COLONY
TEXTILE MILLS
LIMITED

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE 3RD QUARTER ENDED MARCH 31, 2022 (UN-AUDITED)

بسم اللہ الرحمن الرحیم

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

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
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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DIRECTORS' REVIEW

It is our pleasure to present here our interim condensed financial statements for the nine months ended March 31, 2022.

Your company has achieved net turnover of Rs.24,485 million for the nine months ended (2021: Rs. 17,896 million)and earned a gross profit of Rs. 2,115 million as compared to Rs. 1,732 million for the same period of last year. The net profit for the period is Rs. 532 million as compared to profit of Rs. 521 million for the same period of last year and consequently earnings per share is Rs. 1.07 (2021: Rs. 1.04).

Even though the current condition of the textile industry is quite favorable, the acute dearth of working capital lines has made it very difficult for us to perform at our full potential. The matter has been further aggravated by the unprecedented increase in all inputs, especially raw materials and energy, ever depleting Rupee Dollar parity and increasing rate of Mark-up.

Your company continues to make an all-out effort towards balancing and modernization of its aging plant within its limited resources and improving its product mix and diversification for the betterment of the company.

Consolidated interim financial statement of Colony Textile Mills Limited and its wholly owned subsidiary StitchRite (Private) Limited are included in this quarterly report.

Your management is highly motivated to tackle all the challenges at hand and leaving no stone unturned in order to improve our productivity and efficiency for a brighter future of the company.

For and on behalf of the board

Abdul Hakeem Khan Qasuria
Director

Fareed Mughis Sheikh
Chief Executive Officer

Lahore
April 28, 2022

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

AS AT MARCH 31, 2022

	Note	(Unaudited) March 31, 2022	(Audited) June 30, 2021
		(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	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		120,000	120,000
General reserves		4,702	4,702
Unappropriated Profit/(Loss)		2,124,431	1,590,412
Surplus on remeasurement of investments		1,267	2,951
		10,406,482	9,874,147
Non current liabilities			
Long term financing	5	6,327,316	6,894,705
Liabilities against assets subject to finance lease	6	3,207	12,906
Deferred liabilities		5,590,616	5,257,156
		11,921,139	12,164,767
Current liabilities			
Trade and other payables		2,070,519	1,857,242
Short term borrowings	7	3,142,589	2,993,518
Accrued mark-up		151,225	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		956,452	830,584
Provision for taxation		303,856	368,233
		6,624,735	6,197,309
Contingencies and commitments	8	-	-
		28,952,356	**28,236,223**
ASSETS			
Non current assets			
Property, plant and equipment	9	18,912,676	18,648,431
Right of use assets		87,187	90,585
Investment Property		784,278	784,279
Long term investments	10	315,035	434,580
Investment in subsidiary		100,000	100,000
Long term deposits		51,132	51,132
		20,250,308	20,109,007
Current assets			
Stores, spares and loose tools		508,600	362,286
Stock in trade	11	4,843,127	4,798,585
Trade debts		1,234,176	1,121,943
Loans and advances		869,616	873,565
Trade deposits and short term prepayments		72,369	116,629
Other financial assets		17	20
Tax refunds due from the Government		1,121,275	799,392
Cash and bank balances		52,868	54,796
		8,702,048	8,127,216
		28,952,356	**28,236,223**

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, 2022

	Note	Nine months ended		Three months ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		(Rupees in '000')			
Sales - net		24,485,230	17,896,167	7,842,761	6,309,131
Cost of goods sold		(22,369,739)	(16,163,910)	(6,989,624)	(5,729,147)
Gross profit		2,115,491	1,732,257	853,137	579,984
Distribution expenses		(293,120)	(216,179)	(118,859)	(75,964)
Administrative expenses		(465,429)	(390,546)	(171,672)	(147,339)
		(758,549)	(606,725)	(290,531)	(223,303)
Operating Profit		1,356,942	1,125,532	562,606	356,681
Finance Cost		(523,896)	(565,735)	(177,718)	(163,634)
Other operating charges		(117,865)	-	-	-
		(641,761)	(565,735)	(177,718)	(163,634)
Other income		86,617	217,748	33,604	10,254
Profit before taxation		801,798	777,545	418,492	203,301
Taxation	12	(267,779)	(257,812)	(61,123)	(91,065)
Profit / (Loss) for the period		534,019	519,733	357,369	112,236
Other comprehensive income					
Surplus on revaluation of investment property		-	-	-	-
(Loss) / Profit on remeasurement of investments		(1,684)	1,026	-	-
Total comprehensive income / (loss)		532,335	520,759	357,369	112,236
Earnings/(loss) per share - basic and diluted (Rupees)		1.07	1.04	0.72	0.23

