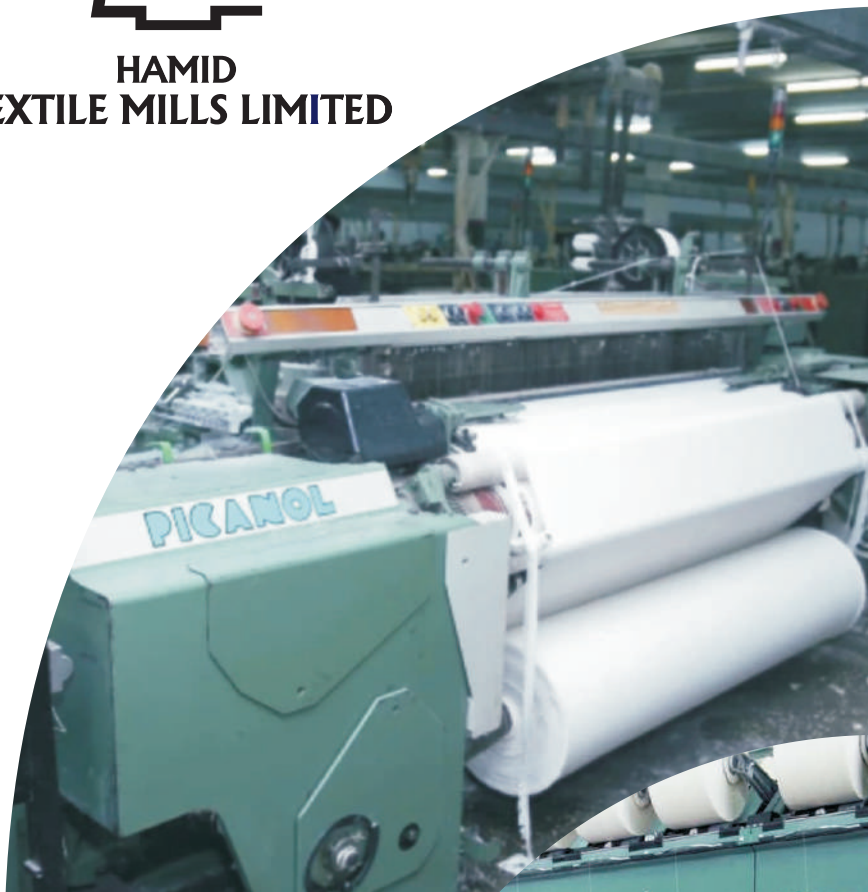
HAMID
TEXTILE MILLS LIMITED



2024

Annual Report

MILLs:
Wan Adhan, Pattoki, Distt. Kasur
Web: www.hamid-textile.com

UKAS QUALITY MANAGEMENT
Registration Number 005
SYSTEM CERTIFICATION ISO 9001:2000 SGS
Certificate No. SG05/0299

CONTENTS

COMPANY INFORMATION

CHAIRMAN	Mrs. Khushbu Ammad
CHIEF EXECUTIVE	Mr. Khawar Almas Khawaja
DIRECTORS	Mr. Khawar Almas Khawaja Mrs. Khushbu Ammad Mrs. Nighat Khawar Mrs. Momina Khawar Ali Mr. Muhammad Alamgir Mr. Abid Hussain Mr. Muhammad Amin
AUDIT COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mrs. Khushbu Ammad
Member	Mr. Muhammad Amin
HR AND REMUNERATION COMMITTEE	
Chairman	Mr. Abid Hussain
Member	Mr. Khawar Almas Khawaja
Member	Mr. Muhammad Alamgir
COMPANY SECRETARY	Mr. Ralph Nazir Ullah
CHIEF FINANCIAL OFFICER	Mr. Tauqeer Hussain
LEGAL ADVISOR	Mr. Sajjad Haider Tanvir Ali Shah (Bukhari Law Chamber)
AUDITORS	HLB Ijaz Tabussum & Co Chartered Accountants Lahore
INTERNAL AUDITORS	Awan & Co (Chartered Accountants), Lahore
SHARES REGISTRAR	Corplink (Pvt) Ltd Lahore
BANKERS	National Bank of Pakistan Bank Alfalah Limited Meezan Bank Limited Habib Metropolitan Bank Ltd
REGISTERED OFFICE	142, Block - D Model Town, Lahore
MILLS	Changa Manga Road, Wan Adhan Pattoki, Kasur
TELEFAX	049-4528188
TELEPHONE	049-4528177, 049-4528099
EMAIL	accounts@hamid-textile.com , sales@hamid-textile.com corporate@hamid-textile.com

VISION

To be one of the leaders in textile sector by producing quality products according to Customer's specification.

