

BIBOJEE GROUP

The background of the cover is a photograph of a woolen mill. It shows several large, white, cylindrical spools of wool hanging from a metal frame. In the background, there are various pieces of machinery, including what appears to be a spinning machine with a large wheel. The lighting is bright, and the overall scene is industrial.

64th ANNUAL REPORT 2024

BANNU
WOOLLEN MILLS LIMITED

Bannu Woollen Mills Ltd.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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COMPANY'S PROFILE

Board of Directors	Mr. Ahmad Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Lt. Gen. (Retd.) Ali Kuli Khan Khattak Dr. Shahin Kuli Khan Khattak Syed Zubair Ahmed Shah Mr. Abdul Rehman Qureshi (Independent) Brig. (R.) Agha Arshad Raza (Independent)	Chairman Chief Executive
Audit Committee	Mr. Abdul Rehman Qureshi Syed Zubair Ahmad Shah Brig. (R.) Agha Arshad Raza	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Abdul Rehman Qureshi Lt. Gen. (Retd.) Ali Kuli Khan Khattak Mr. Ahmad Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Syed Zubair Ahmed Shah Brig. (R.) Agha Arshad Raza	Chairman Member Member Member Member
Chief Operating Officer (COO)	Mr. Khalid Kuli Khan Khattak	
Chief Financial Officer	Mr. Kalim Aslam	
Company Secretary	Mr. Azmat Khan	
Head of Internal Audit	Mr. Salman Khan - ACA	
Auditors	M/S. ShineWing Hameed Chaudhri & Co Chartered Accountants	
Bankers	National Bank of Pakistan Bank Alfalah Ltd.	
Legal Adviser	M/S Hassan & Hassan, Advocates Paaf Building, 1-D, Kashmir/ Egerton Road, Lahore	
Tax Consultant	M. Nawaz Khan & Co 1-Ground Floor, Farrah Centre, 2 Mozang Road, Lahore	
Registrars & Shares Registration Office	CDC Share Registrar (Services) Limited CDC House, 99-B, Block B, S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400 Tel: UAN# 021-0800 23275, Fax: 021-34326053 E-Mail: info@cdcsrsl.com	
Registered Office	Bannu Woollen Mills Ltd D.I.Khan Road, Bannu Tel. (0928) 612274 - 662273 - 613250 E-Mail: bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	
Mills	D.I.Khan Road, Bannu Tel. (0928) 612274 - 662273 - 613250 E-Mail: bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	

VISION

“TO BE MARKET LEADERS IN WOOLLEN/BLENDED FABRICS, BLANKETS & SHAWLS, BUILDING COMPANY IMAGE THROUGH INNOVATION AND COMPETITIVENESS, ENSURING SATISFACTION TO CUSTOMERS' AND STAKEHOLDERS AND TO FULFILL SOCIAL OBLIGATIONS.”

MISSION STATEMENT

“LEAD PRODUCER OF QUALITY WOOLLEN/BLENDED FABRICS, BLANKETS & SHAWLS, WE SHALL BUILD ON OUR CORE COMPETENCIES AND ACHIEVE EXCELLENCE IN PERFORMANCE. WE AIM AT EXCEEDING EXPECTATIONS OF ALL STAKEHOLDERS. WE TARGET TO ACHIEVE TECHNOLOGICAL ADVANCEMENTS TO INCULCATE THE MOST EFFICIENT, ETHICAL AND TIME TESTED BUSINESS PRACTICES IN OUR MANAGEMENT.

WE SHALL STRIVE TO INNOVATE AND INTRODUCE ALTERNATE USES OF PRODUCTS TO BROADEN OUR CUSTOMER BASE TO HELP STRENGTHEN THE PHYSICAL INFRASTRUCTURE OF THE COUNTRY.”

NOTICE OF 64TH ANNUAL GENERAL MEETING

Notice is hereby given that the 64TH Annual General Meeting (AGM) of the of the Company will be held on **Saturday the October 26, 2024 at 09:00 A.M.** at its registered office, Bannu Woollen Mills Ltd., D. I. Khan Road, Bannu to transact the following business: -

ORDINARY BUSINESS:

1. To confirm the minutes of the Extraordinary General Meeting held on March 27, 2024.
2. To consider and approve the annual audited Financial Statements of the Company for the year ended June 30, 2024 together with the Chairman's Review, Director's and Auditor's Reports thereon.

As required under section 223(6) of the Companies Act, 2017 ("the Act"), Financial Statements of the Company has been posted on the website of the Company, which can be downloaded from the following link / QR code:



<https://www.bwm.com.pk/investor-relation.php>

3. To appoint auditors of the company for the financial year 2024-25 and to fix their remuneration. The retiring auditors M/s ShineWing Hameed Chaudhri and Company, Chartered Accountants, Lahore being eligible have consented and offered themselves for re-appointment.

SPECIAL BUSINESS:

4. To consider and, if thought fit to pass the following Resolutions as "Special Resolution" with or without modification:

A. To ratify and approve transactions entered into by the company and the related parties in its ordinary course of business by passing the following special resolution:

"RESOLVED THAT the transactions carried out in normal course of business with associated companies/ related parties during the year ended June 30, 2024 (as disclosed in Note-36 of Financial Statements for the year ended June 30, 2024) be and are hereby ratified, confirmed and approved."

A statement of material facts under Section 134 (3) of the Companies Act, 2017 pertaining to the Special Business as stated above is annexed to this notice of meeting being sent to the members.

B. To approve all transactions to be carried out by the company and the related parties in its ordinary course of business for the year ending June 30, 2025 by passing the following special resolution:

"RESOLVED THAT the Chief Financial Officer of the Company be and is hereby authorized to approve all the transactions to be carried out in normal course of business with associated companies / related parties during the year ending June 30, 2025 and in this connection, the Chief Financial Officer be and is hereby also authorized to take any and all necessary actions and

sign/ execute any and all such documents/ indentures as may be required in this regard on behalf of the Company.”

A statement of material facts under Section 134 (3) of The Companies Act, 2017 in respect of above-mentioned Special Businesses is attached herewith.

ANY OTHER BUSINESS

5. To transact any other business with the permission of the Chair.

By the order of the Board



Azmat Khan
Company Secretary

Bannu
October 02, 2024

NOTES:

1. CLOSURE OF SHARE TRANSFER BOOKS

The register of members of the Company will remain closed from October 18, 2024 to October 26, 2024 (both days inclusive). Transfers received in order by the Company’s Shares Registrar/ Transfer Agent, M/s. CDC Share Registrar (Services) Ltd. (CDCSRSL), CDC house, 99-B, Block B, SMCHS, Main Shakra-e-Faisal, Karachi, Pakistan (Share Registrar) by the close of business hours up to (5.00 pm) on October 17, 2024 will be considered in time for registration in the name of the transferees, and be eligible for the purpose of attending and voting at the AGM.

2. PARTICIPATION IN ANNUAL GENERAL MEETING:

1. If Members holding ten (10) percent of the total paid up capital, reside in a city, such Members, may demand the Company to provide them the facility of video-link for attending the AGM. If you wish to take benefit of this facility, please fill and send a request in Standard Form placed in annual report which is also available on website of the Company to the Share Registrar at its address given hereinabove at least seven (7) days prior to the date of the Meeting.
2. The members interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address corporate@bwm.com.pk mentioning their names, folio number, and email address by the close of business hours on October 24, 2024. The log-in credentials and link to participate in the AGM would be provided to the registered shareholders.
3. Members are informed that, in accordance with the SECP’s S.R.O. 389(i)/2023 dated March 21, 2023, and the Companies Act, 2017, the company will distribute its annual audited financial statements via email to members who have provided their email addresses to the company.
4. The audited financial statements of the Company for the year ended June 30, 2024 and the

notice of Annual General Meeting has also been posted and are made available on the Company's website www.bwm.com.pk audited financial statements can be downloaded from the QR enable Code.

5. Contact details of share registrar is , M/s. CDC Share Registrar (Services) Ltd. (CDCSRSL), CDC house, 99-B, Block B, SMCHS, Main Shahra-e-Faisal, Karachi, Pakistan & Email: info@cdcsrsl.com and of Company Secretary is Mr. Azmat Khan, Company Secretary, D.I Khan Road, Bannu, Ph:+92-928-612274 & Email: Azmatkhan@bwm.com.pk.
6. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 17, 2024. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar (Services) Ltd. (CDCSRSL) (being the e-voting service provider). Identity of the Members intending to cast vote through e -voting shall be authenticated through electronic signature or authentication for login. Members shall cast vote online at any time from October 23, 2024, 9:00 a.m. (PST) to October 25, 2024 till 5:00 p.m. (PST). Voting shall close on October 25, 2024, at 5:00 p.m. Once the vote on the resolution is cast by a Member, he/she shall not be allowed to change it subsequently.
7. Members may alternately opt for voting through postal ballot. For convenience of the members, Ballot Paper will be available on the Company's website www.bwm.com.pk within stipulated time to download. The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's registered address, D.I Khan Road, Bannu, or email at corporate@bwm.com.pk one day before the AGM, i.e., on October 25, 2024 before 05:00 pm. A postal ballot received after this time/date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC.
8. Members are requested to replace their physical shares in Book-entry form and get their Names registered with the CDC, as early as possible, in compliance with the provisions of Section 72 (2) of the Companies Act, 2017.
9. The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law. Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company, are hereby once again requested to approach our Share Registrar, M/s CDC Share Registrar (Services) Ltd., to collect /inquire about their unclaimed/unpaid dividends/or undelivered share certificates.
10. Individual members who have not yet submitted photocopy of their valid CNIC to the Company/Share Registrar, are requested to send their CNIC(Copy) at the earliest directly to Company's Share Registrar, M/s CDC Share Registrar (Services) Limited. Corporate Entities also requested to provide their NTN. Please also give Folio with the copy of CNIC/NTN detail.
11. Members are requested to promptly notify any change in their addresses immediately to the Company's Share Registrar.
12. To comply with requirement of section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provision and Forms) Regulations, 2018, all CDC and physical

shareholders are requested to provide their email address and cell phone number incorporated/updated in their physical folio or CDC account.

A. For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are posted as per the Regulations, shall authenticate his/ her identity by showing his/ her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. Members registered on Central Depository Company (CDC) are also requested to bring their particulars, ID number and account number in Central Depository System (CDS).
- iii. In case of corporate entity, the Board of Director's resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i. A member entitled to attend and vote at the Annual General Meeting is entitled to cast his/ her vote by proxy. Proxies must be deposited at the Company's Registered Office at Bannu Woollen Mills Ltd, D.I Khan Road, Bannu, not later than forty-eight hours before the time for holding the meeting.
- ii. In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are posted as per the Regulations, shall submit the proxy form as per the above requirements.
- iii. A corporate entity, being a member, may appoint any person, regardless whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form as are required under Circular No.1 dated 26th January 2000 issued by the Securities Exchange Commission of Pakistan for the purpose.
- iv. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- v. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- vi. The proxy shall produce his/ her original CNIC or original passport at the time of the AGM.

Statement under section 134(3) of the Companies Act, 2017

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of Bannu Woollen Mills Ltd. ("the Company") to be held on October 26, 2024.

Item No. 04 of the Agenda**A. Material facts regarding the approval of Transactions with Related parties for the year ended June 30, 2024:**

Transactions carried out with associated companies during the year ended June 30, 2024 to be passed as a Special Resolution. The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis.

Since the majority of Directors were interested in this/these transactions(s) due to their common directorship and holding of shares in the associated companies, therefore these transactions which have to be approved by the members in the General Meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2024 with associated companies and related parties as shown in relevant notes of the Audited Financial Statements are being placed before the members for their consideration, confirmation and approval.

The Directors are interested in the resolution to the extent of their common directorships and their shareholding in the associated companies.

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
2. Mr. Ahmad Kuli Khan Khattak
3. Mrs. Shahnaz Sajjad Ahmad
4. Dr. Shahin Kuli Khan Khattak

Approval of the members is, therefore sought in order to comply with the requirements of Section 208 of the Companies Act, 2017.

B. Material facts regarding the approval of Transactions with Related parties for the year ending June 30, 2025:

Authorization of the Chief Financial Officer for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2025 to be passed as a special resolution.

The Company would be conducting transactions with associated companies in ordinary course of business. The directors are interested in these transactions due to their common directorship and shareholding in the associated companies. Therefore, such transactions with associated companies have to be approved by the shareholders.

The shareholders may authorize the Chief Financial Officer to approve transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2025.

The directors are interested in this resolution to the extent of their common directorships and their shareholding in the associated companies.

The following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the Associated Companies:

1. Lt. Gen (Retd.) Ali Kuli Khan Khattak
2. Mr. Ahmad Kuli Khan Khattak
3. Mrs. Shahnaz Sajjad Ahmad
4. Dr. Shahin Kuli Khan Khattak

اطلاع برائے سالانہ اجلاس عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ کمپنی کا 64واں سالانہ اجلاس عام (AGM)، کمپنی کے رجسٹرڈ دفتر، بنوں وولن ملز لمیٹڈ ڈی آئی خان روڈ، بنوں پر درج ذیل امور کی انجام دہی کیلئے بروز ہفتہ 26 اکتوبر 2024ء کو صبح 09:00 بجے منعقد ہوگا۔

عام امور:

- 1- 27 مارچ 2024ء کو منعقدہ غیر معمولی اجلاس عام کی کارروائی کی توثیق کرنا۔
- 2- 30 جون 2024ء کو ختم ہونے والے سال کے لئے کمپنی کے نظر ثانی شدہ مالی حسابات مع ان پر چیئرمین کا جائزہ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری دینا۔

کمپنیز ایکٹ، 2017ء (ایکٹ) کے سیکشن 223 (6) کے تحت، کمپنی کے مالی بیانات کمپنی کی ویب سائٹ پر اپلوڈ کئے گئے ہیں، جنہیں درج ذیل لنک / QR کوڈ سے ڈاؤن لوڈ کیا جاسکتا ہے۔



<https://www.bwm.com.pk/investor-relation.php>

3- مالی سال 2024-25 کے لئے بیرونی آڈیٹرز کی تقرری اور ان کی خدمات کے عوض ان کے معاوضے کا تعین کرنا۔ ریٹائر ہونے والے آڈیٹرز میسرز شائن ونگ حمید چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور اہل ہونے کی بناء پر دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔
خصوصی امور:

4- غور و خوض اور اگر بہتر خیال کیا گیا تو، درج ذیل قراردادوں کو ترمیم کے ساتھ یا اس کے بغیر بطور خصوصی قراردادیں پاس کرنا:-
A- مندرجہ ذیل خصوصی قرارداد کو پاس کر کے کمپنی اور متعلقہ فریقوں کی طرف سے عام کاروبار میں کئے گئے لین دین کی توثیق اور منظوری دینا۔
"قرارداد کیا کہ 30 جون 2024ء کو ختم ہونے والے سال کے دوران متعلقہ کمپنیوں/متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے مطابق کیے گئے لین دین (جیسا کہ 30 جون 2024ء کو ختم ہونے والے سال کے لیے مالیاتی گوشواروں کے نوٹ 36 میں ظاہر کیا گیا ہے) اور اس کی توثیق، تصدیق اور منظور کیا جاتا ہے۔"
کمپنیز ایکٹ 2017ء کے سیکشن (3) 134 کے تحت مادی حقائق کا بیان جو خصوصی امور سے متعلق ہے جیسا کہ اوپر بیان کیا گیا ہے ممبران کو ارسال کئے جانے والے اجلاس کے اس نوٹس کے ساتھ منسلک ہے۔

B- مندرجہ ذیل خصوصی قرارداد کو منظور کر کے 30 جون، 2025ء کو ختم ہونے والے سال کے لئے کمپنی اور متعلقہ فریقوں کے ذریعے عام کاروبار کے دوران کئے جانے والے تمام لین دین کی منظوری دینا:

"قرارداد کیا کہ کمپنی کا چیف فنانشل آفیسر 30 جون 2025ء کو ختم ہونے والے سال کے دوران متعلقہ کمپنیوں/متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے مطابق کیے گئے لین دین کو منظور کرنے کا مجاز ہے اور اس سلسلے میں چیف فنانشل آفیسر کمپنی کی جانب سے کوئی بھی اور تمام ضروری کارروائیاں کرنے اور کسی بھی ایسے تمام دستاویزات/انڈیچرز پر دستخط/عمل درآمد کرنے کا مجاز ہے۔"
مذکورہ بالا خصوصی کاروبار کے سلسلے میں کمپنیز ایکٹ 2017ء کے سیکشن (3) 134 کے تحت مادی حقائق کا بیان اس کے ساتھ منسلک ہے۔

کوئی دیگر امور:

5- صاحب صدر کی اجازت سے کسی دیگر امور پر کارروائی کرنا۔

بحکم بورڈ
عظمت خان
کمپنی سیکرٹری

بنوں

02 اکتوبر 2024ء

نوٹ:

1- حصص منتقلی کتابوں کی بندش:

کمپنی کے ممبران کا رجسٹر 18 اکتوبر 2024ء تا 26 اکتوبر 2024ء (بشمول دونوں ایام) بند رہے گا۔ منتقلیاں جو کمپنی کے شیئرز رجسٹرار کے دفتر، میسرزی ڈی سی شیئرز رجسٹرار (سروسز) لمیٹڈ (CDCSRSL)، سی ڈی سی ہاؤس، 99-B، بلاک B، SMCHS، مین شاہراہ فیصل، کراچی، پاکستان (شیئرز رجسٹرار) میں 17 اکتوبر 2024ء کو (5:00pm) کاروباری اوقات کے اختتام تک وصول ہونے والی ٹرانسفرز کے نام پر رجسٹریشن کے لئے وقت پر وصول ہوں گی وہی AGM میں شرکت اور ووٹ کے لئے اہل ہوں گے۔

2- سالانہ اجلاس عام میں شرکت:

1- اگر کل ادا شدہ سرمائے کا 10 فیصد رکھنے والے ممبران کسی شہر میں رہتے ہیں تو ایسے ممبران کمپنی سے مطالبہ کر سکتے ہیں کہ انہیں AGM میں شرکت کے لئے ویڈیو لنک کی سہولت فراہم کی جائے۔ اگر آپ اس سہولت سے فائدہ اٹھانا چاہتے ہیں، تو براہ کرم سالانہ رپورٹ میں درج معیاری فارم میں ایک درخواست بھریں اور مینٹگ کی تاریخ سے 7 دن پہلے کمپنی کی ویب سائٹ پر شیئرز رجسٹرار کے پتے پر بھیجیں۔

2- AGM میں شرکت کرنے میں دلچسپی رکھنے والے اراکین سے درخواست کی جاتی ہے کہ وہ 24 اکتوبر، 2024 کو کاروباری اوقات کے اختتام تک اپنے نام، فوٹیو نمبر اور ای میل ایڈریس کا ذکر کرتے ہوئے نامزد ای میل ایڈریس corporate@bwm.com.pk پر تفصیلات بھیج کر خود کو رجسٹرڈ کروالیں۔ رجسٹرار شیئرز ہولڈرز کو لاگ ان کی اسناد اور AGM میں شرکت کے لئے لنک فراہم کئے جائیں گے۔

3- ممبران کو بذریعہ ہذا مطلع کیا جاتا ہے کہ ایس ای سی پی کے S.R.O NO. 389(i)/2023 مورخہ 21 مارچ 2023 اور کمپنیز ایکٹ، 2017 کے مطابق، کمپنوں کو اجازت دی گئی ہے کہ وہ سالانہ رپورٹیں اراکین کو ای میل کے ذریعے ترسیل کریں۔

4- 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالی حسابات اور نوٹس برائے سالانہ اجلاس عام کمپنی کی ویب سائٹ www.bwm.com.pk پر دستیاب کر دیئے گئے ہیں، آڈٹ شدہ مالی حسابات بذریعہ QR کوڈ ڈاؤن لوڈ کئے جاسکتے ہیں۔

5- رابطہ برائے شیئرز رجسٹرار، میسرزی ڈی سی شیئرز رجسٹرار (سروسز) لمیٹڈ (CDCSRSL)، سی ڈی سی ہاؤس، 99-B، بلاک B، SMCHS، مین شاہراہ فیصل، کراچی، پاکستان

ای میل ایڈریس info@cdcsrl.com اور عظمت خان، کمپنی سیکرٹری، ڈی۔ آئی خان روڈ، بنوں، فون: 0928-612274

ای میل: azmatkhan@bwm.com.pk

6۔ ای ووٹنگ کی سہولت کی تفصیلات 17 اکتوبر، 2024 کو کمپنی کے ان اراکین کے ساتھ ایک ای میل کے ذریعے شیئرز کی جائیں گی جن کے پاس اپنے درست CNIC نمبر، موبائل نمبر اور ای میل ایڈریس کمپنی کے اراکین کے رجسٹر میں کاروبار کے اختتام تک دستیاب ہوں گے۔ ویب ایڈریس، لاگ ان کی تفصیلات اور پاس ورڈ ای میل کے ذریعے اراکین کو مطلع کیا جائے گا۔ سی ڈی سی شیئرز رجسٹرار (سروسز) لمیٹڈ (CDCSRSL) (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) کے ویب پورٹل سے ایس ایم ایس کے ذریعے ممبران کو سکيورٹی کوڈ بتائے جائیں گے۔ ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لئے تصدیق کے ذریعے کی جائے گی۔ ممبران 23 اکتوبر، 2024 سے 25 اکتوبر، 2024، صبح 9:00 بجے (PST) سے شام 5:00 بجے (PST) تک کسی بھی وقت آن لائن ووٹ ڈال سکتے ہیں۔ ووٹنگ 25 اکتوبر، 2024 کو شام 5:00 بجے بند ہوگی۔ ایک بار جب کسی رکن کی طرف سے قرارداد پر ووٹ ڈال دیا جاتا ہے تو اسے بعد میں تبدیل کرنے کی اجازت نہیں ہوگی۔

