



**CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED
SEPTEMBER 30, 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. Noor 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

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

Bank Islami 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

DIRECTORS' REVIEW

Dear Members,

The directors of the company are pleased to present the unaudited interim financial statements for the first quarter ended September 30, 2021.

The turnover in this first quarter has increased from Rs. 5,757 million to Rs. 7,811 million, compared to the corresponding period of last year. The gross profit for the period is at Rs. 521 million (2020: Rs. 428 million) and the net profit of the quarter is at Rs. 127 million (2020: Rs. 58 million). Earnings per share for the first quarter is Rs. 0.25 as compared to the earning per share of Rs. 0.12 of the corresponding quarter of last year.

Compared with the corresponding quarter last year, your company's sales have significantly increased but the bottom line is not truly reflecting this increase. The domestic textile markets of yarns and fabrics remained under tremendous pressure as there was extreme resistance against absorbing sky-rocketing raw material and input costs. The news of another disappointing cotton crop, security concerns and rapid devaluation is just adding fuel to the fire.

Though the export segment of the textile industry is operating with very healthy margins but most of the industry is now feeling the heat of liquidity crunch, due to all time high raw material prices and inventory build-up.

We remain hopeful that the government will continue its support through low cost financing, timely tax refunds and competitive energy pricing.

Consolidated interim financial statements for the quarter ended September 30, 2021 of the company and its subsidiary StitchRite Private Limited are attached.

Although challenges are high but we are committed to perform in the best possible manner and add value to our stakeholders to meet the long term goals of the company.

We would like to place on record our deep appreciation for the cooperation of our banks, effort of our executives and employees for the betterment of the company.

For and on behalf of the Board



Abdul Hakeem Khan Qasuria
Director



Fareed Mughis Sheikh
Chief Executive Officer

Lahore
October 30, 2021

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2021

	Note	(Un-Audited) September 30, 2021 Rupees "000"	(Audited) June 30, 2021 Rupees "000"
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up capital	4	4,980,100	4,980,100
Reserve arising on amalgamation		3,156,388	3,156,388
Revaluation surplus on property, plant and equipment		19,594	19,594
Directors' loan		120,000	120,000
General Reserves		4,702	4,702
Unappropriated Profit		1,717,169	1,590,412
Surplus on remeasurement of investments		2,951	2,951
		10,000,904	9,874,147
NON CURRENT LIABILITIES			
Long term finances	5	6,697,838	6,894,705
Liabilities against assets subject to finance lease		7,853	12,906
Deferred liabilities		5,376,955	5,257,156
		12,082,646	12,164,767
CURRENT LIABILITIES			
Trade and other payables		1,705,486	1,857,242
Short term borrowings		3,000,902	2,993,518
Accrued mark up		147,267	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		884,879	830,584
Provision for taxation		465,640	368,233
		6,204,268	6,197,309
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		28,287,818	28,236,223
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	18,780,557	18,648,431
Right of use assets		89,451	90,585
Investment property		784,279	784,279
Long term investments		434,580	434,580
Investment in subsidiary		100,000	100,000
Long term deposits		51,132	51,132
		20,239,999	20,109,007
CURRENT ASSETS			
Stores, spares and loose tools		402,776	362,286
Stock in trade		4,573,882	4,798,585
Trade debts		1,294,126	1,121,943
Loans and advances		750,296	873,565
Trade deposits and short term prepayments		149,433	116,629
Other financial assets		20	20
Tax refund due from government		826,564	799,392
Cash and bank balances		50,722	54,796
		8,047,819	8,127,216
		28,287,818	28,236,223

The annexed notes from 1 to 13 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Note	(Un-Audited) September 30, 2021 Rupees "000"	(Un-Audited) September 30, 2020 Rupees "000"
Sales-net		7,811,399	5,756,669
Cost of sales	8	7,290,316	5,328,614
Gross profit		521,083	428,055
Operating expenses:			
Distribution cost		71,319	50,777
Administrative expenses		83,915	69,599
		155,234	120,376
Operating Profit		365,849	307,679
Finance cost		168,481	203,151
		197,368	104,528
Other Income	9	26,796	35,683
Profit before tax		224,164	140,211
Taxation	10	97,407	82,161
Profit after tax		126,757	58,050
Earnings per share-basic and diluted		0.25	0.12
Other Comprehensive Income			
		-	-
Total Comprehensive Income		126,757	58,050