MISSION

- Our mission is to continuously improve our products and serve our customers.
- Provide quality products and services to our customers mainly engaged in the manufacturing of textile products and made-ups.
- Keeping pace with the rapidly changing technology by continuous balancing, modernization and replacement (BMR) of plant and machinery.
- Enhancing the profitability by improved efficiency and cost controls.
- Provide a professional open and participation environment to our dedicated employees for developing their potential and team performance.
- Protecting the environment and contribution towards the economic strength of the country and function as a good corporate citizen.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37th Annual General Meeting of **Hamid Textile Mills Limited** will be held on Friday, October 25, 2024 at 11:30 A.M at Registered Office, 142-, Block-D, Model Town Lahore, to transact the following business:-

ORDINARY BUSINESS:

1. To confirm the Minutes of 36th Annual General Meeting of the shareholders held on Thursday, October 26, 2023.
2. To receive, consider, and adopt the company's Audited financial statements for the year ended June 30, 2024, together with Chairman Review, Directors, and Auditor's report thereon.

   In accordance with section 223 of the Companies Act, 2017 and pursuant to the S.R.O 389(I)/2023 dated March 21, 2023 issued by Securities and Exchange Commission of Pakistan (SECP), the financial statements of the company can be accessed through the following weblink and QR enabled code.

   https://hamid-textile.com/financial-year-2024/

3. To appoint auditors and fix their remuneration, M/S HLB Ijaz Tabussum & Co, Chartered Accountants, Lahore, retired and being eligible, offer themselves for reappointment as auditors for the next financial year ending June 30, 2025.
4. To, approve the increase in monthly remuneration of the Chief Executive's from Rs. 300,000 per month to Rs. 400,000/- per month.
5. To transact any other business with the permission of the Chairman.

   The Chief Executive is interested in the resolution to the extent of his remuneration.

By Order of the Board

Ralph Nazir Ullah
Company Secretary

Lahore
September 30, 2024

Notes:

1. The share transfer books of the Company will remain closed from October 21, 2024 to October 26, 2024 (both days inclusive).
2. All shareholder eligible to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak, and votes instead of him/her. In case of corporate entity, votes may be given through attorney or proxy. In both cases, the instrument of proxy duly completed, must reach to the Registered Office of the Company or at the office of our Share Registrar M/S Corplink Pvt Ltd. Lahore, not later than 48 hours before the time of holding Annual General Meeting. Proxy form is attached in the last portion of this report.
3. The original Computerized Identity Card of the Shareholder/Proxy is required to prove his/her identity along with account details etc. at the time of meeting, in case of corporate entity the Board of Directors resolution/power of Attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form.
4. As per section 132(2) of the Companies Act, 2017, The company will provide the video link facility to those member(s) who hold minimum 10% of shareholding of the total paid-up capital and resident of city other than city, where company's Annual General Meeting is to be placed, upon request, such member(s) should submit request in writing to the company at least seven days before the date of meeting.
5. Pursuant to circular 4 of 2021 issued by SECP, shareholders who wish to participate virtually in the AGM are requested to share information through courier at company's registered office address at least seven days prior to the date of the meeting.

Name of shareholder	CNIC Number	Folio/CDC Account Number	Registered email address	Cell Number

6. Transmission of Audited Financial Statements / Notices through email pursuant to the provisions of section 223(6) of the Companies Act, 2017. All the listed companies are permitted to circulate audited financial statements or notices through email after obtaining prior written consent of its members. The member who intended to receive the audited accounts through emails are therefore, requested to kindly send their written consent along with a valid email address on a standard request form available at website of the company at www.hamid-textile.com.