7۔ اراکین باری باری پورٹل بیلٹ کے ذریعے ووٹنگ کا انتخاب کر سکتے ہیں، اراکین کی سہولت کے لئے بیلٹ پیپر کمپنی کی ویب سائٹ www.bwm.com.pk پر ڈاؤن لوڈ کرنے کے لئے مقررہ وقت کے اندر دستیاب ہوگا۔ اراکین کو یقینی بنانا ہوگا کہ صحیح طریقے سے بھرے ہوئے اور دستخط شدہ بیلٹ پیپر، کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ساتھ AGM سے ایک دن پہلے یعنی 25 اکتوبر، 2024 کو شام 5:00 بجے سے پہلے کمپنی کے رجسٹرار ایڈریس، ڈی۔آئی خان روڈ، بنوں یا ای میل corporate@bwm.com.pk کے ذریعے پہنچ جانے چاہئیں۔ مقررہ وقت اتارخ کے بعد موصول ہونے والا پورٹل بیلٹ ووٹنگ کے لئے زیر غور نہیں ہوگا۔ بیلٹ پیپر پر کئے گئے دستخط CNIC پر موجود دستخط سے مماثل ہونے چاہئیں۔

8۔ ارکان سے درخواست ہے کہ کمپنیز ایکٹ 2017 کی دفعہ (2) 72 کی دفعات کی تعمیل میں، اپنے مادی حصص کو بک انٹری فارم میں تبدیل کریں اور جتنا جلدی ممکن ہو سکے، اپنے ناموں کو سی ڈی سی کے ہاں رجسٹر کروائیں۔

9۔ کمپنی نے پہلے ہی کمپنیز ایکٹ 2017 کی دفعہ 244 کے تحت اپنی ذمہ داری ادا کی ہے جہاں کمپنی نے حصص داران سے قانون کے مطابق اپنے غیر دعوی دار ڈیویڈنڈز اور غیر موصولہ شیئرز سرٹیفکیٹ کلیم کرنے کے لئے رابطہ کیا۔ شیئرز ہولڈرز، جن کے ڈیویڈنڈز ابھی تک غیر دعوی شدہ اور ایڈیشنل سرٹیفکیٹ وصول نہیں ہوئے کمپنی کے ہاں دستیاب ہیں، سے بذریعہ ہذا دوبارہ درخواست ہے کہ اپنی بقایا ڈیویڈنڈز قومی اور ایڈیشنل سرٹیفکیٹ کلیم کرنے کے لئے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار (سروسز) لمیٹڈ سے رابطہ کریں۔

10۔ انفرادی ممبران جنہوں نے ابھی تک اپنے درست CNIC کی فوٹو کاپی کمپنی / شیئرز رجسٹرار کو جمع نہیں کرائی ہے، ان سے درخواست کی جاتی ہے کہ وہ اپنا CNIC (کاپی) جلد از جلد کمپنی کے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار (سروسز) لمیٹڈ کو بھیج دیں۔ کارپوریٹ اداروں نے بھی اپنا NTN فراہم کرنے کی درخواست کی ہے۔ براہ مہربانی NTN/CNIC کی تفصیل کی کاپی کے ساتھ فیلو بھیج دیں۔

11۔ اراکین سے درخواست کی جاتی ہے کہ وہ اپنے پتوں میں کسی بھی تبدیلی کی اطلاع فوری طور پر کمپنی کے شیئرز رجسٹرار کو دیں۔

12۔ کمپنیز ایکٹ، 2017 کے سیکشن 119 اوپینیز (جنرل پروویژن اینڈ فارمز) ریگولیشنز، 2018 کے ضابطے 19 کی ضرورت کی تعمیل کرنے کے لئے، تمام سی ڈی سی اور فزیکل شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنا فزیکل فیلو یا سی ڈی سی اکاؤنٹ، ای میل ایڈریس اور موبائل فون نمبر فراہم کریں۔

A۔ اجلاس میں شرکت کیلئے:

(i) بصورت انفرادی، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور ایجن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن تفصیلات، ریگولیشنز کے مطابق اپ لوڈ ہیں، کو اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر اپنی شناخت ثابت کرنا ہوگی۔

(ii) بصورت کارپوریٹ ایٹھٹی، بورڈ آف ڈائریکٹرز قرارداد/مختار نامہ مع نامزد کے نمونہ دستخط اجلاس کے وقت مہیا کرنا ہونگے (اگر پہلے فراہم نہیں کئے گئے)۔

B- پراکسیز کی تقرری کیلئے:

i- سالانہ اجلاس عام میں شرکت اور ووٹ دینے کا حقدار رکن پراکسی کے ذریعے اپنا ووٹ ڈالنے کا حقدار ہے۔ پراکسیز کو کمپنی کے رجسٹرڈ آفس بنوں وولن ملز لمیٹڈ، ڈی-آئی خان روڈ، بنوں میں میٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے جمع کرانا ضروری ہے۔

ii- بصورت انفرادی، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور ایجن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن تفصیلات، ریگولیشنز کے مطابق اپ لوڈ ہیں، کو مذکورہ بالا ضروریات کے مطابق پراکسی فارم جمع کرانا ہوگا۔

iii- ایک کارپوریٹ ادارہ، ایک رکن ہونے کے ناطے، کسی بھی شخص کو، چاہے وہ ممبر ہی کیوں نہ ہو، اس کا پراکسی مقرر کر سکتا ہے۔ کارپوریٹ اداروں کی صورت میں، بورڈ آف ڈائریکٹرز/پاور آف اٹارنی کی ایک قرارداد جس میں کارپوریٹ ادارے کی جانب سے نمائندگی کرنے اور ووٹ دینے کے لئے نامزد شخص کے نمونے کے دستخط ہوں گے، اس مقصد کے لئے ضرورت کے مطابق سیکورٹی ایچینج کمیشن آف پاکستان کی طرف سے جاری کردہ سرکلر نمبر 1 مورخہ 26 جنوری، 2000 کے تحت ایک مکمل پراکسی فارم کے ساتھ کمپنی کو جمع کرایا جائے گا۔

iv- پراکسی فارم پر دو افراد کی گواہی ہوگی جن کے نام، ایڈریس اور CNIC نمبرز فارم پر تحریر ہونگے۔

v- بینفٹل اونرز اور پراکسی کے CNIC یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ہمراہ جمع کرانا ہوگی۔

vi- پراکسی AGM کے وقت اپنا اصل CNIC یا اصل پاسپورٹ مہیا کرے گا۔

کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے تحت مادی حقائق کا بیان

بیان ہذا 26 اکتوبر 2024 کو منعقد ہونے والے بنوں وولن ملز لمیٹڈ (کمپنی) کے سالانہ اجلاس عام میں خصوصی امور سے متعلق مادی حقائق کا تعین کرتا ہے۔ ایجنڈا کا آئیٹم نمبر 4:

A- 30 جون، 2024 کو ختم ہونے والے سال کے لئے متعلقہ فریقوں کے ساتھ لین دین کی منظوری سے متعلق مادی حقائق:

30 جون 2024 کو ختم ہونے والے سال کے دوران متعلقہ کمپنیوں کے ساتھ کیے گئے لین دین کو خصوصی قرارداد کے طور پر منظور کیا گیا۔ وابستہ کمپنیوں (متعلقہ فریقین) کے ساتھ معمول کے کاروبار میں کیے گئے لین دین کو سماہی بنیادوں پر آڈٹ کمیٹی کی سفارش کے مطابق بورڈ کے ذریعے منظور کیا گیا ہے۔ چونکہ ڈائریکٹرز کی اکثریت اپنی مشترکہ ڈائریکٹر شپ اور متعلقہ کمپنیوں میں شیئرز رکھنے کی وجہ سے اس/ان لین دین میں دلچسپی رکھتی تھی، اس لیے یہ لین دین جن کی اجلاس عام میں ممبران کو منظوری دینی ہوتی ہے۔

مذکورہ بالا کو مد نظر رکھتے ہوئے، متعلقہ کمپنیوں اور متعلقہ فریقوں کے ساتھ 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران کیے گئے لین دین جیسا کہ آڈٹ شدہ مالیاتی گوشواروں کے متعلقہ نوٹس میں ظاہر کیا گیا ہے، اراکین کے سامنے ان کے غور و خوض، تصدیق اور منظوری کے لیے رکھا جا رہا ہے۔

ڈائریکٹرز اس قرارداد میں اپنی مشترکہ ڈائریکٹر شپ اور متعلقہ کمپنیوں میں اپنے شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں۔

درج ذیل ڈائریکٹرز اس قرارداد میں اپنے تعلقات، مشترکہ ڈائریکٹر شپ اور ایسوسی ایٹڈ کمپنیوں میں اپنے شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں:

1- لیفٹیننٹ جنرل (ریٹائرڈ) علی قلی خان خٹک

2- جناب احمد قلی خان خٹک

3- محترمہ شہناز سجاد احمد

4- ڈاکٹر شاپین قلی خان خٹک

لہذا کمپنیز ایکٹ، 2017 کے سیکشن 208 کے تقاضوں کی تعمیل کرنے کے لیے اراکین کی منظوری طلب کی جاتی ہے۔

B 30 جون، 2025 کو ختم ہونے والے سال کے لئے متعلقہ فریقوں کے ساتھ لین دین کی منظوری سے متعلق مادی حقائق:

30 جون 2025 کو ختم ہونے والے آئندہ سال کے دوران متعلقہ کمپنیوں کے ساتھ کیے جانے والے لین دین کے لیے چیف فنانشل آفیسر کی اجازت ایک خصوصی قرارداد کے طور پر منظور کی جائے گی۔

کمپنی متعلقہ کمپنیوں کے ساتھ کاروبار کے معمول کے مطابق لین دین کرے گی۔ متعلقہ کمپنیوں میں ڈائریکٹرز ان کی مشترکہ ڈائریکٹرشپ اور شیئر ہولڈنگ کی وجہ سے ان لین دین میں دلچسپی رکھتے ہیں۔ لہذا، متعلقہ کمپنیوں کے ساتھ اس طرح کے لین دین کو شیئر ہولڈرز سے منظور کرانا ضروری ہے۔ شیئر ہولڈرز چیف فنانشل آفیسر کو **30 جون 2025 کو ختم ہونے والے آئندہ سال کے دوران متعلقہ کمپنیوں کے ساتھ کئے گئے لین دین کی منظوری دینے اور کاروبار کے معمول کے مطابق کرنے کا اختیار دیتے ہیں۔**

ڈائریکٹرز اس قرارداد میں اپنی مشترکہ ڈائریکٹرشپ اور متعلقہ کمپنیوں میں اپنی شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں۔

درج ذیل ڈائریکٹرز اس قرارداد میں اپنے تعلقات، مشترکہ ڈائریکٹرشپ اور ایسوسی ایٹڈ کمپنیوں میں اپنی شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں:

1۔ لیفٹیننٹ جنرل (ریٹائرڈ) علی قلی خان خٹک

2۔ جناب احمد قلی خان خٹک

3۔ مسز شہناز سجاد احمد

4۔ ڈاکٹر شاہین قلی خان خٹک

CHAIRMAN'S REVIEW

I am pleased to present the Annual Report of Bannu Woollen Mills Ltd. highlighting the Company's performance and achievements for the year ended June 30, 2024 as mandated by Section 192 of the Companies Act 2017.

BUSINESS REVIEW

The year was marked by numerous challenges and uncertainties, including low foreign exchange reserves, a significant increase in energy prices, and political instability. The operating environment was further complicated by a slowdown in economic activity due to high production costs and record-high interest rates.

Despite these challenges, Pakistan's economy experienced a moderate recovery in the latter part of fiscal year 2024, with GDP growth reaching 2.4%. The government's disciplined fiscal and monetary policies played a key role in restoring market confidence and boosting growth across various sectors. Inflation decreased significantly from 38.0% to 11.8% year over year, while the current account balance improved, creating a more stable economic environment. Tighter monetary and fiscal policies, record agricultural production, and a stable currency contributed to this positive outcome.

The Company incurred profit after taxation of Rs. 306.214 million (2023: loss after taxation of Rs. 343.161 million) during the year ended June 30, 2024 after adjustment of Rs. 334.594 million unrealized share of impairment loss reversal (2023: Rs. 366.668 million unrealized share of impairment loss recognised) relating to impairment of investment in the Associated Company Janana De Malucho Textile Mills Limited (JDM) the unrealized impairment loss reversal / (recognised) routed through the profit or loss account. This is an accounting adjustment made and should not affect the present cash flows of the Company. We believe that JDM, is a sound company with a breakup value per share of Rs. 875 (2023: Rs. 950 per share) and your Company holds 1,659,643 shares in JDM.

The financial highlights of the current year are:

Net sales decreased by 14.20% to 891.268 million from Rs. 1,038.734 million.

Gross profit decreased to Rs. 232.002 million from Rs. 266.833 million as compared to last year.

Earnings / (loss) per share of Rs. 32.21 (2023:Rs. 36.10)

OVERALL PERFORMANCE AND EFFECTIVENESS OF THE BOARD

The Board of Directors of your Company received agendas and supporting written material, including follow-up materials in sufficient time prior to the Board and its committee meetings. The Board of Directors meets at least quarterly to review and approve the Company's financial and operating results. During the financial year under review, six Board meetings were held and the Board effectively fulfilled its responsibility to the Company and conscientiously participated in all strategic matters. The Board monitored its own performance along with the performance of its committees through Board and Committee self- evaluations. In addition, the Board also ensured compliance with all applicable rules of the Company. Improvements are an ongoing process leading to action plans. For the financial year ended June 30, 2024, the Board's overall performance and effectiveness has been assessed as satisfactory. The Board of Directors of your Company received agendas and

supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The Board meets frequently enough to adequately discharge its responsibilities.

The Board places increased emphasis on incorporating best corporate governance practices within the Company to maintain the highest level of professionalism and business conduct. A risk management framework, effective internal control and audit functions have been put in place to ensure day-to-day operations adhere to the overall strategy articulated by the Board. The Board strives to maintain a healthy and safe working environment in the Company. The Company also has an independent Internal Audit function which follows a risk based methodology. Internal Audit reports are presented to Board audit committee on quarterly basis and area for improvement are highlighted.

BUSINESS RISKS, CHALLENGES AND FUTURE OUTLOOK

As the new fiscal year begins, the global economy faces ongoing challenges, including supply chain disruptions and geopolitical tensions. Pakistan is working to stabilize its economy and recover from these difficulties. BWM is dedicated to navigating these complexities and pursuing sustainable growth in line with Pakistan's economic goals.

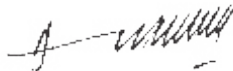
Aligned with our company's vision and mission, our top priority is to establish a leading position in the market for woolen and blended fabrics. We are dedicated to maintaining our competitiveness through innovation and a strong business strategy while ensuring stakeholder satisfaction. We remain committed to fulfilling our social responsibilities. I am confident that the company will overcome future challenges and regain momentum in the upcoming winter season, ultimately achieving sustainable growth. Please refer to note number 32 in the financial statements for a detailed analysis of the financial and market risks associated with our business.

We anticipate a rise in sales revenue for the financial year ending June 30, 2025, leading to improved profitability and reduced liquidity concerns. While this is encouraging, we must remain cautious about the potential impact of exchange rate volatility and disruptions in the supply chain. Our ability to import raw materials depends on economic conditions and the availability of bank financing.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I express our deep gratitude to our valued customers, suppliers, banks, and shareholders for their unwavering support. We remain optimistic about Pakistan's economic future and believe that government initiatives will positively impact the textile industry. We anticipate a rebound in our company's performance and look forward to the challenges and opportunities that lie ahead.

September 21, 2024
Rawalpindi


(Ahmad Kuli Khan Khattak)
Chairman

DIRECTORS' REPORT

On behalf of the Board of Directors of the Company, we are pleased to present the Directors' Report together with the 64TH Annual Report of the Company along with the Annual Audited Financial Statements of the Company for the year ended June 30, 2024.

THE FINANCIAL HIGHLIGHTS OF THE COMPANY FOR THE YEAR ENDED JUNE 30, 2024 ARE AS FOLLOWS: -

	Year ended June, 30		Favorable / (Unfavorable) %
	2024	2023	
	Rs. In thousand		
Sales - net	891,268	1,038,734	(14.20%)
Gross Profit	232,002	266,833	(13.05%)
Profit from Operations	58,544	107,825	(45.70%)
Profit / (loss) before taxation	300,889	(329,620)	191.28%
Taxation	5,325	(13,541)	139.33%
Profit / (loss) after taxation	306,214	(343,161)	189.23%
Earnings / (loss) per share (Rupees)	32.21	(36.10)	189.23%

The Company incurred profit after taxation of Rs. 306.214 million (2023: loss after taxation of Rs. 343.161 million) during the year ended June 30, 2024 after adjustment of Rs. 334.594 million unrealized share of impairment loss reversal (2023: Rs. 366.668 million unrealized share of impairment loss recognised) relating to impairment of investment in the Associated Company Janana De Malucho Textile Mills Limited (JDM) the unrealized impairment loss reversal / (recognised) routed through the profit or loss account. This is an accounting adjustment made and should not affect the present cash flows of the Company. We believe that JDM, is a sound company with a breakup value per share of Rs. 875 (2023: Rs. 950 per share) and your Company holds 1,659,643 shares in JDM.

OPERATING PERFORMANCE REVIEW

With the installed capacity of 3,794 woollen spindles and 50 shuttle less looms (2023: capacity was 3,794 woollen spindles and 50 shuttle less looms), the Company has produced 817,354 Kgs of 5 Nm of count yarn and 983,791 meters cloth based on 30 picks in the current year as compared to 1,008,516 Kgs of 5 Nm of count yarn and 1,223,495 meters cloth based on 30 picks for the year ended June 30, 2023.

Finished production during the year decreased by 239,704 meters (19.59%) as compared to the last year. The production of shirting cloth and coarse fabric both decreased due to low consumer demand. Shirting cloth production fell by 226,130 meters (22.82%), while coarse fabric production decreased by 59,244 meters (63.27%). In contrast, the production of blankets and shawls increased by 10,000 meters (9.09%) to meet higher consumer demand.

DIVIDENDS AND TRANSFER

The Board of Directors recommended that no dividend shall be declared for the year ended June 30, 2024, as Company has to focus on expanding business while maintaining solvency and

steady cash flows.

CHAIRMAN'S REVIEW

The Chairman's review included in the Annual Report deals inter alia with the business review, performance of the Company and Board, business risks, challenges and future outlook. The Directors endorse the contents of the Chairman's review.

GENERAL ECONOMY OVERVIEW

The year was marked by numerous challenges and uncertainties, including low foreign exchange reserves, a significant increase in energy prices, and political instability. The operating environment was further complicated by a slowdown in economic activity due to high production costs and record-high interest rates.

Despite these challenges, Pakistan's economy experienced a moderate recovery in the latter part of fiscal year 2024, with GDP growth reaching 2.4%. The government's disciplined fiscal and monetary policies played a key role in restoring market confidence and boosting growth across various sectors. Inflation decreased significantly from 38.0% to 11.8% year over year, while the current account balance improved, creating a more stable economic environment. Tighter monetary and fiscal policies, record agricultural production, and a stable currency contributed to this positive outcome.

FUTURE PROSPECTS

Pakistan's economy is currently facing significant challenges and remains heavily dependent on IMF support. The upcoming year is expected to be difficult as the country navigates macroeconomic instability while adhering to strict monetary and fiscal policies. The economic outlook will largely depend on political stability and the continued implementation of reforms under the IMF program.

Despite these challenges, the business environment has shown significant improvement compared to the previous year. Eased import restrictions, currency stabilization, and reduced inflation have created a more conducive operating environment, enabling the company to expand its operations.

Looking ahead, the company is well-positioned to capitalize on positive economic trends. By prioritizing operational efficiency, we aim to achieve stronger financial performance in the coming year. The Board is confident in continued economic stability, increased profitability, and ongoing product expansion.

We anticipate a rise in sales revenue for the financial year ending June 30, 2025, which will likely contribute to further improvements in the company's profitability. We also expect to overcome our liquidity challenges, ensuring adequate working capital for our operations.

We remain committed to improving operational efficiency and driving innovation. Our goal is to consistently deliver sustainable returns to our valued shareholders.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Directors confirm compliance with Corporate and Financial Reporting Framework of the Securities and Exchange Commission of Pakistan and Listed Companies (Code of Corporate

Governance) Regulations, 2019 (the CCG Regulations) in the following matters:

1. The financial statements, prepared by the management of Bannu Woollen Mills Ltd., present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Appropriate accounting policies have been consistently applied in preparation of these financial statements and accounting estimates are based on reasonable and prudent judgments.
3. The Company has maintained proper books of account.
4. International accounting standards/International Financial Reporting Standards as applied in Pakistan, have been followed in preparation of these financial statements and departures therefrom have been adequately disclosed.
5. The Company maintains a system of internal control which has been effectively implemented and is monitored. Monitoring of internal controls is an on-going process with the objective to strengthen the controls and bring improvements in the system.
6. There are no significant doubts about the Company's ability to continue as a going concern.
7. There has been no material departure from the best practices of the Code of Corporate Governance Regulations as detailed in listing regulations.
8. There are no statutory payments on account of taxes, duties levies and charges which are outstanding as at June 30, 2024, except for those disclosed in the financial statements.

COMPOSITION OF THE BOARD

The Board comprises two independent Directors, one executive Director and four non-executive Directors. The Directors of the Company were re-elected in the Extraordinary General meeting of the Company held on May 20, 2023. The Company continues to maintain female representation on the Board of Directors and has two female Board members.

AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information to share-holders, systems of internal control, risk management and the audit process. It has the autonomy to call for information from management and to consult directly with the external auditors or advisors as considered appropriate. The Chief Financial Officer regularly attends the Audit Committee meetings by invitation to present the financial statements. After each meeting, the Chairman of the Committee reports to the Board. The Committee met five (05) times during the year 2023-2024. The names of committee members are as follows:

- | | | |
|------|--------------------------------|----------|
| i. | Mr. Abdul Rehman Qureshi | Chairman |
| ii. | Syed Zubair Ahmad Shah | Member |
| iii. | Brig. (Retd.) Agha Arshad Raza | Member |

The Audit committee has reviewed the quarterly, half-yearly and annual financial statements, besides the internal audit plan, material audit findings and recommendation of internal audit department. In addition to above meetings, Audit Committee met with external auditors without Chief Financial Officer (CFO) and Head of Internal Audit (HIA). Audit Committee also met the head of internal audit without the CFO and the external auditors being present.

HR AND REMUNERATION COMMITTEE

The Committee meets to review and recommend all elements of the compensation, organization and employee development policies relating to the senior executives' remuneration and to approve all matters relating to the remunerations of the executive directors. The CEO of the Company attended the Human Resource and Remuneration Committee meetings held during the year as member of the committee. The Committee met two (02) times during the year 2023-2024. The names of committee members are as follows:

- | | | |
|------|--|----------|
| i. | Mr. Abdul Rehman Qureshi | Chairman |
| ii. | Lt. Gen. (Retd.) Ali Kuli Khan Khattak | Member |
| iii. | Mr. Ahmad Kuli Khan Khattak | Member |
| iv. | Mrs. Shahnaz Sajjad Ahmad | Member |
| v. | Syed Zubair Ahmad Shah | Member |
| vi. | Brig. (Retd.) Agha Arshad Raza | Member |

MEETINGS OF BOARD AND ITS COMMITTEES IN 2023-24

During the year 2023-2024 six board meetings, four Audit Committee meetings and two HR & Remuneration Committee meetings were held. The attendance of the Directors and the number of their directorships in listed companies, including Bannu Woollen Mills Ltd. are given here under:

Sr. No.	Director	Direct - orship	Status (BOD)	Committee Members		Attendance		
				AC	HR & RC	Board Meetings	AC	HR & RC
1	Lt. Gen (Retd.) Ali Kuli Khan Khattak	7	Re-appointed on May 20, 2023	-	✓	6 / 6	-	2 / 2
2	Mrs. Shahnaz Sajjad Ahmed	5	Re-appointed on May 20, 2023	-	✓	6 / 6	-	1 / 2
3	Mr. Ahmed Kuli Khan Khattak	6	Re-appointed on May 20, 2023	-	✓	5 / 6	-	1 / 2
4	Syed Zubair Ahmed	3	Re-appointed on May 20, 2023	✓	✓	6 / 6	4 / 4	2 / 2

5	Mr. Abdul Rehman Qureshi	7	Re-appointed on May 21, 2023	✓	✓	6 / 6	4 / 4	2 / 2
6	Brig (R) Agha Arshad Raza	1	Re-appointed on May 21, 2023	✓	✓	6 / 6	4 / 4	2 / 2
7	Dr. Shahin Kuli Khan Khattak	2	Re-appointed on May 21, 2023	-	-	5 / 6	-	-

Leave of absence was granted to the directors unable to attend the Board meetings.

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Pursuant to the Code of Corporate Governance Regulations, the Board recognizes that it continually needs to monitor and improve its performance. This is achieved through the annual performance evaluation and ongoing Board development activities. During the year, the Board has appraised the performance of Board as a whole as well as individual director and its committees. The overall conclusion of this year's review based on available feedback has been found satisfactory.

DIRECTORS' REMUNERATION

The Company has an approved 'Remuneration Policy for Directors'; the salient features of which are:

- The Company will not pay any remuneration to its non-executive directors except as meeting fee for attending the Board and its Committee meetings.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Directors.
- A Director shall be provided or reimbursed for all travelling, boarding, lodging and other expenses incurred for attending meetings of the Board, its Committees and/or General Meetings of the Company.
- Any Director who performs services which, in the opinion of the Board, are outside the scope of the statutory duties of a director, may be paid such extra remuneration.

DETAIL OF DIRECTORS REMUNERATION

For information on remuneration of Directors and the CEO, Please refer to note no 34 of the Financial Statements.

RELATED PARTY TRANSACTIONS

The Company has executed all transactions with its related parties at agreed terms duly approved by the shareholders. The details of all related party transactions were reviewed by the Audit Committee and subsequently by the Board of Directors. As the majority of the

directors were interested, the transactions were ultimately approved by shareholders in general meeting.

EMPLOYEES RETIREMENT BENEFITS

The Company operates recognized provident fund and non-contributory gratuity fund for its employees. Value of investments of Provident fund and the balance of Gratuity funds was Rs 63.00 million and Rs. 146.58 million respectively as on June 30, 2024.

MATERIAL CHANGES

There have been no material changes since June 30, 2024 to date of the report and the Company has not entered into any commitment during this period, which would have an adverse impact on the financial position of the Company.

COMMUNICATION

The Company places great importance on the communication with the shareholders. Annual, half yearly and quarterly reports are distributed to them within the time specified in the Companies Act, 2017. The Company's activities are updated on its web site www.bwm.com.pk, on a timely basis.

HUMAN RESOURCE AND WELFARE SCHEMES

We believe that our employees are the cornerstone of our success. We are dedicated to fostering a culture of excellence by empowering our talented and dedicated team. We invest in professional development through training programs, and our human resource policies are designed to attract, recruit, and retain top talent.

We prioritize the well-being and satisfaction of our workforce by offering competitive compensation and benefits. These include recognition programs, special health allocations, and adherence to labor laws. We maintain a strong relationship with the CBA Labor Union and regularly distribute bonuses to all employees. Additionally, we provide benefits like the Workers' Welfare Fund, Eid advance, social security, and EOBI pension facilities to demonstrate our commitment to their financial security.

HEALTH, SAFETY AND ENVIRONMENT

We strongly believe in maintaining the highest standards in health, safety and environment (HSE) to ensure the well-being of the people who work with us as well as of the communities where we operate.

CORPORATE SOCIAL RESPONSIBILITY

The Company is dedicated to conducting business in a socially responsible manner, considering the environmental impact and ethical implications of our operations. We strive to balance the interests of all stakeholders, including the communities we serve and our customers.

As a leading textile composite company specializing in wool spinning, weaving, and finishing, we are dedicated to Corporate Social Responsibility (CSR). We integrate sustainable and

ethical practices into our core operations to improve our corporate practices, protect the environment, and positively impact the communities we serve. Our management team rigorously assesses all CSR activities to ensure they align with our long-term goals of sustainability and inclusivity.

During the FY 23-24, the Company carried out several activities, some of which are disclosed below:

- **Health and Safety:** We conducted comprehensive blood tests and X-rays in collaboration with ESSI Medical Officers to ensure a safe working environment.
- **Community Health:** We organized a blood donation drive to support Thalassemia patients.
- **Environmental Sustainability:** We planted trees on our factory premises to contribute to environmental conservation.
- **Education:** We partnered with the government to establish a primary school on our factory grounds.
- **Healthcare Access:** We collaborated with ESSI, KPK to set up a medical post on our mills premises.
- **Community Support:** We partnered with the Utility Store Corporation to provide an on-site store for our employees and the local community.

SUSTAINABILITY-RELATED RISKS

Our company is committed to sustainability and recognizes the importance of Environmental, Social, and Governance (ESG) factors. To contribute to a more sustainable future, we've implemented green initiatives, renewable energy policies, and best operating practices. Our management has established specific, measurable ESG targets that align with our strategic objective of achieving greater sustainable resilience and positive social impact.

We have made a substantial investment in cutting-edge, eco-friendly technologies that promote ethical production and consumption, including a state-of-the-art waste recycling facility.. While these sustainable activities may temporarily impact short-term profitability or margins, we believe they will ultimately enhance our business value through customer acquisition, retention, and a competitive edge. To ensure proactive risk management, we conduct a comprehensive analysis of both present and future risks, identifying specific areas of concern.

Sustainability related risk & opportunities helps to identify and manage risks related to environmental, social, and governance (ESG) factors, which are increasingly important to investors, regulators, and consumers. Under the context of this approach, the Company is mainly exposed to the following sustainability risks.

- **ENVIRONMENTAL RISKS:**

Carbon Emissions, Pollution, Water Usage, Waste Management and Chemical Use.

- **SOCIAL RISKS:**

Labor Practices, Human Rights, Health, and Safety.

- **GOVERNANCE RISKS:**

Regulatory Compliance, Supply Chain Transparency.

Failure to comply with sustainability regulations can lead to significant short-term and long-term consequences. These include penalties, legal fees, and reputational damage, which can result in lost clients and business. Inadequate transparency and monitoring of sustainability policies may also erode investor confidence and limit access to funding.

However, these risks also present opportunities. By adopting sustainable practices and increasing energy efficiency, companies can reduce costs and enhance their reputation. Adhering to Environmental, Social, and Governance (ESG) principles can provide a competitive advantage, boost investor confidence, reduce financial volatility, and ensure long-term profitability.

To effectively manage sustainability-related responsibilities, the Board has delegated additional authority to the Human Resource and Remuneration Committee. This committee will monitor and review sustainability risks, opportunities, and initiatives. Every six months, they will submit a report to the Board outlining how sustainability principles are being integrated into the organization's strategy and operations to increase corporate value.

DIVERSITY, EQUITY, & INCLUSION (DE&I)

Our company is dedicated to fostering a workplace that is inclusive, equitable, and diverse, reflecting both our workforce and the communities we serve. We believe that (DE&I) is essential to our ethical and sustainable business practices and have developed a comprehensive strategy to increase gender and ethnic diversity at all levels of our organization.

- Gender Diversity as a Strategic Priority:

We view gender diversity as a strategic asset that enhances decision-making and problem-solving, contributing to our competitive advantage. Our commitment to DE&I is reflected in our talent acquisition, engagement, and promotion strategies. We have created a culture of belonging and respect, ensuring that all employees feel valued and empowered.

- Key Initiatives and Achievements:
 - **Talent Acquisition:** We actively participate in career fairs and collaborate with reputable organizations to attract diverse talent.
 - **Inclusive Policies:** We have implemented policies such as sabbaticals, maternity and paternity leave, and an anti-harassment policy to foster an inclusive workplace.
 - **Equal Pay and Opportunity:** We are committed to ensuring that all employees are paid fairly and have equal opportunities for advancement, regardless of gender.

Gender Pay Gap	
Mean Gap	Median Gap
The mean pay for men is equal to that of women.	The median pay for men is equal to that of women.

- **Progress and Goals:** While our current female representation is 0.7% of the total workforce and with a 6% representation at Executive Management Team level, we are committed

- to increasing this number and enhancing our talent pool.
- **Compliance and Accountability:** We adhere to all relevant laws and regulations regarding (DE&I) and conduct regular evaluations to ensure compliance. Our commitment to fairness and equality extends to all aspects of employment, including hiring, salary reviews, and career advancement.
 - **Conclusion:** Our Company is unwavering in its commitment to creating a diverse, equitable, and inclusive workplace. We believe that this is not only the right thing to do but also a strategic imperative for our long-term success.

KEY OPERATING AND FINANCIAL DATA (SIX YEARS SUMMARY)

Key operating and financial data of last six years in enclosed.

APPOINTMENT OF AUDITORS

The Company's auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants, HM House, 7 Bank Square, Lahore retire and being eligible, offer themselves for reappointment. The Audit Committee has recommended their re-appointment as auditors of the Company for the year 2024-25.

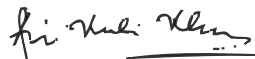
PATTERN OF SHAREHOLDING

The pattern of shareholding of the Company as at June 30, 2024 is annexed to this report.

THANKS AND APPRECIATION

We want to formally express our gratitude for the dedication and hard work demonstrated by our executives, officers, staff members, and workers in contributing to the Company's exceptional results. Additionally, the Board extends its appreciation to all banks, customers, and suppliers for their unwavering support and commitment to the Company.

For and on behalf of the Board of Directors,



LT. GEN ALI KULI KHAN KHATTAK (RETD.)
DIRECTOR



SHAHNAZ SAJJAD AHMAD
CHIEF EXECUTIVE OFFICER

Rawalpindi: September 21, 2024

ڈائریکٹرز رپورٹ

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 جون 2024 کو ختم ہونے والے سال کے لئے کمپنی کے سالانہ نظر ثانی شدہ مالیاتی گوشواروں کے ہمراہ کمپنی کی 64 ویں سالانہ رپورٹ معد ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

30 جون 2024 کو ختم ہونے والے سال کے لئے کمپنی کی مالیاتی جھلکیاں حسب ذیل ہیں:

موزوں / (غیر موزوں) فیصد	اختتام سال 30 جون 2024 روپے ہزاروں میں	اختتام سال 30 جون 2023 روپے ہزاروں میں	
(14.20%)	891,268	1,038,734	فروخت خالص
(13.05%)	232,002	266,833	مجموعی منافع
(45.70%)	58,544	107,825	آپریٹرز سے منافع
191.28%	300,889	(329,620)	ٹیکس سے قبل منافع / (نقصان)
139.33%	5,325	(13,541)	ٹیکسیشن
189.23%	306,214	(343,161)	ٹیکس کے بعد منافع / (نقصان)
189.23%	32.21	(36.10)	آمدنی / (نقصان) فی شیئر

کمپنی کا 306.214 ملین روپے کا منافع بعد از ٹیکس (2023: 343.161 ملین روپے ٹیکس کے بعد نقصان) کا غیر حقیقی حصہ جو بنیادی طور پر 30 جون 2024 کو ختم ہونے والے سال کے لئے ایسوسی ایٹڈ کمپنی جانا نڈی مالوچو ٹیکسٹائل ملز لمیٹڈ (JDM) میں سرمایہ کاری کی اہمیز منٹ سے متعلق ہے ایڈجسٹمنٹ کے بعد 334.594 ملین روپے (2023: 366.668 ملین روپے) نفع / نقصان کے کاؤنٹ ذریعے غیر حقیقی خرابی کے خسارہ کو رپورسل / (تسلیم شدہ) کی گیا ہے۔ یہ ایک اکاؤنٹنگ ایڈجسٹمنٹ ہے اور کمپنی کے موجودہ کیش فلوموٹا نہیں کرے گا۔ ہمیں یقین ہے کہ JDM، ایک مستحکم کمپنی ہے جس کی فی حصص بریک اپ ویلویو 875 روپے (2023: 950 روپے فی حصص) ہے اور آپ کی کمپنی JDM میں 1,659,643 شیئرز میں حصہ رکھتی ہے۔

آپریٹنگ کارکردگی کا جائزہ:

کمپنی نے 3,794 وولن سپنڈلز اور 50 شٹل لس لومز کی صلاحیت (2023: 3,794 وولن سپنڈلز اور 50 شٹل لس لومز) کی نصب صلاحیت کے ساتھ، 30 جون 2023 کو ختم ہونے والے سال کے لئے 30 پکس پرنٹی 817,354 کلوگرام 5 Nm شمارہ دھاگہ اور 983,791 میٹر کپڑا کے مقابلے رواں سال میں 30 پکس پرنٹی 1,008,516 کلوگرام 5 Nm شمارہ دھاگہ اور 1,223,495 میٹر کپڑا تیار کیا۔

سال کے دوران تیار پیداوار گزشتہ سال کے مقابلے 239,704 میٹر (19.59 فیصد) تک کم ہوئی۔ صارفین کی کم مانگ کی وجہ سے قمیض کے کپڑے اور موٹے تانے بانے دونوں کی پیداوار میں کمی واقع ہوئی۔ قمیض کے کپڑے کی پیداوار میں 226,130 میٹر (22.82%) کی کمی واقع ہوئی، جبکہ کورس کپڑے کی پیداوار میں 59,244 میٹر (63.27%) کی کمی واقع ہوئی۔ اس کے برعکس بلیٹک اور شال کی پیداوار میں 10,000 میٹر (9.09%) اضافہ ہوا تاکہ صارفین کی زیادہ مانگ کو پورا کیا جاسکے۔

منافع منقسمہ:

بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے سال کے لئے کسی نقد منافع کی سفارش نہیں کی کیونکہ کمپنی نے سالوینسی اور مسلسل نقدی بہاؤ کو برقرار رکھتے ہوئے کاروبار کی توسیع پر توجہ مرکوز کی ہے۔

چیز مین کا تجزیہ:

سالانہ رپورٹ میں شامل چیز مین کا کاروبار کے بارے میں جائزہ، کمپنی اور بورڈ کی کارکردگی، کاروباری خطرات، چیلنجز اور مستقبل کے نقطہ نظر سے متعلق ہے۔ ڈائریکٹرز چیز مین کے جائزہ کے مندرجات کی توثیق کرتے ہیں۔

عام اقتصادی جائزہ:

رواں سال میں ملک متعدد چیلنجز اور غیر یقینی صورتحال سے گزرنا جن میں زرمبادلہ کے کم ذخائر، توانائی کی قیمتوں میں نمایاں اضافہ اور سیاسی عدم استحکام شامل ہیں۔ اعلیٰ پیداواری لاگت اور ریکارڈ بلند شرح سود کی وجہ سے معاشی سرگرمیوں میں سست روی سے آپریٹنگ ماحول مزید پیچیدہ ہو گیا تھا۔

ان چیلنجز کے باوجود پاکستان کی معیشت نے مالی سال، 2024 کے آخری حصے میں اعتماد اپنہ بحالی کا تجربہ کیا، جس سے GDP کی شرح نمو 2.4 فیصد تک پہنچ گئی۔ حکومت کی نظم و ضبط والی مالی اور مالیاتی پالیسیوں نے مارکیٹ کے اعتماد کو بحال کرنے اور مختلف شعبوں میں ترقی کو بڑھانے میں تقلیدی کردار ادا کیا ہے۔ افراط زر کی شرح 38.0 فیصد سے کم ہو کر سال بہ سال 11.8 فیصد تک پہنچ گئی۔ جبکہ کرنٹ اکاؤنٹ بیلنس بہتر ہوا، جس سے معاشی ماحول مزید مستحکم ہوا۔ سخت مالیاتی اور مالیاتی پالیسیاں، ریکارڈ زرعی پیداوار اور مستحکم کرنسی نے اس مثبت نتائج میں اہم کردار ادا کیا۔

مستقبل کے امکانات:

پاکستان کی معیشت کو اس وقت اہم چیلنجز کا سامنا ہے اور اس کا بہت زیادہ انحصار آئی ایم ایف کی مدد پر ہے۔ آنے والا سال مشکل ہونے کی امید ہے کیونکہ ملک سخت مالیاتی اور مالیاتی پالیسیوں پر عمل کرتے ہوئے معاشی عدم استحکام کا شکار ہے۔ معاشی نقطہ نظر کا زیادہ تر انحصار سیاسی استحکام اور آئی ایم ایف کے پروگرام کے تحت اصلاحات کے مسلسل نفاذ پر ہوگا۔

ان چیلنجز کے باوجود کاروباری ماحول میں گزشتہ سال کے مقابلے میں نمایاں بہتری آئی ہے۔ درآمدی پابندیوں میں نرمی، کرنسی کے استحکام اور افراط زر میں کمی نے آپریٹنگ ماحول کو مزید سازگار بنا دیا ہے، جس سے کمپنی اپنے کام کو وسعت دے سکتی ہے۔

آگے دیکھتے ہوئے کمپنی مثبت اقتصادی رجحانات سے فائدہ اٹھانے کے لئے اچھی پوزیشن میں ہے۔ آپریشنل کارکردگی کو ترجیح دیتے ہوئے، ہمارا مقصد آنے والے سال میں مضبوط مالیاتی کارکردگی حاصل کرنا ہے۔ بورڈ مسلسل اقتصادی استحکام، بڑھتے ہوئے منافع اور مصنوعات کی مسلسل توسیع پر، پر اعتماد ہے۔

ہم 30 جون، 2025 کو ختم ہونے والے مالی سال کے لئے سیکورٹی بونڈ میں اضافے کی توقع کرتے ہیں، جو ممکنہ طور پر کمپنی کے منافع میں مزید بہتری میں معاون ثابت ہوگا۔ ہم اپنے کاموں کے لئے مناسب ورکنگ کپٹیل کو یقینی بناتے ہوئے اپنے لیکویڈٹی چیلنجز پر قابو پانے کی بھی توقع رکھتے ہیں۔

ہم آپریشنل کارکردگی کو بہتر بنانے اور جدت طرازی کے لئے پرعظم ہیں، ہمارا مقصد اپنے قابل قدر شیئرز ہولڈرز کو مستقل طور پر پائیدار منافع فراہم کرنا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک:

ڈائریکٹرز مندرجہ ذیل معاملات میں سیکورٹی رٹائرڈ اینڈ ایڈجسٹڈ کمیشن آف پاکستان اور سیکورٹی اینڈ ایڈجسٹڈ کمیشن آف پاکستان (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (CCG) ریگولیشنز) کے کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کی تعمیل کی تصدیق کی ہے کہ:

- 1- نون وولن ملز لیٹیڈ کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- 2- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور آئیندہ فیصلوں پر مبنی ہیں۔
- 3- کمپنی کے کھاتوں کا حساب کتاب مکمل طور پر برقرار رکھا گیا ہے۔
- 4- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے۔ کسی انحراف کی اچھی طرح سے وضاحت کی گئی ہے۔
- 5- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔ داخلی کنٹرول کو مضبوط بنانے اور نظام میں بہتری لانے کے مقصد کے ساتھ مسلسل عمل کو جاری رکھا جائے گا۔

- 6- کمپنی کے رواں دواں ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- 7- کارپوریٹ گورننس کے بہترین عملوں سے کوئی مادی انحراف نہیں کیا گیا ہے جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔
- 8- ٹیکس، ڈیوٹیز، لیویز اور چارجز کی مد میں کوئی قانونی ادائیگیاں نہیں ہیں جو 30 جون 2024 میں بقایا ہوں، ماسوائے جن کا مالی حسابات میں انکشاف کیا گیا ہے۔

