75,000,000	127,634,758	180,903,411	3,328,813	115,391	19,847	339,292	719,841	254,846	388,316,198

Depreciation rate % per annum	5%	10%	10%	10%	10%	10%	10%	20%
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- 4.1 Subsequent to revaluation on June 30, 2010 & June 30, 2013 which had resulted in surplus of PKR 76,542,748/- and PKR 295,191,006/-PKR respectively. As at June 30, 2018 further revaluation conducted resulting in revaluation surplus, PKR. 146,957,869 The valuation is conducted by independent valuer M/s Surval Approved valuers of PBA, NBFBI & Modaraba Association of Pakitsan, building & machinery are based on the estimated gross replacement cost.



Forced sale value as per revaluation report as of June 30, 2018

Asset Class	Forced Sale Value
Land	65,000,000
Building	135,728,000
Machinery	207,920,000
	<b>408,648,000</b>

4.2 Particulars of immovable assets of the Company are as follows:-

Location	Address	Usage	Covered Area
Pattoki	Changa Manga Road Wan Adhanan, Pattoki Dist. Kasur	Factory	202,682 Sq. Ft.

4.3 Depreciation charge for the year has been allocated as follows

	2018	2017
Cost of sales	24,928,375	27,202,892
Administrative	268,276	263,596
	<b>25,196,650</b>	<b>27,466,488</b>

4.4 Had there been no revaluation, the original cost, accumulated depreciation, and book value of revalued class of property, plant & equipment would have been as follows:

Description	Cost as at 01-07-2017	Addition/ (Deletion)	Cost as at 30-06-2018	Accumulated Depreciation	BOOK VALUE AS 30-06-2018
Building	71,835,757	-	71,835,757	62,162,266	9,673,491
Plant & Machinery	348,553,738	1,900,000	350,453,738	312,222,390	38,231,348
	<b>420,389,495</b>	<b>1,900,000</b>	<b>422,289,495</b>	<b>374,384,656</b>	<b>47,904,839</b>

Description	Cost as at 01-07-2016	Addition/ (Deletion)	Cost as at 30-06-2017	Accumulated Depreciation	BOOK VALUE AS 30-06-2017
Building	71,835,757	-	71,835,757	61,653,135	10,182,622
Plant & Machinery	330,553,738	-	330,553,738	291,538,410	39,015,328
Plant & Machinery-Leased	18,000,000	-	18,000,000	16,525,064	1,474,936
	<b>420,389,495</b>	<b>-</b>	<b>420,389,495</b>	<b>369,716,609</b>	<b>50,672,886</b>

	2018 Rupees	2017 Rupees
<b>5. STORES, SPARES AND LOOSE TOOLS</b>		
Stores and spares	10,899,269	12,052,307
No stores, spares and loose tools were in transit at the balance sheet date.		
No stores, spares and loose tools were held for capitalization at the balance sheet date.		
<b>6. STOCK IN TRADE</b>		
Raw material	15,394,161	8,797,750
Work-in-process	2,153,420	1,244,117
Finished goods	3,790,098	874,248
	<b>21,337,679</b>	<b>10,916,115</b>

No stock in trade was in transit at the balance sheet date.



		2018 Rupees	2017 Rupees
<b>7. TRADE DEBTS - Unsecured</b>			
Considered good-Unsecured.		16,720,570	18,050,362
<b>8. LOANS AND ADVANCES</b>			
Advances - <i>considered good (Unsecured)</i>			
To employees	<b>8.1</b>	535,862	541,923
To suppliers		43,377	1,673,950
		579,239	2,215,873
<b>8.1</b>	No amount was due from chief executive and director as at balance sheet date (2017 : Nil).		
<b>9. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS</b>			
Trade deposits:			
Security deposits		200,000	200,000
Advance against others		10,000	10,000
Prepaid insurance		19,996	-
		229,996	210,000
<b>10. TAX REFUNDS DUE FROM THE GOVERNMENT</b>			
Sales tax refundable		3,277,551	3,003,609
<b>11. CASH AND BANK BALANCES</b>			
Cash in hand		6,065	512,855
Cash at bank (Current accounts in Pak Rupees)		6,314,800	267,768
		6,320,865	780,623
<b>12. SHARE CAPITAL</b>			
<b>Authorized:</b>			
15,000,000 (2017: 15,000,000) ordinary shares of Rs.10/= each		150,000,000	150,000,000
<b>Issued, subscribed and paid-up:</b>			
13,271,600 (2017: 13,271,600) ordinary shares of Rs.10/= each fully paid in cash		132,716,000	132,716,000
<b>13. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
Opening balance:			
Land freehold		69,626,022	69,626,022
Building on freehold land		122,923,571	127,315,972
Plant and machinery		159,854,616	169,245,039
Plant and machinery leased		-	2,457,018
		352,404,209	368,644,052
<b>Add: Assets revalued during the year surplus on assets</b>			
Land freehold		6,250,000	-
Building on freehold land		48,406,980	-
Plant and machinery - owned		92,300,889	-
		146,957,869	-
<b>Adjustments</b>			
Depreciation on the incremental value arising on Revaluation of property, plant and equipment:			
Current year:			
Building on freehold land		(6,146,179)	(6,365,799)
Plant and machinery		(15,985,462)	(16,924,504)
Plant and machinery leased		-	(245,702)
		(22,131,641)	(23,536,005)
Related Deferred tax liability		-	7,296,162
		477,230,437	352,404,209



Revaluation of building, freehold land and plant and machinery as on June 30, 2018 produced a revaluation surplus of Rs. 146,957,869/- was credited to surplus on revaluation of fixed assets. Revaluation was carried out by Surval, registered surveyors and valuation consultants using market value method.

Revaluation of building, freehold land and plant and machinery as on June 30, 2013 produced a revaluation surplus of Rs. 295,191,006/- was credited to surplus on revaluation of fixed assets. Revaluation was carried out by Surval, registered surveyors and valuation consultants using market value method.

