



**CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED
DECEMBER 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. 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

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

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,

It is our pleasure to present here our interim condensed financial statements for the half year ended December 31, 2021 duly reviewed by statutory auditors.

Your company has achieved net turnover of Rs. 16,642 million for the half year (2020: Rs. 11,587 million) and earned a gross profit of Rs. 1,262 million as compared with Rs. 1,152 million for the same period of the last year. The net profit for the period is Rs. 177 million as compared with net profit of Rs. 407 million for the same period of last year and consequently earnings per share is Rs. 0.35 (2020: Rs. 0.82).

Although Pakistan's exports and foreign remittance are on a rise but due to high domestic and global inflation, the cost of doing business is getting higher and higher. Unprecedented increase in all inputs, especially raw materials and energy shortage and repeated breakdown of electricity/gas and increasing interest costs are heavily burdening the bottom line despite the high turnover. The export markets have been quite responsive and willing to pay the premiums but the domestic markets, where bulk of our products are marketed, have resisted strongly with sluggish demand and depressed prices. Your company is focused on developing new products and exploring new markets for a better and brighter future.

Consolidated interim financial statements reviewed by statutory auditors for the half year ended December 31, 2021 of the company and its subsidiary StitchRite (Private) Limited are attached.

Management would like to express its appreciation for the outstanding devotion of all its employees and trust placed in the company by its stakeholders.

For and on behalf of the board



Abdul Hakeem Khan Qasuria
Director



Fareed Mughis Sheikh
Chief Executive Officer

Lahore
March 01, 2022



Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants
 71-C-3, Gulberg-III, Lahore 54660-Pakistan.

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Independent Auditor's Review Report
To the members of Colony Textile Mills Limited
Report on Review of Unconsolidated Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Colony Textile Mills Limited ("the company")** as at 31 December 2021 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-month period ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 31 December 2021.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the Xreview resulting in this independent auditor's review report is **Shahid Mehmood**.

Tariq Abdul Ghani Maqbool

Dated: 01 March 2022
Lahore

Tariq Abdul Ghani Maqbool & Co.
Chartered Accountants

UDIN No.: RR202110055tH1hniMqB

Tariq Abdul Ghani Maqbool & Co., a Partnership firm
 registered in Pakistan and an independent member
 of Geneva Group International (GGI), a Swiss entity.

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

AS AT DECEMBER 31, 2021

	Note	31-Dec-21 (Rupees in '000')	30-Jun-21 (Rupees in '000')
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
530,000,000 (30 June 2021: 530,000,000)			
ordinary shares of Rs. 10 each		5,300,000	5,300,000
Issued, subscribed and paid up capital		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
Director's loan	6	120,000	120,000
General reserves		4,702	4,702
Unappropriated profit		1,767,062	1,590,412
Surplus on remeasurement of investments		1,267	2,951
		10,049,113	9,874,147
Non Current Liabilities			
Long term financing	7	6,527,190	6,894,705
Liabilities against assets subject to finance lease		6,326	12,906
Deferred liabilities		5,478,864	5,257,156
		12,012,380	12,164,767
Current Liabilities			
Trade and other payables		1,824,826	1,857,242
Short term borrowings	8	3,213,824	2,993,518
Accrued mark-up		146,040	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		935,086	830,584
Provision for taxation		574,889	368,233
		6,694,759	6,197,309
Contingencies and commitments	9	-	-
		28,756,252	28,236,223
ASSETS			
Non Current Assets			
Property, plant and equipment	10	18,926,419	18,648,431
Right of use assets	11	88,320	90,585
Investment property		784,279	784,279
Long term investments	12	415,035	534,580
Long term deposits		51,132	51,132
		20,265,185	20,109,007
Current Assets			
Stores, spare parts and loose tools		478,143	362,286
Stock in trade	13	4,655,829	4,798,585
Trade debts		1,375,329	1,121,943
Loans and advances		916,407	873,565
Trade deposits and short term prepayments		111,713	116,629
Other financial assets	14	17	20
Tax refunds due from the government		909,322	799,392
Cash and bank balances		44,307	54,796
		8,491,067	8,127,216
		28,756,252	28,236,223

The annexed notes from 01 to 23 form an integral part of this unconsolidated condensed interim financial

Chief Financial Officer

Director

Chief Executive Officer

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

		Half year ended 31-Dec		Quarter ended 31-Dec	
		2021	2020	2021	2020
	Note	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
Sales - net	15	16,642,469	11,587,036	8,831,070	5,830,367
Cost of sales	16	(15,380,115)	(10,434,763)	(8,089,799)	(5,109,937)
Gross profit		1,262,354	1,152,273	741,271	720,430
Operating expenses:					
Distribution cost		(174,261)	(140,215)	(102,942)	(89,438)
Administrative expenses		(293,757)	(243,207)	(209,842)	(173,608)
		(468,018)	(383,422)	(312,784)	(263,046)
Operating profit		794,336	768,851	428,487	457,384
Finance cost	17	(346,178)	(402,101)	(177,697)	(198,950)
Other Operating Charges		(117,865)	-	(117,865)	-
		(464,043)	(402,101)	(295,562)	(198,950)
Other income	18	53,013	207,494	26,217	171,813
Profit before taxation		383,306	574,244	159,142	430,247
Taxation		(206,656)	(166,747)	(109,249)	(84,586)
Net profit for the period		176,650	407,497	49,893	345,661
Earnings per share - basic and diluted (Rupees)					
		0.35	0.82	0.10	0.69

The annexed notes from 01 to 23 form an integral part of this unconsolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Half year ended 31-Dec		Quarter ended 31-Dec	
	2021	2020	2021	2020
Note	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
Profit for the period	176,650	407,497	49,893	345,661
Other comprehensive income:				
Items that may be reclassified to profit or loss statement:				
- Net fair value gain / (loss) on investment measured at FVTOCI	(1,684)	1,026	(1,684)	1,026
Total comprehensive income for the period	174,966	408,523	48,209	346,687