بورڈ کی تشکیل:

بورڈ دو آزاد ڈائریکٹرز، ایک ایگزیکٹو ڈائریکٹر اور چار نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ کمپنی کے ڈائریکٹرز کا 2023 مئی 2023 کو منعقدہ کمپنی کے غیر معمولی اجلاس عام میں دوبارہ انتخاب کیا گیا اور کمپنی بورڈ میں دو خاتون ممبر کے ساتھ بورڈ آف ڈائریکٹرز میں خواتین کی نمائندگی کو برقرار رکھا گیا۔

آڈٹ کمیٹی:

آڈٹ کمیٹی بورڈ کی نگرانی کی ذمہ داریوں بنیادی طور پر شیئر ہولڈرز کو مالیاتی اور غیر مالیاتی معلومات کا جائزہ لینے اور رپورٹ کرنے میں، اندرونی کنٹرول کے نظام اور رسک مینجمنٹ اور آڈٹ کے عمل کو پورا کرنے میں اس کی مدد کرتی ہے۔ اسے اختیار حاصل ہے کہ وہ انتظامیہ سے معلومات طلب کرے اور مناسب سمجھے جانے والے بیرونی آڈیٹروں یا مشیروں سے براہ راست مشاورت کرے۔ چیف فنانشل آفیسر مالی حسابات پیش کرنے کے لئے باقاعدہ طور پر آڈٹ کمیٹی کے اجلاسوں میں شرکت کرتے ہیں۔ ہر اجلاس کے بعد کمیٹی کا چیئر مین بورڈ کو رپورٹ کرتا ہے۔ کمیٹی نے سال 2023-2024 کے دوران پانچ (05) اجلاس منعقد کئے۔ کمیٹی ممبران کے نام درج ذیل ہیں۔

i- جناب عبدالرحمن قریشی چیئر مین

ii- سید زبیر احمد شاہ ممبر

iii- بریگیڈیئر (ریٹائرڈ) آغا شدرضا ممبر

آڈٹ کمیٹی نے اندرونی آڈٹ پلان، میٹریل آڈٹ کے نتائج اور اندرونی آڈٹ ڈیپارٹمنٹ کی سفارشات کے علاوہ سہ ماہی، ششماہی اور سالانہ مالیاتی حسابات کا جائزہ لیا ہے۔ مذکورہ بالا اجلاسوں کے علاوہ، آڈٹ کمیٹی نے چیف فنانشل آفیسر (CFO) اور ہیڈ آف انٹرنل آڈٹ (HIA) کے بغیر بیرونی آڈیٹرز سے ملاقات کی۔ آڈٹ کمیٹی نے داخلی آڈٹ کے سربراہ اور اندرونی آڈٹ فنکشن کے دیگر ممبران سے بھی ملاقات کی جن میں CFO اور بیرونی آڈیٹرز موجود نہیں تھے۔

ایچ آر اینڈ ریویژن کمیٹی:

کمیٹی ممبر ایگزیکٹوز کے معاوضے سے متعلق معاوضہ، تنظیم اور ایپلائی ڈولپمنٹ پالیسیوں کے تمام عناصر کے جائزہ اور سفارش کرنے اور ایگزیکٹوز کے معاوضوں سے متعلق تمام معاملات کی منظوری کے لیے اجلاس بلاتی ہے۔ کمیٹی کے اسی اونیٹ نے کمیٹی کے رکن کی حیثیت سے سال کے دوران منعقدہ ہیومن ریورس ایجنڈ ریویژن کمیٹی کے اجلاسوں میں شرکت کی۔ کمیٹی کے سال 2023-2024 کے دوران دو اجلاس ہوئے۔ کمیٹی ممبران کے نام درج ذیل ہیں۔

i- جناب عبدالرحمن قریشی چیئر مین

ii- لیفٹیننٹ جنرل (ریٹائرڈ) علی قلی خان خٹک ممبر

iii- جناب احمد قلی خان خٹک ممبر

iv- محترمہ شہناز سجاد احمد ممبر

v- سید زبیر احمد شاہ ممبر

vi- بریگیڈیئر (ریٹائرڈ) آغا شدرضا ممبر

سال 2023-24 میں بورڈ اور اس کی کمیٹیوں کے اجلاس:

سال 2023-2024 کے دوران بورڈ کے چھ اجلاس، آڈٹ کمیٹی کے چار اجلاس اور ایچ آر اینڈ ریمونریشن کمیٹی کے دو اجلاس منعقد ہوئے۔ بنوں وولن ملز لمیٹڈ سمیت رجسٹرڈ کمپنیوں میں ڈائریکٹرز کی حاضری اور ان کی ڈائریکٹرشپ کی تعداد حسب ذیل دی گئی ہے۔

نمبر شمار	ڈائریکٹر	ڈائریکٹر شپ	سیٹیس (BOD)	کمیٹی ممبرز		شرکت
				آڈٹ کمیٹی	ایچ آر اینڈ آر سی	
1	لیفٹنٹ جنرل (ریٹائرڈ) علی قلی خان خٹک	7	دوبارہ تقرری 20 مئی 2023	-	حاضر	ایچ آر اینڈ آر سی
2	محترمہ شہناز سجاد	5	دوبارہ تقرری 20 مئی 2023	-	حاضر	کمیٹی
3	جناب احمد قلی خان خٹک	6	دوبارہ تقرری 20 مئی 2023	-	حاضر	کمیٹی
4	سید زبیر احمد	3	دوبارہ تقرری 20 مئی 2023	حاضر	حاضر	کمیٹی
5	جناب عبدالرحمان قریشی	7	دوبارہ تقرری 21 مئی 2023	حاضر	حاضر	کمیٹی
6	بریگیڈیئر (ریٹائرڈ) آغا شاد رضا	1	دوبارہ تقرری 21 مئی 2023	حاضر	حاضر	کمیٹی
7	شاہین قلی خان خٹک	2	دوبارہ تقرری 21 مئی 2023	-	-	کمیٹی

جو ڈائریکٹرز بورڈ کے اجلاسوں میں شرکت نہیں کر سکتے ان کو عدم حاضری کی بنیاد پر چھٹی دی گئی۔

بورڈ آف ڈائریکٹرز اور بورڈ کی کمیٹیوں کی کارکردگی کی تشخیص:

کوڈ آف کارپوریشن ریگولیشنز کے مطابق، بورڈ تسلیم کرتا ہے کہ اسے اپنی کارکردگی کی مسلسل نگرانی اور بہتری کی ضرورت ہے۔ یہ سالانہ کارکردگی کی تشخیص اور جاری بورڈ ڈویلپمنٹ سرگرمیوں کے ذریعے حاصل کی جاتی ہے۔ سال کے دوران، بورڈ نے مجموعی طور پر بورڈ کے ساتھ ساتھ انفرادی ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لیا ہے۔ دستیاب رائے اپنی اس سال کے جائزہ کا مجموعی نتیجہ اطمینان بخش پایا گیا ہے۔

ڈائریکٹرز کا معاوضہ:

کمپنی کے پاس ڈائریکٹرز کے معاوضے کی پالیسی منظور شدہ ہے؛ جن کی نمایاں خصوصیات یہ ہیں:

- کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز کو بورڈ اور اس کی کمیٹی کے اجلاسوں میں شرکت کے لیے اجلاس فیس کے علاوہ کوئی معاوضہ ادائیں کرے گی۔
- بورڈ آف ڈائریکٹرز یا اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کو معاوضہ وقتاً فوقتاً بورڈ آف ڈائریکٹرز کے ذریعے طے اور منظور کیا جائے گا۔
- ایک ڈائریکٹر کو بورڈ اجلاسوں، اس کی کمیٹیوں اور/یا کمیٹی کے عام اجلاسوں میں شرکت کے لیے ہونے والے تمام سفری، بورڈنگ، قیام اور دیگر اخراجات فراہم یا معاوضہ دیا جائے گا۔
- کوئی بھی ڈائریکٹر بورڈ کی رائے میں اگر ڈائریکٹر کے قانونی فرائض کے دائرہ سے باہر کوئی خدمات سرانجام دیتا ہے تو اس کا اضافی معاوضہ ادا کیا جاسکتا ہے۔

ڈائریکٹرز کے معاوضے کی تفصیل

ڈائریکٹرز اور سی ای او کے معاوضے کے بارے میں معلومات کے لیے، براہ کرم مالیاتی حسابات کا نوٹ نمبر 34 دیکھیں۔

متعلقہ پارٹیوں سے لین دین:

کمپنی نے اپنے متعلقہ فریقین کے ساتھ تمام لین دین کو بورڈ آف ڈائریکٹرز کے ذریعے منظور شدہ متفقہ شرائط پر انجام دیا ہے۔ تمام متعلقہ پارٹی لین دین کی تفصیلات کا جائزہ آڈٹ کمیٹی اور اس کے بعد بورڈ آف ڈائریکٹرز نے کیا، چونکہ ڈائریکٹرز کی اکثریت دلچسپی رکھتی تھی، اس لئے لین دین کو بالآخر عام اجلاس میں شیئر ہولڈرز نے منظور کیا۔

ملازمین کے ریٹائرمنٹ کے فوائد:

کمپنی اپنے ملازمین کے لئے تسلیم شدہ پراویڈنٹ فنڈ اور نان کنٹری بیوریٹی گریجویٹ فنڈ چلاتی ہے۔ 30 جون، 2024 تک کمپنی کے پراویڈنٹ فنڈ کی سرمایہ کاری اور گریجویٹ فنڈ کے بیلنس کی مالیت بالترتیب 63.00 ملین روپے اور 146.58 ملین روپے تھی۔

مادی تبدیلیاں:

30 جون 2024 سے رپورٹ کی تاریخ تک کوئی مادی تبدیلی نہیں آئی ہے اور کمپنی نے اس عرصہ کے دوران کوئی وعدہ نہیں کیا، جس سے کمپنی کی مالی پوزیشن پر منفی اثر پڑے گا۔

مواصلات:

کمپنی شیئر ہولڈرز کے ساتھ رابطے کو بہت اہمیت دیتی ہے۔ سالانہ، ششماہی اور سہ ماہی رپورٹس کمپنیز ایکٹ، 2017 میں مقررہ وقت کے اندر تقسیم کی جاتی ہیں۔ کمپنی کی سرگرمیاں اس کی ویب سائٹ www.bwm.com.pk پر بروقت اپ ڈیٹ کی جاتی ہیں۔

انسانی وسائل اور فلاحی سکیمنیں:

ہمیں یقین ہے کہ ہمارے ملازمین ہماری کامیابی کا سنگ بنیاد ہیں۔ ہم تربیتی پروگراموں کے ذریعے پیشہ ورانہ ترقی میں سرمایہ کاری کرتے ہیں اور ہماری انسانی وسائل کی پالیسیاں اعلیٰ صلاحیتوں کو راغب کرنے، شامل کرنے اور برقرار رکھنے کے لئے بنائی گئی ہیں۔

ہم مسابقتی معاوضے اور فونڈ کی پیشکش کر کے اپنی افرادی قوت کی بہبود اور اطمینان کو ترجیح دیتے ہیں۔ ان میں شناختی پروگرام، خصوصی صحت بخش کرنا اور لیبر قوانین کی پابندی شامل ہے۔ ہم سی بی اے لیبر یونین کے ساتھ مضبوط رشتہ برقرار رکھتے ہیں اور باقاعدگی سے تمام ملازمین کو بونس تقسیم کرتے ہیں۔ مزید برآں، ہم درکرز ویلفیئر فنڈز، عمید ایڈوانس، سماجی تحفظ اور EOBی پیشین کی سہولت جیسے فوائد فراہم کرتے ہیں تاکہ ان کی مالی حفاظت سے ہماری وابستگی کا مظاہرہ کیا جاسکے۔

صحت، حفاظت اور ماحولیات:

ہم کیونٹیز اور ہمارے ساتھ کام کرنے والے لوگوں کی بھلائی کو یقینی بنانے کے لئے صحت، حفاظت اور ماحولیات (HSE) میں اعلیٰ معیار کو برقرار رکھنے پر مضبوط یقین رکھتے ہیں۔

کارپوریٹ سماجی ذمہ داری:

کمپنی ہمارے کاموں کے ماحولیات کی اثرات اور اخلاقی مضمرات کو مد نظر رکھتے ہوئے سماجی طور پر ذمہ دارانہ انداز میں کاروبار کرنے کے لئے وقف ہے۔ ہم تمام سٹیک ہولڈرز کے مفادات میں توازن پیدا کرنے کی کوشش کرتے ہیں، بشمول وہ کیونٹی اور صارفین جن کی ہم خدمت کرتے ہیں۔

ڈول سٹنگ، ویونگ اور فنشنگ میں مہارت رکھنے والی ایک معروف نیکسٹل کمپوزٹ کمپنی کے طور پر، ہم کارپوریٹ سماجی ذمہ داری (CSR) کے لئے وقف ہیں، ہم اپنے کارپوریٹ طریقوں کو بہتر بنانے، ماحول کی حفاظت کرنے اور جن کیونٹیز کی ہم خدمت کرتے ہیں ان پر مثبت اثر ڈالنے کے لئے ہم پائیدار اور اخلاقی طریقوں کو اپنی بنیادی کاروائیوں میں ضم کرتے ہیں۔ ہماری انتظامی ٹیم تمام CS سرگرمیوں کا سختی سے جائزہ لیتی ہے تاکہ یقینی بنایا جاسکے کہ وہ پائیداری اور شمولیت کے ہمارے طویل مدتی اہداف سے ہم آہنگ ہیں۔

مالی سال 2023-24 کے دوران، کمپنی نے کئی سرگرمیاں کیں جن میں سے کچھ درج ذیل ہیں:-

- صحت اور حفاظت: ہم نے ESSI میڈیکل آفیسرز کے ساتھ مل کر کام کرنے کے محفوظ ماحول کو یقینی بنانے کے لئے جامع خون کے ٹیسٹ اور X-Ray کروائے ہیں۔
- کیونٹی ہیلیتھ: ہم نے ٹھیلیپیٹھیا کے مریضوں کی مدد کے لئے خون کے عطیہ کی مہم کا اہتمام کیا ہے۔

- ماحولیاتی پائیداری: ہم نے اپنے کارخانے کے احاطے میں درخت لگائے تاکہ ماحولیاتی تحفظ میں اپنا حصہ ڈالا جاسکے۔
- تعلیم: ہم نے اپنی فیکٹری کی حدود میں ایک پرائمری اسکول قائم کرنے کے لئے حکومت کے ساتھ شراکت کی۔
- صحت کی دیکھ بھال تک رسائی: حکومت اور ہم نے ESSI, KPK کے ساتھ مل کر اپنی ملز کے احاطے میں میڈیکل پوسٹ قائم کی۔
- کیونٹی سپورٹ: ہم نے اپنے ملازمین اور مقامی کمیونٹی کے لئے سائٹ پرسٹور فراہم کرنے کے لئے یوٹیلیٹی سٹور کارپوریشن کے ساتھ شراکت کی۔

پائیداری سے متعلق خطرات:

ہماری کمپنی پائیداری کے لئے پرعزم ہے اور ماحولیاتی، سماجی اور گورننس (ESG) عوامل کی اہمیت کو تسلیم کرتی ہے۔ مزید پائیدار مستقبل میں حصہ ڈالنے کے لئے، ہم نے عملی اقدامات، قابل تجدید توانائی کی پالیسیاں اور بہترین آپریٹنگ طریقوں کو نافذ کیا ہے۔ ہماری انتظامیہ نے مخصوص، قابل پیمائش ECG اہداف قائم کیے ہیں جو زیادہ پائیدار لچک دار اور مثبت سماجی اثرات کو حاصل کرنے کے لئے ہمارے اسٹریٹجک مقاصد کے مطابق ہیں۔

ہم نے جدید ترین ماحول دوست ٹیکنالوجیز میں خاطر خواہ سرمایہ کاری کی ہے جو اخلاقی پیداوار اور رکھت کو فروغ دیتی ہیں، بشمول جدید ترین پکڑے کی ری سائیکلنگ کی سہولت۔ اگرچہ پائیدار سرگرمیاں عارضی طور پر قلیل مدتی منافع یا مارجن پر اثر انداز ہو سکتی ہیں۔ ہمیں یقین ہے کہ وہ بالآخر سٹمر کے حصول، برقرار رکھنے اور مسابقتی برتری کے ذریعے ہماری کاروباری قدر کو بڑھادیں گے۔ خطرے کے فعال انتظام کو یقینی بنانے کے لئے، ہم تشریح کے مخصوص شعبوں کی نشاندہی کرتے ہوئے موجودہ اور مستقبل کے خطرات کا ایک جامع تجزیہ کرتے ہیں۔

پائیداری سے متعلق خطرے اور مواقع ماحولیاتی، سماجی، اور گورننس (ESG) عوامل سے متعلق خطرات کی شناخت میں مدد کرتے ہیں جو سرمایہ کاروں، ریگولیٹرز اور صارفین کے لئے تیزی سے اہم ہوتے جا رہے ہیں۔ اس نقطہ نظر کے تناظر میں کمپنی بنیادی طور پر درج ذیل پائیداری کے خطرات سے دوچار ہے۔

ماحولیاتی خطرات: کاربن کا اخراج، آلودگی، پانی کا استعمال، فضلہ کا انتظام اور کیمیائی عمل۔

سماجی خطرات: مزدوری کے طریقے، انسانی حقوق، صحت اور حفاظت۔

گورننس کے خطرات: ریگولیٹری تبدیلی، سپلائی چین کی شفافیت

پائیداری کے ضوابط کی تعمیل کرنے میں ناکامی، اہم قلیل مدتی اور طویل مدتی نتائج کا باعث بن سکتی ہے۔ ان میں جرمانے، قانونی فیصلے اور شہرت کو بچھنے والے نقصانات شامل ہیں۔ جس کے نتیجے میں کلائنٹس اور کاروبار کو ہرجاؤ ہو سکتے ہیں۔ پائیداری پالیسیوں کی ناکافی شفافیت اور نگرانی بھی سرمایہ کاروں کے اعتماد کو ختم کر سکتی ہے اور فنڈنگ تک رسائی کو محدود کر سکتی ہے۔

تاہم یہ خطرات مواقع بھی پیش کرتے ہیں۔ پائیدار طریقوں کو اپنا کر اور توانائی کی کارکردگی میں اضافہ کر کے، کمپنیاں لاگت کو کم کر سکتی ہیں اور اپنی ساکھ کو بڑھا سکتی ہیں۔ ماحولیاتی، سماجی اور گورننس (ESG) اصولوں پر عمل کرنا مسابقتی فائدہ فراہم کر سکتا ہے۔ سرمایہ کاروں کے اعتماد کو بڑھا سکتا ہے۔ مالیاتی اتار چڑھاؤ کو کم کر سکتا ہے اور طویل مدتی منافع کو یقینی بنا سکتا ہے۔

پائیداری سے متعلق ذمہ داروں کو موثر طریقے سے سنبھالنے کے لئے بورڈ نے انسانی وسائل اور معاوضے کی کمیٹی کو اضافی اختیار سونپ دیا ہے۔ یہ کمیٹی پائیداری کے خطرات، مواقع اور اقدامات کی نگرانی اور جائزہ لے گی۔

ہر چھ ماہ بعد وہ بورڈ کو ایک رپورٹ پیش کریں گے جس میں بتایا جائے گا کہ کس طرح پائیداری کے اصولوں کو تنظیم کی حکمت عملی اور کارپوریٹ ویلیو بڑھانے کے لئے آپریشن میں ضم کیا جا رہا ہے۔

تنوع، مساوات اور شمولیت (DE&I):

ہماری کمپنی کام کی جگہ کو فروغ دینے کے لئے وقف ہے، جو جامع، مساوی اور متنوع ہو، جو ہماری افرادی قوت اور ان کیہٹیز دونوں کی عکاسی کرتی ہے کن کی ہم خدمت کرتے ہیں۔ ہم سمجھتے ہیں کہ (DE&I) ہمارے اخلاقی اور پائیدار کاروباری طریقوں کے لئے ضروری ہے اور ہم نے اپنی تنظیم کی تمام سطحوں پر صحتی اور نسلی تنوع کو بڑھانے کے لئے ایک جامع حکمت عملی تیار کی ہے۔

سٹریٹجک ترجیح کے طور پر صنفی تنوع:

ہم صنفی تنوع کو ایک اسٹریٹجک اثاثہ کے طور پر دیکھتے ہیں جو فیصلہ سازی اور مسائل کے حل کو بہتر بناتا ہے اور ہمارے مسابقتی فائدہ میں حصہ ڈالتا ہے۔ DE&I سے ہماری وابستگی ہمارے ٹیلنٹ کے حصول، مشغولیت اور فروغ کی حکمت عملیوں سے ظاہر ہوتی ہے۔ ہم نے تعلق اور احترام کا ایک کلچر بنایا ہے اس بات کو یقینی بناتے ہوئے کہ تمام ملازمین قابل قدر اور بااختیار محسوس کریں۔

کلیدی اقدامات اور کامیابیاں:

- ٹیلنٹ کا حصول: ہم مختلف کیریئر کی سرگرمی میں حصہ لیتے ہیں اور متنوع ٹیلنٹ کو راغب کرنے کے لئے معروف تنظیموں کے ساتھ تعاون کرتے ہیں۔
- شمولیتی پالیسیاں: ہم نے ایک جامع کام کو فروغ دینے کے لئے پالیسیاں نافذ کی ہیں جیسے کہ چھٹیاں، زچگی اور ولادت کی چھٹی اور ہراساں کرنے کے خلاف پالیسی۔
- مساوی تنخواہ اور مواقع: ہم اس بات کو یقینی بنانے کے لئے پرعزم ہیں کہ تمام ملازمین کو منصفانہ ادائیگی کی جائے اور جنس سے قطع نظر، ترقی کے یکساں مواقع دیئے جائیں۔