Revaluation of building on freehold land and plant and machinery as on June 30, 2010 produced a revaluation surplus of Rs.76,542,748/- which is credited to surplus on revaluation of fixed assets account. Revaluation was carried out by independent valuers M/s Spell Vision, registered surveyors and valuation consultants using market value method for revaluation of assets.

		2018 Rupees	2017 Rupees
<b>14. LONG TERM LOANS FROM BANKING COMPANIES: (Secured)</b>			
National Bank of Pakistan			
Demand finance - I	14.1	17,857,143	17,857,143
Demand finance - II	14.2	29,531,250	29,531,250
		47,388,393	47,388,393
Samba Bank Limited (formerly Crescent commercial bank limited )	14.3	-	2,276,402
		47,388,393	49,664,795
<b>Current portion</b>			
National Bank of Pakistan			
Current portion	21	-	-
Overdue portion	21	47,388,393	47,388,393
		47,388,393	47,388,393
Samba Bank Limited (formerly Crescent commercial bank limited )-overdue	21	-	2,276,402
		47,388,393	49,664,795
	14.4	-	-

#### 14.1 Demand Finance-I

The limit under this facility is Rs.25.000 Million (2016: Rs.25.000 Million). Principal amount to be paid in 20 quarterly installments of Rs.892,857/- each for a period of 5 years starting from June 30, 2007 to March 31, 2012 through internal cash generation of the company. Principal installments for the quarters ended on 30-06-2007, 30-09-2007, 31-12-2007 and 31-03-2008 to be paid on immediate basis and markup on this facility to be paid from the date of transfer of Management i.e. 06-02-2008 by the company and its incoming directors. Markup is at SBP's discount rate with a floor of 7.5% p.a (2012: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. In case of default by the company in repayment of installments on due dates, Markup @ 3 months KIBOR + 3% (2008: Markup @ 3 months KIBOR + 3%) will be charged on the principal amount of installment for the period from due date till its repayment by the company to NBP. This facility was utilized to swap the long term loans of Bankers Equity Limited.

#### 14.2 Demand Finance-II

The limit under this facility is Rs.35.000 Million (2016: Rs.35.000 Million). Balance principal to be paid in 27 quarterly installments of Rs.1,093,750/- each for a period of 6.75 years starting from March 31, 2007 to September 30, 2013 through internal cash generation of the company. Principal installments of the quarters ended on 31-03-2007, 30-06-2007, 30-09-2007, 31-12-2007 & 31-03-2008 to be paid on immediate basis and markup on this facility to be paid from the date of transfer of Management i.e. 06-02-2008 by the company and its incoming directors. Markup is at SBP's discount rate with a floor of 7.5% p.a (2012: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. In case of default by the company in repayment of installments on due dates, Markup @ 3 months KIBOR + 3% (2009: Markup @ 3 months KIBOR + 3%) will be charged on the principal amount of installment for the period from due date till its repayment by the company to NBP. This facility was utilized for expansion in existing spinning unit and import of parts for up gradation of weaving unit.

#### The above mentioned Demand Finance-I and II facilities are secured against the following:

- First charge of Rs.220.000 Million on all the present/future fixed assets of the company.
- First pari passu charge of Rs.220.000 Million over all current assets of the company.
- Personal guarantees of directors of the company.

**14.3** The company has entered into Supplemental Lease Agreement with Samba Bank Limited (Formerly Crescent commercial bank limited) for the settlement of liability for which consent decree has also been obtained from the Banking Court, Lahore on November 04, 1999. Under the agreement the liability has to be settled in the following manner:



The company has entered into Supplemental Lease Agreement with Samba Bank Limited (Formerly Crescent commercial bank limited) for the settlement of liability for which consent decree has also been obtained from the Banking Court, Lahore on November 04, 1999. Under the agreement the liability has to be settled in the following manner:

Total outstanding liability is as follows:

Samba Bank Limited (formerly Crescent commercial bank limited ) 17.3 - 2,276,402  
The company has provided 309,550 shares valued at Rs.8/- per share as security for this amount. In terms of the consent decree the total amount of Rs.2,476,402/- will be paid by the company within 42 months that is on or before March 31, 2003 for the release of these shares. The company is in the process of rescheduling and has paid Rs.0.200 Million so far against the settlement of the liability.

		2018 Rupees	2017 Rupees
<b>15 LONG TERM LOAN FROM RELATED PARTIES - UNSECURED</b>			
<b>Loan from Sponsors/Members</b>	<b>15.1</b>	<u>-</u>	<u>46,693,739</u>
<b>15.1</b> This represents unsecured, interest free arrangement by the sponsors/members of the company, during the year management of the company entered in agreement with the related parties and reclassified this loan into short term borrowings. (See note 20)			
<b>16 DEFERRED LIABILITIES</b>			
Provision for Deferred Tax/ (Asset)	<b>16.1</b>	<u>-</u>	<u>(1,394,380)</u>
Staff retirement benefits - Gratuity	<b>16.2</b>	<u>1,146,776</u>	<u>56,693</u>
		<u>1,146,776</u>	<u>(1,337,687)</u>
<b>16.1 PROVISION FOR DEFERRED TAXATION</b>			
Taxable Temporary difference			
Accelerated Tax Depreciation Allowance		(33,942,795)	91,195,867
Provision for gratuity		(335,033)	3,391,180
Total Taxable/(Deductible) Difference		<u>(34,277,828)</u>	<u>94,587,047</u>
Effect of Accumulated Tax Losses		(51,643,952)	(95,981,427)
Deferred Tax Asset		<u>(85,921,780)</u>	<u>(1,394,380)</u>
Deferred Tax Asset not Recognized		<u>-</u>	<u>(1,394,380)</u>
<b>16.1.1</b> Company is suffering heavy taxable losses which are not expected to recover in future therefore deferred tax asset is not being recognized			
<b>16.2 Staff retirement benefits (defined benefit plans)</b>			
The amounts recognized in the balance sheet are as follows:			
Present value of defined benefit obligation (Note 16.3)		1,146,776	56,693
Benefit Payable		<u>-</u>	<u>-</u>
Liability as at 30 June 2018		<u>1,146,776</u>	<u>56,693</u>
Net Liability as at 01 July 2017	<b>16.3</b>	56,693	9,903,173
Charge to profit and loss account (Note 16.4)		1,150,007	1,149,503
Benefit Payable		<u>-</u>	<u>-</u>
Payments		(30,000)	(10,995,983)
Experience adjustment		(29,924)	-
Actuarial (Gains)/Losses from change in financial assumption		<u>(29,924)</u>	<u>-</u>
Liability as at 30 June 2018		<u>1,146,776</u>	<u>56,693</u>
<b>16.3 Present value of defined benefit obligation</b>			
Present value of defined benefit obligations		56,693	9,903,173
Current service cost		1,146,776	604,948
Interest cost		3,231	319,376
Benefit paid		(30,000)	(10,995,983)
Experience adjustment		-	-
Actuarial (Gains)/Losses from change in financial assumption		(29,924)	-
(Gains)/losses arising on plan settlement		<u>-</u>	<u>225,179</u>
		<u>1,146,776</u>	<u>56,693</u>
<b>16.4 Charge to profit and loss account:</b>			
Current service cost		1,146,776	604,948
Interest cost		3,231	319,376
(Gains)/losses arising on plan settlement		<u>-</u>	<u>225,179</u>
		<u>1,150,007</u>	<u>1,149,503</u>
<b>16.5 Total Remeasurment Chargeable in other Comprehensive Income</b>			