   The Annual financial statements have been placed at website of the company at www.hamid-textile.com however, (The company send hard copies as well to all members) the company shall send printed copy of its financial statements to the desirous member within a week of such request without any cost.

7. Pursuant to Companies (Postal Ballot) Regulations 2018, for any other agenda item subject to the requirements of the sections 143 and 144 of the act, members present in person, through video link or by proxy, and having not less than one-tenth of the total voting power can also demand a poll and exercise their right of vote through Postal Ballot that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid regulations.
8. As earlier requested, Members are again advised:

   a) To provide copies of their valid CNICs if not provided earlier to update the member's register.

   b) To notify the change of address immediately, if any

Chairman's Review

It is with great pride and satisfaction that, I am presenting the chairman's review for this year's annual report in line with section 192 of the Companies Act, 2017.

As required under the Code of Corporate Governance, an annual evaluation of the board of directors of Hamid Textile Mills Limited is carried out. The purpose of this evaluation is to ensure that the board's overall performance and effectiveness are measured and benchmarked expectations in the context of objectives set for the company.

The Board recognizes the critical importance of strong corporate governance in ensuring accountability and is dedicated to maintaining the highest standards to enhance stakeholder value. The Board's governance practices align with applicable laws and regulations with clearly defined roles and responsibilities. During the financial year 2023-2024, four Board meetings and four audit committee meetings were conducted. The Board as per its practice strictly monitored its own performance along with the performance of its sub-committees.

The comprehensive and effective board meetings led to conducive decisions for the company. The Board ensures the integration of all policies confirming to the company's mission and vision in addition the Board also ensures that the company acts in consonance with pertinent laws and regulations, and the best industry practices. All the directors on the Board are fully conversant with their duties and responsibilities as directors of the company. The Board of your company has been assigned the role and responsibilities as defined by the Code of Corporate Governance and the Companies Act 2017.

Mrs. Khushbu Ammad
Chairman

Dated September 30, 2024

DIRECTORS' REPORT TO THE MEMBERS

The board of directors of your company takes pleasure in presenting before you the performance review together with 37th Annual Report and Audited Financial Statements of the Company for the year ended on June 30, 2024 along with the auditors' report thereon.

Over View

The principal business activities of your company include manufacturing and sales of yarn and fabric. Manufacturing facilities located in the north region.

This year was undeniably economically challenging, marked by high inflation, fiscal deficit, and significant external debt, as well as long-standing structural weaknesses. Nevertheless, the economy demonstrated improvement driven by stringent consolidation efforts, political stability, and fiscal reforms rolled out by the government. The successful conclusion of the USD 3 billion stand-by arrangement from the IMF notably eased the pressure on foreign reserves.

PERFORMANCE OF THE COMPANY

The salient feature of the company's operational performance for the year under review is summarized as follows:

	2024 Rupees	2023 Rupees
Sales	771,550,202	563,533,352
Gross Profit	11,245,641	10,395,351
Operating Loss	(24,595,352)	(17,389,764)
Finance Cost	(12,130)	(2,362)
Loss before taxation	(24,572,482)	(17,392,126)
Taxation	(1,671,833)	24,782,355
Profit (Loss) after taxation	(26,244,315)	7,390,229
Profit (Loss) per share-basic	(1.98)	0.56

The company has achieved an increase in turnover of 36.91% in current financial year as compared with previous year. However, input cost has been increased specially the energy cost has been increased unprecedent resulted in decrease in gross profit to 1.46% as compared with last year of 1.84%. The administrative and operating cost has been increased by 29% from last year, which resulted in operating loss of Rs. 24.595 million as compared with last year's loss of Rs. 17.389 million. The operating loss includes depreciation expenses of Rs. 41.248 million for this year which means that the company's operational results are positive with no cash loss and loss after taxation is Rs. 26.244 million as compared with last year profit of Rs.7.390 million.