صنعتی تنخواہ کا فرق

میڈین گیپ	میلین گیپ
مردوں کی اوسط تنخواہ عورتوں کے برابر ہے	مردوں کی اوسط تنخواہ عورتوں کے برابر ہے

پیش رفت اور اہداف: جب کہ ہماری موجودہ خواتین کی نمائندگی کل افرادی قوت کا 0.7% ہے اور ایگزیکٹو مینجمنٹ ٹیم کی سطح پر 6% نمائندگی کے ساتھ ہے۔ ہم اس تعداد اور اپنے ٹیلنٹ پول کو بڑھانے کے لئے پرعزم ہیں۔

تعمیل اور جواب دہی: ہم DE&I سے متعلق قوانین اور ضوابط کی پابندی کرتے ہیں اور تعمیل کو یقینی بنانے کے لئے باقاعدہ جائزہ لیتے ہیں۔ انصاف اور مساوات کے لئے ہماری وابستگی ملازمت کے تمام پہلوؤں بشمول ملازمت، تنخواہ کے جائزے اور کیریئر کی ترقی تک پھیلی ہوئی ہے۔

نتیجہ: ہماری کمپنی ایک متنوع، مساوی اور جامع کام کی جگہ بنانے کے لئے اپنے عزم میں اٹل ہے۔ ہمارا ماننا ہے کہ یہ نہ صرف صحیح کام ہے بلکہ ہماری طویل مدتی کامیابی کے لئے ایک اسٹریٹجک ضروری بھی ہے۔

کلیدی آپریٹنگ اور فنانشل اعداد و شمار (چھ سالہ خلاصہ):
گزشتہ چھ سالوں کے کلیدی آپریٹنگ اور فنانشل اعداد و شمار ہیں۔

آڈیٹرز کی تقرری:

کمپنی کے آڈیٹرز شائین ونگ حمید چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ایچ ایم ہاؤس، 7 بینک اسکوائر، لاہور ریٹائر ہو گئے ہیں اور اہل ہونے کی بناء پر اپنے آپ کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔ آڈٹ کمیٹی نے سال 2023-24 کے لئے بطور کمپنی کے محاسب ان کی تقرری کی منظوری دے دی ہے۔


نمونہ حصص داری:


30 جون 2023 کے مطابق کمپنی کا نمونہ حصص داری رپورٹ ہذا کے ہمراہ منسلک ہے۔

اظہار تشکر اور اعتراف:

ہم باضابطہ طور پر اس لگن اور محنت کا اظہار کرنا چاہتے ہیں جس کا مظاہرہ ہمارے ایگزیکٹوز، افسران اور عملہ کے دیگر ممبران اور کارکنوں کی سخت محنت اور بہترین ممکنہ نتائج کے حصول کے لیے کیا، مزید برآں بورڈ تمام بینکوں، گاہکوں اور سپلائرز کا کمپنی کے لئے جوش اور لگن کے ساتھ مسلسل حمایت اور بہترین نتائج حاصل کرنے پر شکر گزار ہے۔

مخائب بورڈ آف ڈائریکٹرز


(لیفٹیننٹ جنرل ریٹائرڈ علی قلی خان خٹک)
ڈائریکٹر


(شہناز سجاد احمد)
چیف ایگزیکٹو آفیسر

KEY OPERATING AND FINANCIAL DATA
SIX YEARS SUMMARY

	Rs. In million					
	2024	2023	2022	2021	2020	2019
				(Restated)	(Restated)	
Sales (Net)	891.268	1038.734	969.515	699.135	328.713	684.911
Gross Profit	232.002	266.833	238.368	189.883	108.010	166.969
Profit from operations	58.544	107.825	89.845	56.017	4.373	17.719
Profit / (Loss) Before Taxation	300.889	(329.620)	(646.211)	99.950	(122.436)	(22.794)
Taxation	(5.325)	13.541	16.184	4.228	(13.789)	(5.711)
Profit / (Loss) After Taxation	306.214	(343.161)	(662.395)	95.722	(108.647)	(17.083)
Dividend	0%	0%	0%	0%	0%	0%
Earnings / (loss) Per Share (Rupees)	32.21	(36.10)	(69.68)	10.07	(11.43)	(1.80)
Break Up Value Per Share (Rupees) (excluding revaluation surplus)	40.98	8.09	44.31	110.97	102.29	106.29
Break Up Value Per Share (Rupees) (including revaluation surplus)	329.577	299.133	304.348	297.368	289.865	273.662
Non-Current Assets	2,723.066	2,410.250	2,448.322	2,412.598	2,377.691	2,169.969
Current Assets	1,168.196	1,231.653	1,152.127	1,063.102	1,061.079	1,108.769
TOTAL ASSETS	3,891.262	3,641.903	3,600.449	3,475.700	3,438.770	3,278.738
Share Capital	95.063	95.063	95.063	95.063	95.063	95.063
Capital reserves						
- share premium	19.445	19.445	19.445	19.445	19.445	19.445
- surplus on revaluation of property, plant and equipment	2,743.515	2,766.738	2,472.015	1,771.898	1,783.140	1,591.081
Revenue Reserves	275.020	(37.615)	306.684	940.445	857.880	895.913
Shareholders' equity	3,133.043	2,843.631	2,893.207	2,826.851	2,755.528	2,601.502
Non-Current Liabilities	203.251	214.496	160.236	129.830	128.563	111.338
Current Liabilities	554.968	583.776	547.006	519.019	554.679	565.898
	758.219	798.272	707.242	648.849	683.242	677.236
TOTAL EQUITY AND LIABILITIES	3,891.262	3,641.903	3,600.449	3,475.700	3,438.770	3,278.738

THE COMPANIES ACT, 2017
Section 227(2)(f)

PATTERN OF SHAREHOLDING


1. CUIIN (Incorporation Number) 0 0 0 1 0 8 0

2. Name of the Company BANNU WOOLLEN MILLS LIMITED

3. Pattern of holding of the shares held by the shareholders as at 3 0 0 6 2 0 2 4

4. Number of Shareholders	Shareholdings	Total Number of Share Held
249	Shareholding from 1 To 100	7,177
274	Shareholding from 101 To 500	96,182
164	Shareholding from 501 To 1,000	143,903
270	Shareholding from 1,001 To 5,000	639,875
61	Shareholding from 5,001 To 10,000	472,821
25	Shareholding from 10,001 To 15,000	316,283
8	Shareholding from 15,001 To 20,000	137,289
6	Shareholding from 20,001 To 25,000	140,652
7	Shareholding from 25,001 To 30,000	192,770
1	Shareholding from 30,001 To 35,000	35,000
2	Shareholding from 35,001 To 40,000	77,145
3	Shareholding from 40,001 To 45,000	127,797
2	Shareholding from 50,001 To 55,000	105,500
3	Shareholding from 55,001 To 60,000	173,090
2	Shareholding from 60,001 To 65,000	121,462
2	Shareholding from 70,001 To 75,000	148,730
2	Shareholding from 75,001 To 80,000	153,097
1	Shareholding from 80,001 To 85,000	83,176
2	Shareholding from 90,001 To 95,000	180,748
2	Shareholding from 95,001 To 100,000	195,062
1	Shareholding from 100,001 To 105,000	101,238
1	Shareholding from 120,001 To 125,000	123,318
1	Shareholding from 165,001 To 1 70,000	170,000
1	Shareholding from 205,001 To 210,000	210,000
1	Shareholding from 285,001 To 2 90,000	289,800
2	Shareholding from 430,001 To 435,000	863,637
1	Shareholding from 730,001 To 735,000	731,626
1	Shareholding from 970,001 To 975,000	971,000
1	Shareholding from 2,495,001 To 2,500,000	2,497,872
1,096		9,506,250

5. Categories of shareholders	share held	Percentage
5.1 Directors, Chief Executive Officer, and their spouse and minor children.	550,022	5.79
5.2. Associated Companies, undertakings and related parties.	3,303,938	34.76
5.3 NIT and ICP	433,574	4.56
5.4 Banks Development Financial Institutions, Non-Banking Financial Institutions.	2,551	0.03
5.5 Insurance Companies	N.A	N.A
5.6 Modarabas and Mutual Funds	25,000	0.26
5.7 Shareholders holding 10%		
i. Bibojee Services (Pvt.) Ltd.	2,572,312	27.05
ii. Miss Atiqa Begum	971,000	10.21
5.8 General Public		
a. Local	5,093,931	53.59
b. Foreign	NIL	NIL
5.9 Others		
Joint Stock Companies	51,936	0.55
NBP Employees Pension Fund	42,797	0.45
NBP Employees Benevolent Fund	1,501	0.02
Trustee Avari Hotels Limited Employees Provident fund	1,000	0.01

6. Signature of Secretary 

7. Name of Signatory AZMAT KHAN

8. Designation Company Secretary

9. NIC Number 1 3 5 0 3 - 4 9 6 6 0 6 7 - 5

10. Date

Day	Month	Year
3 0	0 6	2 0 2 4

**DETAILS OF PATTERN OF SHAREHOLDING AS PER
REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE**

CATEGORIES OF SHAREHOLDERS	SHARES HELD
1. ASSOCIATED COMPANIES, UNDERTAKINGS & RELATED PARTIES :	
M/S JANANA DE MALUCHO TEXTILE MILLS LTD.	731,626
M/S.BIBOJEE SERVICES (PVT) LTD.	2,572,312
2. N.I.T. & I.C.P:	
M/S.INVESTMENT CORPORATION OF PAKISTAN	937
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	431,637
CDC - TRUSTEE AKD INDEX TRACKER FUND	1,000
3. DIRECTORS, CEO & THEIR SPOUSE AND MINOR CHILDREN:	
Lt.Gen. (Retd.) Ali Kuli Khan Khattak Director	61,412
Mrs. Nelofar Ali Kuli Khan - Spouse	95,062
Mrs. Shahnaz Sajjad Ahmad Chief Executive	111,435
Mr. Ahmad Kuli Khan Khattak Chairman	56,517
Mrs. Nasreen Ahmed Kuli Khan - Spouse	101,238
Dr. Shahin Kuli Khan Khattak Director	123,318
Brig. (Retd.) Agha Arshad Raza Director	20
Syed Zubair Ahmad Shah Director	1,000
Mr. Abdul Rehman Qureshi Director	20
4. EXECUTIVES	10
5. JOINT STOCK COMPANIES	51,936
6. BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE, INSTITUTIONS, INSURANCE COMPANIES, MODARBAS & MUTUAL FUNDS	27,551
7. SHAREHOLDERS HOLDING 10% OR MORE:	
M/S.BIBOJEE SERVICES (PVT) LTD.	2,572,312
MISS ATIQA BEGUM	971,000
8. GENERAL PUBLIC & OTHERS	5,093,931

**Statement of Compliance with listed Companies (Code of
Corporate Governance) Regulations, 2019**

Name of Company **BANNU WOOLLEN MILLS LIMITED**

Year Ended **JUNE 30, 2024**

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

1. The total number of directors are seven as per the following:
 - a) Male 5
 - b) Female 2

2. The composition of the Board is as follows:
 - a) **Independent Directors**
 - i. Mr. Abdul Rehman Qureshi
 - ii. Brig. (Retd.) Agha Arshad Raza

 - b) **Nonexecutive Directors**
 - i. Lt. Gen. (Retd.) Ali Kuli Khan Khattak
 - ii. Mr. Ahmad Kuli Khan Khattak
 - iii. Syed Zubair Ahmad Shah
 - iv. Dr. Shahin Kuli Khan Khattak

 - c) **Executive Director**
 - i. Mrs. Shahnaz Sajjad Ahmad

 - d) **Female Directors**
 - i. Mrs. Shahnaz Sajjad Ahmad
 - ii. Dr. Shahin Kuli Khan Khattak

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (“the Act”) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All the Directors have completed or are exempted from Directors’ Training Program as per these Regulations.
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

Audit Committee

- | | |
|------------------------------------|----------|
| i. Mr. Abdul Rehman Qureshi | Chairman |
| ii. Syed Zubair Ahmad Shah | Member |
| iii. Brig (Retd.) Agha Arshad Raza | Member |

Human Resource and Remuneration Committee

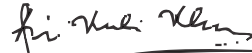
- | | |
|--|----------|
| i. Mr. Abdul Rehman Qureshi | Chairman |
| ii. Lt. Gen. (Retd.) Ali Kuli Khan Khattak | Member |
| iii. Mr. Ahmad Kuli Khan Khattak | Member |
| iv. Syed Zubair Ahmad Shah | Member |
| v. Mrs. Shahnaz Sajjad Ahmad | Member |
| vi. Brig (Retd.) Agha Arshad Raza | Member |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees were as per following:
 - a) Audit Committee - Four meetings held during the year

- b) HR and Remuneration Committee - Two meetings held during the year
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
 16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company.
 17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
 18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and in respect of regulation 6(i), the Company believes that the Board members have the requisite skill set, experience required and sufficient impartiality to be able to exercise independence in decision making within the Board and hence, does not require rounding off the fraction to 3 independent directors.



(SHAHNAZ SAJJAD AHMAD)
CHIEF EXECUTIVE



(LT. GEN. RETD. ALI KULI KHAN KHATTAK)
DIRECTOR

Rawalpindi: September 21, 2024

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF
BANNU WOOLLEN MILLS LIMITED**

**Review Report on the Statement of Compliance Contained in
the Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **BANNU WOOLLEN MILLS LIMITED** (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

LAHORE; SEPTEMBER 23, 2024

UDIN: CR202410104c0QFGoELd

Shinewing Hameed Chaudhri & Co.

**SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS**

Audit Engagement Partner: Osman Hameed Chaudhri

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BANNU WOOLLEN MILLS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **BANNU WOOLLEN MILLS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S.No.	Key audit matters	How the matter was addressed in our audit
1.	<p>Valuation of Investments</p> <p>Refer notes 7 to the financial statements.</p> <p>The Company's investments in an Associated Company having carrying value of Rs.1,149 million represent 29.55% of the total assets at the reporting date. Investments in Associated Company are measured under equity method of accounting and at the reporting date the recoverable amount is estimated by an independent Valuer to determine the extent of impairment loss; carrying amount of investments is adjusted accordingly.</p> <p>The estimation of the recoverable amount involves significant judgment, including assumptions around the current and future market conditions, forecast cash flows and discount rates, etc.</p> <p>In view of significant judgment involved in the estimation of value in use, we consider this as a key audit matter.</p>	<p>Our procedures in relation to assessment of carrying values of investments in Associated Company included the following:</p> <ul style="list-style-type: none"> - assessed the appropriateness of management's accounting for investments in Associated Company. - understood and evaluated the process by which the cash flow forecasts were prepared by the Valuer, including confirming the mathematical accuracy of the underlying calculations; - evaluated the Valuer's competence, capability and objectivity and assessed the appropriateness of methodology adopted by the Valuer engaged by the management; - performed independently, a sensitivity analysis in consideration of the potential impact of reasonably possible upside or downside changes in key assumptions; and - assessed the adequacy of the disclosures made by the Company with regard to applicable accounting and reporting standards.
2.	<p>Valuation of stock-in-trade</p> <p>The value of stock-in-trade at the reporting date aggregated Rs.815 million representing 69% of the Company's total current assets. Stock-in-trade at the reporting date mainly included raw materials and finished goods (note 9).</p>	<p>We assessed the appropriateness of management assumptions applied in calculating the value of stock-in-trade and validated the valuation by taking following steps:</p> <ul style="list-style-type: none"> - assessed whether the Company's accounting policy for inventory valuation is in line with the applicable financial reporting standards;

S.No.	Key audit matters	How the matter was addressed in our audit
	<p>The valuation of finished goods at cost has different components, which includes judgment and assumptions in relation to the allocation of labour and other various overheads incurred in bringing the inventories to their present location and conditions. Judgment has also been exercised by the management in determining the net realisable value of finished goods.</p> <p>We identified this as key audit matter in our audit due to the judgment and assumptions applied by the Company in determining the cost and net realisable value of stock-in-trade at the reporting date.</p>	<ul style="list-style-type: none"> - attended inventory count at the year-end and reconciled physical inventory with inventory lists provided to ensure completeness of data; - assessed historical cost recorded in inventory valuation by checking purchase invoices on sample basis; - tested reasonability of assumptions applied by the management in allocation of labour and other various overhead costs to inventories; - assessed the management's determination of net realisable value of inventories by performing tests on sale prices secured by the Company for similar items; and - performed net realisable value test to assess whether cost of inventories exceeded its net realisable value by detailed review of subsequent sale invoices.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Osman Hameed Chaudhri.

LAHORE; SEPTEMBER 23, 2024
UDIN: AR202410104c2a38PYwr

Shinewing Hameed Chaudhri & Co.
SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

ASSETS	Note	2024	2023
		Rupees in '000	
Non-current assets			
Property, plant and equipment	5	1,569,223	1,574,146
Intangible assets	6	104	675
Investments in Associated Company	7	1,149,945	831,635
Security deposits		3,794	3,794
		2,723,066	2,410,250
Current assets			
Stores and spares	8	150,813	111,787
Stock-in-trade	9	815,116	647,293
Trade debts	10	126,126	291,499
Advances to employees - unsecured, considered good		22,125	37,857
Advance payments		16,208	70,940
Prepayments and other receivables	11	2,011	913
Sales tax refundable		16,110	-
Income tax refundable, advance tax and tax deducted at source		15,381	16,178
Cash and bank balances	12	4,306	55,186
		1,168,196	1,231,653
Total assets		3,891,262	3,641,903
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital 20,000,000 (2023: 20,000,000) ordinary shares of Rs.10 each		200,000	200,000
Issued, subscribed and paid-up capital	13	95,063	95,063
Capital reserves			
- share premium	14.1	19,445	19,445
- revaluation surplus on property, plant and equipment	15	2,743,515	2,766,738
Revenue reserves			
- general reserve	14.2	154,055	154,055
- unappropriated profit / (accumulated loss)		120,965	(191,670)
Shareholders' equity		3,133,043	2,843,631
LIABILITIES			
Non-current liabilities			
Lease liabilities	16	4,096	12,718
Staff retirement benefits - gratuity	17	146,585	131,259
Deferred taxation	18	52,570	70,519
		203,251	214,496
Current liabilities			
Trade and other payables	19	99,997	114,231
Contract liabilities		6,882	1,204
Unpaid dividends		3,452	3,452
Unclaimed dividends		4,746	4,746
Accrued mark-up		22,588	22,298
Short term finances	20	396,799	416,745
Current portion of lease liabilities	16	8,622	7,365
Provision for tax levies & income taxes	21	11,882	13,735
		554,968	583,776
Total liabilities		758,219	798,272
Contingencies and commitments	22		
TOTAL EQUITY AND LIABILITIES		3,891,262	3,641,903

The annexed notes from 1 to 44 form an integral part of these financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. Retd. Ali Kuli Khan
Director

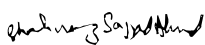


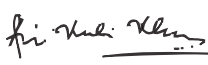
Kalim Aslam
Chief Financial Officer


**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

		2024	2023 (Restated)
	Note	Rupees in '000	
Sales	23	891,268	1,038,734
Cost of sales	24	659,266	771,901
Gross profit		<u>232,002</u>	<u>266,833</u>
Distribution cost	25	33,079	36,392
Administrative expenses	26	145,067	122,719
Other expenses	27	243	3,829
Other income	28	(4,931)	(3,932)
		<u>173,458</u>	<u>159,008</u>
Profit from operations		<u>58,544</u>	<u>107,825</u>
Finance cost	29	92,249	70,777
		<u>(33,705)</u>	<u>37,048</u>
Share of loss of Associated Company	7	(111,920)	(15,156)
Impairment loss on investments in an Associated Company reversed / (recognised)	7	446,514	(351,512)
		<u>334,594</u>	<u>(366,668)</u>
Profit / (loss) before revenue taxes and income taxes		<u>300,889</u>	<u>(329,620)</u>
Minimum taxes - levy	30	12,624	17,251
Profit / (loss) before income tax		<u>288,265</u>	<u>(346,871)</u>
Income tax - deferred tax		(17,949)	(3,710)
Profit / (loss) for the year		<u>306,214</u>	<u>(343,161)</u>
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss:			
- loss on remeasurement of staff retirement benefit obligation	17	(518)	(8,037)
- surplus arisen upon revaluation of property, plant and equipment	15.2	-	314,222
- deferred taxation		-	(19,349)
		-	294,873
- share of other comprehensive income /(loss) of Associated Company		368	1,277
- impact of tax	7	(107)	(370)
		<u>261</u>	<u>907</u>
		<u>(257)</u>	<u>287,743</u>
Total comprehensive income / (loss)		<u>305,957</u>	<u>(55,418)</u>
		----- Rupees -----	
Earnings / (loss) per share	31	<u>32.21</u>	<u>(36.10)</u>

The annexed notes from 1 to 44 form an integral part of these financial statements.