	2018 Rupees	2017 Rupees
Actuarial (gains)/losses from changes in demographic assumptions	-	-
Actuarial (gains)/losses from changes in financial assumptions	-	-
Experience adjustments	(29,924)	-
<b>Total remeasurements chargeable in OCI</b>	<b>-</b>	<b>-</b>

The latest actuarial valuation for gratuity scheme was carried out on June 30, 2018 by M/s Nauman Associates under Projected Unit Credit Method, using the following significant assumptions for valuation of the scheme:

Discount rate	9% p.a	7.75% p.a
Expected rate of salary increase in future years	8 % p.a	6.75 % p.a
Average expected remaining working life time of employees	7 Years	7 Years

## 17. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

This arrangement was made with Samba bank limited (Formerly Crescent Commercial Bank Limited) . The period of lease repayment had been expired.

Overdue as at June 30, 2018	6,368,958	6,368,958
Year ending June 30, 2017	-	-
Overdue (2016 & 2015)	-	-
	6,368,958	6,368,958
Less: Financial charges overdue	2,276,402	2,276,402
Present value of minimum lease payment	4,092,556	4,092,556
Less: Current portion:		
	4,092,556	4,092,556
Less: Repayments	(4,000,000)	(3,200,000)
Current portion	92,556	892,556
Overdue portion	92,556	892,556
derecognized due to extinguished rights	(92,556)	-
	<b>-</b>	<b>892,556</b>

The reconciliation of minimum lease payments and their present values is as follows:

	Minimum lease payments (MLP)	Minimum lease payments (MLP)	Present value of minimum lease payments	Present value of minimum lease payments
	June 2018	June 2017	June 2018	June 2017
Overdue	-	6,368,958	-	892,556
Due within one year	-	-	-	-
Due more than one year but less than five years	-	-	-	-
	<b>-</b>	<b>6,368,958</b>	<b>-</b>	<b>892,556</b>

The lease was rescheduled on March 2004 on the revised terms as under:

**17.2** The rate of interest used as discounting factor, implicit in lease is 35% (2016: 35%) per annum. Rentals are payable on monthly basis starting from September 2004. Taxes, repairs and insurance costs are to be borne by the lessee. Purchase options are available to the Company after payment of last installment and on surrender of lease deposits at the end of lease period. In case the lessee fails to pay the rentals on due dates, the lessee shall pay additional mark-up @ Rs. 1/- per thousand per day. It is secured against demand Promissory Notes amounting to Rs.16.303 million, trust receipt for the total value of Financed Machinery, personal guarantees of Directors and Pledge of 174,000 shares of the Company.

**17.3** The company entered into settlement agreement on August 31, 2016 with Samba bank Limited ("Bank") who was successor in interest of Pakistan Industrial Leasing Corporation Limited (PILCORP) and consequently, upon extinguishment of settled amount, the Bank granted No Objection Certificate for release of charge against the lease facility and the residual financial liability amounting to Rs.4,532,417 is derecognised in the profit and loss for the period June 30, 2018

The break-up of Rs.4,532,417 is as follows

Accured mark up related to finance lease.	2,163,459	-
over due portion of finance liability	2,368,958	-
<b>Total Derecognized amount related to Finance lease.</b>	<b>4,532,417</b>	<b>-</b>



		2018 Rupees	2017 Rupees
<b>18 TRADE AND OTHER PAYABLES</b>			
Creditors		9,923,942	10,555,807
Accrued expenses		15,729,627	11,148,655
Advances from customers		2,219,545	4,443,069
Other payable		13,816,170	12,755,425
Income tax payable		688,960	764,226
		<u>42,378,247</u>	<u>39,667,182</u>
<b>19 ACCRUED MARK-UP</b>			
Accrued mark-up		32,676,328	34,839,787
		<u>32,676,328</u>	<u>34,839,787</u>
<b>19.1</b>	Accrued mark-up derecognized during the year represents mark-up payable on loans from National Bank of Pakistan.		
<b>19.1</b>	The break-up of accrued mark-up is as follows:		
	On liabilities against assets subject to finance lease	17.3	-
	On long term loans from banking company		2,163,459
	On short term borrowings from banking company		29,876,434
		2,799,894	29,876,434
		<u>32,676,328</u>	<u>34,839,787</u>
<b>20 LOAN FROM DIRECTOR (Unsecured)</b>			
Loan from Director		<u>47,922,955</u>	-

This represents loan provided by the chief Executive of the company for the purpose of meeting working capital requirements. The loan is contractual, unsecured and interest free payable on demand. Therefore this loan is reclassified as short term loan from long term liabilities during the year loan amount is increased by Rs. 1,229,216/-.