The annexed notes from 01 to 23 form an integral part of this unconsolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

**UNCONSOLIDATED CONDENSED INTERIM
STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

	31-Dec-21 (Rupees in '000') Un-audited	31-Dec-20 (Rupees in '000') Un-audited
Profit/(loss) for the period before taxation	383,306	574,244
Adjustments for:		
Provision for staff retirement benefits	78,250	78,000
Depreciation on operating assets	427,569	422,691
Finance cost	346,178	402,101
(Profit) / loss from investment in IML	117,862	(175,920)
Gain on settlement with banks	-	(7,930)
(Profit) / loss on remeasurement of investments	4	(4)
(Gain) on disposal of property, plant and equipment	(836)	(3,576)
	969,027	715,362
Operating cash flows before working capital changes	1,352,333	1,289,606

Changes in working capital:

(Increase) / decrease in current assets:

Stores, spare parts and loose tools	(115,857)	9
Stock in trade	142,756	(40,807)
Trade debts	(253,386)	(208,755)
Loans, advances, deposits and other receivables	(93,020)	104,544
Increase / (decrease) in current liabilities:		
Trade and other payables	6,163	(464,872)
	(313,344)	(609,881)

Cash generated from operating activities

Finance cost paid	1,038,989	679,725
Staff retirement benefits paid	(141,804)	(154,882)
Income tax paid	(62,264)	(48,875)
	(93,664)	(67,358)
	(297,732)	(271,115)
	741,257	408,610

Net cash generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed capital expenditure	(703,507)	(260,598)
Proceeds from disposal of property, plant and equipment	1,049	7,131
Net cash used in investing activities	(702,458)	(253,467)

CASH FLOWS FROM FINANCING ACTIVITIES

Long term finances repaid	(262,028)	(34,702)
Lease finance - net	(7,566)	(6,026)
Short term borrowings - net	220,306	(109,772)
Net cash used in financing activities	(49,288)	(150,500)
Net (decrease) / increase in cash and cash equivalents	(10,489)	4,643
Cash and cash equivalents at beginning of the period	54,796	47,952
Cash and cash equivalents at end of the period	44,307	52,595

The annexed notes from 01 to 23 form an integral part of this unconsolidated condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Ordinary share capital	Reserve arising on amalgamation	Revaluation surplus on property, plant and equipment	Director's loan	Revenue reserves		Surplus on remeasurement of investments	Total
					General reserves	Unappropriated profit / (loss)		
Rupees in ('000')								
Balance as at 01 July 2020	4,980,100	3,156,388	19,594	385,187	4,702	851,217	1,492	9,398,680
Total comprehensive income:								
Profit for the half year ended 31 December 2020	-	-	-	-	-	407,497	-	407,497
Other comprehensive income:								
- Net Fair value gain on investment measured at FVTOCI	-	-	-	-	-	-	1,026	1,026
Director's loan paid during the year	-	-	-	(265,187)	-	-	-	(265,187)
Total comprehensive income for the period	-	-	-	(265,187)	-	407,497	1,026	143,336
Balance as at 31 December 2020	4,980,100	3,156,388	19,594	120,000	4,702	1,258,714	2,518	9,542,016
Profit for the half year ended 30 June 2021	-	-	-	-	-	340,759	-	340,759
Other comprehensive income:								
- Remeasurement of defined benefit obligation	-	-	-	-	-	(9,061)	-	(9,061)
- Net fair value gain on investment measured at FVTOCI	-	-	-	-	-	-	433	433
Total comprehensive income for the period	-	-	-	-	-	331,698	433	332,131
Balance as at 30 June 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,590,412	2,951	9,874,147
Total comprehensive income:								
Profit for the half year ended 31 December 2021	-	-	-	-	-	176,650	-	176,650
Other comprehensive income:								
- Net fair value gain / (loss) on investment measured at FVTOCI	-	-	-	-	-	-	(1,684)	(1,684)
	-	-	-	-	-	176,650	(1,684)	174,966
Balance as at 31 December 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,767,062	1,267	10,049,113

The annexed notes from 01 to 23 form an integral part of this unconsolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.01** 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 Building, Ferozepur 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-i-Science Building Ferozepur Road, Lahore.	Head Office
4km Raiwind Manga Road, Raiwind, District Kasur.	Weaving unit
Sher Shah Road Ismailabad, Multan.	Spinning unit

- 1.02** These unconsolidated condensed interim financial statements are separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

The Company has the following wholly-owned susidiary company:

	Effective shareholding %
- Stitchrite (Private) Limited	100

2. BASIS OF PREPARATION

2.01 Statement of Compliance

- (a) These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standard Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- (b) These unconsolidated condensed interim financial statements comprise the unconsolidated condensed interim statement of financial position of the company as at December 31, 2021 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows together with notes forming part thereof.
- (c) These unconsolidated condensed interim financial statements are un-audited but subject to limited scope review by the external auditors and being submitted to the shareholders as required by the Listing Regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.
- (d) These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements as at and for the year ended June 30, 2021. Comparative unconsolidated condensed interim statement of financial position has been extracted from annual financial statements for the year ended June 30, 2021, whereas comparatives for unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows and related notes for the half year ended December 31, 2020 have been subjected to review but not audited.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements for the preceding year ended 30 June 2021.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this unconsolidated condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended 30 June 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2021.