Shahnaz Sajjad Ahmad
Chief Executive

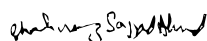

Lt. Gen. Retd. Ali Kuli Khan
Director


Kalim Aslam
Chief Financial Officer

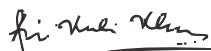
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

Share capital	Reserves				Total	
	Capital		Revenue			
	Share premium	Revaluation surplus on property, plant and equipment	General	Unappropriated profit / (accumulated loss)		
----- Rupees in '000 -----						
Balance as at June 30, 2022	95,063	19,445	2,472,015	154,055	152,629	2,893,207
Total comprehensive loss for the year ended June 30, 2023:						
- loss for the year	-	-	-	-	(343,161)	(343,161)
- other comprehensive income	-	-	294,873	-	(7,130)	287,743
	-	-	294,873	-	(350,291)	(55,418)
Transfer from revaluation surplus on property, plant and equipment (net of deferred taxation) on account of:						
- incremental depreciation for the year	-	-	(5,992)	-	5,992	-
Share of revaluation surplus on property, plant and equipment of Associated Company	-	-	5,842	-	-	5,842
Balance as at June 30, 2023	95,063	19,445	2,766,738	154,055	(191,670)	2,843,631
Total comprehensive income for the year ended June 30, 2024:						
- profit for the year	-	-	-	-	306,214	306,214
- other comprehensive loss	-	-	-	-	(257)	(257)
	-	-	-	-	305,957	305,957
Transfer from revaluation surplus on property, plant and equipment (net of deferred taxation) on account of incremental depreciation for the year	-	-	(6,678)	-	6,678	-
Share of revaluation surplus on property, plant and equipment of Associated Company	-	-	(16,545)	-	-	(16,545)
Balance as at June 30, 2024	95,063	19,445	2,743,515	154,055	120,965	3,133,043

The annexed notes from 1 to 44 form an integral part of these financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. Retd. Ali Kuli Khan
Director

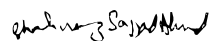


Kalim Aslam
Chief Financial Officer

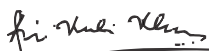
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	Rupees in '000	
Cash flows from operating activities		
(Loss) / profit for the year - before taxation, minimum tax levies and share of loss of Associated Company	(33,705)	37,048
Adjustments for non-cash and other charges:		
Depreciation on property, plant and equipment	24,178	21,710
Depreciation on right of use assets	7,806	8,856
Amortisation	571	530
Provision for impairment of trade debts	243	272
Staff retirement benefits - gratuity (net)	14,808	21,475
Mark-up on bank deposits	(3,880)	(2,250)
Finance cost	92,249	70,777
Gain on sale of operating fixed assets	-	(13)
Profit before working capital changes	102,270	158,405
Effect on cash flows due to working capital changes		
Decrease / (increase) in current assets		
Stores and spares	(39,026)	15,500
Stock-in-trade	(167,823)	23,299
Trade debts	165,130	(62,662)
Advances to employees	15,732	(11,697)
Advance payments	54,732	(47,181)
Prepayments and other receivables	(1,098)	(7)
Sales tax refundable	(16,110)	28,127
Decrease in trade and other payables and contract liabilities	(8,556)	(18,666)
	2,981	(73,287)
Cash generated from operations	105,251	85,118
Taxes levies paid	(13,680)	(17,377)
Net cash generated from operating activities	91,571	67,741
Cash flows from investing activities		
Fixed capital expenditure	(27,061)	(19,106)
Sale proceeds of operating fixed assets	-	20
Intangible assets acquired	-	(250)
Mark-up received on bank deposits	3,880	2,250
Net cash used in investing activities	(23,181)	(17,086)
Cash flows from financing activities		
Lease rentals paid	(11,418)	(8,907)
Short term finances - net	(19,946)	39,217
Dividend paid	-	(34)
Finance cost paid	(87,906)	(56,756)
Net cash used in financing activities	(119,270)	(26,480)
Net (decrease) / increase in cash and cash equivalents	(50,880)	24,175
Cash and cash equivalents - at beginning of the year	55,186	31,011
Cash and cash equivalents - at end of the year	4,306	55,186

The annexed notes from 1 to 44 form an integral part of these financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. Retd. Ali Kuli Khan
Director



Kalim Aslam
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND OPERATIONS

Bannu Woollen Mills Limited (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of woollen yarn, cloth and blankets.

Geographical location and addresses of major business units including mills / plant of the Company are as under:

Bannu	Purpose
D.I.Khan Road	Registered office / Mills
Rawalpindi	
Raja Bazar	Retail outlet

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) ; and
- Provisions of and directives issued under the Act.

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

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention, except where otherwise specifically stated.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company's functional currency. All financial information has been rounded off to the nearest thousand of Rupees unless otherwise stated.

2.4 Critical accounting estimates, assumptions and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Useful lives, residual values and depreciation method of property, plant and equipment - notes 4.1 and 5.1.

- Useful lives, residual values and amortisation method of intangible assets - notes 4.2 and 6.
- Provision for impairment of inventories - notes 4.4, 4.5, 8 and 9.
- Allowance for expected credit loss - notes 4.6 and 10.
- Impairment loss of non-financial assets other than inventories - note 4.18.
- Staff retirement benefits - gratuity - notes 4.9 and 17.
- Estimation of provisions - note 4.11.
- Estimation of contingent liabilities - notes 4.13 and 22.
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) - notes 4.12, 18 and 21.

2.5 No critical judgment has been used in applying the accounting policies.

3. **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES RESULTING FROM AMENDMENTS IN STANDARDS DURING THE YEAR**

3.1 **Standards, amendments to approved accounting standards and interpretations that are effective and have been adopted by the Company**

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year, except for following amendments to accounting standards which are effective for annual periods beginning on or after July 01, 2023 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective:

(a) **IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2** **Effective: January 01, 2023**

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 - The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(b) **IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors** **Effective: January 01, 2023**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a Company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

The amendments have no impact on the Company's financial statements.

There are number of other standards, amendments and interpretations to the approved accounting standards that are effective but are not relevant to the Company and therefore, have not been presented here.

3.2 Standards, amendments to approved accounting standards and interpretations that are not effective and have not been adopted by the Company

The following amendments with respect to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

(a) IAS 7 Statement of Cashflows and IFRS 7 Financial Instruments; Disclosures Effective: January 01, 2024

Amendments in IAS 7 Statement of Cashflows and IFRS 7 Financial Instruments; Disclosures; Supplier Finance Arrangements, disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.

The amendments are supplement requirements already in IFRS Accounting Standards and require a company to disclose:

- the terms and conditions;
- the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities sit on the balance sheet;
- ranges of payment due dates; and
- liquidity risk information.

(b) IFRS 16 Leases Effective: January 01, 2024

Leases - Lease Liability in a Sale and Leaseback - Amendments requires a seller lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to sale and leaseback transactions entered into after the date of initial application.

(c) IAS 1 Presentation of Financial Statements Effective: January 01, 2024

Presentation of Financial Statements to clarify how to classify debt and other liabilities as current or non-current. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification;
- Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The adoption of the above amendments to accounting standards did not have any material effect on the financial statement of the Company.

(d) **IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes (the Guidance) issued by ICAP**

The Institute of Chartered Accountants of Pakistan (ICAP) issued the aforementioned Guidance through Circular No. 07 / 2024 dated May 15, 2024. In light of the said Guidance, as the minimum taxes and final taxes are not calculated on the 'taxable income' as defined in IAS 12 (Income Taxes) but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (the Ordinance); accordingly, minimum taxes and final taxes should be accounted for under IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) / IFRIC 21 (Levies) as levies (though these are charged under tax law) and not under IAS 12 as income taxes. Based on the Guidance, the minimum taxes under the Ordinance are hybrid taxes, which comprise of a component within the scope of IAS 12 and a component within the scope of IFRIC 21.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position, Earnings per share and Statement of Changes in Equity as a result of this change

	As at June 30, 2024			As at June 30, 2023		
	Had there been no change in accounting policy	Impact of change in accounting policy	After change in accounting policy	Had there been no change in accounting policy	Impact of change in accounting policy	After change in accounting policy
----- Rupees -----						
Effect on profit or loss and other comprehensive income						
Final taxes - levy	-	(12,624)	(12,624)	-	(17,251)	(17,251)
Profit before income tax	300,889	(12,624)	288,265	(329,620)	(17,251)	(346,871)
Income tax expense	(5,325)	(12,624)	(17,949)	(13,541)	(17,251)	(3,710)

4. **MATERIAL ACCOUNTING POLICY INFORMATION**

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 **Property, plant and equipment and depreciation**

(a) **Owned assets**

These, other than freehold land, buildings on freehold land, plant & machinery and capital work-in-progress, are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount whereas buildings on freehold land and plant & machinery are stated at revalued amounts less accumulated depreciation and any identified impairment loss. Capital work-in-progress is stated at cost. Cost of some items of plant & machinery consists of historical cost and exchange fluctuation effects on foreign currency loans capitalised during prior years. Borrowing costs are also capitalised for the period upto the date of commencement of commercial production of the respective plant & machinery, acquired out of the proceeds of such borrowings.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised, net of tax, in statement of other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in statement of other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to retained earnings.

Depreciation is taken to statement of profit or loss applying reducing balance method so as to write-off the depreciable amount of an asset over its remaining useful life at the rates stated in note 5.1. The assets' residual values and useful lives are reviewed at each financial year-end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the date the asset acquired or capitalised has become available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised.

Normal repairs and replacements are taken to statement of profit or loss as and when incurred. Major renewals and replacements are capitalised and assets replaced, if any, other than those kept as stand-by, are retired.

Gain / loss on disposal of property, plant and equipment, if any, is taken to statement of profit or loss.

(b) Right of use assets and related liabilities

The Company generally leases retail outlets and marketing offices. At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payment includes fixed payments with annual increments. The lease liabilities are subsequently measured at amortised cost using the effective interest rate.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any. At transition, the Company recognised right to use assets equal to the present value of lease payments.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

4.2 Intangible assets and amortisation thereon

Expenditure incurred to acquire computer software are capitalised as intangible assets and stated at cost less accumulated amortisation. Amortisation is taken to statement of profit or loss applying straight-line method to amortise the cost of intangible assets over their estimated useful life. Rate of amortisation is stated in note 6.2.

4.3 Investments in Associated Company

Investments in Associated Company are accounted for by using equity basis of accounting, under which the investments in Associated Company are initially recognised at cost. The Company's share of post acquisition profit or loss is recognised in the statement of profit or loss, and its share of post acquisition movements in other comprehensive income is recognised in other comprehensive income with the corresponding adjustment to the carrying amount of the investment. Distributions received from Associated Company reduce the carrying amount of investments. Adjustments to the carrying amounts are also made for changes in the Company's proportionate interest in the Associated Company arising from changes in the Associated Company's equity that have not been recognised in the Associated Company's statement of profit or loss. The Company's share of those changes is recognised directly in equity of the Company.

The carrying amount of investments is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount and loss, if any, is recognised in statement of profit or loss.

4.4 Stores and spares

Stores and spares are stated at the lower of cost and net realisable value. The cost of inventory is based on moving average cost. Items in transit are stated at cost accumulated upto the reporting date. The Company reviews the carrying amount of stores and spares on a regular basis and provision is made for identified obsolete and slow moving items.

4.5 Stock-in-trade

Basis of valuation are as follows:

<u>Particulars</u>	<u>Mode of valuation</u>
Raw materials:	
- at warehouses	- At lower of annual average cost and net realisable value.
- in transit	- At cost accumulated to the reporting date.
Work-in-process	- At lower of cost and net realisable value.
Finished goods	- At lower of cost and net realisable value.

<u>Particulars</u>	<u>Mode of valuation</u>
Usable waste	- At estimated realisable value.
Trading goods	- At lower of cost and net realisable value.

Cost in relation to work-in-process and finished goods represents annual average manufacturing cost, which consists of prime cost and appropriate manufacturing overheads.

Provision for obsolete and slow moving stock-in-trade is determined based on the management's assessment regarding their future usability.

Net realisable value signifies the selling price in the ordinary course of business less cost of completion and cost necessary to be incurred to effect such sale.

4.6 Trade debts and other receivables

Trade debts are initially recognised at original invoice amount, which is the fair value of consideration to be received in future and subsequently measured at cost less allowance for Expected Credit Loss (ECL). Carrying amounts of trade debts and other receivables are assessed at each reporting date and allowance is made for doubtful debts and receivables when collection of the amount is no longer probable. Debts and receivables considered irrecoverable are written-off.

4.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents consist of cash-in-hand and balances with banks.

4.8 Borrowings and borrowing cost

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently measured at amortised cost using the effective interest rate method.

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

4.9 Staff retirement benefits**(a) Defined contribution plan**

The Company is operating a provident fund scheme for all its permanent employees; equal monthly contribution to the fund is made at the rate of 8.33% of the basic salaries both by the employees and the Company.

(b) Defined benefit plan

The Company operates an un-funded retirement gratuity scheme for its eligible employees. Provision for gratuity is made annually to cover obligation under the scheme in accordance with the actuarial recommendations. Latest actuarial valuation was conducted on June 30, 2024 on the basis of the projected unit credit method by an independent Actuary.

4.10 Trade and other payables

Trade and other payables are initially measured at cost, which is the fair value of the consideration to be paid in future for goods and services, whether or not billed to the Company.

4.11 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.12 Taxation**(a) Current**

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments, where necessary, relating to prior years, which arise from assessments framed / finalised during the year.

(b) Deferred

The Company accounts for deferred taxation using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is recognised for taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited to the statement of profit or loss except for deferred tax arising on surplus on revaluation of property, plant and equipment, which is charged to statement of other comprehensive income.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.13 Contingent liabilities

A contingent liability is disclosed when the Company

- has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or
- has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.14 Dividend and appropriation to reserves

Dividend distribution to the Company's shareholders and appropriation to reserves are recognised in the period in which these are approved.

4.15 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognised at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

a) Financial assets**Classification**

The Company classifies its financial assets in the following measurement categories:

- i) Amortised cost where the effective interest rate method is applied;
- ii) fair value through profit or loss; and
- iii) fair value through other comprehensive income.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in statement of profit or loss or other comprehensive income (OCI).

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Further, financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

Irrespective of the above analysis, in case of trade debts, the Company considers that default has occurred when a debt is more than 90 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The Board has approved 90 days credit policy for all mills' dealers on all products of the Company.

Impairment of financial assets

The Company assesses on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its trade debts. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Bank balances

Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Recognition of loss allowance

The Company recognises an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off result in impairment gains.

b) Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- i) fair value through profit or loss; and
- ii) other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

i) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

ii) **Other financial liabilities**

After initial recognition, other financial liabilities, which are interest bearing, subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss for the year, when the liabilities are derecognised as well as through effective interest rate amortisation process.

Derecognition of financial liabilities

The Company derecognises financial liabilities when and only when the Company's obligations are discharged, cancelled or expired.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

4.16 Foreign currency translation

Foreign currency transactions are recorded in Pak Rupees using the exchange rates prevailing at the dates of transactions. Monetary assets and liabilities in foreign currencies are translated in Pak Rupees at the rates of exchange prevailing at the reporting date. Exchange gains and losses are taken to statement of profit or loss.

4.17 Revenue recognition

Revenue from contracts with customers is recognised at the point in time when the performance obligation is satisfied i.e. control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to in exchange for those goods.

Contract assets

transferring goods to a customer before the customer pays its consideration or before payment is due.

Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs its performance obligations under the contract.

Others

Return on deposits is accounted for on 'accrual basis'.

Dividend income and entitlement of bonus shares are recognised when right to receive such dividend and bonus shares is established.

4.18 Impairment of non-financial assets

Non-financial assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of previous impairment losses, if any. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Reversal of impairment loss is restricted to the original cost of the asset.

4.19 Segment reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the approved accounting standards, is presented in note 38 to these financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		Rupees in '000	
Operating fixed assets	5.1	1,546,281	1,558,872
Right of use assets	5.7	7,468	15,274
Capital work in progress - plant & machinery		15,474	-
		<u>1,569,223</u>	<u>1,574,146</u>

5.1 Operating fixed assets - tangible

Particulars	Buildings on freehold land				Weigh-ment and Tools		Furniture and fixtures	Electric fittings	Office equip-ment	Comp-uters and T.V.	Vehicles	Arms	Total	
	Freehold land	Resid-Factory	entia	Plant & Othersmachinery	material handling equip-ment	ment								
Rupees in '000														
As at June 30, 2022														
Cost / revaluation	907,500	39,048	20,731	34,009	609,973	407	45	2,098	8,909	1,347	7,684	28,753	4,016	1,664,520
Accumulated depreciation	-	4,982	2,646	4,339	367,512	307	26	1,020	5,689	690	6,227	21,548	2,273	417,259
Book value	907,500	34,066	18,085	29,670	242,461	100	19	1,078	3,220	657	1,457	7,205	1,743	1,247,261
Year ended June 30, 2023:														
Additions	-	-	-	-	1,398	-	-	-	474	-	-	17,234	-	19,106
Revaluation adjustments:														
- Cost / revaluation	247,500	12,113	7,181	11,571	-	-	-	-	-	-	-	-	-	278,365
- depreciation	-	5,691	3,022	4,957	22,187	-	-	-	-	-	-	-	-	35,857
Disposals:														
- cost	-	-	-	-	-	-	-	-	-	-	-	68	-	68
- depreciation	-	-	-	-	-	-	-	-	-	-	-	61	-	61
	-	-	-	-	-	-	-	-	-	-	7	-	-	7
Depreciation for the year	-	2,202	1,191	1,947	12,646	5	1	54	321	33	437	2,786	87	21,710
Book value	1,155,000	49,668	27,097	44,251	253,400	95	18	1,024	3,373	624	1,013	21,653	1,656	1,558,872
Year ended June 30, 2024:														
Additions	-	3,262	-	-	7,006	-	-	-	282	-	-	1,037	-	11,587
Depreciation for the year	-	2,506	1,355	2,213	12,814	5	1	51	356	31	304	4,459	83	24,178
Book value	1,155,000	50,424	25,742	42,038	247,592	90	17	973	3,299	593	709	18,231	1,573	1,546,281
As at June 30, 2023														
Cost / revaluation	1,155,000	51,161	27,912	45,580	611,371	407	45	2,098	9,383	1,347	7,616	45,987	4,016	1,961,923
Accumulated depreciation	-	1,493	815	1,329	357,971	312	27	1,074	6,010	723	6,603	24,334	2,360	403,051
Book value	1,155,000	49,668	27,097	44,251	253,400	95	18	1,024	3,373	624	1,013	21,653	1,656	1,558,872
As at June 30, 2024														
Cost / revaluation	1,155,000	54,423	27,912	45,580	618,377	407	45	2,098	9,665	1,347	7,616	47,024	4,016	1,973,510
Accumulated depreciation	-	3,999	2,170	3,542	370,785	317	28	1,125	6,366	754	6,907	28,793	2,443	427,229
Book value	1,155,000	50,424	25,742	42,038	247,592	90	17	973	3,299	593	709	18,231	1,573	1,546,281
Depreciation rate (%)		5	5	5	5	5	5	5	10	5	30	20	5	

- 5.2 Had the operating fixed assets been recognised under the cost model, the carrying amounts of each revalued class of operating fixed assets would have been as follows:

	2024	2023
	Rupees in '000	
Freehold land	152	152
Buildings on freehold land	16,015	13,447
Plant & machinery	171,052	172,832
	<u>187,219</u>	<u>186,431</u>

- 5.3 Freehold land represents 83,466.405 square meters of land situated at D.I.Khan Road, Bannu.

- 5.4 Based on the latest revaluation exercise carried-out on November 30, 2022, forced sale values of the Company's revalued assets have been assessed at Rs.1,308.361 million.

5.5 Depreciation for the year has been apportioned as under:	2024	2023
	Rupees in '000	
Cost of sales	15,682	15,176
Administrative expenses	8,496	6,534
	<u>24,178</u>	<u>21,710</u>

- 5.6 Disposal of operating fixed assets

During the preceding year, fixed assets costing Rs.68 thousand having written down value of Rs.7 thousand were disposed-off.

5.7 Right of use assets	Note	2024	2023
		Rupees in '000	
Balance at beginning of the year		15,274	4,758
Additions during the year		-	21,440
Impact of modification - net		-	(2,068)
Depreciation charged during the year	(a)	(7,806)	(8,856)
Book value at end of the year		<u>7,468</u>	<u>15,274</u>
(a) Depreciation for the year has been apportioned as under:			
Distribution cost		5,232	8,698
Administrative expenses		2,574	158
		<u>7,806</u>	<u>8,856</u>

- (b) Right of use assets include Rs.6,420 thousand recognised against assets rented from related parties.

6. INTANGIBLE ASSETS - Computer software	2024	2023
	Rupees in '000	
Cost at beginning of the year	2,857	2,607
Additions during the year	-	250
Less: amortisation :		
- opening balance	2,182	1,652
- charge for the year	571	530
- as at June 30,	2,753	2,182
Book value as at June 30 ,	104	675

- 6.1 The Company, during the financial year ended June 30, 2020, has entered into SARP ERP Software Modules Implementation & Post Implementation Technical Support Services Agreement with CosmoSoft Business Solutions (Pvt.) Ltd. The SARP ERP software costing Rs.2.200 million has been installed during the financial year ended June 30, 2020.

- 6.2 Amortisation is charged to profit and loss account applying straight-line method at the rate of 20% per annum.

7. INVESTMENTS IN ASSOCIATED COMPANY - Quoted	2024	2023
	Rupees in '000	
Janana De Malucho Textile Mills Ltd. (JDM)		
1,559,230 (2023:1,559,230) ordinary shares of Rs.10 each - cost	27,762	27,762
100,413 shares of JDM received upon merger of BCM with and into JDM (note 7.1)	1,004	1,004
Total shares held at year-end 1,659,643 (2023: 1,659,643) Shareholding held: 25.24% (2023: 25.24%)		
Post acquisition profit and other comprehensive income brought forward including effect of items directly credited in equity by JDM	452,380	466,629
Loss for the year - net of taxation	(111,920)	(15,156)
Share of other comprehensive (loss) / income - net of taxation	261	907
Share of merger reserve	-	-
Share of revaluation surplus on property, plant and equipment	1,461,771	1,478,316
Carrying value under equity method of accounting	1,831,258	1,959,462
Less: impairment loss		
opening balance	(1,127,827)	(776,315)
charge for the year	446,514	(351,512)
closing balance	(681,313)	(1,127,827)
	1,149,945	831,635

7.1 Merger of BCM with and into JDM

The members of Babri Cotton Mills Ltd.(BCM), at the extra ordinary general meeting held on March 13, 2021 through special resolution, had approved the Scheme of Arrangement of Merger / Amalgamation of BCM with JDM under sections 279 to 285 of the Companies Act, 2017.