Name of Director	Designation
Dilshad Ali	Chief Executive

		2018 Rupees	2017 Rupees
<b>21 SHORT TERM BORROWINGS</b>			
<b>From Banking Company: (SECURED)</b>			
<b>National Bank of Pakistan</b>			
Trust receipt	20.1	19,848,336	19,848,336
Cash finance (Pledge)	20.2	4,671,962	4,671,962
		<u>24,520,298</u>	<u>24,520,298</u>
		<u>24,520,298</u>	<u>24,520,298</u>

**21.1** It has been obtained from National Bank of Pakistan (NBP) for working capital requirements of the company and represents 30 days facility available upto Rs.20.000 Million (2016: Rs.20.000 Million). It is secured against Trust receipt, First charge of Rs.220.000 Million on all the present/future fixed assets of the company, First pari passu charge of Rs.220.000 Million over all current assets of the company and personal guarantees of directors of the company. It carries mark up at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. (2014: 6 months Ask KIBOR + 2.00% with a floor of 7.5% p.a and no cap) payable on quarterly basis. The credit limit has expired on 31-12-2008. While company continues to repay the principal amount along with the interest charged thereon.

**21.2** It has been obtained from National Bank of Pakistan (NBP) for working capital requirements of the company and is available upto Rs.40.600 Million (2016: Rs.40.600 Million). It is secured against Lien on export LCs/firm contracts/orders in case of availment of packing finance, pledge of cotton bales, cotton yarn and grey cloth and personal guarantees of directors of the company. It carries mark up at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. (2014: 6 months Ask KIBOR + 2.00% with a floor of 7.5% p.a) payable on quarterly basis. The credit limit has expired on 31-12-2008.

		2018 Rupees	2017 Rupees
<b>22 CURRENT &amp; OVERDUE PORTION OF LONG TERM LIABILITIES-(SECURED)</b>			
<b>Current:</b>			
Long term loans from banking companies			
- National Bank of Pakistan	14	-	-
- Liability against assets subject to finance lease	17	-	-
<b>Overdue:</b>			
Long term loans from banking companies			
- National Bank of Pakistan	14	47,388,393	47,388,393
- Samba Bank Limited- Formerly (Crescent Commercial Bank Limited)	14	-	2,276,402
		<u>47,388,393</u>	<u>49,664,795</u>
Liability against assets subject to finance lease	17& 17.3	-	892,556
		<u>47,388,393</u>	<u>50,557,351</u>
		<u>47,388,393</u>	<u>50,557,351</u>





## 23 CONTINGENCIES AND COMMITMENTS

### Contingencies:

- (a) The Company has filed appeal against E.O.B.I, decision before Chairman EOBI, against the aggregate disputed recovery for Rs.7.1 million. Chairman has been established the bench to reassess the case, date in office. the management is of the view that this amount would be waived off.
- (b) The company's passed order u/s 122(1)/122(5) read with section 122(9)/177 of the Income Tax Ordinance, 2001 for the tax year 2014 in which raised demand Rupees 38,295,313/- the company preferred appeal which is pending before CIR (Appeal) and likely outcome would be in favour of the company.
- (c) Tax year 2016 selected for total audit through random computer ballot by FBR and assessment proceeding is pending before the deputy commissioner inland revenue.
- (d) The National Bank of Pakistan has filed suit against the Company before the Honorable Lahore High Court, Lahore for recovery of Finances and the case has been decreed against M/S Hamid Textile Mills Limited and the company has filed the appeal in the Honorable High Court, Lahore against the decree.

In the opinion of the Legal advisor of the company, the point (a) and (d) in the contingencies. The company have good prima facie cases and the outcome of these cases will be settled in favor of the company.

### Commitments:

There are no Commitments as at June 30, 2018 (2017: Nil).

## 24 SALES

	2018 Rupees	2017 Rupees
Fabric	64,937,500	88,555,981
Yarn	-	65,043,200
Conversion Income	98,388,374	14,488,439
Waste	524,020	3,751,239
	<u>163,849,894</u>	<u>171,838,859</u>

## 25 COST OF SALES

		JUNE 2018 Rupees	JUNE 2017 Rupees
Raw material consumed	25.1	44,603,999	49,928,275
Salaries, wages and other benefits	25.2	37,871,061	22,304,193
Fuel and power		48,773,938	29,954,850
Stores and spares consumed		7,708,176	10,278,251
Doubling and sizing charges		1,684,502	103,571
Repair and maintenance		17,070	103,234
Travelling and Conveyance		215,825	416,230
Other overheads	25.3	1,172,396	2,038,727
Depreciation	4.1.1	24,928,374	27,202,892
		<u>166,975,341</u>	<u>142,330,223</u>

### Work-in-process

Opening stock	1,244,117	2,293,955
Closing stock	(2,153,420)	(1,244,117)
	<u>(909,303)</u>	<u>1,049,838</u>

### Cost of goods manufactured

### Finished goods

Opening stock	874,248	20,215,615
Closing stock	(3,790,098)	(874,248)
	<u>(2,915,850)</u>	<u>19,341,367</u>
	<u>163,150,188</u>	<u>162,721,428</u>

### 25.1 Raw material consumed

Opening stock	8,797,750	14,148,948
Add: Purchases including expenses	51,200,410	44,577,077
Available for consumption	59,998,160	58,726,025
Less: Closing stock	(15,394,161)	(8,797,750)
	<u>44,603,999</u>	<u>49,928,275</u>

25.2 Salaries, wages and benefits include Rs. 1,150,007/ (2017: 778,696/-) in respect of staff retirement benefits.

25.3 These figures have been regrouped for the fair presentation of the financial statements.



		2018 Rupees	2017 Rupees
<b>26 DISTRIBUTION COST</b>			
Freight, clearing and forwarding		150,050	28,000
Travelling		-	-
Others		275,500	631,543
		<u>425,550</u>	<u>659,543</u>