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, 2022

	Nine months ended	
	March 31, 2022	*March 31, 2021*
	(Rupees in '000')	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	801,798	777,545
Adjustments for :		
Provision for staff retirement benefit - gratuity	116,989	118,146
Depreciation on property, plant and equipment	648,086	641,809
Loss / (Gain) from investment in IML	117,862	(175,920)
Loss / (Gain) on remeasurement of investment	3	(4)
Loss / (Gain) on disposal of property, plant and equipment	(836)	(6,141)
Finance cost	523,896	565,735
	1,406,000	1,143,625
Operating cash flows before movements in working capital	2,207,798	1,921,170
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(146,314)	(50,911)
Stock in trade	(44,542)	(46,001)
Trade debtors	(112,233)	(121,683)
Loans, advances, deposits and other receivables	(486,983)	(84,994)
Increase / (decrease) in current liabilities		
Trade and other payables	213,293	(423,248)
	(576,779)	(726,837)
Cash generated from operations	1,631,019	1,194,333
Finance cost paid	(216,447)	(249,420)
Gratuity paid	(87,403)	(79,970)
Taxes paid	(118,847)	(143,806)
	(422,697)	(473,196)
Net cash from / (used in) operating activities	1,208,322	721,137
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(909,150)	(410,781)
Proceeds from disposal of property, plant and equipment	1,049	11,717
Net cash (used in) / from investing activities	(908,101)	(399,064)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances repaid	(441,199)	(157,770)
Repayment of lease finance	(10,021)	(8,594)
Short term borrowings - net	149,071	(158,021)
Net cash (used in) / from financing activities	(302,149)	(324,385)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,928)	(2,312)
Cash and cash equivalents at beginning of the period	54,796	47,952
Cash and cash equivalents at end of the period	52,868	45,640

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, 2022

	Share capital	Reserve arising on amalgamation	Surplus on revaluation of property plant & equipment	Directors' Loan	Revenue reserve		(Deficit) / surplus on remeasurement of nvestments	Total
					General Reserves	unappropr-iated Profits		
	---------- (Rupees in '000') ----------							
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	-	-	-	-	-	519,733	-	519,733
Other comprehensive Income:								
Profit on remeasurement of investment	-	-	-	-	-	-	1,026	1,026
Directors' loan paid during the period	-	-	-	(265,187)	-	-	-	(265,187)
Total comprehensive profit/(loss) for the period ended March 31, 2021	-	-	-	(265,187)	-	519,733	1,026	255,572
Balance at March 31, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,370,950	2,518	9,654,252
Balance at July 1, 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	-	-	-	-	-	534,019	-	534,019
Other comprehensive Income:								
(Loss) / Profit on remeasurement of investment	-	-	-	-	-	-	(1,684)	(1,684)
Total comprehensive profit/(loss) for the period ended March 31, 2022	-	-	-	-	-	534,019	(1,684)	532,335
Balance at March 31, 2022	4,980,100	3,156,388	19,594	120,000	4,702	2,124,431	1,267	10,406,482

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, 2022

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, 2022 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 annual audited financial statements for the preceding year ended June 30, 2021.

	Unaudited March 31, 2022	*Audited June 30, 2021*
	(Rupees in '000')	
4. ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
20.000 (2021: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares	200	200
497,989,959 (2021: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities.	4,979,900	4,979,900
	4,980,100	4,980,100
5. LONG TERM FINANCING - Secured		
From banking companies	7,269,098	7,710,297
Current portion shown under current liabilities	(941,782)	(815,592)
	6,327,316	6,894,705

	Note	Unaudited March 31, 2022	Audited June 30, 2021
		(Rupees in '000')	

6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Present Value of lease payments	17,877	27,898
Current portion shown under current liabilities	(14,670)	(14,992)
	3,207	12,906

7. SHORT TERM BORROWINGS - Secured

Short term running finances are availed from various commercial banks under markup arrangements aggregate to Rs. 3,143 million (June 30, 2021: Rs. 2,994 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, 2021.