As per the Scheme of Merger / Amalgamation between BCM and JDM, all assets and liabilities of BCM were transferred into JDM and the members of BCM were issued shares of JDM in the ratio of 1 share of JDM for every 1.438 shares of BCM. Accordingly, the Company was allotted 100,413 shares of JDM during the preceding financial year.

- 7.2 Market value of the Company's investment in JDM as at June 30, 2024 was Rs.94.500 million (2023: Rs.66.801 million).
- 7.3 JDM was incorporated in Pakistan in the year 1960 as a Public Company and its shares are quoted on Pakistan Stock Exchange Ltd. It is principally engaged in manufacture and sale of yarn.

The summary of financial information of JDM based on its audited financial statements for the year ended June 30, 2024 is as follows:

Summarised statement of financial position	2024	2023
	Rupees in '000	
Non-current assets	7,283,092	7,681,012
Current assets	1,590,649	1,955,374
	8,873,741	9,636,386
Non-current liabilities	481,893	772,410
Current liabilities	2,355,814	2,295,847
	2,837,707	3,068,257
Net assets	6,036,034	6,568,129
Reconciliation to carrying amount		
Opening net assets	6,568,129	6,621,669
Loss the year	(467,584)	(80,276)
Other comprehensive (loss) / income for the year	(63,238)	3,592
Other adjustments	(1,273)	23,144
Closing net assets	6,036,034	6,568,129

The other adjustments mainly comprised of shares issued pursuant to the scheme of merger by JDM, gain arisen under the scheme of merger and share of revaluation surplus on property, plant and equipment of an Associated Company.

	2024	2023
	Rupees in '000	
Company's share percentage 25.24% (2023: 25.24%)		
Company's share	1,523,495	1,657,796
Adjustments **	(373,550)	(826,161)
Carrying amount of investment	1,149,945	831,635

** These adjustments have arisen due to valuation of investments based on their recoverable amount.

Summarised statement of profit or loss

Sales	5,884,712	6,016,527
Loss before taxation	(536,751)	(102,686)
Loss after taxation	(467,584)	(80,276)

7.4 The value of investments in JDM as at June 30, 2024 and June 30, 2023 is based on independent valuation carried-out by M/s Reanda Haroon Zakaria Aamir Salman Rizwan, Chartered Accountants - a QCR rated firm, having office at 275, Block H1, M.A. Johar Town, Lahore, engaged by the management. The Company has been using the Discounted Cash Flow (DCF) method to calculate Value in Use (VIU) under IAS 36 (Impairment of Assets). However, economic challenges, such as inflation, currency devaluation and increased assets revaluation, have necessitated a reassessment of the impairment assessment approach. Therefore, keeping in view the requirements of IAS 36, a revised model, known as the Market Value of Net Assets Approach has adopted to calculate the VIU. This model provides a more accurate reflection of the investments value, especially for capital-intensive entities. This change in the VIU calculation method has led to reversal of the impairment loss for the year ended June 30, 2024. This change in estimate has been applied prospectively. These calculations have been made on discounted cash flow based valuation methodology, which assumed gross profit margin of 10.20% (2023: 10.80%), terminal growth rate 9.4% (2023: 3.82%) and capital asset pricing model based discount rate of 21.32% (2023: 19.09%)

8. STORES AND SPARES	Note	2024	2023
		Rupees in '000	
Stores		82,549	72,975
Spares		70,264	40,812
		152,813	113,787
Less: provision for slow moving stores and spares		2,000	2,000
		150,813	111,787

8.1 The Company does not hold any stores and spares for specific capitalisation.

9. STOCK-IN-TRADE

Raw materials:

- at warehouse		78,295	52,915
- in transit		12,732	-
		91,027	52,915

Work-in-process		67,002	59,527
Finished goods- own manufactured	9.1	657,087	534,851

		815,116	647,293
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9.1 Raw materials and finished good inventories as at June 30, 2024 were pledged with National Bank of Pakistan as security for short term finance facilities (note 20).

10. TRADE DEBTS - Unsecured

	Note	2024	2023
		Rupees in '000	
Considered good		125,963	290,167
Considered doubtful		21,974	22,900
		147,937	313,067

Less: allowance for expected credit loss	10.1	(21,811)	(21,568)
		126,126	291,499

10.1 Allowance for expected credit loss

Balance at beginning of the year		21,568	21,296
Charge for the year		243	272
Balance at end of the year		21,811	21,568

11. PREPAYMENTS AND OTHER RECEIVABLES	2024	2023
Note	Rupees in '000	
Prepayments	1,673	385
Letters of credit	338	-
Others	-	528
	2,011	913
12. CASH AND BANK BALANCES		
Cash-in-hand	9	296
Cash at banks on:		
- current accounts	606	2,405
- dividend accounts	56	56
- PLS accounts	3,635	52,429
12.1	4,297	54,890
	4,306	55,186

12.1 These carry profit at the rates ranging from 10.00% to 20.50% (2023: 6.5% to 19.50%) per annum.

13. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2024	2023		2024	2023
--- Numbers ---			Rupees in '000	
2,259,375	2,259,375	Ordinary shares of Rs.10 each fully paid in cash	22,594	22,594
7,246,875	7,246,875	Ordinary shares of Rs.10 each issued as fully paid bonus shares	72,469	72,469
9,506,250	9,506,250		95,063	95,063

13.1 Ordinary shares held by the Associated Companies at the year-end:

	2024	2023
	-- Number of shares --	
Janana De Malucho Textile Mills Ltd.	731,626	731,626
Bibojee Services (Pvt.) Ltd.	2,572,312	2,497,872
The Universal Insurance Company Ltd.	0	8,940
	3,303,938	3,238,438

13.2 The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All the shares rank equally with regard to the Company's residual assets.

13.3 The Company has one class of ordinary shares, which carries no right to fixed income.

13.4 The Company has no reserved shares for issuance under options and sale contracts.

13.5 Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

14. RESERVES		2024	2023
14.1 Capital - Share premium reserve:	Note	Rupees in '000	
859,375 shares @ Rs.7.50 per share issued during the financial year 1991-92		6,445	6,445
650,000 right shares @ Rs.20.00 per share issued during the financial year 1993-94		13,000	13,000
		19,445	19,445
14.2 Revenue - general reserve		154,055	154,055
15. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - Net			
Surplus on revaluation of the Company's property, plant and equipment	15.2	1,281,744	1,288,422
Share of surplus on revaluation of property, plant and equipment of an Associated Company	7	1,461,771	1,478,316
		2,743,515	2,766,738
15.1 The Company had revalued its freehold land on October 01, 1978, May 15, 1999, June 30, 2004, February 20, 2011, March 31, 2012, May 31, 2016 and October 31, 2019. Buildings on freehold land and plant & machinery were revalued on October 01, 1978, June 30, 2004, February 20, 2011, March 31, 2012, May 31, 2016 and October 31, 2019. These fixed assets were revalued by Independent Valuers on the basis of market value / depreciated market values and resulted in revaluation surplus aggregating Rs.1,196.266 million.			
15.2 The Company, during the preceding year on November 30, 2022, has again revalued its freehold land, buildings on freehold land and plant & machinery. The latest revaluation exercise has been carried out by independent Valuers - AXIS Consultants (Smc - Pvt.) Ltd., Deans Trade Centre, Peshawar Cantt. Freehold land has been revalued on the basis of current market value whereas buildings on freehold land and plant & machinery have been revalued on the basis of depreciated market values. The appraisal surplus arisen on latest revaluation aggregating Rs.314.222 million has been credited to this account. The year-end balance has been arrived at as follows:			
	Note	2024	2023
		Rupees in '000	
Opening balance		1,342,982	1,037,199
Add: surplus arisen on revaluation carried-out during the year		-	314,222
Less: transferred to unappropriated profit on account of incremental depreciation for the year		(9,406)	(8,439)
		1,333,576	1,342,982
Less: deferred tax on:			
- opening balance of surplus		54,560	37,658
- surplus arisen on revaluation carried-out during the year		-	19,349
- incremental depreciation for the year		(2,728)	(2,447)
		51,832	54,560
Closing balance		1,281,744	1,288,422

16. LEASE LIABILITIES	2024	2023
	Rupees in '000	
Balance at beginning of the year	20,083	6,923
Additions during the year	-	21,441
Impact of modifications - net	-	(2,068)
Interest accrued	4,053	2,694
Repaid during the year	(11,418)	(8,907)
	<u>12,718</u>	<u>20,083</u>
Current portion grouped under current liabilities	(8,622)	(7,365)
Balance at end of the year	<u>4,096</u>	<u>12,718</u>

16.1 These represent lease contracts for retail outlets, marketing offices and Lahore guest house used in the Company's operations having lease terms of three years. These have been discounted using incremental borrowing rate of the Company and include Rs.9,243 thousand (2023: Rs.12,830 thousand) due to Gammon Pakistan Ltd. (an Associated Co.) and Rs.2,030 thousand (2023: Rs.3,460 thousand) due to a related party.

16.2 The future minimum lease payments to which the Company is committed under the lease agreements will be due as follows:

Particulars	2024			2023		
	Upto one year	From one to three years	Total	Upto one year	From one to three years	Total
	----- Rupees in '000 -----					
Minimum lease payments	10,673	4,435	15,108	11,418	15,108	26,526
Less: finance cost allocated to future periods	(2,051)	(339)	(2,390)	(4,053)	(2,390)	(6,443)
Present value of minimum lease payments	<u>8,622</u>	<u>4,096</u>	<u>12,718</u>	<u>7,365</u>	<u>12,718</u>	<u>20,083</u>

17. STAFF RETIREMENT BENEFITS - Gratuity

17.1 The future contribution rates of this scheme include allowance for deficit and surplus. Projected unit credit method, based on the following significant assumptions, is used for valuation:

Significant actuarial assumptions	2024	2023
- discount rate	14.75%	16.25%
- expected rate of growth per annum in future salaries	13.75%	22.75%
- mortality rates	SLIC	SLIC
	2001-2005	2001-2005
	Setback 1 year	
- withdrawal rates	Age-based	Age-based
- retirement assumption	Age 60	Age 60

17.2 Amount recognised in the statement of financial position is the present value of defined benefit obligation at the reporting date.

The movement in the present value of defined benefit obligation is as follows:	2024	2023
	Rupees in '000	
Opening balance	131,259	101,747
Current service cost	19,040	14,841
Interest cost	19,313	13,056
Benefits paid	(23,545)	(6,422)
Remeasurements:		
- experience adjustments	882	(410)
- (gain) / loss due to changes in financial assumptions	(364)	8,447
Closing balance	<u>146,585</u>	<u>131,259</u>
Expense recognised in statement of profit or loss :		
Current service cost	19,040	14,841
Interest cost	19,313	13,056
	<u>38,353</u>	<u>27,897</u>
Remeasurement recognised in other comprehensive income	<u>518</u>	<u>8,037</u>

Comparison of present value of defined benefit obligation and experience adjustment on obligation for five years is as follows:

	2024	2023	2022	2021	2020
	----- Rupees in '000 -----				
Present value of defined benefit obligation	<u>146,585</u>	<u>131,259</u>	<u>101,747</u>	<u>77,582</u>	<u>67,096</u>
Experience adjustments on obligation	<u>518</u>	<u>8,037</u>	<u>9,693</u>	<u>3,964</u>	<u>(185)</u>

Year-end sensitivity analysis:	Impact on defined benefit obligation		
	Change in assumption	Increase	Decrease
	Rupees in '000		
Discount rate	1%	<u>134,548</u>	<u>157,758</u>
Salary growth rate	1%	<u>157,909</u>	<u>134,235</u>

17.3 The average duration of the defined benefit obligation as at June 30, 2024 is 8 years.

17.4 The expected contribution to defined benefit obligation for the year ending June 30, 2025 is Rs.37.986 million.

18. DEFERRED TAXATION - Net	Note	2024	2023
		Rupees in '000	
This is composed of the following:			
Taxable temporary differences arising in respect of :			
- accelerated tax depreciation allowances		38,625	38,474
- surplus on revaluation of property, plant & equipment	15.2	51,832	54,560
		<u>90,457</u>	<u>93,034</u>
Deductible temporary differences arising in respect of :			
- provision against slow moving stores and spares		(580)	(580)
- provision for impairment of trade debts		(6,325)	(6,255)
- minimum tax levy recoverable against normal tax charge in future years		(25,128)	(14,286)
- lease liabilities		(5,854)	(1,394)
		<u>52,570</u>	<u>70,519</u>
19. TRADE AND OTHER PAYABLES			
Creditors		4,100	4,502
Security deposits - interest free, repayable on demand	19.1	11,200	8,700
Accrued expenses		74,992	85,610
Due to Waqf-e-Kuli Khan		3,674	4,104
Tax deducted at source		1	90
Staff retirement benefits (gratuity) due but unpaid		1,272	1,272
Workers' (profit) participation fund	19.2	2	2,036
Workers' welfare fund		4,052	5,070
Sales tax payable		-	2,442
Others		704	405
		<u>99,997</u>	<u>114,231</u>
19.1 These represent interest free security deposits received from the Company's dealers. The amounts received have been utilised for the purpose of business in accordance with the written agreements entered into with the dealers.			
19.2 Workers' (profit) participation fund			
		2024	2023
		Rupees in '000	
Opening balance		2,036	2,880
Add: allocation for the year		-	2,030
Less: payments made during the year		2,034	2,874
Closing balance		<u>2</u>	<u>2,036</u>

20. SHORT TERM FINANCES - Secured

Short term finance facilities available from National Bank of Pakistan (NBP) under mark-up arrangements aggregate Rs.450 million (2023: Rs.450 million). NBP, during the year, charged mark-up on these finance facilities at the rates ranging from 23.62% to 25.46% (2023: 17.41% to 24.23%) per annum; mark-up is payable on quarterly basis. Facilities available for opening letters of credit aggregate Rs.100 million (2023: Rs.100 million), which to the extent of Rs.49.547 million (2023: Rs.100 million) remained unutilised at the reporting date. The aggregate facilities are secured against pledge of stocks for Rs.333.340 million, first charge on current and fixed assets of the Company for Rs.266.670 million and lien on import documents. These facilities are available upto January 31, 2025.

21. PROVISION FOR TAX LEVIES & INCOME TAXES	2024	2023
	Rupees in '000	
Opening balance	13,735	12,859
Add: provision made during the year:		
- current	11,153	13,005
- prior year	1,471	4,246
	12,624	17,251
Less: payments / adjustments made during the year against completed assessments	(14,477)	(16,375)
Closing balance	11,882	13,735

- 21.1** Income tax assessments of the Company have been completed upto the tax year 2023 i.e. accounting year ended June 30, 2023. Provision made for the current and prior year tax levies represent minimum tax payable under section 113 of the Income Tax Ordinance, 2001 (the Ordinance).
- 21.2** Minimum tax under section 113 of the (the Ordinance) relevant to tax years 2010, 2011 and 2012 has been deleted in the amended Finance Act, 2015 as per sub-clause (xx) of clause (11A) in part IV of the second schedule to the Ordinance. The Company's writ petition filed before the Islamabad High Court has been withdrawn on November 12, 2020 as the Company's grievance stood redressed and petition has become infructuous. The Company would not be liable for payment of any tax amount for the tax years 2010, 2011 and 2012.
- 21.3** The Company has filed a reference application before the Lahore High Court on December 01, 1994 against the orders of the Appellate Tribunal Inland Revenue (ATIR) for setting-aside the decisions for the Assessment Years 1986-87 to 1988-89; however, no additional tax liability is likely to arise in case of an adverse judgment by the Court.
- 21.4** The Income Tax Department (the Department) for the tax year 2004 has charged tax under section 122(5A) of the Ordinance amounting Rs.1.781 million against which a reference application is pending adjudication before the Lahore High Court. The Department, however, on July 09, 2010 has issued an order under section 221 of the Ordinance creating demand of Rs.775 thousand.
- 21.5** The Commissioner Inland Revenue - Appeals (CIRA) for the tax year 2008 has decided the appeal in the Company's favour on December 12, 2014 and deleted the demand of Rs.4.368 million. The Department has filed further appeal before the ATIR on June 02, 2016, which is pending adjudication.

- 21.6** The Department for the tax year 2009 had charged tax under section 122(5A) of the Ordinance amounting Rs.3.553 million on November 25, 2014 against which the Company filed an appeal with the CIRA, who decided the appeal against the Company. The Company as well as the Department have filed further appeals before the ATIR on May 17, 2016, which has been decided in favour of the Company.
- 21.7** The Department for the tax year 2013 had charged tax under section 221 of the Ordinance (Rectification of mistakes) amounting Rs.28.673 million on April 08, 2013 against which the Company filed an appeal before the CIRA, who decided the appeal on August 18, 2015 against the Company. The Company as well as the Department have filed further appeals before the ATIR on August 26, 2015, which are pending adjudication. The Company, however, has paid the whole of the demand and no further provision is required. The ATIR has remand back the case to DCIR. The DCIR has again created the demand of Rs.26.580 million. However the Company has again filed an appeal with ATIR Lahore. The whole of the demand has been paid by the Company as such no provision is required.
- 21.8** The Assessing Officer, during the financial year ended June 30, 2017, had imposed tax amounting Rs.972 thousand on June 15, 2016 for late filing of statements under sections 165/182 of the Ordinance for some of the months of tax year 2016. The Company had filed an appeal before the CIRA, who decided the case in favour of the Company on November 22, 2017. The Department against the said order filed an appeal before the ATIR on January 19, 2018, who vide his order dated January 27, 2024, has been decided the case in favour of Company. However, the department has filed further appeal with ATIR.

22. CONTINGENCIES AND COMMITMENTS

- 22.1** Refer contents of notes 21.3 to 21.8.

	Note	2024 Rupees in '000	2023
22.2 Commitments against irrevocable letters of credit for raw materials and spare parts		<u>50,453</u>	<u>-</u>
23. SALES - Net			
Own manufactured:			
Fabrics and blankets		1,056,280	1,223,546
Waste		-	74
		<u>1,056,280</u>	<u>1,223,620</u>
Less: sales tax		161,991	184,886
discount	23.1	3,021	-
		<u>165,012</u>	<u>184,886</u>
		<u>891,268</u>	<u>1,038,734</u>

- 23.1** This represented cash discount to dealers and customers.

24. COST OF SALES	Note	2024	2023
Rupees in '000			
Raw materials consumed	24.1	313,187	374,631
Salaries, wages and benefits	24.2	282,161	245,772
Power and fuel		103,326	72,624
Stores and spares consumed		27,239	31,891
Repair and maintenance		40,164	65,623
Depreciation	5.5	15,682	15,176
Insurance		5,564	5,269
Others		1,654	1,682
		<u>788,977</u>	<u>812,668</u>
Adjustment of work-in-process			
Opening		59,527	77,424
Closing	9	(67,002)	(59,527)
		<u>(7,475)</u>	<u>17,897</u>
Cost of goods manufactured		<u>781,502</u>	<u>830,565</u>
Adjustment of finished goods			
Opening stock		534,851	476,187
Closing stock	9	(657,087)	(534,851)
		<u>(122,236)</u>	<u>(58,664)</u>
		<u>659,266</u>	<u>771,901</u>
24.1 Raw materials consumed			
Opening stock		52,915	116,981
Add: purchases		351,299	310,565
		<u>404,214</u>	<u>427,546</u>
Less: closing stock	9	91,027	52,915
		<u>313,187</u>	<u>374,631</u>
24.2 These include contribution to staff provident fund aggregating Rs.3.820 million (2023: Rs.3.100 million). These also include staff retirement benefits - gratuity amounting Rs.33.220 million (2023: Rs.24.331 million).			
25. DISTRIBUTION COST	Note	2024	2023
Rupees in '000			
Salaries and benefits	25.1	23,929	17,354
Travelling		905	428
Rental arrears of prior years - net		269	7,341
Outward freight		347	351
Advertisement and sales promotion		461	399
Communication		395	463
Repair and maintenance		304	147
Vehicles' running		172	220
Depreciation on right of use assets	5.7	5,232	8,698
Others		1,065	991
		<u>33,079</u>	<u>36,392</u>

25.1 These include contribution to staff provident fund aggregating Rs.112 thousand (2023: Rs.80 thousand). These also include staff retirement benefits - gratuity amounting Rs.1,985 thousand (2023: Rs.1,327 thousand).

26. ADMINISTRATIVE EXPENSES	Note	2024	2023
Rupees in '000			
Salaries and benefits	26.1	83,268	75,711
Travelling - directors		224	75
- others		1,578	1,814
Rent, rates and taxes		2,002	3,015
Entertainment / guest house expenses		5,119	3,951
Communication		1,407	1,126
Printing and stationery		2,049	2,072
Electricity		19,235	11,250
Insurance		113	111
Repair and maintenance		1,432	3,696
Vehicles' running		8,225	6,171
Advertisement		501	670
Subscription / papers and periodicals		2,735	794
Depreciation on operating fixed assets	5.5	8,496	6,534
Depreciation on right of use assets	5.7	2,574	158
Amortisation	6	571	530
Auditors' remuneration:			
- statutory audit		1,362	1,362
- half yearly review		296	254
- certification charges		237	235
- out-of-pocket expenses		55	40
- prior year adjustment		296	-
		2,246	1,891
Legal and professional charges (other than Auditors)		3,292	3,150
		145,067	122,719

26.1 These include contribution to staff provident fund aggregating Rs.2.475 million (2023: Rs.2.119 million). These also include staff retirement benefits - gratuity amounting Rs.3.148 million (2023: Rs.2.240 million).