During the current fiscal year, the company has achieved a record-high revenue of Rs 771.550 million, reflecting a substantial increase of 36.91% compared to the corresponding period in the previous year. However, this growth in revenue has been mitigated by the impact of inflationary pressures, particularly the unprecedented escalation in energy prices, which has significantly affected overall costs. Despite the above-mentioned impediments, due to the consistent efforts of the management and better product mix, your company has managed to generate gross profit margin of Rs.11.245 million and able to avoid cash losses, as the profit after taxation includes depreciation charge of Rs.41.248 million (June 30, 2023: Rs. 25.301 million).

Throughout the fiscal year, the company's overall performance has remained satisfactory. The company's revenue is derived from the sale of its own production and the operation of the mill on a conversion basis. Fabric sales experienced a notable increase of Rs. 172.297 million, while conversion income witnessed a decrease of Rs. 26.080 million compared to the previous year. The company has encountered liquidity challenges over the past decade due to ongoing litigation with the bank regarding loan settlements, impeding its capacity to raise working capital for augmenting production levels. However, the management is diligently striving to sustain the company and has strategically implemented a policy aimed at generating a diversified revenue stream from both self-production and conversion operations to ensure adequate funds and avoid cash losses, thereby fulfilling its financial obligations.

FUTURE PROSPECTS:

Pakistan's economy has demonstrated stability during the period under review. The import bill decreased by 0.72% to USD 54.79 billion, compared to USD 55.19 billion the previous year. Meanwhile, the country's exports experienced strong growth of 10.65% to USD 30.67 billion, up from USD 27.33 billion the previous year.

In the latter half of this year, inflationary pressure began to ease and improved significantly in the last quarter. As a result of this moderation in inflationary pressure, the State Bank of Pakistan's monetary policy committee confidently reduced the interest rate to 19.5%.

A predictable and stable energy policy is absolutely essential for boosting business confidence and driving increased investment in the industry. It's clear that the industrial electricity tariff in Pakistan is significantly higher than in other textile exporting countries, putting us at a distinct disadvantage in the international market. The Pakistani textile industry's ambition to become an export "powerhouse" will remain unattainable unless power tariffs are promptly revised to a competitive and unwavering level. On the other hand, your company is planning and deliberately working on renewable energy (Solar plant) to reduce overall energy cost on manufacturing plant.

To overcome the challenging economic situation, the Pakistani textile sector must prioritize cost-effective niche marketing, product development, and customer engagement to maintain competitiveness both domestically and internationally. By focusing our marketing efforts on international brands and technical textiles, we will undoubtedly see increased revenue and improved margins. Furthermore, by enhancing our supply-chain management for raw materials and innovating production processes, we are poised to effectively manage costs. The management is fully confident in the company's ability to significantly enhance its operational performance in the future.

The management has consistently contributed funds and has successfully secured an unsecured loan of Rs 25 million from non-banking companies to meet the working capital requirements. However, despite unsuccessful efforts to settle with the National Bank of Pakistan, the management remains confident and hopeful that their restructuring and renewal efforts will be successful. management also optimistic about reaching a settlement with the bank soon. Once achieved, management believes the unit will be able to operate at its optimum production capacity level.

AUDITORS' REPORT QUALIFICATIONS: -

1. Going Concern Assumption

The auditors had been persistently issuing adverse audit opinion since financial year 2013 (twelve years) on the issue of going concern relating to the sole factor of non-settlement with National Bank of Pakistan (NBP) which is pending litigation till to-date. The management has fully disclosed the matter of pending litigation with the bank in note No.1.2 of the financial statement along with other implications and in the presence of fully disclosed facts by the management, the adverse opinion given by the auditor is not justified. The company financial results have been continuously declaring improved results during the last six years that has been increased in revenue from 218.663 in 2019 to 771.550 million in 2024 showing increase of 3.5 times and for the current year increase in revenue has been recorded of Rs. 208.017 million that reached to Rs. 771.550 million against compared with last year of Rs. 563.533 million.