9. PROPERTY, PLANT AND EQUIPMENT

Operating assets - owned	9.1	18,328,337	18,121,144
Capital work in progress		584,339	527,287
		18,912,676	18,648,431

9.1 Operating assets

Opening book value	18,121,144	18,013,019
Additions during the period/ year:		
Building on freehold land	60,039	5,669
Plant and machinery	717,506	707,347
Factory tools and equipments	8,405	3,390
Furniture and fixtures	8,235	7,107
Office and hospital equipments	6,791	9,184
Vehicles	31,543	27,312
	832,519	760,009
Transfer from capital work in progress and stores during the period / year	19,579	245,818
Asset transferred from leased plant and machinery during the period / year	-	12,564
Book value of assets disposed/transferred during the period / year	(215)	(62,082)
Depreciation charge for the period / year	(644,690)	(848,184)
Closing book value	18,328,337	18,121,144

	Note	Unaudited March 31, 2022	Audited June 30, 2021
		(Rupees in '000')	
10. LONG TERM INVESTMENTS			
Investment in Imperial Limited		313,293	431,155
Other investments		1,742	3,425
		315,035	434,580
11. STOCK IN TRADE			
Textile			
Raw material		1,152,239	1,573,387
Work in process		512,806	499,580
Finished goods		3,013,082	2,560,618
		4,678,127	4,633,585
Real estate business			
Land held for development and resale		165,000	165,000
		4,843,127	4,798,585

	Unaudited March 31, 2022	Unaudited March 31, 2021
	(Rupees in '000')	
12. TAXATION		
Current year	303,856	257,812
Previous year	(36,077)	-
	267,779	257,812

13. RELATED PARTIES TRANSACTIONS

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:

	Nine Month Ended		Three Month Ended	
Related parties	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in '000')		(Rupees in '000')	
Subsidiary:				
Loan to Stitchrite (Pvt.) Limited	14,512	70,142	14,512	8,494
Investment in subsidary	100,000	1,000	-	-
Rent received from Stitchrite (Pvt.) Limited	6,000	-	-	-
Sales to Stitchrite (Pvt.) Limited	73,366	19,419	25,728	14,514
Provident Fund Trust:				
Contribution to Provident fund trust	23,594	20,789	7,938	7,088

14. SEGMENT INFORMATION

	Spinning		Weaving		Total Company	
	Nine Month Ended		Nine Month Ended		Nine Month Ended	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
	Rupees in "000"					
Sales						
Total	20,821,278	14,434,228	4,653,227	3,784,952	25,474,505	18,219,181
Inter-segment	(989,275)	(323,014)	-	-	(989,275)	(323,014)
External sales	19,832,003	14,111,214	4,653,227	3,784,952	24,485,230	17,896,167
Cost of Sales	(18,324,028)	(12,968,181)	(4,045,711)	(3,195,729)	(22,369,739)	(16,163,910)
Gross Profit / (Loss)	1,507,975	1,143,033	607,516	589,223	2,115,491	1,732,257
Distribution Cost	(195,872)	(129,707)	(97,248)	(86,472)	(293,120)	(216,179)
Administration Cost	(299,257)	(234,328)	(166,172)	(156,218)	(465,429)	(390,546)
	(495,129)	(364,035)	(263,420)	(242,690)	(758,549)	(606,725)
	1,012,846	778,998	344,096	346,533	1,356,942	1,125,532
Finance cost	(314,338)	(339,441)	(209,558)	(226,294)	(523,896)	(565,735)
	698,508	439,557	134,538	120,239	833,046	559,797
Unallocated income and expenses						
Other Income					86,617	217,748
Other operating charges					(117,865)	-
Profit before tax					801,798	777,545
Taxation					(267,779)	(257,812)
Profit / (Loss) after tax for the period					534,019	519,733
Other operating income:						
(Loss) / Profit on remeasurement of investments					(1,684)	1,026
Total comprehensive profit / (loss) for the period					532,335	520,759