The annexed notes from 1 to 13 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note	(Un-Audited) September 30, 2021 Rupees "000"	(Un-Audited) September 30, 2020 Rupees "000"
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	224,164	140,211
Adjustments for:		
Provision for gratuity	39,153	39,516
Depreciation	212,108	215,873
Gain on disposal of PPE	-	(1,315)
Finance cost	168,481	203,151
Operating cash flows before working capital changes	643,906	597,436
(Increase) / decrease in current assets		
Stores, spares and loose tools	(40,490)	4,162
Stock in trade	224,703	(45,384)
Trade debts	(172,183)	(30,563)
Loans and advances	123,269	(61,790)
Trade deposits and short term prepayments	(32,804)	(1,731)
Tax refund due from government	24,749	100,723
Increase / (decrease) in current liabilities		
Trade and other payables	(151,756)	(284,518)
	(24,512)	(319,101)
Cash generated from operating activities	619,394	278,335
Finance cost paid	(64,723)	(69,085)
Gratuity paid	(23,330)	(19,833)
Income tax paid	(52,071)	(38,587)
	(140,124)	(127,505)
Net cash generated from operating activities	479,270	150,830
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(343,102)	(102,684)
Proceeds from disposal of PPE	-	2,245
Net cash used in investing activities	(343,102)	(100,439)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances (repaid)	(143,881)	(7,411)
Lease rentals-Net	(3,745)	(2,604)
Short term borrowings-net	7,384	(42,318)
Net cash generated / (used) in financing activities	(140,242)	(52,333)
Net cash (decrease) in cash and cash equivalents during the period	(4,074)	(1,942)
Cash and cash equivalents at the beginning of the period	54,796	47,952
Cash and cash equivalents at the end of the period	50,722	46,010

The annexed notes from 1 to 13 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Share capital	Reserve arising on amalgamation	Revaluation surplus on property, plant and equipment	Directors' loan	REVENUE RESERVES			Total
					General reserves	Unappropriated profit/(loss)	Surplus / (Deficit) on Re-measurement of investments	
.....Rupees "000"								
Balance as on July 01, 2020	4,980,100	3,156,388	19,594	385,187	4,702	851,217	1,492	9,398,680
Profit for the period	-	-	-	-	-	58,050	-	58,050
Balance as at September 30, 2020	4,980,100	3,156,388	19,594	385,187	4,702	909,267	1,492	9,456,730
Balance as on July 01, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,590,412	2,951	9,874,147
Profit for the period	-	-	-	-	-	126,757	-	126,757
Balance as at September 30, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,717,169	2,951	10,000,904

The annexed notes from 1 to 13 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

SELECTED EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

1 THE COMPANY AND ITS OPERATIONS

Colony Textile Mills Limited is a public company limited by shares incorporated in Pakistan on January 12, 2011 under the provisions of the Companies Ordinance, 1984 (Now The Companies Act 2017). The company is listed on Pakistan Stock Exchange Limited. The company's registered office is located at M. Ismail Aiwan-i-Science Building, Ferozpur Road, Lahore, Pakistan. The Principal activity of the company is manufacturing and sale of yarn, fabrics, garments made ups and trading in real estate.

2 BASIS OF PREPARATION OF ACCOUNTS

These financial statements are unaudited and are being submitted to members as required under section 237 of the Companies Act, 2017. These have been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting) as applicable in Pakistan and notified by Securities and Exchange Commission of Pakistan (SECP).

3 ACCOUNTING POLICIES AND SEASONALITY OF OPERATIONS

3.1 The accounting policies and methods of computations adopted for the preparation of these accounts are the same as applied in the preparation of preceding annual published accounts of the company.