The management feels that external auditor's issuance of adverse opinion with an over conscious approach by ignoring the facts that property, plant and equipment of the company carrying amount is Rs.555.401 million, whereas, the bank liability in aggregate Rs.110 million which is 19.80% of the carrying amount of the fixed assets which suggests that company shall be able to meets its obligation in normal course of business. The management is contesting the case in court of law and expects that settlement with NBP will also be settled in the company's favor in foreseeable future.

Due to pending litigation, the company is unable to raise working capital funds from the banking sector and is exploring alternative options to raise the necessary funds. The management has secured an unsecured loan of Rs. 25 million for working capital. Additionally, they are working on arrangements to install a solar facility at the factory, which is expected to significantly reduce electricity costs.

The matter of going concern assumption used for the preparation of the financial statement is fully justified because unit is operative, alive with the existence of constraints and the persistent increase in revenue every passed year. The management believes as and when the circumstances become favorable that settlement with NBP may also be successfully negotiated in future.

CODE OF CORPORATE GOVERNANCE

As required by the Code of Corporate Governance the Directors are pleased to report that;

a) The financial statements, prepared by the management fairly present its state of affairs, the result of its operations cash flows and changes in equity.

b) Proper books of accounts have been maintained.

c) Appropriate accounting policies have been consistently applied in preparing financial statements and accounting estimates are based on reasonable and prudent judgement.

d) International Accounting Standards, (IAS, IFRS) as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.

e) The system of internal control is designed, strongly emphasized and has been effectively implemented and monitored.

f) There are no significant doubts upon the company's ability to continue as a going concern, however, uncertain circumstances are discussed in note 1.2 of notes to the Financial Statements. The company has sound potentials to continue as going concern.

g) There has been no material departure from the best practices of Code of Corporate Governance, as defined in the listing regulations.

h) We have prepared and circulated Statement of Ethics and Business Strategy among directors and employees.

i) The company has sustained loss during the year therefore has not declared any dividend or bonus for the year.

j) There are no statutory payments on account of taxes, duties, levies and charges which are outstanding except as disclosed in the accounts.

k) No trade in shares of Hamid Textile Mills Ltd has been carried out by its directors, CEO, CFO, Company secretary and their spouses and minor children during the year.

l) Key operating ratios and financial results of the company for the last six years are annexed.

m) The company operates an un-funded gratuity scheme for its employees.

n) No casual vacancies occurred on the board of directors of the company during the financial year ended on June 30, 2024.

o) That director's of the company did not attain the director's training certification as prescribed by the Listed Companies (Code of Corporate Governance) regulation 2019. The management undertakes that will ensure compliance with the prescribed regulation.

p) During the year four Board meetings were held. Attendance by each Director is appended below:

Name of Director	Number of Meetings Attended
1. Mr. Khawar Almas Khawaja	04
2. Mrs. Khushbu Ammad	04
3. Mrs. Nighat Khawar	04
4. Mrs. Momina Khawar Ali	01
5. Mr. Muhammad Alamgir	04
6. Mr. Abid Hussain	04
7. Mr. Muhammad Amin	04

AUDIT COMMITTEE

The audit committee comprising of following members, attendance of each member is as under:

		Attended	Leave granted
Mr. Abid Hussain	Chairman	04	
Mrs. Khushbu Ammad	Member	04	
Mr. Muhammad Amin	Member	04	

HR AND REMUNERATION COMMITTEE

The HR and Remuneration Committee comprising of following members, attendance of each member is as under:

		Attended	Leave granted
Mr. Abid Hussain	Chairman	01	
Mr. Khawar Almas Khawaja	Member	01	
Mr. Muhammad Alamgir	Member	01	

INTERNAL FINANCIAL CONTROLS

The Board of Directors of the company has established the effective system of internal controls. The controls have been put in place to ensure the efficient and smooth running of the business, prevention, and detection of fraud and error, safeguarding the company's assets, compliance with laws and regulations, accuracy and completeness of books of accounts, and timely preparation of reliable financial information. Internal financial controls are periodically reviewed to ensure these remain effective and are updated with amendments in any law and regulations.

PRINCIPAL RISK AND UNCERTAINTY

Businesses face numerous risk and uncertainties which if not properly addressed might cause serious loss to the company. The Board of Directors of the company has carried out vigilant and thorough assessment of both internal and external risks that the company might face. Following are some risks which the company is facing.