5. PRESENTATION AND FUNCTIONAL CURRENCY

The unconsolidated condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

		31-Dec-21 (Rupees in '000')	30-Jun-21 (Rupees in '000')
6. DIRECTORS' LOAN	Note		
Directors' loan	6.01	120,000	120,000

6.01 This represents interest free loans from directors of the Company, payable at the discretion of the entity. It does not pass the liability test and thus recorded as equity at face value. It will not be re-measured subsequently. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be a direct debit to equity. The Company has applied TR-32 'Accounting Directors' Loan' issued by Institute of Chartered Accountants of Pakistan whose compliance was mandatory with effect from period beginning on or after 01 January 2016. Amount of Rs. 120 million is subordinated to the liabilities of financial institutions.

7. LONG TERM FINANCING

From banking companies - Secured	7,448,269	7,710,297
Current portion shown under current liabilities	(921,080)	(815,592)
	<u>6,527,190</u>	<u>6,894,705</u>

8. SHORT TERM BORROWINGS - SECURED

Short term finances availed from various banking companies / other financial institutions under mark-up arrangements aggregate to Rs. 3,214 million (30 June 2021: Rs. 2,994 million).

9. CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments as reported in the audited annual financial statements for the year ended 30 June 2021.

10. PROPERTY, PLANT AND EQUIPMENT

Operating assets - owned	10.01	18,382,860	18,121,144
Capital work in progress	10.02	<u>543,559</u>	<u>527,287</u>
		<u>18,926,419</u>	<u>18,648,431</u>

10.01 Operating assets - owned

Opening book value	18,121,144	18,013,019
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Additions during the period / year:

Building on freehold land	79,290	5,669
Plant, machinery and equipment	572,823	707,347
Factory tools and equipment	3,615	3,390
Furniture and fixtures	5,421	7,107
Office and hospital equipment	6,402	9,184
Vehicles	<u>19,684</u>	<u>27,312</u>

	687,235	760,009
Transfer from capital work in progress during the period / year	-	245,818
Book value of assets transferred to/from right of use assets	-	12,564
Book value of assets disposed off during the period / year	(214)	(62,082)
Depreciation charge for the period / year	<u>(425,305)</u>	<u>(848,184)</u>
Closing book value	<u>18,382,860</u>	<u>18,121,144</u>

	Note	31-Dec-21 (Rupees in '000') Un-audited	30-Jun-21 (Rupees in '000') Audited
10.02 Capital work-in-progress			
Balance at the beginning		527,287	132,452
Addition during the period / year		16,272	640,653
		<u>543,559</u>	<u>773,105</u>
Transfer to operating assets			
- Building on freehold land		-	(9,807)
- Plant, machinery and equipment		-	(236,011)
		<u>543,559</u>	<u>527,287</u>
Breakup of the closing balance of capital work-in-progress			
The details are as under:			
Plant and machinery		275,203	275,203
Civil work		268,356	252,084
		<u>543,559</u>	<u>527,287</u>
11. RIGHT-OF-USE ASSETS			
Opening net book value (NBV)		90,585	105,560
Transferred to operating assets		-	(10,207)
Depreciation charge for the period / year		(2,265)	(4,769)
Closing net book value (NBV)		<u>88,320</u>	<u>90,585</u>
12. LONG TERM INVESTMENTS			
At fair value through statement of profit or loss designated on initial recognition			
- Investment in Imperial Limited		313,293	431,155
At fair value through other comprehensive income		1,742	3,425
Investment in wholly owned subsidiary			
- Investment in Stitchrite (Private) Limited	12.01	<u>100,000</u>	<u>100,000</u>
		<u>415,035</u>	<u>534,580</u>
12.01 Stitchrite (Private) Limited is a private company incorporated in Pakistan. As of the statement of financial position date the company owns 100 percent shareholding of Stitchrite (Private) Limited.			
13. STOCK IN TRADE			
Textile			
Raw material		1,428,231	1,573,387
Work in process		500,080	499,580
Finished goods		<u>2,562,518</u>	<u>2,560,618</u>
		4,490,829	4,633,585
Real Estate Business			
Land held for development and resale		<u>165,000</u>	<u>165,000</u>
		<u>4,655,829</u>	<u>4,798,585</u>
14. OTHER FINANCIAL ASSETS			
Other financial assets	14.01	<u>17</u>	<u>20</u>
14.01 These include shares of listed companies classified at fair value through statement of profit or loss.			
		31-Dec-21 (Rupees in '000') Un-audited	30-Jun-21 (Rupees in '000') Audited
31-Dec-21	30-Jun-21		
No. of shares	Quoted - at fair value		
89	89	Oil and Gas Development Company Limited	8
250	250	Maple Leaf Cement Factory Limited	12
<u>339</u>	<u>339</u>	<u>17</u>	<u>20</u>

	Note	Half year ended		Quarter ended	
		31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')
15. SALES - NET					
Local		15,547,427	10,135,546	8,297,342	5,232,324
Export		1,162,432	1,470,156	570,679	608,935
		16,709,859	11,605,702	8,868,021	5,841,259
Commission		(67,390)	(18,666)	(36,951)	(10,892)
		16,642,469	11,587,036	8,831,070	5,830,367

	Note	Half year ended		Quarter ended	
		31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')
16. COST OF SALES					
Raw material consumed		10,663,094	6,579,537	5,638,322	3,186,031
Stores consumed		825,785	521,741	459,136	278,169
Staff salaries, wages and benefits		1,428,446	1,322,304	719,216	752,279
Power and fuel		1,961,750	1,525,994	1,036,724	771,788
Insurance		28,138	26,947	14,220	20,468
Depreciation		420,614	415,819	211,951	203,471
Other factory overheads		54,688	103,134	27,130	64,206
		15,382,515	10,495,476	8,106,699	5,276,412
Work in process:					
Opening		499,580	467,431	495,848	459,931
Closing		(500,080)	(461,541)	(500,080)	(461,541)
		(500)	5,890	(4,232)	(1,610)
Cost of goods manufactured		15,382,015	10,501,366	8,102,467	5,274,802
Finished goods:					
Opening stock		2,560,618	2,687,864	2,549,850	2,589,602
Closing stock		(2,562,518)	(2,754,467)	(2,562,518)	(2,754,467)
		(1,900)	(66,603)	(12,668)	(164,865)
Real estate					
Opening		165,000	165,000	165,000	165,000
Closing		(165,000)	(165,000)	(165,000)	(165,000)
		-	-	-	-
Cost of sales		15,380,115	10,434,763	8,089,799	5,109,937
17. FINANCE COST					
Accrued during the period		346,178	402,101	177,697	198,950
		346,178	402,101	177,697	198,950
18. OTHER INCOME					

This includes profit on bank deposits, rental income and exchange gains.

19. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated companies, other related companies, key management personnel, 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	Half year ended		Quarter ended	
	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')
Subsidiary:				
- Loan to Stitchrite (Pvt.) Limited	-	82,759	-	82,759
- Investment in subsidiary	100,000	1,000	100,000	1,000
-Rent received from Stitchrite (Pvt.) Limited	6,000	-	-	-
- Sales to Stitchrite (Pvt.) Limited	47,638	5,077	34,415	5,077
Provident Fund Trust:				
- Contribution to Provident Fund Trust	15,656	13,701	7,920	6,791

20. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

The unconsolidated condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2021.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended 30 June 2021.

The carrying value of all financial assets and liabilities reflected in the unconsolidated condensed interim financial information approximate their fair value.

20.01 Fair value hierarchy

Following are three levels in fair value hierarchy that reflect the significance of the inputs used in measurement of fair values of financial instruments.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

The Company has financial assets at fair value of Rs. 282 million (June 30, 2021: 282 million) which is valued under level 1 valuation method. The Company does not have any investment in level 2 and 3 category.

21. SEGMENT INFORMATION

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 fibres.
- Weaving: Production of different qualities of greige fabric using cotton and man-made fibre yarn.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

	Half year ended					
	Spinning		Weaving		Total Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
----- Rupees in '000' -----						
Sales:						
Total sales	14,206,413	9,240,060	3,126,679	2,560,844	17,333,092	11,800,904
Inter segment	(690,623)	(213,868)	-	-	(690,623)	(213,868)
External sales	13,515,790	9,026,192	3,126,679	2,560,844	16,642,469	11,587,036
Cost of sales	(12,658,069)	(8,190,858)	(2,722,046)	(2,243,905)	(15,380,115)	(10,434,763)
Gross profit	857,721	835,334	404,633	316,939	1,262,354	1,152,273
Distribution cost	(116,557)	(84,129)	(57,704)	(56,086)	(174,261)	(140,215)
Administrative expenses	(186,254)	(145,924)	(107,503)	(97,283)	(293,757)	(243,207)
	(302,811)	(230,053)	(165,207)	(153,369)	(468,018)	(383,422)
	554,910	605,281	239,426	163,570	794,336	768,851
Finance cost	(207,707)	(241,261)	(138,471)	(160,840)	(346,178)	(402,101)
	347,203	364,020	100,955	2,730	448,158	366,750

Unallocated income and expenses:

Other income		53,013	207,494
Other operating charges		(117,865)	-
Profit / (Loss) before tax		383,306	574,244
Taxation		(206,656)	(166,747)
Profit / (Loss) for the period		176,650	407,497
Other comprehensive income:			
Profit / (Loss) on remeasurement of investments		(1,684)	1,026
Total comprehensive profit for the period		174,966	408,523

	Quarter ended					
	Spinning		Weaving		Total Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
----- Rupees in '000' -----						
Sales:						
Total sales	7,499,934	4,727,498	1,748,025	1,197,675	9,247,959	5,925,173
Inter segment	(416,889)	(94,806)	-	-	(416,889)	(94,806)
External sales	7,083,045	4,632,692	1,748,025	1,197,675	8,831,070	5,830,367
Cost of sales	(6,574,848)	(4,100,215)	(1,514,951)	(1,009,722)	(8,089,799)	(5,109,937)
Gross profit	508,197	532,477	233,074	187,953	741,271	720,430
Distribution cost	(73,766)	(53,663)	(29,176)	(35,775)	(102,942)	(89,438)
Administrative expenses	(135,905)	(104,099)	(73,937)	(69,509)	(209,842)	(173,608)
	(209,671)	(157,762)	(103,113)	(105,284)	(312,784)	(263,046)
	298,526	374,715	129,961	82,669	428,487	457,384
Finance cost	(106,618)	(119,369)	(71,079)	(79,581)	(177,697)	(198,950)
	191,908	255,346	58,882	3,088	250,790	258,434

Unallocated income and expenses:

Other income		26,217	171,813
Other operating charges		(117,865)	-
Profit / (Loss) before tax		159,142	430,247
Taxation		(109,249)	(84,586)
Profit / (Loss) for the period		49,893	345,661
Other comprehensive income:			
Profit / (Loss) on remeasurement of investments		(1,684)	1,026
Total comprehensive Profit / (Loss) for the period		48,209	346,687

Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Total Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
----- Rupees in '000' -----						
Total assets for reportable segments	10,458,106	10,306,458	8,556,633	8,432,557	19,014,739	18,739,015
Unallocated assets:						
Investment property					784,279	784,279
Long term investments					315,035	434,580
Investment in Subsidiary					100,000	100,000
Cash and bank balances					44,307	54,796
Other corporate assets					8,497,892	8,123,552
Total assets as per statement of financial position					28,756,252	28,236,223
Unallocated liabilities:						
Directors' subordinated loan					120,000	120,000
Provision for taxation					574,889	368,233
Other corporate liabilities					28,061,363	27,747,990
Total liabilities as per statement of financial position					28,756,252	28,236,223

22. DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial information was authorized for issue on 01 March 2022 by the Board of Directors of the Company.

