



COLONY TEXTILE MILLS LIMITED

Condensed Interim
FINANCIAL INFORMATION
for the 3rd quarter ended

March 31, 2021
(un-audited)



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COMPANY INFORMATION

Board Of Directors

Mr. Mughis A. Sheikh	(Chairman)
Mr. Fareed Mughis Sheikh	(Chief Executive Officer)
Mr. Muhammad Tariq	
Mr. Muhammad Atta ullah Khan	
Mr. Muhammad Ashraf Saif	
Mr. Abdul Hakeem Khan Qasuria	
Mrs. Noshaba Faiz	

Board Committees

Audit Committee

Mr. Abdul Hakeem Khan Qasuria	(Chairman)
Mrs. Noshaba Faiz	
Mr. Muhammad Ashraf Saif	

HR & Remuneration Committee

Mr. Muhammad Atta ullah Khan	(Chairman)
Mr. Muhammad Ashraf Saif	
Mr. Abdul Hakeem Khan Qasuria	

Other Management Committees

Executive Committee

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Muhammad Tariq	
Mr. Muhammad Atta ullah Khan	

Technical Committee

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Muhammad Tariq	
Mr. Muhammad Shoaib Khan	

Finance Committee

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Atta Mohyuddin Khan	
Mr. Bilal Ahmad Khan Niazi	

Social Compliance & Human Resource Committees

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Muhammad Atta ullah Khan	
Mr. Atta Mohyuddin Khan	

Chief Financial Officer

Mr. Atta Mohyuddin Khan

Company Secretary

Mr. Muhammad Tayyab

Auditors

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants

Legal Advisor

BNR
Advocates and Corporate Counsel

Tax Advisor

Riaz Ahmad & Company
Chartered Accountants

Registered Address

M. Ismail Aiwan-e-Science Building
205 Ferozepur Road, Lahore-54600
Phone : 042-35758970-2
Fax : 042-35763247
Email : corporate@colonytextiles.com
Website: www.colonytextiles.com

Share Registrar

Hameed Majeed Associates (Pvt.) Limited
HM House, 7 Bank Square
Lahore.
Phone: (042) 37235081-2, Fax: 042-37358817
Email : shares@hmaconsultants.com

Bankers

BankIslami Pakistan Limited
Meezan Bank Limited
Faysal Bank Limited
Habib Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Silk Bank Limited
The Bank of Punjab
United Bank Limited
Summit Bank Limited

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2021

3RD QUARTER

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COLONY TEXTILE MILLS LIMITED

DIRECTORS' REVIEW

Dear Members

It is our pleasure to present here our interim condensed financial statements for the nine months period ended March 31, 2021.

Your company has achieved net turnover of Rs. 17,896 million for the nine months ended (2020: Rs.14,397 million) and earned a gross profit of Rs. 1,732 million as compared to Rs. 1,235 million for the same period of last year. The net profit for the period is Rs. 521 million as compared to profit of Rs. 152 million for the same period of last year and consequently earnings per share is Rs. 1.04 (2020: per share Rs. 0.30).

The third wave of Corona virus has started spreading globally and this time Pakistan is no exception. Though the death toll in Pakistan is much lower than neighboring countries, yet there is hardly any household that has not been personally effected by this pandemic. Even then, masses are not taking precautions seriously and it seems that we maybe heading towards a lockdown.

StitchRite (Pvt.) Limited, wholly owned subsidiary

StitchRite (Private) Limited, an export oriented wholly owned subsidiary of Colony Textile Mills Limited was incorporated last year and has now commenced its operations of garment manufacturing. Consolidated financial statements of Colony Textile Mills and its wholly owned subsidiary are included in this quarterly report.

Future Prospects

The biggest challenge for the Pakistan's textile sector is the disastrous drop in country's cotton production and resultant reliance on imports. In these difficult times, the Government of Pakistan has extended its support to the export oriented sector with the aim of enhancing Pakistan's competitiveness against regional countries. This has been in the form of lower financing rates, provision of electricity and gas at subsidized rates and release of pending income tax and sales tax refunds.

The global and domestic markets have become extremely volatile, erratic and rumor based. We have witnessed sharp ups and down like never before. This phenominom has made it very difficult to make any kind of future forecasts.

Covid-19 pandemic is probably the worst crises that our generation has seen so far. We are afraid that its consequences will haunt us for a very long time and reshape the way we do business. Against all challenges, your management is highly motivated and would leave no stone unturned to explore new products and markets and improve our productivity and efficiency for the betterment of our company.

We are very hopeful that with the help of our dedicated executives, staff and workforce, we would be able to prevail on the situation at hand and move forward from strength to strength.