	Spinning		Weaving		Total Company	
	Three Month Ended		Three Month Ended		Three Month Ended	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
	Rupees in "000"					
Sales						
Total	6,614,865	5,194,168	1,526,548	1,224,108	8,141,413	6,418,277
Inter-segment	(298,652)	(109,146)	-	-	(298,652)	(109,146)
External sales	6,316,213	5,085,022	1,526,548	1,224,108	7,842,761	6,309,131
Cost of Sales	(5,731,492)	(4,670,528)	(1,258,132)	(1,058,619)	(6,989,624)	(5,729,147)
Gross Profit/ (Loss)	584,721	414,494	268,415	165,489	853,137	579,984
Distribution Cost	(79,315)	(45,578)	(39,544)	(30,386)	(118,859)	(75,964)
Administration Cost	(113,003)	(88,404)	(58,669)	(58,935)	(171,672)	(147,339)
	(192,318)	(133,982)	(98,213)	(89,321)	(290,531)	(223,303)
	392,403	280,512	170,203	76,168	562,606	356,681
Finance cost	(106,631)	(98,180)	(71,087)	(65,454)	(177,718)	(163,634)
	285,773	182,332	99,115	10,715	384,888	193,047
Unallocated income and expenses						
Other Income					33,604	10,254
Profit before tax					418,492	203,301
Taxation					(61,123)	(91,065)
Profit after tax for the period					357,369	112,236
Total comprehensive Income for the period					357,369	112,236

Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Total Company	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	Mar-22	Jun-21	Mar-22	Jun-21	Mar-22	Jun-21
	Rupees in "000"					
Total assets for reportable segments	10,591,099	10,306,458	8,321,577	8,432,557	18,912,676	18,739,015
Unallocated assets:						
Investment property					784,278	784,279
Long term investments					315,035	434,580
Investment in subsidiary					100,000	100,000
Cash and bank balances					52,868	54,796
Other corporate assets					8,787,499	8,123,552
Total assets as per balance sheet					28,952,356	28,236,223
Unallocated liabilities:						
Director's Subordinated Loan					120,000	120,000
Provision for taxation					303,856	368,233
Other corporate liabilities					28,528,500	27,747,990
Total liabilities as per balance sheet					28,952,356	28,236,223

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors on April 28, 2022.

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, 2022

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

AS AT MARCH 31, 2022

	Note	(Unaudited) March 31, 2022	(Audited) June 30, 2021
		(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	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	120,000
General reserves		4,702	4,702
Unappropriated Profit/(Loss)		2,062,440	1,564,304
Surplus on remeasurement of investments		1,267	2,951
		10,344,491	9,848,039
Non current liabilities			
Long term finances	5	6,327,316	6,894,705
Liabilities against assets subject to finance lease	6	3,207	12,906
Deferred liabilities		5,591,495	5,257,455
		11,922,018	12,165,066
Current liabilities			
Trade and other payables		2,521,989	1,921,336
Short term borrowings	7	3,142,589	2,993,518
Accrued mark-up		151,225	147,638
Unclaimed dividend		94	94
Current portion of long term liabilities		956,452	830,584
Provision for taxation		305,170	368,752
		7,077,519	6,261,922
Contingencies and commitments	8	-	-
		29,344,028	**28,275,027**
ASSETS			
Non current assets			
Property, plant and equipment	9	18,982,814	18,711,700
Right of use assets		87,187	90,584
Investment Property		784,279	784,279
Long term investments	10	315,035	434,580
Long term deposits		51,132	51,132
		20,220,447	20,072,275
Current assets			
Stores, spares and loose tools		560,549	384,598
Stock in trade	11	5,148,348	4,818,093
Trade debts		1,254,017	1,123,472
Loans and advances		890,336	876,945
Trade deposits and short term prepayments		72,369	116,629
Other financial assets		17	20
Tax refunds due from Government		1,142,033	812,111
Cash and bank balances		55,912	70,884
		9,123,581	8,202,752
		29,344,028	**28,275,027**