. Technological advancement making it more challenging for the company to compete on the national International level.

. Non-renewal of financial facilities.

. Increasing KIBOR resulting in increased finance cost.

. soaring inflation impacts purchasing power of the common man, thereby reducing demand for the company's product.

PERSONNEL AND WORKING ENVIRONMENT

Your company is well aware of the importance of team of skilled worker and staff. Therefore, in-house programs designed for this purpose are regularly undertaken. At the same time, other important areas like health, safety and better working environment are also being looked after very well.

SUSTAINABILITY RELATED RISKS

The sustainability-related risks involve the consideration of environmental, social, and governance (ESG) factors. By embracing operational practices, adopting renewable energy policies and green initiatives, the company aims to contribute to a sustainable future. The management has set specific and measurable ESG targets that align with the company's strategic objective to achieve greater sustainable resilience and positive social impect.

AUDITORS

The present auditors, M/S HLB Ijaz Tabussum & Co, Chartered Accountants, Lahore, retired and being eligible, offer themselves for re-appointment as auditors for the next financial year ending June 30, 2025.

PATTERN OF SHAREHOLDING

The pattern of shareholding for the year ended June 30, 2024 is annexed to this report.

VOTE OF THANKS

The directors wholeheartedly appreciate the unwavering dedication and hard work of the workers and staff. They are confident that these contributions will continue to drive the company's success in the future.

On behalf of Board

Khawar Almas Khawaja
(Chief Executive)

M. Alamgir
(Director)

Date: September 30, 2024

Certificate No. SG05/0299

ڈائریکٹرز رپورٹ برائے ممبرز

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے مالی سال کی رپورٹ بمعہ آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

جائزہ

آپ کی کمپنی کی بنیادی کاروباری سرگرمیوں میں یارن اور کپڑے کی تیاری اور فروخت شامل ہے۔ یہ مینوفیکچرنگ سہولیات شمالی علاقے میں واقع ہیں۔

اس سال یقینی طور پر اقتصادی چیلنجز کا سامنا کرنا پڑا، جس میں بلند افراط زر، مالیاتی خسارہ، اور نمایاں بیرونی قرضے شامل ہیں، نیز طویل مدتی ساختی کمزوریاں بھی موجود ہیں۔ تاہم، معیشت نے سخت مالیاتی اقدامات، سیاسی استحکام، اور حکومت کی جانب سے متعارف کردہ مالی اصلاحات کی بدولت بہتری دکھائی۔ آئی ایم ایف سے 3 بلین ڈالر کے اسٹینڈ بائی معاہدے کی کامیاب تکمیل نے غیر ملکی ذخائر پر دباؤ کو نمایاں طور پر کم کیا۔

کمپنی کی کارکردگی:

زیر غور کمپنی کی نمایاں متحرک کارکردگی کا خلاصہ مندرجہ ذیل ہے۔

	2024 (روپے)	2023 (روپے)
فروخت	771,550,202	563,533,352
خام / منافع (نقصان)	11,245,641	10,395,351
انتظامی امور منافع (نقصان)	(24,595,352)	(17,389,764)
فنانشل چارجز	(12,130)	(2,362)
نفع (نقصان) قبل از ٹیکس	(24,572,482)	(17,392,126)
ٹیکس	(1,671,833)	24,782,355
نفع (نقصان) بعد از ٹیکس	(26,244,315)	7,390,229
بنیادی حصص کے مطابق آمدنی (نقصان)	(1.98)	0.56