For and on behalf of the board



Abdul Hakeem Khan Qasuria

Director



Fareed Mughis Sheikh

Chief Executive Officer

Lahore
April 30, 2021

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2021

AS AT MARCH 31, 2021		(Unaudited) March 31, 2021	(Audited) June 30, 2020
		(Rupees in '000')	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
530,000,000 (30 June 2020: 530,000,000)			
Ordinary shares of Rs. 10 each		5,300,000	5,300,000
Share capital	4	4,980,100	4,980,100
Reserve arising on amalgamation		3,156,388	3,156,388
Surplus on revaluation of property, plant and equipment		19,594	19,594
Directors' subordinated loan		120,000	385,187
General reserves		4,702	4,702
Unappropriated Profit		1,371,976	851,217
Surplus on remeasurement of investments		2,518	1,492
		9,655,278	9,398,680
Non current liabilities			
Long term finances	5	7,070,224	7,599,183
Liabilities against assets subject to finance lease	6	15,401	21,380
Deferred liabilities		5,282,916	4,863,410
		12,368,541	12,483,973
Current liabilities			
Trade and other payables		1,139,008	1,289,910
Short term borrowings	7	3,170,766	3,328,787
Accrued mark-up		152,930	217,947
Unclaimed dividend		94	94
Current portion of long term liabilities		799,172	430,598
Provision for taxation		257,812	251,625
		5,519,782	5,518,961
Contingencies and commitments			
	8	-	-
Total equity and liabilities		27,543,601	27,401,614
ASSETS			
Non current assets			
Property, plant and equipment	9	18,022,610	18,251,031
Investment Property		779,925	779,925
Long term investments	10	391,635	214,689
Investment in subsidiary		1,000	1,000
Long term deposits		51,132	51,132
		19,246,302	19,297,777
Current assets			
Stores, spares and loose tools		326,578	275,667
Stock in trade	11	4,654,934	4,608,933
Trade debts		1,387,729	1,266,046
Loans and advances		790,258	716,430
Trade deposits and short term prepayments		257,960	255,832
Other financial assets		20	16
Tax refunds due from Government		834,180	932,961
Cash and bank balances		45,640	47,952
		8,297,299	8,103,837
Total assets		27,543,601	27,401,614

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
<i>Note</i>	<i>----- (Rupees in '000') -----</i>			
Sales - net	17,896,167	14,397,433	6,309,131	5,042,078
Cost of goods sold	(16,163,910)	(13,162,910)	(5,729,147)	(4,528,260)
Gross profit	1,732,257	1,234,523	579,984	513,818
Distribution expenses	(216,179)	(173,245)	(75,964)	(52,717)
Administrative expenses	(390,546)	(283,145)	(147,339)	(88,212)
	(606,725)	(456,390)	(223,303)	(140,929)
Operating Profit	1,125,532	778,133	356,681	372,889
Finance Cost	(565,735)	(667,074)	(163,634)	(165,607)
Other operating charges	-	-	-	-
	(565,735)	(667,074)	(163,634)	(165,607)
Other income	217,748	156,956	10,254	6,112
Profit before taxation	777,545	268,015	203,301	213,394
Taxation	12 (257,812)	(116,162)	(91,065)	(62,040)
Profit for the period	519,733	151,853	112,236	151,354
Other comprehensive income				
Surplus on revaluation of investment property	-	-	-	-
Profit on remeasurement of investments	1,026	234	-	-
Total comprehensive income	520,759	152,087	112,236	151,354
Earning per share - basic and diluted (Rupees)	1.04	0.30	0.23	0.30

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	<i>Nine months ended</i>	
	<i>March 31, 2021</i>	<i>March 31, 2020</i>
	<i>(Rupees in '000')</i>	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	777,545	268,015
Adjustments for :		
Provision for staff retirement benefit - gratuity	118,146	117,000
Depreciation on property, plant and equipment	641,809	642,870
Gain from investment in IML	(175,920)	(40,133)
Gain on settlement with banks	-	(91,165)
Gain on remeasurement of investment	(4)	(1)
Gain on disposal of property, plant and equipment	(6,141)	(3,506)
Finance cost	565,735	667,074
	1,143,625	1,292,139
Operating cash flows before movements in working capital	1,921,170	1,560,154
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(50,911)	8,845
Stock in trade	(46,001)	51,613
Trade debtors	(121,683)	(54,414)
Loans, advances, deposits and other receivables	(84,994)	(1,873)
Increase / (decrease) in current liabilities		
Trade and other payables	(423,248)	(228,163)
	(726,837)	(223,992)
Cash generated from operations	1,194,333	1,336,162
Finance cost paid	(249,420)	(224,324)
Gratuity paid	(79,970)	(52,998)
Taxes paid	(143,806)	(113,052)
	(473,196)	(390,374)
Net cash from / (used in) operating activities	721,137	945,788
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(410,781)	(470,918)
Proceeds from disposal of property, plant and equipment	11,717	6,447
Net cash (used in) / from investing activities	(399,064)	(464,471)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances repaid	(157,770)	(365,586)
Repayment of lease finance	(8,594)	(12,040)
Short term borrowings - net	(158,021)	(104,200)
Net cash (used in) / from financing activities	(324,385)	(481,826)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,312)	(509)
Cash and cash equivalents at beginning of the period	47,952	37,287
Cash and cash equivalents at end of the period	45,640	36,778