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 PROFIT OR LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Note	Nine months ended		Three months ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		(Rupees in '000')			
Sales - net		24,557,302	17,909,082	7,879,710	6,322,046
Cost of goods sold		(22,446,244)	(16,189,222)	(7,064,198)	(5,754,459)
Gross profit		2,111,058	1,719,860	815,512	567,587
Distribution expenses		(296,689)	(216,245)	(121,431)	(76,030)
Administrative expenses		(492,386)	(397,500)	(182,771)	(154,293)
		(789,075)	(613,745)	(304,202)	(230,323)
Operating Profit		1,321,983	1,106,115	511,310	337,264
Finance Cost		(524,088)	(565,764)	(177,755)	(163,663)
Other operating charges		(117,865)	-	-	-
		(641,953)	(565,764)	(177,755)	(163,663)
Other income		86,680	217,748	32,757	10,254
Profit before taxation		766,710	758,099	366,312	183,855
Taxation	12	(268,574)	(257,944)	(57,900)	(91,197)
Profit/(Loss) for the period		498,136	500,155	308,412	92,658
Other comprehensive income					
(Loss) / Profit on remeasurement of investments		(1,684)	1,026	-	-
Total comprehensive income / (loss)		496,452	501,181	308,412	92,658
Earnings/(loss) per share - basic and diluted (Rupees)		1.00	1.00	0.62	0.19

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, 2022

	Nine months ended	
	March 31, 2022	*March 31, 2021*
	(Rupees in '000')	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	766,710	758,099
Adjustments for :		
Provision for staff retirement benefit - gratuity	117,569	118,146
Depreciation on property, plant and equipment	650,977	645,834
Loss / (Gain) from investment in IML	117,862	(175,920)
Loss / (Gain) on remeasurement of investment	3	(4)
Loss / (Gain) on disposal of property, plant and equipment	(836)	(6,141)
Finance cost	524,088	565,764
	1,409,663	1,147,679
Operating cash flows before movements in working capital	2,176,373	1,905,778
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(175,951)	(65,401)
Stock in trade	(330,255)	(53,415)
Trade debtors	(130,545)	(36,170)
Loans, advances, deposits and other receivables	(511,019)	(96,719)
Increase / (decrease) in current liabilities		
Trade and other payables	600,542	(407,023)
	(547,228)	(658,728)
Cash generated from operations	1,629,145	1,247,050
Finance cost paid	(216,639)	(249,449)
Gratuity paid	(87,403)	(79,970)
Taxes paid	(120,065)	(143,819)
	(424,107)	(473,238)
Net cash from / (used in) operating activities	1,205,038	773,812
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(918,910)	(464,428)
Proceeds from disposal of property, plant and equipment	1,049	11,717
Net cash (used in) / from investing activities	(917,861)	(452,711)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances repaid	(441,199)	(157,770)
Repayment of lease finance	(10,021)	(8,594)
Short term borrowings - net	149,071	(158,021)
Net cash (used in) / from financing activities	(302,149)	(324,385)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(14,972)	(3,284)
Cash and cash equivalents at beginning of the period	70,884	49,071
Cash and cash equivalents at end of the period	55,912	45,787

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, 2022

	Share capital	Reserve arising on amalgamation	Surplus on revaluation of property plant & equipment	Directors' Loan	Revenue reserves		(Deficit) / surplus on remeasurement of investments	Total
					General Reserves	Unappropriated profits		
	---------- (Rupees in '000') ----------							
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	-	-	-	-	-	500,155	-	500,155
Other comprehensive Income:								
Profit on remeasurement of investment	-	-	-	-	-	-	1,026	1,026
Directors' loan paid during the period				(265,187)				(265,187)
Total comprehensive profit/(loss) for the period ended March 31, 2021	-	-	-	(265,187)	-	500,155	1,026	235,994
Balance at March 31, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,345,337	2,518	9,628,639
Balance at July 1, 2021	4,980,100	3,156,388	19,594	120,000	4,702	1,564,304	2,951	9,848,040
Profit for the period	-	-	-	-	-	498,136	-	498,136
Other comprehensive Income:								
Profit on remeasurement of investment	-	-	-	-	-	-	(1,684)	(1,684)
Total comprehensive profit/(loss) for the period ended March 31, 2022	-	-	-	-	-	498,136	(1,684)	496,452
Balance at March 31, 2022	4,980,100	3,156,388	19,594	120,000	4,702	2,062,440	1,267	10,344,492

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, 2022

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 Compnay 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 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 %
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, 2022 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, 2021.

	Unaudited March 31, 2022	*Audited June 30, 2021*
	(Rupees in '000')	
4. SHARE CAPITAL		
Issued, subscribed and paid up capital		
20.000 (2021: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares	200	200
497,989,959 (2021: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities.	4,979,900	4,979,900
	4,980,100	4,980,100
5. LONG TERM FINANCING - Secured		
From banking companies	7,269,098	7,710,297
Current portion shown under current liabilities	(941,782)	(815,592)
	6,327,316	6,894,705
6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Present Value of lease payments	17,877	27,898
Current portion shown under current liabilities	(14,670)	(14,992)
	3,207	12,906

7. SHORT TERM BORROWINGS - Secured

Short term running finances are availed from various commercial banks under markup arrangements aggregate to Rs. 3,143 million (June 30, 2021: Rs. 2,994 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, 2021.