23. GENERAL

- Corresponding figures have been re-arranged, wherever necessary, to the facilitation of comparison.
- Figures in this unconsolidated condensed interim financial information have been rounded-off to the nearest rupee in thousand except where stated otherwise.



Chief Financial Officer



Director



Chief Executive Officer

COLONY TEXTILE MILLS LIMITED

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2021

		31-Dec-21 (Rupees in '000')	30-Jun-21 (Rupees in '000')
	Note	Un-audited	Audited
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
530,000,000 (30 June 2021: 530,000,000)			
ordinary shares of Rs. 10 each		5,300,000	5,300,000
Issued, subscribed and paid up capital		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
Director's loan	6	120,000	120,000
General reserves		4,702	4,702
Unappropriated profit		1,754,028	1,564,304
Surplus on remeasurement of investments		1,267	2,951
		10,036,079	9,848,039
Non Current Liabilities			
Long term financing	7	6,527,190	6,894,705
Liabilities against assets subject to finance lease		6,326	12,906
Deferred liabilities		5,479,830	5,257,455
		12,013,346	12,165,066
Current Liabilities			
Trade and other payables		1,924,961	1,921,336
Short term borrowings	8	3,213,824	2,993,518
Accrued mark-up		146,040	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		935,086	830,584
Provision for taxation		579,427	368,752
		6,799,432	6,261,922
Contingencies and commitments	9	-	-
		28,848,857	28,275,027
ASSETS			
Non Current Assets			
Property, plant and equipment	10	18,996,982	18,711,700
Right of use assets	11	88,320	90,584
Investment property		784,279	784,279
Long term investments	12	315,035	434,580
Long term deposits		51,132	51,132
		20,235,748	20,072,275
Current Assets			
Stores, spare parts and loose tools		519,349	384,598
Stock in trade	13	4,704,719	4,818,093
Trade debts		1,376,863	1,123,472
Loans and advances		925,779	876,945
Trade deposits and short term prepayments		111,713	116,629
Other financial assets	14	17	20
Tax refunds due from the government		929,833	812,111
Cash and bank balances		44,836	70,884
		8,613,109	8,202,752
		28,848,857	28,275,027

The annexed notes from 01 to 23 form an integral part of this consolidated condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

		Half year ended 31-Dec		Quarter ended 31-Dec	
		2021	2020	2021	2020
Note		(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
Sales - net	15	16,677,592	11,587,546	8,886,338	5,830,761
Cost of sales	16	(15,382,046)	(10,441,778)	(8,125,604)	(5,114,568)
Gross profit		1,295,546	1,145,768	760,734	716,193
Operating expenses:					
Distribution cost		(175,258)	(140,330)	(103,651)	(89,553)
Administrative expenses		(309,615)	(246,721)	(218,616)	(177,122)
		(484,873)	(387,051)	(322,267)	(266,675)
Operating profit		810,673	758,717	438,467	449,518
Finance cost	17	(346,333)	(402,114)	(177,852)	(198,963)
Other Operating Charges		(117,865)	-	(117,865)	-
		(464,199)	(402,114)	(295,718)	(198,963)
Other income	18	53,923	207,494	27,041	171,813
Profit before taxation		400,397	564,097	169,790	422,368
Taxation		(210,674)	(166,755)	(111,899)	(84,594)
Net profit for the period/year		189,723	397,342	57,891	337,775
Earnings per share - basic and diluted (Rupees)					
		0.38	0.80	0.12	0.68

The annexed notes from 01 to 23 form an integral part of this consolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

**CONSOLIDATED CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Note	Half year ended 31-Dec		Quarter ended 31-Dec	
		2021	2020	2021	2020
		(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
Profit for the period		189,723	397,342	57,891	337,775
Other comprehensive income:					
Items that may be reclassified to profit or loss statement:					
- Net fair value gain / (loss) on investment measured at FVTOCI		(1,684)	1,026	(1,684)	1,026
Total comprehensive income for the period		188,039	398,368	56,208	338,800

The annexed notes from 01 to 23 form an integral part of this consolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

	31-Dec-21 (Rupees in '000') Un-audited	31-Dec-20 (Rupees in '000') Un-audited
Profit/(loss) for the period before taxation	400,397	564,097
Adjustments for:		
Provision for staff retirement benefits	79,045	78,000
Depreciation on operating assets	429,464	423,060
Finance cost	346,333	402,114
(Profit) / loss from investment in IML	117,862	(175,920)
Gain on settlement with banks	-	(7,930)
(Profit) / loss on remeasurement of investments	4	(4)
(Gain) on disposal of property, plant and equipment	(836)	(3,577)
	971,872	715,743
Operating cash flows before working capital changes	1,372,269	1,279,840

Changes in working capital:

(Increase) / decrease in current assets:

Stores, spare parts and loose tools

Stock in trade

Trade debts

Loans, advances, deposits and other receivables

Increase / (decrease) in current liabilities:

Trade and other payables

Cash generated from operating activities

Finance cost paid

Staff retirement benefits paid

Income tax paid

Net cash generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed capital expenditure

Proceeds from disposal of property, plant and equipment

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Long term finances repaid

Lease finance - net

Short term borrowings - net

Net cash used in financing activities

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at beginning of the period

Cash and cash equivalents at end of the period

(134,751)	(12,995)
113,374	(45,884)
(253,391)	(209,070)
(105,774)	114,052
42,079	(391,827)
(338,463)	(545,724)
1,033,806	734,116
(141,959)	(154,894)
(62,392)	(48,875)
(94,569)	(69,827)
(298,920)	(273,596)
734,886	460,520
(712,695)	(311,542)
1,049	7,126
(711,646)	(304,416)
(262,027)	(34,702)
(7,566)	(6,026)
220,305	(109,772)
(49,288)	(150,500)
(26,048)	5,604
70,884	49,071
44,836	54,675

The annexed notes from 01 to 23 form an integral part of this consolidated condensed interim financial information.