3.2 Some operations of the Company are very much seasonal in nature such as cotton purchase which depends upon the crop season. Effect of such operations are also reflected in these financial statements

	September 30, 2021 Rupees "000"	June 30, 2021 Rupees "000"
4 SHARE CAPITAL		
4.1 Authorized capital		
185,000,000 (2020: 185,000,000) ordinary shares of Rs. 10 each	1,850,000	1,850,000
Capital of merged companies		
345,000,000 (2020: 345,000,000) ordinary shares of Rs. 10 each	3,450,000	3,450,000
	<u>5,300,000</u>	<u>5,300,000</u>
4.2 Issued, subscribed and paid up capital		
20,000 (2020: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares	200	200
497,989,959 (2020: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities	4,979,900	4,979,900
	<u>4,980,100</u>	<u>4,980,100</u>

	Note	September 30, 2021 Rupees "000"	June 30, 2021 Rupees "000"
5 LONG TERM FINANCES-Secured			
Long term loans		7,566,417	7,710,297
Less: Current portion shown under current liabilities		(868,579)	(815,592)
		<u>6,697,838</u>	<u>6,894,705</u>
6 CONTINGENCIES AND COMMITMENTS			
The status of contingencies and commitments are almost same as described in the recent annual accounts.			
7 PROPERTY , PLANT AND EQUIPMENT			
Operating fixed assets	7.1	18,113,533	18,121,144
Capital work in progress		667,024	527,287
		<u>18,780,557</u>	<u>18,648,431</u>
7.1 Operating fixed assets			
Opening written down value		18,121,144	18,013,019
Add: Cost of additions during the period	7.2	203,365	1,018,391
		<u>18,324,509</u>	<u>19,031,410</u>
Less: Written down value of deletions during the period		-	62,082
		<u>18,324,509</u>	<u>18,969,328</u>
Less: Depreciation charged during the period		210,976	848,184
		<u>18,113,533</u>	<u>18,121,144</u>
7.2 Cost of additions during the period			
Building on free hold land		1,162	5,669
Plant and machinery		185,352	707,347
Factory tools & equipment		1,194	3,390
Furniture & fixture		2,731	7,107
Office and other equipment		3,780	9,184
Vehicles		9,146	27,312
Transferred from leased assets		-	12,564
Transferred from CWIP		-	245,818
		<u>203,365</u>	<u>1,018,391</u>

	September 30, 2021 Rupees "000"	September 30, 2020 Rupees "000"
8 COST OF SALES		
Raw material consumed	5,024,772	3,393,506
Stores and spares consumed	366,649	243,572
Salaries, wages and benefits	709,230	570,025
Power and fuel	925,026	754,206
Insurance	13,918	6,479
Depreciation	208,663	212,348
Other factory overheads	27,558	38,928
	<u>7,275,816</u>	<u>5,219,064</u>
Adjustment of work in process		
Opening	499,580	467,431
Closing	(495,848)	(459,931)
	<u>3,732</u>	<u>7,500</u>
Cost of goods manufactured	7,279,548	5,226,564
Adjustment of finished goods		
Opening	2,560,618	2,691,652
Closing	(2,549,850)	(2,589,602)
	<u>10,768</u>	<u>102,050</u>
Real estate		
Opening	165,000	165,000
Closing	(165,000)	(165,000)
	<u>-</u>	<u>-</u>
Cost of goods sold	<u>7,290,316</u>	<u>5,328,614</u>
9 OTHER INCOME		
Other income includes profit on bank deposits, exchange gains and rental income.		
10 PROVISION FOR TAXATION		
Current-Minimum Taxation	97,407	82,161
	<u>97,407</u>	<u>82,161</u>
11 RELATED PARTY TRANSACTIONS		
All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions.		
Loan to Stitchrite (Pvt) limited	5,175	24,000
Contribution to Provident Fund Trust	7,736	6,910
12 SEGMENT INFORMATION		
12.1 The company has two reportable business segments. The following summary describes the operation in each of the company's reportable segments:		
Spinning: Production of different qualities of yarn using cotton and man-made fibers.		
Weaving: Production of different qualities of greige fabric using cotton and man-made fibre yarn.		
Transactions among the business segments are recorded at cost. Intersegment sales and purchases have been eliminated from the total.		