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Share capital	Reserve arising on amalgamation	Surplus on revaluation of property plant & equipment	Directors' Loan	General Reserves	Revenue reserve	(Deficit) / surplus on revaluation of	Total
	----- (Rupees in '000') -----							
Balance at July 1, 2019	4,980,100	3,156,388	19,594	385,187	4,702	1,197,969	986	9,744,926
Profit for the period	-	-	-	-	-	151,853	-	151,853
Other comprehensive Income:								
Surplus on revaluation of investment property	-	-	-	-	-	-	-	-
Profit on remeasurement of investment	-	-	-	-	-	-	234	234
Total comprehensive profit for the period ended March 31, 2020	-	-	-	-	-	151,853	234	152,087
Balance at March 31, 2020	4,980,100	3,156,388	19,594	385,187	4,702	1,349,822	1,220	9,897,013
Balance at July 1, 2020	4,980,100	3,156,388	19,594	385,187	4,702	851,217	1,492	9,398,680
Profit for the period	-	-	-	-	-	520,759	-	520,759
Other comprehensive Income:								
Surplus on revaluation of investment property	-	-	-	-	-	-	-	-
Profit on remeasurement of investment	-	-	-	-	-	-	1,026	1,026
Directors' loan paid during the period	-	-	-	(265,187)	-	-	-	(265,187)
Total comprehensive profit for the period ended March 31, 2021	-	-	-	(265,187)	-	520,759	1,026	256,598
Balance at March 31, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,371,976	2,518	9,655,278

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

SELECTED EXPLANATORY NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Colony Textile Mills Limited "The Company" is a public company limited by shares incorporated in Pakistan on January 12, 2011. The company is listed on Pakistan Stock Exchange Limited. The Company's registered office is located at M. Ismail Aiwan e Science Building, Feroze Pur Road, Lahore, Pakistan. The principal activity of the company is manufacturing and sale of yarn, fabrics, garments, made ups and trading in real estate. Geographical location and addresses of major business units including mills/plants of the Company are as under:

Location	Purpose
M. Ismail Aiwan e Science Building, Feroze Pur Road, Lahore	Head office
4 KM Raiwind Manga Road, Raiwind, District Kasur,	Weaving unit
Sher Shah Road Ismailabad, Multan.	Spinning unit

- 1.2 These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investment in subsidiary has been accounted for at costless accumulated impairment losses, if any. The Company has the following wholly-owned subsidiary company:

	Effective Shareholding %age
Stitchrite (Private) Limited	100

2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information has been prepared under the "historical cost convention" except staff retirement gratuity carried at present value and certain financial instruments carried at fair value.
- 2.2 This condensed interim financial report of the company for the nine-months period ended March 31, 2021 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.
- 2.3 Operations of the textile are very much seasonal in nature such as cotton purchase which depends upon the crop season. Effects of such operations are also reflected in the condensed interim financial information.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

4. SHARE CAPITAL

Issued, subscribed and paid up capital

20,000 (2020: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares

497,989,959 (2020: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities.

Unaudited March 31, 2021	Audited June 30, 2020
(Rupees in '000')	
200	200
4,979,900	4,979,900
4,980,100	4,980,100

2021

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COLONY TEXTILE MILLS LIMITED

		Unaudited March 31, 2021 (Rupees in '000')	Audited June 30, 2020 (Rupees in '000')
5. LONG TERM FINANCING - Secured			
From banking companies		7,852,199	8,009,969
Current portion shown under current liabilities		(781,975)	(410,786)
		<u>7,070,224</u>	<u>7,599,183</u>
6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
Present Value of lease payments		32,598	41,192
Current portion shown under current liabilities		(17,197)	(19,812)
		<u>15,401</u>	<u>21,380</u>
7. SHORT TERM BORROWINGS - Secured			
Short term running finances are availed from various commercial banks under markup arrangements aggregate to Rs. 3,171 million (June 30, 2020: Rs. 3,329 million)			
8. CONTINGENCIES AND COMMITMENTS			
There is no significant change in the status of contingencies & commitments as reported in the annual financial statements for the year ended June 30, 2020.			
	Note	Unaudited March 31, 2021 (Rupees in '000')	Audited June 30, 2020 (Rupees in '000')
9. PROPERTY, PLANT AND EQUIPMENT			
Operating assets - owned	9.1	17,762,345	18,013,019
Right of use assets		104,241	105,560
Capital work in progress		156,024	132,452
		<u>18,022,610</u>	<u>18,251,031</u>
9.1 Operating assets			
Opening book value		18,013,019	18,211,617
Additions during the period/ year:			
Building on freehold land		3,199	664
Plant and machinery		356,791	422,923
Factory tools and equipments		1,383	2,581
Furniture and fixtures		1,581	3,245
Office and hospital equipments		6,410	2,699
Vehicles		16,647	21,649
		386,011	453,761
Transfer from capital work in progress and stores during the period / year		1,198	224,027
Asset transferred from leased plant and machinery during the period / year		10,207	7,190
Book value of assets disposed/transferred during the period / year		(7,600)	(26,083)
Depreciation charge for the period / year		(640,490)	(857,493)
Closing book value		<u>17,762,345</u>	<u>18,013,019</u>

	Note	Unaudited March 31, 2021 (Rupees in '000')	Audited June 30, 2020 (Rupees in '000')
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10. LONG TERM INVESTMENTS