**26.1** Salaries and benefits include Rs. Nil (2017 Nil) in respect of staff retirement benefits.

		2018 Rupees	2017 Rupees
<b>27 ADMINISTRATIVE EXPENSES</b>			
Directors' remuneration		1,750,000	1,650,000
Salaries and benefits	<b>27.1</b>	8,643,799	9,263,625
Travelling and conveyance		238,327	477,390
Entertainment		150,934	171,641
Printing and stationery		121,889	143,762
Communication		446,653	570,971
Repairs and maintenance		331,165	805,233
Rent, rates and taxes		1,320,000	1,329,338
Electricity, sui gas and water		164,579	359,574
Fee and subscription		120,775	1,073,879
Legal and professional charges		1,055,999	453,385
Advertisement		33,600	39,200
Auditors' remuneration	<b>27.2</b>	290,000	290,000
General		78,831	130,191
Depreciation		268,275	263,596
		<u>15,014,826</u>	<u>17,021,785</u>

**27.1** Salaries and benefits include Nil (2017: Rs.370,807) in respect of staff retirement benefits.

**27.2 AUDITORS' REMUNERATION**

Statutory audit	250,000	290,000
Half Year Review	40,000	-
	<u>290,000</u>	<u>290,000</u>

**28 OTHER INCOME**

Profit on disposal of fixed assets	-	82,203
De-Reognition of Financial liabilities	8,882,350	1,670,173
	<u>8,882,350</u>	<u>1,752,376</u>

**29 FINANCE COST**

Bank charges	267,295	257,469
	<u>267,295</u>	<u>257,469</u>

**30 TAXATION**

Current	<b>30.1</b>	2,048,124	1,718,388
Provision for deferred tax	<b>16.1</b>	1,394,380	(3,237,922)
		<u>3,442,503</u>	<u>(1,519,533)</u>

**30.1** Minimum tax liability has been provided for in these accounts based on liability worked out under section 113 of the Income Tax Ordinance, 2001 (2017: Provision of section 113 was applicable under the Income Tax Ordinance, 2001). The Income Tax Returns of the company have been filed upto Tax year 2017.

**31 EARNING / (LOSS) PER SHARE**

		2018 Rupees	2017 Rupees
<b>31.1 Earning / (loss) per share - Basic</b>			
Net Profit / (loss) after taxation	(Rupees)	(9,568,119)	(5,549,458)
Weighted average number of ordinary shares	(No. of shares)	13,271,600	13,271,600
	(Rupees)	<u>(0.72)</u>	<u>(0.42)</u>

**31.2 Earning per share - Diluted**

There is no dilution effect on the basic earning/(loss) per share of the company.

**32 CASH AND CASH EQUIVALENTS**

Cash and bank balances	11	6,320,865	780,623
Short term borrowings from banking company	20	(24,520,298)	(24,520,298)
		<u>(18,199,433)</u>	<u>(23,739,675)</u>

**33 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of associated companies, directors and key management personnel. Amounts due to / from related parties are shown in the relevant notes to the financial statements. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Long term loan from related parties - net (Note No.15)	-	46,693,739
Short term loan from director - net (Note No.20)	47,922,955	-

All transactions with related parties are at an arm's length.

**34 PLANT CAPACITY AND PRODUCTION****WEAVING**

Looms installed	Nos.	60	60
Looms worked	Nos.	20	30
Production at normal capacity converted to 50 picks - 3 shifts per day	Sq. Mtrs.	3,996,000	3,996,000
Actual production at normal capacity converted to 50 picks - 1 (2017: 2) shifts per day	Sq. Mtrs.	852,850	950,400

**SPINNING**

Rotors installed	Nos.	1,416	1,176
Rotors worked for the year	Nos.	960	768
Rated capacity converted to 10 count based on 3 shifts per day	Lbs.	8,640,000	6,600,043
Actual production converted to 10 count based on 2 (2017: 2) shifts per day	Lbs.	3,925,500	2,496,615

- It is difficult to determine precisely the production capacity in textile industry since it fluctuates widely depending on various factors such as count of yarn spun, rotors' speed, twists, width and construction of cloth woven etc. It also vary according to pattern of production.
- Weaving unit of the company has produced less than normal cloth due to the fact that third party cloth was produced on conversion basis as the market demand of yarn is comparatively better, while production of yarn has been increased. Production was highly dependent on the availability of orders. Moreover, some looms remained closed due to technical faults which have now been removed.

**35 NUMBER OF EMPLOYEES**

Number of employees at June 30, 2018

Permanent	87	40
Contractual	95	42
	<u>182</u>	<u>82</u>
Average number of employees during the year	150	132

**36 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

The aggregate amount charged in these financial statements in respect of Chief Executive, Directors and Executives by the company as remuneration, allowances and perquisites is as follows:

**PARTICULARS**

	Remuneration		No of Persons	
	2018	2017	2018	2017
Chief Executive	1,750,000	1,650,000	1	1
Director	-	453,000		2
Executives	2,205,244	1,205,244	2	1
Defined benefit plan charged during the year	167,031	100,437	2	1

Remuneration is paid only to Chief Executive and to one director only.

36.1 Some of the Directors and Executives of the Company are provided free use of Company maintained car and telephone.

36.2 No meeting fee has been paid to Directors for attending meetings of Board of Directors.

## 37. FINANCIAL RISK MANAGEMENT

### 37.1 Financial risk factors

The company's activities expose it to a variety of financial risks including market risk (currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the financial performance.

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

(a) **Market risk**

**(i) Currency risk**

It 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. The company is not exposed to any currency risk as it does not have any foreign debtors and creditors.

**(ii) Other price risk**

It is 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 other price risk.

(iii) **Interest rate risk**

(iv) **Interest rate risk**  
It 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. The Company's interest rate risk arises from long term financing and short term borrowings. As the borrowings are obtained at variable rates, these expose the Company to cash flow interest rate risk.

At the balance sheet date the interest rate profile of the Company's interest bearing financial instrument was:

	2018	2017
	(Rupees)	(Rupees)
<b>Floating rate instruments</b>		
Financial liabilities:		
Long term loans	-	-
Short term borrowings	24,520,298	24,520,298
Financial assets	-	-

#### Cash flow sensitivity analysis for variable rate instruments

If interest rates at the balance sheet date, fluctuate by 1% higher/lower with all other variables held constant, loss after taxation for the year would have been Rs. 245,203/- (2017: Rs.245,203/-) higher/lower, mainly as a result of higher/lower interest expense on floating rate borrowings. This analysis is prepared assuming the actual amounts of liabilities outstanding during the whole year.