12.2

Spinning		Weaving		Total-company	
September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
----Rupees (000)----		----Rupees (000)----		----Rupees (000)----	

Sales:

Total Sales	6,706,479	4,512,562	1,378,654	1,363,169	8,085,133	5,875,731
Inter segment	(273,734)	(119,062)	-	-	(273,734)	(119,062)
External Sales	6,432,745	4,393,500	1,378,654	1,363,169	7,811,399	5,756,669
Cost of sales	6,083,221	4,094,168	1,207,095	1,234,446	7,290,316	5,328,614
Gross profit	349,524	299,332	171,559	128,723	521,083	428,055
Distribution cost	42,791	30,466	28,528	20,311	71,319	50,777
Administration cost	50,349	41,759	33,566	27,840	83,915	69,599
	93,140	72,225	62,094	48,151	155,234	120,376
	256,384	227,106	109,465	80,573	365,849	307,679
Finance cost	101,089	121,891	67,392	81,260	168,481	203,151
	155,295	105,216	42,073	(688)	197,368	104,528

Unallocated income and expenses

Other income					26,796	35,683
Profit before tax					224,164	140,211
Taxation					97,407	82,161
Profit after tax					126,757	58,050
Other comprehensive income:					-	-
Total Comprehensive Income					126,757	58,050

13. AUTHORIZATION FOR ISSUE

These accounts have been approved and authorized for issue by the board of directors in its meeting held on October 30, 2021.



Chief Financial Officer



Director



Chief Executive Officer

COLONY TEXTILE MILLS LIMITED

CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2021

CONSOLIDATED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED) **AS AT SEPTEMBER 30, 2021**

	Note	(Un-Audited) September 30, 2021 Rupees "000"	(Audited) June 30, 2021 Rupees "000"
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up capital	5	4,980,100	4,980,100
Reserve arising on amalgamation		3,156,388	3,156,388
Revaluation surplus on property, plant and equipment		19,594	19,594
Directors' loan		120,000	120,000
General Reserves		4,702	4,702
Unappropriated Profit		1,678,489	1,564,304
Surplus on remeasurement of investments		2,951	2,951
		9,962,224	9,848,039
NON CURRENT LIABILITIES			
Long term finances	6	6,697,838	6,894,705
Liabilities against assets subject to finance lease		7,853	12,906
Deferred liabilities		5,377,254	5,257,455
		12,082,945	12,165,066
CURRENT LIABILITIES			
Trade and other payables		1,775,929	1,921,336
Short term borrowings		3,025,455	2,993,518
Accrued mark up		147,267	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		884,879	830,584
Provision for taxation		466,284	368,752
		6,299,908	6,261,922
CONTINGENCIES AND COMMITMENTS			
	7	-	-
		28,345,077	28,275,027
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	18,846,400	18,711,700
Right of use assets		89,451	90,584
Investment property		784,279	784,279
Long term investments		434,580	434,580
Long term deposits		51,132	51,132
		20,205,842	20,072,275
CURRENT ASSETS			
Stores, spares and loose tools		435,421	384,598
Stock in trade		4,592,928	4,818,093
Trade debts		1,316,148	1,123,472
Loans and advances		750,322	876,945
Trade deposits and short term prepayments		149,433	116,629
Other financial assets		20	20
Tax refund due from government		844,061	812,111
Cash and bank balances		50,902	70,884
		8,139,235	8,202,752
		28,345,077	28,275,027

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Note	(Un-Audited) September 30, 2021 Rupees "000"	(Un-Audited) September 30, 2020 Rupees "000"
Sales-net		7,838,891	5,756,785
Cost of sales	9	7,322,805	5,330,998
Gross profit		516,086	425,787
Operating expenses:			
Distribution cost		71,607	50,777
Administrative expenses		91,164	70,695
		162,771	121,472
Operating Profit		353,315	304,315
Finance cost		168,481	203,152
		184,834	101,163
Other Income	10	26,882	35,683
Profit before tax		211,716	136,846
Taxation	11	97,532	82,161
Profit after tax		114,184	54,685
Earnings per share-basic and diluted		0.23	0.11
Other Comprehensive Income			
		-	-
Total Comprehensive Income		114,184	54,685

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED INTERIM CONDENSED STATEMENT OF CASH FLOWS (UN-AUDITED) **FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