Investment in Imperial Limited		388,643	212,722
Other investments		2,992	1,967
		<u>391,635</u>	<u>214,689</u>

11. STOCK IN TRADE

Textile

Raw material		1,290,141	1,288,638
Work in process		463,733	467,431
Finished goods		<u>2,736,060</u>	<u>2,687,864</u>
		4,489,934	4,443,933

Real estate business

Land held for development and resale		165,000	165,000
		<u>4,654,934</u>	<u>4,608,933</u>

Unaudited
March 31,
2021
(Rupees in '000')

Unaudited
March 31,
2020
(Rupees in '000')

12. TAXATION

Current		257,812	116,162
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13. RELATED PARTIES TRANSACTIONS

Related parties comprise directors and provident fund trust. The company in the normal course of business carries out transactions with various related parties. Aggregate transactions are as follows:

Related parties

Contribution to Provident fund trust

Nine Month Ended		Three Month Ended	
March 31, 2021 (Rupees in '000')	March 31, 2020 (Rupees in '000')	March 31, 2021 (Rupees in '000')	March 31, 2020 (Rupees in '000')
<u>20,789</u>	<u>18,841</u>	<u>7,088</u>	<u>6,500</u>

14. SEGMENT INFORMATION

	Spinning		Weaving		Total Company	
	Nine Month Ended		Nine Month Ended		Nine Month Ended	
	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20
Rupees in "000"						
Sales						
Total	14,434,228	11,383,541	3,784,952	3,414,530	18,219,181	14,798,071
Inter-segment	(323,014)	(400,638)	-	-	(323,014)	(400,638)
External sales	14,111,214	10,982,903	3,784,952	3,414,530	17,896,167	14,397,433
Cost of Sales	(12,968,181)	(10,187,521)	(3,195,729)	(2,975,389)	(16,163,910)	(13,162,910)
Gross Profit	1,143,033	795,382	589,223	439,141	1,732,257	1,234,523
Distribution Cost	(129,707)	(103,947)	(86,472)	(69,298)	(216,179)	(173,245)
Administration Cost	(234,328)	(169,887)	(156,218)	(113,258)	(390,546)	(283,145)
	(364,035)	(273,835)	(242,690)	(182,555)	(606,725)	(456,390)
	778,998	521,547	346,533	256,586	1,125,532	778,133
Finance cost	(339,441)	(400,244)	(226,294)	(266,830)	(565,735)	(667,074)
	439,557	121,303	120,239	(10,244)	559,797	111,059

Unallocated income and expenses

Other Income	217,748	156,956
Profit before tax	777,545	268,015
Taxation	(257,812)	(116,162)
Profit after tax for the period	519,733	151,853
Other operating income:		
Profit on remeasurement of investments	1,026	234
Total comprehensive profit for the period	520,759	152,087

	Spinning		Weaving		Total Company	
	Three Month Ended		Three Month Ended		Three Month Ended	
	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20
Rupees in "000"						
Sales						
Total	5,194,168	4,166,342	1,224,108	1,053,948	6,418,277	5,220,290
Inter-segment	(109,146)	(178,212)	-	-	(109,146)	(178,212)
External sales	5,085,022	3,988,130	1,224,108	1,053,948	6,309,131	5,042,078
Cost of Sales	(4,670,528)	(3,715,934)	(1,058,619)	(812,326)	(5,729,147)	(4,528,260)
Gross Profit	414,494	272,196	165,489	241,622	579,984	513,818
Distribution Cost	(45,578)	(31,630)	(30,386)	(21,087)	(75,964)	(52,717)
Administration Cost	(88,404)	(52,938)	(58,935)	(35,274)	(147,339)	(88,212)
	(133,982)	(84,568)	(89,321)	(56,361)	(223,303)	(140,929)
	280,512	187,628	76,168	185,261	356,681	372,889
Finance cost	(98,180)	(99,363)	(65,454)	(66,244)	(163,634)	(165,607)
	182,332	88,264	10,715	119,018	193,047	207,282

Unallocated income and expenses

Other Income	10,254	6,112
Profit before tax	203,301	213,394
Taxation	(91,065)	(62,040)
Profit after tax for the period	112,236	151,354
Total comprehensive Income for the period	112,236	151,354

Reconciliation of reportable segment assets and liabilities

Spinning		Weaving		Total Company	
Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
Mar-21	Jun-20	Mar-21	Jun-20	Mar-21	Jun-20
Rupees in "000"					

Total assets for reportable segments	10,092,662	10,220,577	7,929,948	8,030,454	18,022,610	18,251,031
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Unallocated assets:

Investment property				779,925	779,925
Long term investments				391,635	214,689
Investment in subsidiary				1,000	1,000
Cash and bank balances				45,640	47,952
Other corporate assets				8,302,791	8,107,017
Total assets as per balance sheet				27,543,601	27,401,614

Unallocated liabilities:

Director's Subordinated Loan				120,000	385,187
Provision for taxation				257,812	251,625
Other corporate liabilities				27,165,789	26,764,802
Total liabilities as per balance sheet				27,543,601	27,401,614

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors on April 30, 2021.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.