**(b) Credit risk**

It is 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 maximum exposure to credit risk and at the reporting date these are as follows:

	2018	2017
	(Rupees)	(Rupees)
Trade debts	16,720,570	18,050,362
Loans and advances	579,239	2,215,873
Trade deposits	229,996	210,000
Bank balances	6,314,800	267,768
The aging of the trade debts that are past due but not impaired at the reporting date is as follows:		
Upto 1 month	7,623,457	9,314,521
1 to 6 months	5,257,268	4,886,982
6 to 12 months	2,872,093	1,837,373
More than 12 months	967,752	2,011,486
	16,720,570	18,050,362

There are no trade debts to be written off during the year (2017: NIL/-), however efforts are made to recover the debts more than six/twelve months old.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

	Rating			2018	2017
	Short Term	Long term	Agency	Rupees	Rupees
Banks					
National Bank of Pakistan	A1 +	AAA	PACRA	-	-
Bank Alfalah Limited	A1 +	AA +	PACRA	14,596	3,792
Habib Metropolitan Bank Limited	A1 +	AA +	PACRA	307,489	195,652
Standard Chartered Bank (Pakistan) Limited	A1 +	AAA	PACRA	-	-
Meezan Bank	A-1 +	AA +	JCR-VIS	5,991,714	67,324
Soneri Bank	A1 +	AA-	PACRA	1,000	1,000
				<u>6,314,800</u>	<u>267,768</u>



The Company's exposure to credit risk and impairment losses related to trade debts is disclosed in Note 7.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

### (c) Liquidity risk

It is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity by arranging sufficient cash balances from directors and financial institutions to ensure availability of sufficient funds to meet its liabilities when due. The following are the contractual maturities of financial liabilities, including interest payments:

2018			
Carrying amount	Contractual cash flows	Upto one year	After one year
(Amount in rupees)			

#### FINANCIAL LIABILITIES

Long term loans from banking companies	-	-	-	-
Liability against asset subject to finance lease	-	-	-	-
Trade and other payables	42,378,247	42,378,247	42,378,247	-
Accrued markup	32,676,328	32,676,328	32,676,328	-
Short term borrowings	24,520,298	24,520,298	24,520,298	-
	99,574,873	99,574,873	99,574,873	-

2017			
Carrying amount	Contractual cash flows	Upto one year	After one year
(Amount in rupees)			

#### FINANCIAL LIABILITIES

Long term loans from banking companies	-	-	-	-
Liability against asset subject to finance lease	-	-	-	-
Trade and other payables	39,667,182	39,667,182	39,667,182	-
Accrued markup	34,839,787	34,839,787	34,839,787	-
Short term borrowings	24,520,298	24,520,298	24,520,298	-
	99,027,267	99,027,267	99,027,267	-

The contractual cash flows relating to above liabilities have been calculated on the basis of mark-up rates effective on June 30, 2017. The rates of interest/markup have been disclosed in Note No.17, 18 and 19 to these financial statements.

### 37.2 Fair values of financial assets and liabilities

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

### 37.3 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

(Amounts in rupees)

PARTICULARS	2018						TOTAL
	INTEREST BEARING			NON INTEREST 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

##### Loans and Receivables

Trade debts	-	-	-	16,720,570	-	16,720,570	16,720,570
Loan and advances	-	-	-	579,239	-	579,239	579,239
Trade deposits	-	-	-	229,996	-	229,996	229,996
Cash and bank balances	-	-	-	6,320,865	-	6,320,865	6,320,865
	-	-	-	23,850,669	-	23,850,669	23,850,669

**Financial Liabilities****at amortized cost**

Long term loans	-	-	-	-	-	-
Liability against asset subject to finance lease	-	-	-	-	-	-
Trade and other payables	-	-	42,378,247	42,378,247	42,378,247	42,378,247
Accrued mark-up	-	-	32,676,328	32,676,328	32,676,328	32,676,328
current and overdue portion of long term liability	47,388,393	47,388,393				47,388,393
Short term borrowings	24,520,298	24,520,298	-	-	24,520,298	
	71,908,690	-	71,908,690	75,054,575	-	75,054,575
On balance sheet gap	(71,908,690)	-	(71,908,690)	(51,203,906)	-	(51,203,906)
						(123,112,597)

PARTICULARS	2017						
	INTEREST BEARING			NON INTEREST BEARING			TOTAL
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	

**Financial Assets****Loans and Receivables**

Trade debts	-	-	-	18,050,362	-	18,050,362	18,050,362
Loan and advances	-	-	-	2,215,873	-	2,215,873	2,215,873
Trade deposits	-	-	-	210,000	-	210,000	210,000
Cash and bank balances	-	-	-	780,623	-	780,623	780,623
	-	-	-	21,256,858	-	21,256,858	21,256,858

**Financial Liabilities****at amortized cost**

Long term loans	-	-	-	-	46,693,739	46,693,739	46,693,739
Liability against asset subject to finance lease	892,556	-	892,556	-	-	-	892,556
Trade and other payables	-	-	-	39,667,182	-	39,667,182	39,667,182
Accrued mark-up	-	-	-	34,839,787	-	34,839,787	34,839,787
Short term borrowings	24,520,298	-	24,520,298	-	-	-	24,520,298
	25,412,854	-	25,412,854	74,506,969	46,693,739	121,200,707	146,613,561
On balance sheet gap	(25,412,854)	-	(25,412,854)	(53,250,111)	(46,693,739)	(99,943,849)	(125,356,703)

**38. CAPITAL RISK MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt. Consistent with others in industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by the total capital employed. Borrowings represents long term financing and short term borrowings obtained by the Company as referred to in Note No.14, 18 and 19. Total capital employed includes 'total equity' as shown in the balance sheet plus 'borrowings'.