Note	(Un-Audited) September 30, 2021 Rupees "000"	(Un-Audited) September 30, 2020 Rupees "000"
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	211,716	136,846
Adjustments for:		
Provision for gratuity	39,153	39,516
Depreciation	216,661	215,884
Gain on disposal of PPE	-	(1,315)
Finance cost	168,481	203,152
Operating cash flows before working capital changes	636,011	594,083
(Increase) / decrease in current assets		
Stores, spares and loose tools	(50,823)	3,655
Stock in trade	225,165	(45,384)
Trade debts	(192,676)	(30,493)
Loans and advances	126,623	(48,046)
Trade deposits and short term prepayments	(32,804)	(1,731)
Tax refund due from government	24,749	100,235
Increase / (decrease) in current liabilities		
Trade and other payables	(150,073)	(290,852)
	(49,838)	(312,616)
Cash generated from operating activities	586,173	281,467
Finance cost paid	(64,723)	(69,086)
Gratuity paid	(23,330)	(19,833)
Income tax paid	(52,184)	(38,588)
	(140,237)	(127,507)
Net cash generated from operating activities	445,936	153,960
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(350,229)	(104,046)
Proceeds from disposal of PPE	-	2,245
Net cash used in investing activities	(350,229)	(101,801)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances (repaid)	(143,881)	(7,411)
Lease rentals-Net	(3,745)	(2,604)
Short term borrowings-net	31,937	(42,318)
Net cash generated / (used) in financing activities	(115,689)	(52,333)
Net cash (decrease) in cash and cash equivalents during the period	(19,982)	(174)
Cash and cash equivalents at the beginning of the period	70,884	49,071
Cash and cash equivalents at the end of the period	50,902	48,897

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) **FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

	Share capital	Reserve arising on amalgamation	Revaluation surplus on property, plant and equipment	Directors' loan	REVENUE RESERVES			Total
					General reserves	Unappropriated profit/(loss)	Surplus / (Deficit) on Re-measurement of investments	
.....Rupees "000"								
Balance as on July 01, 2020	4,980,100	3,156,388	19,594	385,187	4,702	845,182	1,492	9,392,645
Profit for the period	-	-	-	-	-	54,685	-	54,685
Balance as at September 30, 2020	4,980,100	3,156,388	19,594	385,187	4,702	899,867	1,492	9,447,330
Balance as on July 01, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,564,305	2,951	9,848,040
Profit for the period	-	-	-	-	-	114,184	-	114,184
Balance as at September 30, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,678,489	2,951	9,962,224

The annexed notes from 1 to 14 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED SELECTED EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2021

1 THE COMPANY AND ITS OPERATIONS

Colony Textile Mills Limited ("the Holding Company") is a Public Company Limited by shares incorporated in Pakistan on 12 January 2011 under the provisions of the repealed Companies Ordinance, 1984 (now The Companies Act 2017). The Holding Company is listed on Pakistan Stock Exchange Limited. The registered office of the Holding Company is located at M. Ismail Aiwan-i-Science Building, Ferozepur Road, Lahore, Pakistan. The principal activity of the Holding Company is manufacturing and sale of yarn, fabric, garments made ups and trading in real estate.

2 THE GROUP AND ITS OPERATIONS

The group consists of :

Colony Textile Mills Limited (the Holding Company)

Stitchrite (Private) Limited (the Subsidiary Company)

Stitchrite (Private) Limited was incorporated in Pakistan as on 11 October 2019 under the 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. Chandigarh Road, Karachi, North Karachi Town Sindh 74000. The Company is principally engaged in manufacturing and general trading of textile products.

Effective
Shareholding %
100

Stitchrite (Private) Limited

3 BASIS OF PREPARATION OF ACCOUNTS

These financial statements are unaudited and are being submitted to members as required under section 237 of the Companies Act, 2017. These have been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting) as applicable in Pakistan and notified by Securities and Exchange Commission of Pakistan (SECP).

4 ACCOUNTING POLICIES AND SEASONALITY OF OPERATIONS

4.1 The accounting policies and methods of computations adopted for the preparation of these accounts are the same as applied in the preparation of preceding annual published accounts of the company.