Chief Financial Officer



Director



Chief Executive Officer

COLONY TEXTILE MILLS LIMITED

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2021

AS AT MARCH 31, 2021

		(Unaudited) March 31, 2021	(Audited) June 30, 2020
	Note	(Rupees in '000')	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
530,000,000 (30 June 2020: 530,000,000)			
Ordinary shares of Rs. 10 each		5,300,000	5,300,000
Share capital	4	4,980,100	4,980,100
Reserve arising on amalgamation		3,156,388	3,156,388
Surplus on revaluation of property, plant and equipment		19,594	19,594
Directors' subordinated loan		120,000	385,187
General reserves		4,702	4,702
Unappropriated Profit		1,346,363	845,182
Surplus on remeasurement of investments		2,518	1,492
		9,629,665	9,392,645
Non current liabilities			
Long term finances	5	7,070,224	7,599,183
Liabilities against assets subject to finance lease	6	15,401	21,380
Deferred liabilities		5,282,916	4,863,410
		12,368,541	12,483,973
Current liabilities			
Trade and other payables		1,164,807	1,294,867
Short term borrowings	7	3,170,766	3,328,787
Accrued mark-up		152,930	217,947
Unclaimed dividend		94	94
Current portion of long term liabilities		799,172	430,598
Provision for taxation		257,944	251,638
		5,545,713	5,523,931
Contingencies and commitments			
	8	-	-
Total equity and liabilities		27,543,919	27,400,549
ASSETS			
Non current assets			
Property, plant and equipment	9	18,075,923	18,254,722
Investment Property		779,925	779,925
Long term investments	10	391,635	214,689
Long term deposits		51,132	51,132
		19,298,615	19,300,468
Current assets			
Stores, spares and loose tools		343,146	277,745
Stock in trade	11	4,662,348	4,608,933
Trade debts		1,303,232	1,267,062
Loans and advances		791,879	706,326
Trade deposits and short term prepayments		257,960	255,832
Other financial assets		20	16
Tax refunds due from Government		840,932	935,096
Cash and bank balances		45,787	49,071
		8,245,304	8,100,081
Total assets		27,543,919	27,400,549

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

2021

3RD QUARTER

15

COLONY TEXTILE MILLS LIMITED

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<i>Nine months ended</i>		<i>Three months ended</i>	
	<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>	<i>March 31,</i>
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
<i>Note</i>	<i>----- (Rupees in '000') -----</i>			
Sales - net	17,909,082	14,397,433	6,322,046	5,042,078
Cost of goods sold	(16,189,222)	(13,162,858)	(5,754,459)	(4,528,208)
Gross profit	1,719,860	1,234,575	567,587	513,870
Distribution expenses	(216,245)	(173,245)	(76,030)	(52,717)
Administrative expenses	(397,500)	(283,285)	(154,293)	(88,352)
	(613,745)	(456,530)	(230,323)	(141,069)
Operating Profit	1,106,115	778,045	337,264	372,801
Finance Cost	(565,764)	(667,075)	(163,663)	(165,608)
Other operating charges	-	-	-	-
	(565,764)	(667,075)	(163,663)	(165,608)
Other income	217,748	156,956	10,254	6,112
Profit before taxation	758,099	267,926	183,855	213,305
Taxation	12 (257,944)	(116,162)	(91,197)	(62,040)
Profit for the period	500,155	151,764	92,658	151,265
Other comprehensive income				
Surplus on revaluation of investment property	-	-	-	-
Profit on remeasurement of investments	1,026	234	-	-
Total comprehensive income	501,181	151,998	92,658	151,265
Earning per share - basic and diluted (Rupees)	1.00	0.31	0.19	0.30

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) **FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021**

	<i>Nine months ended</i>	
	<i>March 31,</i>	<i>March 31,</i>
	<i>2021</i>	<i>2020</i>
	<i>(Rupees in '000')</i>	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	758,099	267,926
Adjustments for :		
Provision for staff retirement benefit - gratuity	118,146	117,000
Depreciation on property, plant and equipment	645,834	642,870
Gain from investment in IML	(175,920)	(40,133)
Gain on settlement with banks	-	(91,165)
Gain on remeasurement of investment	(4)	(1)
Gain on disposal of property, plant and equipment	(6,141)	(3,506)
Finance cost	565,764	667,075
	1,147,679	1,292,140
Operating cash flows before movements in working capital	1,905,778	1,560,066
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(65,401)	8,225
Stock in trade	(53,415)	51,613
Trade debtors	(36,170)	(54,414)
Loans, advances, deposits and other receivables	(96,719)	2,816
Increase / (decrease) in current liabilities		
Trade and other payables	(407,023)	(229,787)
	(658,728)	(221,547)
Cash generated from operations	1,247,050	1,338,519
Finance cost paid	(249,449)	(224,324)
Gratuity paid	(79,970)	(52,998)
Taxes paid	(143,819)	(113,713)
	(473,238)	(391,035)
Net cash from / (used in) operating activities	773,812	947,484
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(464,428)	(471,883)
Proceeds from disposal of property, plant and equipment	11,717	6,447
Net cash (used in) / from investing activities	(452,711)	(465,436)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances repaid	(157,770)	(365,586)
Repayment of lease finance	(8,594)	(12,040)
Short term borrowings - net	(158,021)	(104,200)
Net cash (used in) / from financing activities	(324,385)	(481,826)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(3,284)	222
Cash and cash equivalents at beginning of the period	49,071	37,287
Cash and cash equivalents at end of the period	45,787	37,509