27. OTHER EXPENSES	Note	2024	2023
Rupees in '000			
Donation to Waqf-e-Kuli Khan	27.1	-	719
Workers' (profit) participation fund		-	2,030
Workers' welfare fund		-	808
Provision for impairment of trade debts - net	10.1	243	272
		243	3,829

27.1 This represents provision made for donation to be made to Waqf-e-Kuli Khan, (a Charitable Institution) administered by the following directors of the Company:

- Mr. Ahmad Kuli Khan Khattak
- Mrs. Shahnaz Sajjad Ahmad
- Lt. General (Retd.) Ali Kuli Khan Khattak
- Dr. Shahin Kuli Khan Khattak

28. OTHER INCOME	Note	2024	2023
Rupees in '000			
Income from financial assets			
Mark-up earned on PLS accounts		3,880	2,250
Gain on foreign currency transactions		52	-
Income from other than financial assets			
Sale of empties / scrap		999	1,669
Gain on sale of operating fixed assets	5.6	-	13
		999	1,682
		4,931	3,932
29. FINANCE COST			
Interest on lease liabilities	16	4,053	2,694
Mark-up on short term finances		88,009	67,916
Bank and other charges		187	167
		92,249	70,777
30. MINIMUM TAX LAVIES			
Current:			
- for the year		11,153	13,005
- for prior year		1,471	4,246
	21	12,624	17,251
30.1 The Company is liable to pay minimum tax due under section 113 (Minimum tax on the income of certain persons based on revenue) of the Income Tax Ordinance, 2001. The amount has been classified as tax levy and is adjustable against normal income tax liability in future tax years.			
31. EARNINGS / (LOSS) PER SHARE			
		2024	2023
Rupees in '000			
There is no dilutive effect on loss per share of the Company, which is based on:			
Profit / (loss) after taxation attributable to ordinary shareholders			
		306,214	(343,161)
- - - No. of shares - - -			
Weighted average number of shares in issue during the year			
		9,506,250	9,506,250
----- Rupees -----			
Earnings / (loss) per share - basic			
		32.21	(36.10)

32. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

32.1 Financial instruments by category	2024	2023
	Rupees in '000	
Financial assets		
At amortised cost		
Security deposits	3,794	3,794
Advances to employees	22,125	37,857
Trade debts	147,937	313,067
Other receivables	338	528
Bank balances	4,297	54,890
	<u>174,697</u>	<u>406,342</u>
Financial liabilities		
At amortised cost		
Lease liabilities	12,718	20,083
Trade and other payables	95,942	104,593
Unpaid dividends	3,452	3,452
Unclaimed dividends	4,746	4,746
Accrued mark-up	22,588	22,298
Short term finances	396,799	416,745
	<u>536,245</u>	<u>571,917</u>

32.2 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk, price risk and currency risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried-out by the Company's finance department under policies approved by the board of directors. The Company's finance department evaluates financial risks based on principles for overall risk management as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity, provided by the board of directors.

32.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: currency risk, interest rate risk and price risk.

(a) Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company is exposed to currency risk on import of plant & machinery, raw materials and stores & spares denominated mainly in U.S. \$ and Euro.€. The Company's exposures to foreign currency risk for U.S. \$ and Euro.€ at the reporting date were as follows:

Non-funded:	2024	2023
	Rupees in '000	
Outstanding letters of credit - U.S.\$ 120,000 and Euro.€ 56,960 (2023: U.S.\$ Nil and Euro.€ Nil)	50,453	-

The following exchange rates were applied

	Average rate	Reporting date rate
2024		
U.S. \$ to Rupee	282.60	278.80
Euro.€ to Rupee	305.65	298.41
2023		
U.S. \$ to Rupee	216.35	285.99
Euro.€ to Rupee	227.50	312.93

Sensitivity analysis

Not applicable as no funded foreign currency liability was outstanding as at June 30, 2024 and June 30, 2023.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2024	2023	2024	2023
	Effective rate		Rupees in thousand	
	%	%	Carrying amount	
Financial assets				
Bank balances	10.00% to 20.50%	6.5% to 19.50%	3,635	52,429
Variable rate instruments				
Financial liabilities				
Short term finances	23.62% to 25.46%	17.41% to 24.23%	396,799	416,745

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through statement of profit or loss. Therefore, a change in interest rates at the reporting date would not affect statement of profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2024, if interest rate on variable rate financial liabilities had been 1% higher / lower with all other variables held constant, profit before taxation for the year would have been lower / higher by Rs.3,968 thousand (2023: Rs.4,167 thousand) mainly as a result of higher / lower interest expense on variable rate financial liabilities.

(c) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instruments or its issuer or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant price risk.

32.4 Credit risk exposure and concentration of credit risk

Credit risk represents the risk of a loss if the counter party fails to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the credit worthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk primarily arises from trade debts and balances with banks. To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other relevant factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period of 90 days (2023: 90 days) for all shirting fabrics including blankets and shawls and 90 days (2023: 90 days) for blazer cloth to reduce the credit risk. The credit quality of the Company's major bank balances can be assessed with reference to the external credit ratings as follows:

Banks	Short term rating	Long term rating	Agency
Allied Bank Ltd.	A1+	AAA	PACRA
Bank Alfalah Ltd.	A1+	AA+	PACRA
Meezan Bank Ltd.	A1+	AAA	VIS
National Bank of Pakistan	A1+	AAA	PACRA
The Bank of Khyber	A-1	A+	VIS
SAMBA Bank Ltd.	A-1	AA	VIS

Exposure to credit risk

Maximum exposure to credit risk at the reporting date along with comparative is tabulated below:

	2024	2023
	Rupees in thousand	
Security deposits	3,794	3,794
Trade debts	147,937	313,067
Bank balances	4,297	54,890
	156,028	371,751

All the trade debts at the reporting date represent domestic parties.

The ageing of trade debts at the year-end was as follows:

Not past due	5,144	93,828
Past due 1 - 30 days	52,665	21,848
Past due 30 - 90 days	1,643	45,743
Past due above 90 days	88,486	151,648
	147,938	313,067

Trade debts are due from local customers for local sales. All the trade debts are unsecured and considered good. Management assesses the credit quality of local customers taking into account their financial position, past experience and other factors. For bank balances, financial institutions with strong credit ratings are accepted. Credit risk on bank balances is limited as these are placed with banks having good credit ratings.

The Company measures the loss allowance for trade debts at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on local trade debts are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognised a loss allowance of Rs.243 thousand (2023: Rs.272 million) during the current year. At year-end provision for expected credit loss balance amounted Rs.21.811 million (2023: Rs.21.568 million).

32.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible, to always have sufficient liquidity to meet its liabilities when due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of adequate credit facilities. The Company's treasury department aims at maintaining flexibility in funding by keeping committed credit lines available.

Financial liabilities in accordance with their contractual maturities are presented below:

	Carrying amount	Contractual cash flows having maturity of less than one year	Contractual cash flows having maturity of more than one year
----- Rupees in '000 -----			
June 30, 2024			
Lease liabilities	12,718	10,673	4,435
Trade and other payables	95,942	95,942	-
Unpaid dividends	3,452	3,452	-
Unclaimed dividends	4,746	4,746	-
Accrued mark-up	22,588	22,588	-
Short term finances	396,799	396,799	-
	<u>536,245</u>	<u>534,200</u>	<u>4,435</u>
June 30, 2023			
Lease liabilities	20,083	11,418	15,108
Trade and other payables	104,593	104,593	-
Unpaid dividends	3,452	3,452	-
Unclaimed dividends	4,746	4,746	-
Accrued mark-up	22,298	22,298	-
Short term finances	416,745	517,722	-
	<u>571,917</u>	<u>664,229</u>	<u>15,108</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective at the respective year-ends. The rates of mark-up have been disclosed in the respective notes to these financial statements.

33. MEASUREMENT OF FAIR VALUES

The management, as at November 30, 2022, has engaged an independent external Valuer to carry out valuation of its freehold land, buildings on freehold land and plant & machinery. Selection criteria included market knowledge, reputation, independence and whether professional standards are maintained. When measuring the fair value of an asset, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in 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 the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

34. REMUNERATION OF CHIEF EXECUTIVE, EXECUTIVE DIRECTOR AND EXECUTIVES

Particulars	Chief Executive		Executive Director		Total		Executives	
	2024	2023	2024	2023	2024	2023	2024	2023
	----- Rupees in '000 -----							
Remuneration (including bonus)	6,438	6,788	500	1200	6,938	7,988	73,644	61,981
Retirement benefits	542	542	-	-	542	542	5,042	3,953
House rent	1,715	1,715	-	-	1,715	1,715	2,628	2,184
Insurance	31	31	-	-	31	31	64	61
Reimbursement of medical and other expenses	-	-	-	-	-	-	2,408	1,778
Utilities	535	308	5	31	540	339	1,141	852
	9,261	9,384	505	1231	9,766	10,615	84,927	70,809
Number of persons	1	1	1	1	2	2	14	13

- 34.1** The chief executive and executives have been provided with free use of the Company maintained cars. The chief executive has also been provided with free use of residential telephone.
- 34.2** In addition to above, meeting fees of Rs.3.100 million (2023: Rs.3.240 million) were also paid to six (2023: six) non-working directors.
- 34.3** The remuneration of executive director represents the salary of Dr. Shahin Kuli Khan Khattak, Executive Director of Public Relations (EDPR), excluding meeting fee from July 2023 to November 2023. This salary arrangement concluded in November 2023.

35. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Lease liabilities	Short term finances	Dividend	Accrued mark-up	Total
----- Rupees in '000 -----					
Balance as at June 30, 2022	6,923	377,528	8,232	10,971	403,654
Changes from financing activities					
Lease liabilities - obtained	21,441	-	-	-	21,441
- repaid	(8,907)	-	-	-	(8,907)
Short term finances obtained net of repayments	-	39,217	-	-	39,217
Dividend paid	-	-	(34)	-	(34)
Finance cost paid	-	-	-	(56,756)	(56,756)
	12,534	39,217	(34)	(56,756)	(5,039)
Other changes					
Interest / mark-up expense	2,694	-	-	68,083	70,777
Impact of modification	(2,068)	-	-	-	(2,068)
	626	-	-	68,083	68,709
Balance as at June 30, 2023	20,083	416,745	8,198	22,298	467,324
Changes from financing activities					
Lease liabilities - repaid	(11,418)	-	-	-	(11,418)
Short term finances obtained net of repayments	-	(19,946)	-	-	(19,946)
Dividend paid	-	-	-	-	-
Finance cost paid	-	-	-	(87,906)	(87,906)
	(11,418)	(19,946)	-	(87,906)	(119,270)
Other changes					
Interest / mark-up expense	4,053	-	-	88,196	92,249
Impact of modification	-	-	-	-	-
	4,053	-	-	88,196	92,249
Balance as at June 30, 2024	12,718	396,799	8,198	22,588	440,303

36. TRANSACTIONS WITH RELATED PARTIES

- 36.1** The Company's shareholders vide a special resolution dated March 27, 2024 have enhanced the previous approved limit of Rs.12.500 million to Rs.25.000 million on account of transactions among Associated Companies of the Group, which fall under normal trade transactions for sale and purchase of some store and spare parts, purchase of raw material and certain other related transactions not falling under the purview of section 199 of the Companies Act, 2017 (the Act) or the regulations made thereunder.

The Chief Financial Officer of the Company has been authorized by the members of the Company vide a special resolution dated March 27, 2024 to approve all the transactions carried out and to be carried out in normal course of business with associated companies / related parties during the year ending June 30, 2024 and in this connection, the Chief Financial Officer be and is hereby also authorized to take any and all necessary actions and sign/ execute any and all such documents/ indentures as may be required in this regard on behalf of the Company.

- 36.2** Dr. Shahin Kuli Khan Khattak, a non-executive director with effect from July 01, 2022, was appointed as Executive Director Public Relations (EDPR) at a gross salary of Rs.600,000 per month in addition to utilities and other perquisites. The salary and other expenses of EDPR are being shared with five other Associated Companies on a pro rata basis. The salary arrangement concluded in November, 2023.
- 36.3** The Company, Janana De Malucho Textile Mills Ltd. and Rahman Cotton Mills Ltd. (Associated Companies), on January 01, 2023, have entered into a lease rental agreement with the Company's Chief Operating Officer (COO) whereby property owned by COO situated at Tufail Road, Lahore has been rented at monthly rent of Rs.465,000 with 10% annual increment. The rent and utilities are being shared by the Company and above mentioned Associated Companies on a pro rata basis.
- 36.4** Maximum aggregate debit balance of Associated Companies at any month-end during the year was Rs.2,165 thousand (2023: Rs.11,213 thousand).
- 36.5** The related parties of the Company comprise of Associated Companies, its directors, key management personnel and employees' provident fund. The Company in the normal course of business carries-out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Amounts due to / from them are disclosed in the relevant notes. The transactions with related parties are made at normal market prices.

36.6 Name and nature of relationship

Associated Companies and Undertaking

Due to significant influence

Janana De Malucho Textile Mills Ltd. 25.24% (2023: 25.24%) shares held in JDM.

Due to common directorships

Rahman Cotton Mills Ltd.

Gammon Pakistan Ltd.

Bibojee Services (Pvt.) Ltd.

The Universal Insurance Company Ltd.

Waqf-e-Kuli Khan

The Ghandhara Tyre and Rubber Company of Pakistan Ltd.

Ghandhara Automobiles Ltd.

Ghandhara Industries Ltd.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the entity. The Company considers its Chief Executive, directors and all team members of its management team to be its key management personnel.

36.7 Significant transactions with the related parties

Name	Nature of relationship	Nature of transaction	2024 Rupees in '000	2023
Janana De Malucho Textile Mills Ltd.	Associated Company	Purchase of raw-materials	-	4,128
		Utilities / expenses paid	437	274
		Salaries & benefits paid	3,484	2,320
Gammon Pakistan Ltd.	-do-	Rent accrued:		
		- current year	6,344	4,292
		- prior years	-	7,230
Mr. Khalid Kuli Khan Khattak (Chief Operating Officer)		Utilities / expenses paid	-	637
		Rental paid	2,046	1,860
		Utilities / expenses paid	840	570
The Universal Insurance Company Ltd.	-do-	Share in salaries & benefits paid to EDPR	686	1,590
Ghandhara Automobiles Ltd.	-do-	Purchase of vehicles	-	16,820
Key management personnel		Salaries and benefits	57,381	45,013
		Loan provided	438	1,667
		Loan recovered	(836)	(1,290)
Contribution towards provident fund			6,407	5,308

37. CAPITAL RISK MANAGEMENT

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company also monitors capital using a gearing ratio, which is net debt, lease liabilities, mark-up bearing short term finances less cash and bank balances. Capital signifies equity as shown in the statement of financial position plus net debt. The gearing ratio as at June 30, 2024 and June 30, 2023 is as follows:

	2024 Rupees in '000	2023
Lease liabilities	12,718	20,083
Short term finances	396,799	416,745
Cash and bank balances	(4,306)	(55,186)
Net debt	405,211	381,642
Share capital	95,063	95,063
Share premium reserve	19,445	19,445
Revaluation surplus on property, plant and equipment	2,743,515	2,766,738
General reserve	154,055	154,055
(Accumulated loss) / unappropriated profit	120,965	(191,670)
Equity	3,133,043	2,843,631
Capital	3,538,254	3,225,273
Gearing ratio (Net debt / (Net debt + Equity))	11.45%	11.83%

38. OPERATING SEGMENT

These financial statements have been prepared on the basis of single reportable segment.

- 38.1** Fabric and blanket sales represent 99.99% (2023: 99.99%) of the total gross sales of the Company.
- 38.2** All of the Company's sales relate to customers in Pakistan.
- 38.3** All non-current assets of the Company as at June 30, 2024 are located in Pakistan.
- 38.4** Six (2023: Eight) of the Company's customers having sales aggregating Rs.733.849 million (2023: Rs.946.183 million) contributed towards 69.58% (2023: 77.33%) of the Company's gross sales. Three (2023: Three) out of six (2023: eight) customers individually exceeded 10% of total gross sales.

39. CAPACITY AND PRODUCTION

It is difficult to describe precisely the production capacity in woollen spinning / weaving mills since it fluctuates widely depending on various factors such as types of material used, count of yarn spun, spindles' speed, twist, the present working condition of the machinery, specification of various products manufactured from time to time and power break downs, etc. Estimated capacity based on single working shift along with the actual production based on three shifts working is given below:

Yarn	2024	2023
Number of spindles installed	3,794	3,794
Number of spindles/shifts worked	1,306,085	1,620,603
Installed capacity at 5 Nm count (Kgs.)	2,391,094	2,391,094
Actual production converted into 5 Nm count (Kgs.)	817,354	1,008,516
Number of shifts worked	403	747
Cloth		
Number of looms installed	50	50
Number of looms/shifts worked	10,205	14,634
Installed capacity of 50 operational looms at 30 picks (Meters) (single shift)	1,647,752	1,647,752
Actual production converted into 30 picks (Meters) (03 shifts)	983,791	1,223,495
Number of shifts worked	462	638

- 39.1** The Company's mills, during the current financial year, had remained closed for 46 days (June 30, 2023: 48 days) due to current economic situation and reduction in anticipated orders from the mills dealers
- 39.2** During the financial year ended June 30, 2024, the Company produced 7,530 meters (2023: 74,348 meters) of cotton fabric externally by outsourcing.

40. NUMBER OF EMPLOYEES

----- Numbers -----

Number of permanent persons employed as at June 30,	447	579
Average number of permanent employees during the year	438	569

41. PROVIDENT FUND RELATING DISCLOSURES

Investments out of the provident fund have been made in accordance with the requirements of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

42. SHAHRIAH SCREENING DISCLOSURE

	----- 2024 -----		----- 2023 -----	
	Convent -ional	Shariah Compliant	Convent -ional	Shariah Compliant
	----- Rupees in '000 -----			
Short term borrowings	396,799	-	416,745	-
Accrued mark-up	22,588	-	22,298	-
Investment in an associated company	1,149,945	-	831,635	-
Bank balances	2,454	1,852	31,772	23,414
Share of loss of Associated Company	(111,920)	-	(15,156)	-
Impairment loss on investments in an Associated Company reversed / (recognised)	446,514	-	(351,512)	-
Share of other comprehensive income of an associated company	261	-	907	-
Other income				
a) Profit on bank deposits	2,508	1,372	773	1,477
b) Sale of scrap	999	-	1,669	-
c) Gain on sale of operating fixed assets	-	-	13	-
d) Exchange gain on actual currency	52	-	-	-
Mark-up on short term finances	88,009	-	67,915	-

The Company have banking relation with the following shariah-compliant financial institutions:

- Meezan Bank Limited
- Habib Metropolitan Bank Limited

43. DATE OF AUTHORISATION FOR ISSUE

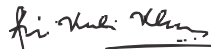
These financial statements were authorised for issue on September 21, 2024 by the board of directors of the Company.

44. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison; however, no material re-arrangements and re-classifications have been made in these financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. Retd. Ali Kuli Khan
Director



Kalim Aslam
Chief Financial Officer

BANNU WOOLLEN MILLS LIMITED

FORM OF PROXY

I _____ S/W/D of _____ being a member of the **Bannu Woollen Mills Limited** and holder of _____ Shares as per Folio No. _____ and/or CDC Participation ID # _____ and Sub Account # _____ do hereby appoint _____ having CDC Participation ID _____ as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of the company scheduled to be held on **Saturday, October 26, 2024** at **09:00 A.M.**, and at any adjournment thereof at registered office of the company D. I. Khan Road, Bannu.

At witness my/our hand this _____ day of October 2024.

1. Name _____
 N.I.C _____
 Address _____

Please affix
 Revenue
 Stamps of
 Rs. 5/-

Member's signature

2. Name _____
 N.I.C _____
 Address _____

(This signature should
 agree with specimen
 registered with the
 Company)

Notes:

1. A member entitled to attend and vote at this meeting may appoint any other member as his / her proxy to attend, speak and vote instead of him / her. A proxy must be a member of the Company.
2. A member shall not be entitled to appoint more than one proxy.
3. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate be signed by an officer or an attorney duly authorised by it.
4. Attested copies of the CNIC or the Passport of beneficial owners and the proxy shall be furnished along with the proxy form. In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished along with the proxy form.
5. Proxies in order to be valid must be received at the registered office D. I. Khan Road, Bannu not later than forty eight (48) hours before the time scheduled for the meeting.
6. The proxy shall produce his original CNIC or original Passport at the time of the Meeting.

بنوں وولن ملز لمیٹیڈ پراکسی فارم

میں / ہم۔ ساکن۔ ضلع۔
 بحیثیت ممبر بنوں وولن ملز لمیٹیڈ۔ (شیرز کی تعداد)
 رجسٹرڈ کارڈ نمبر۔ اور ایسی ڈی سی فلیو کا آئی ڈی نمبر۔ اور ذیلی اکاؤنٹ نمبر۔
 مسمی / مسامتہ۔ ساکن۔
 کمپنی کے اجلاس عام میں جو کہ 26 اکتوبر 2024 بروز ہفتہ صبح 09:00 بجے کمپنی کے رجسٹرڈ آفس، ڈی۔ آئی۔ خان روڈ، بنوں میں منعقد ہوگا، میری / ہماری طرف سے
 بحیثیت اپنا پراکسی، ووٹ دینے کے لئے نامزد کرتا ہوں / کرتے ہیں۔

دستخط حصص داران

(دستخط کمپنی میں رجسٹرڈ نمونے کے ہو بہو مطابق ہونا ضروری ہے)

گواہان:

نام۔

پتہ:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر۔

پاسپورٹ نمبر۔

بتاریخ:

دستخط

نام۔

پتہ:

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر۔

پاسپورٹ نمبر۔

بتاریخ:

نوٹ:

پراکسی کو فعال بنانے کے لئے نامزدگی کا فارم مینٹنگ سے کم از کم 48 گھنٹے قبل کمپنی کو موصول ہو جانا چاہئے۔ نمائندے کو کمپنی کارکن ہونا ضروری ہے۔
 حصص داران اور ان کے نمائندوں سے فرداً فرداً درخواست ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقل یا پاسپورٹ، پراکسی فارم داخل کرنے سے
 قبل اس کے ساتھ لف کریں۔