Chief Financial Officer

Director

Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

Ordinary share capital	Reserve arising on amalgamation	Revaluation surplus on property, plant and equipment	Director's loan	Revenue reserves		Surplus on remeasurement of investments	Total
				General reserves	Unappropriated profit / (loss)		

Rupees in ('000')

Balance as at 01 July 2020 4,980,100 3,156,388 19,594 385,187 4,702 845,182 1,492 9,392,645

Total comprehensive income:

Profit for the half year ended 31 December 2020

-	-	-	-	-	397,342	-	397,342
Other comprehensive income:							
- Net fair value gain on investment measured at FVTOCI							
-	-	-	-	-	-	1,026	1,026
Director's loan paid during the period							
-	-	-	(265,187)	-	-	-	(265,187)
-	-	-	(265,187)	-	397,342	1,026	133,181

Total comprehensive income for the period

Balance as at 31 December 2020 4,980,100 3,156,388 19,594 120,000 4,702 1,242,524 2,518 9,525,826

Total comprehensive income:

Profit for the half year ended 30 June 2021

-	-	-	-	-	330,842	-	330,842
Other comprehensive income:							
- Remeasurement of defined benefit obligation							
-	-	-	-	-	(9,061)	-	(9,061)
- Net fair value gain on investment measured at FVTOCI							
-	-	-	-	-	-	433	433
-	-	-	-	-	321,781	433	322,214

Total comprehensive income for the period

Balance as at 30 June 2021 4,980,100 3,156,388 19,594 120,000 4,702 1,564,305 2,951 9,848,040

Total comprehensive income:

Profit for the half year ended 31 December 2021

-	-	-	-	-	189,723	-	189,723
Other comprehensive income:							
- Net fair value gain on investment measured at FVTOCI							
-	-	-	-	-	-	(1,684)	(1,684)
-	-	-	-	-	189,723	(1,684)	188,039

Balance as at 31 December 2021 4,980,100 3,156,388 19,594 120,000 4,702 1,754,028 1,267 10,036,079

The annexed notes from 01 to 23 form an integral part of this consolidated condensed interim financial information.



Chief Financial Officer



Director



Chief Executive Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 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 Building, Ferozepur Road, Lahore, Pakistan. The principal activity of the company is manufacturing and sale of yarn, fabrics, garments made ups and trading in real estate.

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 %
100

Stitchrite (Private) Limited

2. BASIS OF PREPARATION

2.01 Statement of Compliance

- (a) These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standard Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- (b) These consolidated condensed interim financial statements comprise the consolidated condensed interim statement of financial position of the company as at December 31, 2021 and the related consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows together with notes forming part thereof.
- (c) These consolidated condensed interim financial statements are un-audited but subject to limited scope review by the external auditors and being submitted to the shareholders as required by the Listing Regulation of Pakistan Stock Exchange Limited and Section 237 of the Companies Act, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements for the preceding year ended 30 June 2021.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this consolidated condensed interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended 30 June 2021.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2021.

5. PRESENTATION AND FUNCTIONAL CURRENCY

The consolidated condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

	Note	31-Dec-21 (Rupees in '000') Un-audited	30-Jun-21 (Rupees in '000') Audited
6. DIRECTOR'S LOAN			
Director's loan	6.01	120,000	120,000
6.01	This represents interest free loans from directors of the Company, payable at the discretion of the entity. It does not pass the liability test and thus recorded as equity at face value. It will not be re-measured subsequently. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the directors' loan would be a direct debit to equity. The Company has applied TR-32 'Accounting Directors' Loan' issued by Institute of Chartered Accountants of Pakistan whose compliance was mandatory with effect from period beginning on or after 01 January 2016. Amount of Rs. 120 million is subordinated to the liabilities of financial institutions.		
7. LONG TERM FINANCING			
From banking companies - Secured		7,448,269	7,710,297
Current portion shown under current liabilities		(921,080)	(815,592)
		6,527,190	6,894,705
8. SHORT TERM BORROWINGS - SECURED			
Short term finances availed from various banking companies / other financial institutions under mark-up arrangements aggregate to Rs. 3,214 million (30 June 2021: Rs. 2,994 million).			
9. CONTINGENCIES AND COMMITMENTS			
There is no significant change in the status of contingencies and commitments as reported in the audited annual financial statements for the year ended 30 June 2021.			
10. PROPERTY, PLANT AND EQUIPMENT			
Operating assets - owned	10.01	18,453,423	18,184,413
Capital work in progress	10.02	543,559	527,287
		18,996,982	18,711,700
10.01 Operating assets - owned			
Opening book value		18,184,413	18,016,710
Additions during the period / year:			
Building on freehold land		79,290	5,669
Plant, machinery and equipment		577,369	760,390
Factory tools and equipment		3,615	3,390
Furniture and fixtures		6,844	10,933
Office and hospital equipment		7,416	9,815
Vehicles		21,889	31,320
		696,423	821,517
Transfer from capital work in progress during the period / year		-	245,818
Book value of assets transferred to/from right of use assets		-	12,564
Book value of assets disposed off during the period / year		(214)	(62,082)
Depreciation charge for the period / year		(427,199)	(850,114)
Closing book value		18,453,423	18,184,413
10.02 Capital work-in-progress			
Balance at the beginning		527,286	132,452
Addition during the period / year		16,273	640,652
		543,559	773,104
Transfer to operating assets		-	(245,818)
		543,559	527,286
Breakup of the closing balance of capital work-in-progress			
The details are as under:			
Plant and machinery		275,203	275,203
Civil work		268,356	252,084
		543,559	527,287