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	Share capital	Reserve arising on amalgamation	Surplus on revaluation of property plant & equipment	Directors' Loan	General Reserves	Revenue reserve	(Deficit) / surplus on revaluation of investments	Total
	----- (Rupees in '000') -----							
Balance at July 1, 2019	4,980,100	3,156,388	19,594	385,187	4,702	1,197,969	986	9,744,926
Profit for the period	-	-	-	-	-	151,764	-	151,764
Other comprehensive Income:								
Surplus on revaluation of investment property	-	-	-	-	-	-	-	-
Profit on remeasurement of investment	-	-	-	-	-	-	234	234
Total comprehensive profit for the period ended March 31, 2020	-	-	-	-	-	151,764	234	151,998
Balance at March 31, 2020	4,980,100	3,156,388	19,594	385,187	4,702	1,349,733	1,220	9,896,924
Balance at July 1, 2020	4,980,100	3,156,388	19,594	385,187	4,702	845,182	1,492	9,392,645
Profit for the period	-	-	-	-	-	501,181	-	501,181
Other comprehensive Income:								
Surplus on revaluation of investment property	-	-	-	-	-	-	-	-
Profit on remeasurement of investment	-	-	-	-	-	-	1,026	1,026
Directors' loan paid during the period	-	-	-	(265,187)	-	-	-	(265,187)
Total comprehensive profit for the period ended March 31, 2021	-	-	-	(265,187)	-	501,181	1,026	237,020
Balance at March 31, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,346,363	2,518	9,629,665

The annexed selected notes from 1 to 16 form an integral part of this condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1. THE GROUP AND ITS OPERATIONS

The group consists of Colony Textile Mills Limited ("the Holding Company") and its 100% owned subsidiary company "Stitchrite (Private) Limited". Brief profile of the Holding Company and its Subsidiary Company are as follows:

1.01 COLONY TEXTILE MILLS LIMITED

Colony Textile Mills Limited ("the Company") is a public company limited by shares incorporated in Pakistan on 12 January 2011. The Company is listed on Pakistan Stock Exchange Limited. The company's registered office is located at M. Ismail Aiwan-i-Science, Ferozepur

1.02 STITCHRITE (PRIVATE) LIMITED

Stitchrite (Private) Limited was incorporated in Pakistan as on 11 October 2019 under Companies Act, 2017 (XIX of 2017) limited by shares. The registered office of the Company is located at 221-2nd Floor, Karachi Cotton Association Building, I.I. Chundrigar Road, Karachi, North Karachi Town Sindh 74000. The Company is principally engaged in general trading and manufacturing of textile products.

	Effective Shareholding %
Stitchrite (Private) Limited	100

2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information has been prepared under the "historical cost convention" except staff retirement gratuity carried at present value and certain financial instruments carried at fair value.
- 2.2 This condensed interim financial report of the company for the nine-months period ended March 31, 2021 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.
- 2.3 Operations of the textile are very much seasonal in nature such as cotton purchase which depends upon the crop season. Effects of such operations are also reflected in the condensed interim financial information.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

4. SHARE CAPITAL

Issued, subscribed and paid up capital

20,000 (2020: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares
497,989,959 (2020: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities.

Unaudited March 31, 2021	Audited June 30, 2020
(Rupees in '000')	
200	200
4,979,900	4,979,900
4,980,100	4,980,100

		Unaudited March 31, 2021	Audited June 30, 2020
		(Rupees in '000')	
5. LONG TERM FINANCING - Secured			
From banking companies		7,852,199	8,009,969
Current portion shown under current liabilities		(781,975)	(410,786)
		<u>7,070,224</u>	<u>7,599,183</u>
6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
Present Value of lease payments		32,598	41,192
Current portion shown under current liabilities		(17,197)	(19,812)
		<u>15,401</u>	<u>21,380</u>
7. SHORT TERM BORROWINGS - Secured			
Short term running finances are availed from various commercial banks under markup arrangements aggregate to Rs. 3,171 million (June 30, 2020: Rs. 3,329 million)			
8. CONTINGENCIES AND COMMITMENTS			
There is no significant change in the status of contingencies & commitments as reported in the annual financial statements for the year ended June 30, 2020.			
9. PROPERTY, PLANT AND EQUIPMENT			
Operating assets - owned	9.1	17,815,658	18,016,710
Right of use assets		104,241	105,560
Capital work in progress		156,024	132,452
		<u>18,075,923</u>	<u>18,254,722</u>
9.1 Operating assets			
Opening book value		18,016,710	18,330,301
Additions during the period/ year:			
Building on freehold land		3,199	664
Plant and machinery		405,130	423,996
Factory tools and equipments		1,383	2,581
Furniture and fixtures		4,752	4,056
Office and hospital equipments		6,866	3,065
Vehicles		18,328	23,134
		439,658	457,496
Transfer from capital work in progress and stores during the period / year		1,198	224,027
Asset transferred from leased plant and machinery during the period / year		10,207	(111,494)
Book value of assets disposed/transferred during the period / year		(7,600)	(26,083)
Depreciation charge for the period / year		(644,515)	(857,537)
Closing book value		<u>17,815,658</u>	<u>18,016,710</u>