4.2 Some operations of the Company are very much seasonal in nature such as cotton purchase which depends upon the crop season. Effect of such operations are also reflected in these financial statements

	September 30, 2021 Rupees "000"	June 30, 2021 Rupees "000"
5 SHARE CAPITAL		
5.1 Authorized capital		
185,000,000 (2020: 185,000,000) ordinary shares of Rs. 10 each	1,850,000	1,850,000
Capital of merged companies		
345,000,000 (2020: 345,000,000) ordinary shares of Rs. 10	3,450,000	3,450,000
	<u>5,300,000</u>	<u>5,300,000</u>
5.2 Issued, subscribed and paid up capital		
20,000 (2020: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares	200	200
497,989,959 (2020: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities	4,979,900	4,979,900
	<u>4,980,100</u>	<u>4,980,100</u>

	Note	September 30, 2021 Rupees "000"	June 30, 2021 Rupees "000"
6 LONG TERM FINANCES-Secured			
Long term loans		7,566,417	7,710,297
Less: Current portion shown under current liabilities		(868,579)	(815,592)
		<u>6,697,838</u>	<u>6,894,705</u>
7 CONTINGENCIES AND COMMITMENTS			
The status of contingencies and commitments are almost same as described in the recent annual accounts.			
8 PROPERTY , PLANT AND EQUIPMENT			
Operating fixed assets	8.1	18,179,376	18,184,413
Capital work in progress		667,024	527,287
		<u>18,846,400</u>	<u>18,711,700</u>
8.1 Operating fixed assets			
Opening written down value		18,184,413	18,016,710
Add: Cost of additions during the period	8.2	210,492	1,079,899
		18,394,905	19,096,609
Less: Written down value of deletions during the period		-	62,082
		18,394,905	19,034,527
Less: Depreciation charged during the period		215,529	850,114
		<u>18,179,376</u>	<u>18,184,413</u>
8.2 Cost of additions during the period			
Building on free hold land		1,162	5,669
Plant and machinery		187,829	760,390
Factory tools & equipment		1,194	3,390
Furniture & fixture		4,153	10,933
Office and other equipment		4,712	9,815
Vehicles		11,442	31,320
Transferred from leased assets		-	12,564
Transferred from CWIP		-	245,818
		<u>210,492</u>	<u>1,079,899</u>

	September 30, 2021 Rupees "000"	September 30, 2020 Rupees "000"
9 COST OF SALES		
Raw material consumed	5,039,312	3,393,506
Stores and spares consumed	366,878	243,684
Salaries, wages and benefits	717,823	570,391
Power and fuel	925,026	754,206
Insurance	13,919	6,609
Depreciation	215,529	212,359
Other factory overheads	29,557	40,693
	<u>7,308,044</u>	<u>5,221,448</u>
Adjustment of work in process		
Opening	517,526	467,431
Closing	(513,794)	(459,931)
	<u>3,732</u>	<u>7,500</u>
Cost of goods manufactured	7,311,776	5,228,948
Adjustment of finished goods		
Opening	2,560,979	2,691,652
Closing	(2,549,950)	(2,589,602)
	<u>11,029</u>	<u>102,050</u>
Real estate		
Opening	165,000	165,000
Closing	(165,000)	(165,000)
	<u>-</u>	<u>-</u>
Cost of goods sold	<u>7,322,805</u>	<u>5,330,998</u>
10 OTHER INCOME		
Other income includes profit on bank deposits, exchange gains and rental income.		
11 PROVISION FOR TAXATION		
Current-Minimum Taxation	97,532	82,161
	<u>97,532</u>	<u>82,161</u>
12 RELATED PARTY TRANSACTIONS		
All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions.		
Contribution to Provident Fund Trust	7,736	6,910
13 SEGMENT INFORMATION		
13.1 The company has two reportable business segments. The following summary describes the operation in each of the company's reportable segments:		
Spinning: Production of different qualities of yarn using cotton and man-made fibers.		
Weaving: Production of different qualities of greige fabric using cotton and man-made fibre yarn.		
Transactions among the business segments are recorded at cost. Intersegment sales and purchases have been eliminated from the total.		