	Note	31-Dec-21 (Rupees in '000') Un-audited	30-Jun-21 (Rupees in '000') Audited
11. RIGHT OF USE ASSETS			
Opening net book value (NBV)		90,585	105,560
Transferred to operating assets		-	(10,207)
Depreciation charge for the period / year		(2,265)	(4,769)
Closing net book value (NBV)		<u>88,320</u>	<u>90,584</u>
12. LONG TERM INVESTMENTS			
At fair value through statement of profit or loss designated on initial recognition			
- Investment in Imperial Limited		313,293	431,155
At fair value through other comprehensive income		<u>1,742</u>	<u>3,425</u>
		<u>315,035</u>	<u>434,580</u>
13. STOCK IN TRADE			
Textile			
Raw material		1,432,835	1,574,588
Work in process		544,262	517,526
Finished goods		<u>2,562,622</u>	<u>2,560,979</u>
		4,539,719	4,653,093
Real Estate Business			
Land held for development and resale		<u>165,000</u>	<u>165,000</u>
		<u>4,704,719</u>	<u>4,818,093</u>
14. OTHER FINANCIAL ASSETS			
Other financial assets	14.01	<u>17</u>	<u>20</u>
14.01 These include shares of listed companies classified at fair value through statement of profit or loss.			
31-Dec-21	30-Jun-21	Quoted - at fair value	
No. of shares			
89	89	Oil and Gas Development Company Limited	8
250	250	Maple Leaf Cement Factory Limited	12
<u>339</u>	<u>339</u>		<u>17</u>
			<u>20</u>

Note	Half year ended		Quarter ended	
	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')
15. SALES - NET				
Local	15,500,421	10,135,866	8,297,974	5,232,528
Export	1,244,561	1,470,346	625,315	609,125
	16,744,982	11,606,212	8,923,289	5,841,653
Commission	(67,390)	(18,666)	(36,951)	(10,892)
Sales - net	16,677,592	11,587,546	8,886,338	5,830,761
16. COST OF SALES				
Raw material consumed	10,660,806	6,579,536	5,669,172	3,186,030
Stores consumed	827,577	523,561	460,800	279,877
Staff salaries, wages and benefits	1,449,828	1,323,492	732,005	753,101
Power and fuel	1,962,931	1,525,993	1,037,570	771,787
Insurance	28,216	26,947	14,260	20,338
Depreciation	422,509	416,187	213,004	203,828
Other factory overheads	58,558	106,775	28,933	66,082
	15,410,425	10,502,491	8,155,744	5,281,043
Work in process:				
Opening	517,526	467,431	526,794	459,931
Closing	(544,262)	(461,541)	(544,262)	(461,541)
	(26,736)	5,890	(17,468)	(1,610)
Cost of goods manufactured	15,383,689	10,508,381	8,138,276	5,279,433
Finished goods:				
Opening stock	2,560,979	2,687,864	2,549,950	2,589,602
Closing stock	(2,562,622)	(2,754,467)	(2,562,622)	(2,754,467)
	(1,643)	(66,603)	(12,672)	(164,865)
Real estate				
Opening	165,000	165,000	165,000	165,000
Closing	(165,000)	(165,000)	(165,000)	(165,000)
	-	-	-	-
Cost of sales	15,382,046	10,441,778	8,125,604	5,114,568
17. FINANCE COST				
Accrued during the period	346,333	402,114	177,852	198,963
	346,333	402,114	177,852	198,963

18. OTHER INCOME

This includes profit on bank deposits, rental income and exchange gains.

19. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated companies, other related companies, key management personnel, 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	Half year ended		Quarter ended	
	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')	31-Dec-21 (Rupees in '000')	31-Dec-20 (Rupees in '000')
Subsidiary:				
- Advances to subsidiary	-	82,759	-	82,759
- Investment in subsidiary	100,000	1,000	100,000	1,000
- Rent received from Stitchrite (Pvt.) Limited	6,000	-	6,000	-
- Sales to Stitchrite (Pvt.) Limited	47,638	5,077	34,415	5,077
Provident Fund Trust:				
- Contribution to Provident Fund Trust	15,656	13,701	7,920	6,791

20 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

The consolidated condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2021.

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Group for the year ended 30 June 2021.

The carrying value of all financial assets and liabilities reflected in the consolidated condensed interim financial information approximate their fair value.

20.01 Fair value hierarchy

Following are three levels in fair value hierarchy that reflect the significance of the inputs used in measurement of fair values of financial instruments.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

The Group has financial assets at fair value of Rs. 282 million (June 30, 2021: 282 million) which is valued under level 1 valuation method. The Group does not have any investment in level 2 and 3 category.

21. SEGMENT INFORMATION

The Group 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 fibres.
- 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.

	Half year ended					
	Spinning		Weaving		Total Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
----- Rupees in '000' -----						
Sales:						
Total sales	14,206,413	9,240,060	3,126,679	2,560,844	17,333,092	11,800,904
Inter segment	(690,623)	(213,868)	-	-	(690,623)	(213,868)
External sales	13,515,790	9,026,192	3,126,679	2,560,844	16,642,469	11,587,036
Cost of sales	(12,658,069)	(8,190,858)	(2,722,046)	(2,243,905)	(15,380,115)	(10,434,763)
Gross profit	857,721	835,334	404,633	316,939	1,262,354	1,152,273
Distribution cost	(116,557)	(84,129)	(57,704)	(56,086)	(174,261)	(140,215)
Administrative expenses	(186,254)	(145,924)	(107,503)	(97,283)	(293,757)	(243,207)
	(302,811)	(230,053)	(165,207)	(153,369)	(468,018)	(383,422)
	554,910	605,281	239,426	163,570	794,336	768,851
Finance cost	(207,707)	(241,261)	(138,471)	(160,840)	(346,178)	(402,101)
	347,203	364,020	100,955	2,730	448,158	366,750

Unallocated income and expenses:

Other income	53,013	207,494
Other operating charges	(117,865)	-
(Loss) / profit before tax	383,306	574,244
Taxation	(206,656)	(166,747)
(Loss) / profit for the period	176,650	407,497
Other comprehensive income:		
(Loss) / profit on remeasurement of investments	(1,684)	1,026
Total comprehensive profit for the period	174,966	408,523

	Quarter ended					
	Spinning		Weaving		Total Company	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
----- Rupees in '000' -----						
Sales:						
Total sales	7,499,934	4,727,498	1,748,025	1,197,675	9,247,959	5,925,173
Inter segment	(416,889)	(94,806)	-	-	(416,889)	(94,806)
External sales	7,083,045	4,632,692	1,748,025	1,197,675	8,831,070	5,830,367
Cost of sales	(6,574,848)	(4,100,215)	(1,514,951)	(1,009,722)	(8,089,799)	(5,109,937)
Gross profit	508,197	532,477	233,074	187,953	741,271	720,430
Distribution cost	(73,766)	(53,663)	(29,176)	(35,775)	(102,942)	(89,438)
Administrative expenses	(135,905)	(104,099)	(73,937)	(69,509)	(209,842)	(173,608)
	(209,671)	(157,762)	(103,113)	(105,284)	(312,784)	(263,046)
	298,526	374,715	129,961	82,669	428,487	457,384
Finance cost	(106,618)	(119,369)	(71,079)	(79,581)	(177,697)	(198,950)
	191,908	255,346	58,882	3,088	250,790	258,434

Unallocated income and expenses:

Other income	26,217	171,813
Other operating charges	(117,865)	-
(Loss) / profit before tax	159,142	430,247
Taxation	(109,249)	(84,586)
(Loss) / profit for the period	49,893	345,661
Other comprehensive income:		
Profit / (loss) on remeasurement of investments	(1,684)	1,026
Total comprehensive loss for the period	48,209	346,687

Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Total Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
----- Rupees in '000' -----						
Total assets for reportable segments	10,458,106	10,306,458	8,556,633	8,432,557	19,014,739	18,739,015
Unallocated assets:						
Investment property					784,279	784,279
Long term investments					315,035	434,580
Investment in Subsidiary					100,000	100,000
Cash and bank balances					44,307	54,796
Other corporate assets					8,497,892	8,123,552
Total assets as per statement of financial position					<u>28,756,252</u>	<u>28,236,223</u>
Unallocated liabilities:						
Directors' subordinated loan					120,000	120,000
Provision for taxation					574,889	368,233
Other corporate liabilities					28,061,363	27,747,990
Total liabilities as per statement of financial position					<u>28,756,252</u>	<u>28,236,223</u>

22. DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was authorized for issue on 01 March 2022 by the Board of Directors of the Company.

23. GENERAL

- Corresponding figures have been re-arranged, wherever necessary, to facilitate the comparison.
- Figures in this consolidated condensed interim financial information have been rounded-off to the nearest rupee in thousand except where stated otherwise.


Chief Financial Officer

Director

Chief Executive Officer

ڈائریکٹر رپورٹ

کمپنی کے ڈائریکٹران ششماہی مالی حسابات تختہ 31 دسمبر 2021ء بمعہ بیرونی محاسبان کی جائزہ شدہ رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

آپ کی کمپنی کا کاروباری حجم اس ششماہی میں مبلغ -/16,642 ملین روپے رہا (2020: مبلغ -/11,587 ملین روپے) اور خام منافع مبلغ -/1,262 ملین روپے رہا جبکہ یہ پچھلے سال اسی عرصہ میں مبلغ -/1,152 ملین روپے تھا۔ اس عرصہ کا خالص منافع مبلغ -/177 ملین روپے ہے جبکہ پچھلے سال اسی عرصہ میں خالص منافع مبلغ -/407 ملین روپے تھا چنانچہ آمدن فی حصہ 0.35 روپے رہی جو کہ پچھلے سال اسی ششماہی میں 0.82 روپے فی حصہ تھی۔

اگرچہ پاکستان کی برآمدات اور ترسیلات زر بڑھ رہی ہیں مگر مقامی اور عالمی افراط زر میں اضافہ کی وجہ سے کاروباری لاگت میں روز بروز اضافہ ہو رہا ہے۔ خام مال اور دیگر اشیاء کی لاگت میں غیر متوقع اضافہ، توانائی کی بڑھتی ہوئی قیمتیں، گیس اور بجلی کی فراہمی میں بار بار تعطل اور شرح سود میں اضافہ کی بنا پر کاروباری حجم بڑھنے کے باوجود خالص منافع میں اضافہ نہیں ہو رہا۔ برآمدگی منڈیاں حالات کے مطابق مصنوعات کی مناسب قیمت ادا کر رہی ہیں مگر مقامی منڈی جو ہماری مصنوعات کی فروخت کے لئے بڑا ذریعہ ہے وہاں طلب کے ساتھ ساتھ قیمتیں بھی دباؤ کا شکار ہیں۔ آپ کی کمپنی بہتر اور شاندار مستقبل کے لئے نئی مصنوعات کی تیاری کے ساتھ نئی منڈیاں تلاش کر رہی ہے۔

کمپنی اور اس کی ذیلی کمپنی سٹیج رائٹ پرائیویٹ لمیٹڈ کے مجموعی مالی حسابات برائے عرصہ دسمبر 31، 2021 بیرونی محاسبان سے جائزہ شدہ لف ہیں۔

ہم دل کی گہرائیوں سے اپنے ملازمین کمپنی اور دیگر متعلقین کے تعاون اور خلوص کے لئے تہہ دل سے شکر گزار ہیں۔

منجانب بورڈ

Qasim Khan

عبدالحکیم خان قصوریہ

ڈائریکٹر

Shahid Hussain

فرید مغیش شہ

چیف ایگزیکٹو آفیسر

لاہور: 01 مارچ 2022ء

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