	Note	Unaudited March 31, 2022	Audited June 30, 2021
		(Rupees in '000')	
9. PROPERTY, PLANT AND EQUIPMENT			
Operating assets - owned	9.1	18,398,474	18,184,413
Capital work in progress		584,339	527,287
		18,982,814	18,711,700
9.1 Operating assets			
Opening book value		18,184,413	18,016,710
Additions during the period/ year:			
Building on freehold land		60,039	5,669
Plant and machinery		722,052	760,390
Factory tools and equipments		8,640	3,390
Furniture and fixtures		9,689	10,933
Office and hospital equipments		8,012	9,815
Vehicles		33,846	31,320
		842,278	821,518
Transfer from capital work in progress and stores during the period / year		19,579	245,818
Asset transferred from leased plant and machinery during the period / year		-	12,564
Book value of assets disposed/transferred during the period / year		(215)	(62,082)
Depreciation charge for the period / year		(647,581)	(850,114)
Closing book value		18,398,474	18,184,413

	Note	Unaudited March 31, 2022	Audited June 30, 2021
		(Rupees in '000')	
10. LONG TERM INVESTMENTS			
Investment in Imperial Limited		313,293	431,155
Other investments		1,742	3,425
		315,035	434,580
11. STOCK IN TRADE			
Textile			
Raw material		1,431,318	1,574,588
Work in process		538,587	517,526
Finished goods		3,013,443	2,560,979
		4,983,348	4,653,093
Real estate business			
Land held for development and resale		165,000	165,000
		5,148,348	4,818,093

	Unaudited March 31, 2022	Unaudited March 31, 2021
	(Rupees in '000')	
12. TAXATION		
	305,170	257,944
Current year	(36,596)	-
Previous year	268,574	257,944

13. RELATED PARTIES TRANSACTIONS

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

	Nine Month Ended		Three Month Ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in '000')		(Rupees in '000')	
Provident Fund Trust:				
Contribution to Provident fund trust	23,594	20,789	7,938	7,088

14. SEGMENT INFORMATION

	Spinning		Weaving		Total Company	
	Nine Month Ended		Nine Month Ended		Nine Month Ended	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
	Rupees in "000"					
Sales						
Total	20,821,278	14,434,228	4,653,227	3,784,952	25,474,505	18,219,181
Inter-segment	(989,275)	(323,014)	-	-	(989,275)	(323,014)
External sales	19,832,003	14,111,214	4,653,227	3,784,952	24,485,230	17,896,167
Cost of Sales	(18,324,028)	(12,968,181)	(4,045,711)	(3,195,729)	(22,369,739)	(16,163,910)
Gross Profit/ (Loss)	1,507,975	1,143,033	607,516	589,223	2,115,491	1,732,257
Distribution Cost	(195,872)	(129,707)	(97,248)	(86,472)	(293,120)	(216,179)
Administration Cost	(299,257)	(234,328)	(166,172)	(156,218)	(465,429)	(390,546)
	(495,129)	(364,035)	(263,420)	(242,690)	(758,549)	(606,725)
	1,012,846	778,998	344,096	346,533	1,356,942	1,125,532
Finance cost	(314,338)	(339,441)	(209,558)	(226,294)	(523,896)	(565,735)
	698,508	439,557	134,538	120,239	833,046	559,797
Unallocated income and expenses						
Other Income					86,617	217,748
Other operating charges					(117,865)	-
Profit before tax					801,798	777,545
Taxation					(267,779)	(257,812)
Profit / (Loss) after tax for the period					534,019	519,733
Other operating income:						
(Loss) / Profit on remeasurement of investment					(1,684)	1,026
Total comprehensive profit / (loss) for the period					532,335	520,759