As on the balance sheet date, the gearing ratio of the Company was as under:

		2018	2017
Borrowings	Rupees	119,831,645	121,771,388
Total equity	Rupees	(99,206,347)	(111,799,791)
Total capital employed	Rupees	20,625,298	9,971,596.09
Gearing ratio	%	(120.79)	(108.92)

**39. FAIR VALUE MEASUREMENTS-FINANCIAL INSTRUMENTS**

The company does not have any financial assets which qualify for the following levels.

**Level 1:** The fair value of financial instruments traded in active markets (Such as publicly traded derivatives, and trading and available for sale securities) is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in Level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (For example, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all the significant inputs required to fair value an instrument is observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**40. DATE OF AUTHORISATION OF FINANCIAL STATEMENTS**

These financial statements are authorised for issue on 7th October, 2018 by the board of directors of the company.

**41. GENERAL**

Corresponding figures have been re-arranged/re-grouped, wherever necessary, for the purpose of comparison.

Figures are rounded off to nearest Rupee.

  
Chief Executive

  
Chief Financial Officer

  
Director

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# PATTERN OF SHARE HOLDING

## AS AT JUNE 30, 2018

1.1 Name of the Company

**HAMID TEXTILE MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at

**30-06-2018**

-----Shareholdings-----			
2.2 No. of Shareholders	From	To	Total Shares Held
13	1	100	1,300
225	101	500	109,100
10	501	1,000	10,000
12	1,001	5,000	34,400
2	5,001	10,000	14,800
1	10,001	15,000	10,500
1	15,001	20,000	18,000
1	35,001	40,000	37,000
1	40,001	45,000	42,100
1	45,001	50,000	50,000
1	55,001	60,000	55,900
1	75,001	80,000	79,900
1	80,001	85,000	84,200
1	90,001	95,000	95,000
15	95,001	100,000	1,463,000
1	800,001	805,000	801,350
1	820,001	825,000	820,300
1	835,001	840,000	839,040
1	910,001	915,000	913,900
1	1,170,001	1,175,000	1,171,410
1	1,185,001	1,190,000	1,187,900
1	2,450,001	2,455,000	2,455,000
1	2,975,001	2,980,000	2,977,500
<b>294</b>			<b>13,271,600</b>

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officers, and their spouse and minor children	2,459,000	18.5283
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	-	-
2.3.3 NIT and ICP	42,100	0.3172
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	2,977,500	22.4351
2.3.5 Insurance Companies	146,000	1.1001
2.3.6 Modarabas and Mutual Funds	913,900	6.8861
2.3.7 Share holders holding 10% or more	5,432,500	40.9333
2.3.8 General Public		
a. Local	6,733,100	50.7331
b. Foreign	-	-
2.3.9 Others (to be specified)		





## DETAIL PATTERN OF SHAREHOLDING AS PER REQUIREMENT OF CODE OF CORPORATE GOVERNANCE AS AT JUNE 30, 2018

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

**Associated Companies, Undertakings and Related Parties (Name Wise Detail):**

- -

**Mutual Funds (Name Wise Detail)**

- -

**Directors and their Spouse and Minor Children (Name Wise Detail):**

1	MR. MOHAMMAD ALAMGIR	1,000	0.0075
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MRS. NIGHAT KHAWAR	1,000	0.0075
4	MR. ABID HUSSAIN	500	0.0038
5	MRS. ZUBAIDA ANDLEEB	500	0.0038
6	MR. DILSHAD ALI	500	0.0038
7	MR. BASIM DILSHAD	500	0.0038

**Executives:**

- -

**Public Sector Companies & Corporations:**

- -

**Banks, Development Finance Institutions, Non Banking Finance**

4,037,400 30.4214

**Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:**

**Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)**

1	BANKER EQUITY LIMITED	2,977,500	22.4351
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MR. AHSAN AFZAL	1,187,900	8.9507
4	MST. MOMINA KHAWAR ALI	1,171,410	8.8264
5	IST. HAJVERI MODARABA	913,900	6.8861
6	MR. FARRUKH HASSAN KHAWAJA	839,040	6.3221
7	MR. MUHAMMAD AYUB KHAN	820,300	6.1809
8	MST. ZARIEN BASHAR	801,350	6.0381

**All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:**

S.No	NAME	SALE	PURCHASE
	NIL		



## FORM OF PROXY

I/We, Mr./Miss/Mrs. \_\_\_\_\_

S/o, D/o, W/o Mr. \_\_\_\_\_ in the

district of being member(s) of **HAMID TEXTILE MILLS LIMITED** and holding ordinary shares,

as per Registered Folio No. hereby appoint Mr./Miss/Mrs. \_\_\_\_\_

S/o, D/o, W/o Mr. as per Registered Folio No. \_\_\_\_\_

Of (failing him/her) Mr./Miss/Mrs. S/o, D/o, W/o \_\_\_\_\_

of as per Registered Folio No. \_\_\_\_\_

as my/our Proxy in my absence to attend for me and my/our behalf at the Annual General Meeting of the

Company to be held at Millsat Changa Manga Road, Wan Adhan, Pattoki Distt. Kasur

on (date) at (time) and at any adjournment thereof.

**Signed this day of October, 20\_\_.**

Member's Signature

Revenue Stamp

(Witness) \_\_\_\_\_

Signature

Folio Number

### Notes:

1. Revenue stamp of Rs. 5/- to be affixed.
2. A member entitled to attend at the Annual General Meeting of the Company is entitled to appoint a proxy instead of him/her. No person shall act as proxy (except for corporation) unless he is entitled to present on his own.
3. The instrument appointing a proxy should be signed by the member(s) so or by him/her attorney duly authorized in writing, if the member is a corporation its common seal should be affixed.
4. This proxy form, duly completed, must be deposited at the Company's Registered Office not later than 48 hours before the time of holding the meeting and through their original CNIC/Passport and providing a copy thereon.
5. The signature on the instrument of proxy must agree with the specimen signature recorded with the company.
6. A proxy must be a member of the Company.