کمپنی نے موجودہ مالی سال میں پچھلے سال کے مقابلے فروخت میں 36.91 فیصد کا اضافہ کیا ہے۔ تاہم، توانائی کی لاگت میں غیر معمولی اضافے کی وجہ سے پیداواری لاگت میں اضافہ ہوا، جس کے نتیجے میں مجموعی منافع 1.46 فیصد پر آ گیا، جبکہ پچھلے سال یہ 1.84 فیصد تھا۔ انتظامی اور آپریٹنگ اخراجات میں بھی پچھلے سال کے مقابلے میں 29 فیصد اضافہ ہوا، جس کے باعث آپریٹنگ نقصان 24.595 ملین روپے تک پہنچ گیا، جبکہ پچھلے سال یہ نقصان 17.389 ملین روپے تھا۔ آپریٹنگ نقصان میں رواں سال کے لیے 41.248 ملین روپے کے افسردگی (Depreciation) کے اخراجات شامل ہیں، جس کا مطلب ہے کہ کمپنی کے آپریشنل نتائج مثبت ہیں اور نقد نقصان نہیں ہوا۔ ٹیکس کے بعد نقصان 26.244 ملین روپے ہے، جبکہ پچھلے سال 7.390 ملین روپے کا منافع تھا۔

موجودہ مالی سال کے دوران، کمپنی نے 771.550 ملین روپے کی ریکارڈ آمدنی حاصل کی، جو پچھلے سال کے اسی عرصے کے مقابلے میں 36.91 فیصد کا قابل ذکر اضافہ ظاہر کرتی ہے۔ تاہم، اس آمدنی میں اضافہ مہنگائی کے دباؤ سے متاثر ہوا، خاص طور پر توانائی کی قیمتوں میں غیر معمولی اضافے نے مجموعی اخراجات پر نمایاں اثر ڈالا۔ مذکورہ رکاوٹوں کے باوجود، انتظامیہ کی مستقل کوششوں اور بہتر مصنوعات کی مرکب کی وجہ سے، آپ کی کمپنی نے 11.245 ملین روپے کا مجموعی منافع حاصل کیا اور نقد نقصان سے بچنے میں کامیاب رہی، کیونکہ ٹیکس کے بعد کے منافع میں 41.248 ملین روپے کی افسردگی بھی شامل ہے، جو 30 جون 2023 کو 25.301 ملین روپے تھی۔

موجودہ مالی سال کے دوران کمپنی کی مجموعی کارکردگی تسلی بخش رہی ہے۔ کمپنی کی آمدنی اپنی پروڈکشن کی فروخت اور مل کے آپریشن کو کنورژن کی بنیاد پر چلانے سے حاصل ہوتی ہے۔ فیبرک کی فروخت میں پچھلے سال کے مقابلے میں 172.297 ملین روپے کا نمایاں اضافہ ہوا، جبکہ کنورژن آمدنی میں 26.080 ملین روپے کی کمی ہوئی۔ کمپنی گزشتہ دہائی سے بینک کے ساتھ جاری قانونی چارہ جوئی کی وجہ سے مالی دشواری کے مسائل کا سامنا کر رہی ہے، جس نے پیداواری سطحوں کو بڑھانے کے لیے ورکنگ کیپیٹل بڑھانے کی صلاحیت میں رکاوٹ ڈالی ہے۔ تاہم، انتظامیہ کمپنی کو برقرار رکھنے کے لیے انتھک محنت کر رہی ہے اور ایک ایسی پالیسی کو نافذ کیا ہے جو اپنی پیداوار اور کنورژن آپریشنز دونوں سے متنوع آمدنی کے سلسلے پیدا کرنے کے لیے حکمت عملی پر مبنی ہے، تاکہ مناسب فنڈز کو یقینی بنایا جا سکے اور نقد نقصان سے بچا جا سکے، اور اس کے مالیاتی ذمہ داریوں کو پورا کیا جا سکے۔

مستقبل کی حکمت عملی:

پاکستان کی معیشت نے زیر جائزہ مدت کے دوران استحکام کا مظاہرہ کیا ہے۔ درآمدی بل میں 0.72 فیصد کی ہوئی، جو پچھلے سال کے 55.19 ارب امریکی ڈالر کے مقابلے میں 54.79 ارب امریکی ڈالر رہی۔ دوسری جانب، ملک کی برآمدات میں 10.65 فیصد کا نمایاں اضافہ ہوا، جو پچھلے سال کے 27.33 ارب امریکی ڈالر سے بڑھ کر 30.67 ارب امریکی ڈالر تک پہنچ گئیں۔