	Note	Unaudited March 31, 2021 (Rupees in '000')	Audited June 30, 2020
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10. LONG TERM INVESTMENTS

Investment in Imperial Limited		388,643	212,722
Other investments		2,992	1,967
		<u>391,635</u>	<u>214,689</u>

11. STOCK IN TRADE

Textile

Raw material		1,297,555	1,288,638
Work in process		463,733	467,431
Finished goods		2,736,060	2,687,864
		<u>4,497,348</u>	<u>4,443,933</u>

Real estate business

Land held for development and resale		165,000	165,000
		<u>4,662,348</u>	<u>4,608,933</u>

Unaudited
March 31,
2021
(Rupees in '000')

Unaudited
March 31,
2020

12. TAXATION

Current		257,944	116,162
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13. RELATED PARTIES TRANSACTIONS

Related parties comprise directors and provident fund trust. The company in the normal course of business carries out transactions with various related parties. Aggregate transactions are as follows:

Related parties

Contribution to Provident fund trust

Nine Month Ended		Three Month Ended	
March 31, 2021 (Rupees in '000')	March 31, 2020	March 31, 2021 (Rupees in '000')	March 31, 2020
20,789	18,841	7,088	6,500

14. SEGMENT INFORMATION

	Spinning		Weaving		Total Company	
	Nine Month Ended		Nine Month Ended		Nine Month Ended	
	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20
Rupees in "000"						
Sales						
Total	14,434,228	11,383,541	3,784,952	3,414,530	18,219,181	14,798,071
Inter-segment	(323,014)	(400,638)	-	-	(323,014)	(400,638)
External sales	14,111,214	10,982,903	3,784,952	3,414,530	17,896,167	14,397,433
Cost of Sales	(12,968,181)	(10,187,521)	(3,195,729)	(2,975,389)	(16,163,910)	(13,162,910)
Gross Profit	1,143,033	795,382	589,223	439,141	1,732,257	1,234,523
Distribution Cost	(129,707)	(103,947)	(86,472)	(69,298)	(216,179)	(173,245)
Administration Cost	(234,328)	(169,887)	(156,218)	(113,258)	(390,546)	(283,145)
	(364,035)	(273,835)	(242,690)	(182,555)	(606,725)	(456,390)
	778,998	521,547	346,533	256,586	1,125,532	778,133
Finance cost	(339,441)	(400,244)	(226,294)	(266,830)	(565,735)	(667,074)
	439,557	121,303	120,239	(10,244)	559,797	111,059

Unallocated income and expenses

Other Income					217,748	156,956
Profit before tax					777,545	268,015
Taxation					(257,812)	(116,162)
Profit after tax for the period					519,733	151,853
Other operating income:						
Profit on remeasurement of investments					1,026	234
Total comprehensive profit for the period					520,759	152,087

	Spinning		Weaving		Total Company	
	Three Month Ended		Three Month Ended		Three Month Ended	
	Mar-21	Mar-20	Mar-21	Mar-20	Mar-21	Mar-20
Rupees in "000"						
Sales						
Total	5,194,168	4,166,342	1,224,108	1,053,948	6,418,277	5,220,290
Inter-segment	(109,146)	(178,212)	-	-	(109,146)	(178,212)
External sales	5,085,022	3,988,130	1,224,108	1,053,948	6,309,131	5,042,078
Cost of Sales	(4,670,528)	(3,715,934)	(1,058,619)	(812,326)	(5,729,147)	(4,528,260)
Gross Profit	414,494	272,196	165,489	241,622	579,984	513,818
Distribution Cost	(45,578)	(31,630)	(30,386)	(21,087)	(75,964)	(52,717)
Administration Cost	(88,404)	(52,938)	(58,935)	(35,274)	(147,339)	(88,212)
	(133,982)	(84,568)	(89,321)	(56,361)	(223,303)	(140,929)
	280,512	187,628	76,168	185,261	356,681	372,889
Finance cost	(98,180)	(99,363)	(65,454)	(66,244)	(163,634)	(165,607)
	182,332	88,264	10,715	119,018	193,047	207,282

Unallocated income and expenses

Other Income					10,254	6,112
Profit before tax					203,301	213,394
Taxation					(91,065)	(62,040)
Profit after tax for the period					112,236	151,354
Total comprehensive Income for the period					112,236	151,354

Reconciliation of reportable segment assets and liabilities

Spinning		Weaving		Total Company	
Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
Mar-21	Jun-20	Mar-21	Jun-20	Mar-21	Jun-20

Rupees in "000"

Total assets for reportable segments	10,092,662	10,220,577	7,929,948	8,030,454	18,022,610	18,251,031
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Unallocated assets:

Investment property				779,925	779,925
Long term investments				391,635	214,689
Investment in subsidiary				1,000	1,000
Cash and bank balances				45,640	47,952
Other corporate assets				8,302,791	8,107,017
Total assets as per balance sheet				27,543,601	27,401,614

Unallocated liabilities:

Director's Subordinated Loan				120,000	385,187
Provision for taxation				257,812	251,625
Other corporate liabilities				27,165,789	26,764,802
Total liabilities as per balance sheet				27,543,601	27,401,614

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors on April 30, 2021.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.