13.2

Spinning		Weaving		Total-company	
September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
-----Rupees (000)-----		-----Rupees (000)-----		-----Rupees (000)-----	

Sales:

Total Sales	6,706,479	4,512,562	1,378,654	1,363,169	8,085,133	5,875,731
Inter segment	(273,734)	(119,062)	-	-	(273,734)	(119,062)
External Sales	6,432,745	4,393,500	1,378,654	1,363,169	7,811,399	5,756,669
Cost of sales	6,083,221	4,094,168	1,207,095	1,234,446	7,290,316	5,328,614
Gross profit	349,524	299,332	171,559	128,723	521,083	428,055
Distribution cost	42,791	30,466	28,528	20,311	71,319	50,777
Administration cost	50,349	41,759	33,566	27,840	83,915	69,599
	93,140	72,225	62,094	48,151	155,234	120,376
	256,384	227,106	109,465	80,573	365,849	307,679
Finance cost	101,089	121,891	67,392	81,260	168,481	203,151
	155,295	105,216	42,073	(688)	197,368	104,528

Unallocated income and expenses

Other income					26,796	35,683
Profit before tax					224,164	140,211
Taxation					97,407	82,161
Profit after tax					126,757	58,050
Other comprehensive income:					-	-
Total Comprehensive Income					126,757	58,050

14. AUTHORIZATION FOR ISSUE

These accounts have been approved and authorized for issue by the board of directors in its meeting held on October 30, 2021.



Chief Financial Officer



Director



Chief Executive Officer

ڈائریکٹر رپورٹ

کمپنی کے ڈائریکٹران بخوشی پہلی سہ ماہی ختمہ 30 ستمبر 2021ء کے غیر تنقیح شدہ مالی حسابات پیش کر رہے ہیں۔

پہلی سہ ماہی کا کاروباری حجم پچھلے سال کی اسی سہ ماہی کے مقابلے میں مبلغ 5,757 ملین روپے سے بڑھ کر مبلغ 7,811 ملین روپے ہو گیا ہے۔ اس مدت کا خام منافع مبلغ 521 ملین روپے (2020: 428 ملین روپے) جبکہ اس سہ ماہی کا بعد از ٹیکس منافع مبلغ 127 ملین روپے (2020: بعد از ٹیکس منافع 58 ملین روپے) ہے۔ اس طرح نفع فی حصہ 0.25 روپیہ رہا جو کہ پچھلے سال اسی سہ ماہی میں 0.12 روپیہ فی حصہ تھا۔

پچھلے سال کے مقابلے میں اس سال فروخت کی حجم خاطر خواہ بڑھنے کے باوجود کمپنی کے بعد از ٹیکس منافع میں کوئی خاص اضافہ نہیں ہوا ہے۔ خام مال و دیگر اشیا کی قیمتوں میں آسمان کی بلند یوں کو چھوتے ہوئے اضافہ کی وجہ سے کپڑے اور دھاگے کی مقامی صنعت دباؤ کا شکار رہی ہے۔ کپاس کی فصل کی کمی، سیکورٹی خدشات اور روپے کی تیزی سے گرتی ہوئی قدر جیسے عوامل جلتی آگ پر تیل چھڑکنے کے مترادف ہیں۔ اگرچہ برآمدی شعبہ جات نے اچھے منافع جات کماے ہیں مگر خام مال کی قیمتوں میں تاریخی اضافہ اور دیگر وسائل کی کمی کی وجہ سے درکار شک کو پورا کرنے میں مشکلات کا شکار ہیں۔

ہم پر امید ہیں کہ حکومت کی طرف سے کم شرح سود پر قرضہ جات کی فراہمی، بروقت ٹیکس کی واپسی ادائیگیوں اور توانائی کی مقابلتا کم قیمتوں پر فراہمی جیسے اقدامات جاری رہیں گے۔

کمپنی اور اس کی ذیلی کمپنی کے مجموعاتی مالی حسابات برائے عرصہ 30 ستمبر 2021 اس رپورٹ کے ساتھ منسلک ہیں۔ بڑھتے ہوئے خدشات کے باوجود ہم کمپنی کے مقاصد کے حصول کے لئے برعزم ہیں۔

ہم اپنے ایگزیکٹوز اور دیگر ملازمین کی کاوشوں کا تہہ دل سے شکر گزار ہیں۔

منجانب بورڈ

Daqumda.

عبدالحکیم خان قصوریہ

ڈائریکٹر

Frédéric

فرید مغیش شیش

چیف ایگزیکٹو آفیسر

لاہور: 30 اکتوبر 2021

NOTES

NOTES



Colony Textile Mills Limited

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