## حمید ٹیکسٹائل ملز لمیٹڈ اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ حمید ٹیکسٹائل ملز لمیٹڈ کا اکتیسواں سالانہ اجلاس عام بروز اتوار 28 اکتوبر 2018 کو 11:30 بجے ملز واقع چھانگا مانگا روڈ، وان آدھن، پٹوکی، قصور میں درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

- 1۔ پچھلے تیسویں سالانہ اجلاس عام منعقدہ 31 اکتوبر 2017 بروز منگل کی کاروائی کی تصدیق۔
  - 2۔ کمپنی کے 30 جون 2018 کو ختم سال کیلئے آڈٹ شدہ اکاؤنٹس مع ڈائریکٹران، چیئرمین اور آڈیٹروں کی رپورٹس کی وصولی غور و خوض اور منظوری۔
  - 3۔ 30 جون 2019 کو ختم ہونے والے سال کیلئے آڈیٹران کا تقرر اور ان کے مشاہرے کا تعین۔ موجودہ آڈیٹران میسرز تبسم سلیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس جو کہ ریٹائر ہو رہے ہیں دوبارہ انتخاب کیلئے اپنے آپ کو پیش کرتے ہیں۔
  - 4۔ جناب چیئرمین کی اجازت سے دوسرے کاروباری معاملات زیر غور لانا۔
- بحکم بورڈ، رالف نذیر اللہ کمپنی سیکرٹری  
لاہور 7 اکتوبر 2018

- 1۔ کمپنی کے حصص منتقلی کی کتابیں 07 اکتوبر 2018 تا 28 اکتوبر 2018 (بشمول دونوں دن) بند رہیں گی۔
- 2۔ ممبر جو اجلاس ہذا میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھتا ہو کسی دیگر ممبر کو اپنی جگہ اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے اپنا پر کسی مقرر کر سکتا / سکتی ہے۔ کارپوریٹ ادارے کی صورت میں ووٹ پر کسی یا انارنی کے ذریعے دینا ممکن ہے۔ دونوں صورتوں میں پراکسیاں موثر کرنے کیلئے کمپنی کے اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئر رجسٹرار میسرز کورپ لنک پرائیوٹ لمیٹڈ کو لازماً موصول ہونی چاہیں۔
- 3۔ اور بجٹل کمپیوٹرائزڈ شناختی کارڈ کی فراہمی ہمراہ اکاؤنٹس تفصیلات حصص داران / پراکسی کی شناخت کیلئے لازمی ہے۔ اجلاس کے وقت کارپوریٹ ادارے کی صورت میں بورڈ کے ڈائریکٹروں کی قرارداد / پاور آف اٹھرنی ہمراہ نمونہ دستخط نامی (اگر پہلے جمع نہیں کروائے) تو پراکسی کیساتھ جمع کروانے ہوں گے۔
- 4۔ کمپنی ایکٹ 2017 سیکشن (2) 132 کے تحت کمپنی ان ممبران جو ٹوٹل پیڈ اپ کیپٹل کا 10% حصص داران ہیں، اور کسی ایسے شہر کا رہائشی ہیں جہاں سالانہ اجلاس منعقد نہیں ہو رہا انکو کمپنی وڈیولنک کی سہولت فراہم کر سکتی ہے اور یہ سہولت ممبران کی طرف سے اجلاس سے کم از کم 7 یوم پہلے تحریری درخواست کی وصولی کے عوض فراہم ہوگی۔

5۔ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے SRO 787 (I) 2014 کے تحت ممبران کی رضامندی پر کمپنی کے فنانشل سٹیٹمنٹ اور نوٹسز کا اجراء بذریعہ ای میل فراہم کرنے کی سہولت دی ہے۔ لہذا جو ممبران بذریعہ ای میل آڈٹ شدہ اکاؤنٹس کی وصولی چاہتے ہیں وہ تحریری درخواست ہمراہ موجودہ ای میل ایڈریس ارسال کریں۔ فارم کمپنی کی ویب سائٹ [www.hamid-textile.com](http://www.hamid-textile.com) پر موجود ہے۔

6۔ کمپنی کے سالانہ حسابات کمپنی کی ویب سائٹ [www.hamid-textile.com](http://www.hamid-textile.com) پر جاری کر دیئے گئے ہیں تاہم طلب کرنے پر کمپنی اپنے حصص داران کو انفرادی طور پر حسابات کی طبع شدہ کاپی درخواست موصول ہونے پر انکے رجسٹرڈ پتہ پر ایک ہفتے کے اندر بلا معاوضہ فراہم کرے گی۔

7۔ جیسا کہ پہلے درخواست کی گئی ممبران سے دوبارہ گزارش ہے کہ: (1)۔ اگر پہلے Valid شناختی کارڈ فراہم نہیں کیا تو براہ مہربانی درست شناختی کارڈ کی کاپی فراہم کریں۔ (ب)۔ پتہ میں تبدیلی کے بارے میں فوری آگاہ کریں

# تشکیل نیابت داری

تعداد حصص

عام حصص بمطابق شیئر رجسٹر / فلیو نمبر

..... میں ہم  
..... ساکن  
..... بطور جمید ٹیکسٹائل ملز لمیٹڈ کے رکن و حامل  
..... ساکن ..... یا بصورت دیگرے  
..... ساکن ..... کو اپنی جگہ، بروز اتوار 28 اکتوبر 2018 صبح 11:30 بجے مل کے  
پتہ چھانگاما نگاواں آدھن پتوکی میں منعقد مایلتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کیلئے پنہاندہ مقرر  
کرتا کرتی ہوں۔

دستخط مورخہ ..... اکتوبر 2018

دستخط

گواہی

..... 1: دستخط  
..... نام  
..... قومی شناختی کارڈ  
..... پتہ

..... 1: دستخط  
..... نام  
..... قومی شناختی کارڈ  
..... پتہ

ضروری:

- (i) پراسیسر کے منوثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ سی ڈی سی کے حصص یافتگان اور کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹر انڈز قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پر کسی فارم کے ساتھ کمپنی میں جمع کروائیں۔
- (ii) پر کسی کوا اجلاس کے وقت اپنا اصل کمپیوٹر انڈز قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (ii) کارپوریٹ اینٹنی کی صورت میں ڈائریکٹرز کی قرارداد مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پر کسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