	Spinning		Weaving		Total Company	
	Three Month Ended		Three Month Ended		Three Month Ended	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
	Rupees in "000"					
Sales						
Total	6,614,865	5,194,168	1,526,548	1,224,108	8,141,413	6,418,277
Inter-segment	(298,652)	(109,146)	-	-	(298,652)	(109,146)
External sales	6,316,213	5,085,022	1,526,548	1,224,108	7,842,761	6,309,131
Cost of Sales	(5,731,492)	(4,670,528)	(1,258,132)	(1,058,619)	(6,989,624)	(5,729,147)
Gross Profit/ (Loss)	584,721	414,494	268,415	165,489	853,137	579,984
Distribution Cost	(79,315)	(45,578)	(39,544)	(30,386)	(118,859)	(75,964)
Administration Cost	(113,003)	(88,404)	(58,669)	(58,935)	(171,672)	(147,339)
	(192,318)	(133,982)	(98,213)	(89,321)	(290,531)	(223,303)
	392,403	280,512	170,202	76,168	562,606	356,681
Finance cost	(106,631)	(98,180)	(71,087)	(65,454)	(177,718)	(163,634)
	285,773	182,332	99,115	10,715	384,888	193,047
Unallocated income and expenses						
Other Income					33,604	10,254
Profit before tax					418,492	203,301
Taxation					(61,123)	(91,065)
Profit after tax for the period					357,369	112,236
Total comprehensive Income for the period					357,369	112,236

Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Total Company	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	Mar-22	Jun-21	Mar-22	Jun-21	Mar-22	Jun-21
	Rupees in "000"					
Total assets for reportable segments	10,591,099	10,306,458	8,321,577	8,432,557	18,912,676	18,739,015
Unallocated assets:						
Investment property					784,278	784,279
Long term investments					315,035	434,580
Investment in subsidiary					100,000	100,000
Cash and bank balances					52,868	54,796
Other corporate assets					8,787,499	8,123,552
Total assets as per balance sheet					28,952,356	28,236,223
Unallocated liabilities:						
Director's Subordinated Loan					120,000	120,000
Provision for taxation					303,856	368,233
Other corporate liabilities					28,528,500	27,747,990
Total liabilities as per balance sheet					28,952,356	28,236,223

15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors on April 28, 2022.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Financial Officer **Director** **Chief Executive Officer**

ڈائریکٹرز کی جائزہ رپورٹ

محترم حصص داران

کمپنی کے ڈائریکٹران بخوشی درمیانی مدت کے غیر تنقیح شدہ مالی حسابات برائے سہ ماہی مختتمہ 31 مارچ 2022ء پیش کر رہے ہیں۔

آپ کی کمپنی نے نو مہینوں کے اختتام پر مبلغ 24,485 ملین روپے کا کاروباری حجم حاصل کیا ہے (**2021**: 17,896 ملین روپے) اور خام منافع مبلغ 2,115 ملین روپے کا رہا جبکہ پچھلے سال اسی عرصہ میں مبلغ 1,732 ملین روپے تھا۔ اس عرصہ کا خالص منافع 532 ملین روپے ہے جبکہ پچھلے سال اسی عرصہ میں خالص منافع مبلغ 521 ملین روپے تھا چنانچہ آمدن فی حصہ 1.07 روپے رہے (**2021**: نفع فی حصہ 1.04 روپے)۔

اگرچہ ٹیکسٹائل صنعت کی موجودہ صورتحال کافی بہتر ہے مگر چالو سرمائے کی کمی وجہ سے ہم اپنی پوری استطاعت کار کو بروئے کار نہیں لا پا رہے۔ خام مال اور توانائی کی بڑھتی ہوئی قیمتوں، ڈالر کے مقابلے میں روپے کی مسلسل گرتی ہوئی قیمت اور شرح سود میں اضافہ نے صورتحال کو مزید گمبھیر کر دیا ہے۔

آپ کی کمپنی دستیاب وسائل کے ساتھ جدید تکنیک کو اپناتے ہوئے پیداواری جدت اور مختلف مصنوعات بنانے کے لئے کوشاں ہے۔

کالونی ٹیکسٹائل ملز لیمیٹڈ اور اس کی ذیلی ملکیتی کمپنی سٹچ رائٹ (پرائیویٹ) لیمیٹڈ کے مجموعی مالی حسابات اس سہ ماہی رپورٹ میں شامل ہیں۔

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 مغیث شیخ
چیف ایگزیکٹو آفیسر
لاہور: 28 اپریل 2022

COLONY
TEXTILE MILLS
LIMITED

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