Chief Financial Officer



Director



Chief Executive Officer

ڈائریکٹر کی جائزہ رپورٹ

محترم حصص داران

کمپنی کے ڈائریکٹر ان بخوشی درمیانی مدت کے غیر نتیجہ شدہ مالی حسابات برائے سہ ماہی ختمہ 31 مارچ 2021ء پیش کر رہے ہیں۔

آپ کی کمپنی نے نو مہینوں کے اختتام پر مبلغ 17,896 ملین روپے کا کاروباری حجم حاصل کیا ہے (2020: مبلغ 14,397 ملین روپے) اور خام منافع مبلغ 1,732 ملین روپے کاروبار کے پچھلے سال اسی عرصہ میں مبلغ 1,235 ملین روپے تھا۔ اس عرصہ کا خالص منافع 521 ملین روپے ہے جبکہ پچھلے سال اسی عرصہ میں خالص منافع مبلغ 152 ملین روپے تھا چنانچہ آمدن فی حصہ 1.04 روپے رہی (2020: منافع فی حصہ 0.30 روپے)۔

کرونا وبا کی تیسری لہر پوری دنیا میں پھیل رہی ہے اور اس دفعہ پاکستان بھی اس سے محفوظ نہیں ہے۔ پاکستان میں اگرچہ عسایہ ممالک کی نسبت شرح اموات کم ہے مگر کوئی گھریلو زندگی مشکل سے ہی اس موذی وبا سے بچتی ہے۔ اس کے باوجود اکثریت احتیاطی تدابیر کو بخیرہ نہیں لے رہی جس سے ہم لاک ڈاؤن کی طرف بڑھ رہے ہیں۔

سٹرائٹ (برائیوٹ) لمیٹڈ، مکمل ملکیتی ماتحت کمپنی

آپ کی کمپنی نے گارنٹس کی تیاری اور برآمدات کے لئے "سٹرائٹ (برائیوٹ) لمیٹڈ" کے نام سے ایک مکمل ملکیتی ماتحت کمپنی بنائی تھی جس نے گارنٹس کی تیاری کا عمل شروع کر دیا ہے۔ کالونی ٹیکسٹائل ملز لمیٹڈ اور ڈی ملیکٹی کمپنی کے مجموعی مالی حسابات اس سہ ماہی رپورٹ میں شامل ہیں۔


مستقبل کا نقطہ نظر


پاکستان میں کپاس کی فصل کا پھل درجے تک کم ہونا اور اس کی درآمد پر انحصار ٹیکسٹائل صنعت کے لئے بہت بڑا چیلنج ہے۔ ان مشکل حالات میں حکومت پاکستان نے برآمدی شعبہ کو اپنی معاونت کے ذریعے علاقائی ملکوں سے مقابلہ بازی کے لئے بھرپور اقدامات کئے ہیں۔ جس میں کم شرح سود پر قرضہ جات، امدادی قیتوں پر بجلی اور سونے کی گیس کی فراہمی کے ساتھ سیکسز کی واپسی ادائیگیاں شامل ہیں۔

مقامی اور عالمی منڈیاں نہایت غیر یقینی صورتحال کا شکار ہیں۔ جس کے نتیجے میں کبھی ناہونے والے اتار چڑھاؤ دیکھے گئے ہیں۔ یہ ساری صورتحال مستقبل کی کسی بھی قسم کی منصوبہ بندی میں مشکلات لا رہی ہے۔ ہماری موجودہ نسل کے لئے یہ کرونا وبا اب تک کے لئے مشکل ترین صورتحال ہو سکتی ہے۔ ہمیں خطرہ محسوس ہو رہا ہے کہ اس کے نتائج ایک لمبے عرصہ تک رہیں گے اور کاروبار کے طریقہ کار کو یکسر بدل دیں گے۔ ان سب مشکلات کے باوجود آپ کی کمپنی کی انتظامیہ کمپنی کی بہتری کے لئے پرعزم ہے کہ وہ ہر آنے والی رکاوٹ کو دور کرتے ہوئے کمپنی کی بہتری کے لئے مستعدی سے نئی مصنوعات متعارف کروانے اور نئی منڈیاں تلاش کرنے میں مصروف عمل رہے گی۔

ہم پر امید ہیں کہ ہم اپنے افسران اور دیگر ملازمین کی مدد سے اس کڑے وقت پر قابو پانے کے ساتھ اس سے پوری طاقت سے نبرد آزما ہوں گے۔

منجانب بورڈ


عبدالحکیم خان قصوریہ
ڈائریکٹر


فرید میث
چیف ایگزیکٹو آفیسر
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