سال کے دوسرے نصف میں مہنگائی کے دباؤ میں کمی آئی اور آخری سہ ماہی میں نمایاں بہتری دیکھنے میں آئی۔ اس مہنگائی کے دباؤ میں کمی کے نتیجے میں اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کمیٹی نے اعتماد کے ساتھ شرح سود کو 19.5 فیصد تک کم کر دیا۔

ایک مستحکم اور قابل پیش گوئی توانائی کی پالیسی کاروباری اعتماد کو فروغ دینے اور صنعت میں سرمایہ کاری بڑھانے کے لیے انتہائی ضروری ہے۔ یہ واضح ہے کہ پاکستان میں صنعتی بجلی کا ٹیرف دیگر ٹیکسٹائل برآمد کرنے والے ممالک کے مقابلے میں نمایاں طور پر زیادہ ہے، جس سے ہمیں بین الاقوامی منڈی میں نقصان ہو رہا ہے۔ پاکستانی ٹیکسٹائل انڈسٹری کا برآمدی "طاقت گھر" بننے کا خواب اس وقت تک شرمندہ تعبیر نہیں ہوگا جب تک کہ بجلی کے نرخوں کو فوری طور پر مسابقتی اور مستحکم سطح پر نہیں لایا جاتا۔ تاہم، آپ کی کمپنی قابل تجدید توانائی (شمسی پلانٹ) پر کام کر رہی ہے تاکہ پیداواری پلانٹ پر مجموعی توانائی کی لاگت کو کم کیا جا سکے۔

مشکل اقتصادی حالات پر قابو پانے کے لیے، پاکستانی ٹیکسٹائل سیکٹر کو کم لاگت والے مخصوص مارکیٹنگ، مصنوعات کی ترقی، اور گاہکوں سے تعلقات پر توجہ مرکوز کرنی ہوگی تاکہ ملکی اور بین الاقوامی سطح پر مسابقت برقرار رکھی جا سکے۔ ہم اپنی مارکیٹنگ کی کوششوں کو بین الاقوامی برانڈز اور تکنیکی ٹیکسٹائل پر مرکوز کر کے بلاشبہ آمدنی اور منافع کے مارجن میں اضافہ دیکھیں گے۔ مزید یہ کہ خام مال کے لیے سپلائی چین کے انتظام کو بہتر بنا کر اور پیداوار کے عمل میں جدت لا کر، ہم اخراجات کو مؤثر طریقے سے کنٹرول کرنے کی پوزیشن میں ہوں گے۔ انتظامیہ کو کمپنی کی آئندہ کارکردگی میں نمایاں بہتری لانے کی مکمل امید ہے۔

انتظامیہ نے مسلسل فنڈز فراہم کیے ہیں اور ورکنگ کیپیٹل کی ضروریات کو پورا کرنے کے لیے غیر بینکنگ کمپنیوں سے 25 ملین روپے کا غیر محفوظ قرضہ کامیابی سے حاصل کیا ہے۔ تاہم، نیشنل بینک آف پاکستان کے ساتھ تصفیہ کرنے کی ناکام کوششوں کے باوجود، انتظامیہ پُرامید ہے کہ ان کی تنظیم نو اور تجدیدی کوششیں کامیاب ہوں گی۔ انتظامیہ پرامید ہے کہ جلد بینک کے ساتھ تصفیہ طے پا جائے گا۔ جب یہ ہو جائے گا، تو انتظامیہ کا ماننا ہے کہ کمپنی اپنی پیداواری صلاحیت کی بہترین سطح پر کام کر سکے گی۔

آڈیٹرز کی رپورٹ میں اعتراضات

آڈیٹرز نے مالی سال 2013 سے مسلسل منفی آڈٹ رائے جاری کی ہے جو جاری کاروبار کے مسئلے سے متعلق ہے، اور یہ صرف نیشنل بینک پاکستان (NBP) کے ساتھ عدم تصفیہ کے واحد عنصر کی وجہ سے ہے جو آج تک زیر التوا ہے۔ انتظامیہ نے مکمل طور پر بینک کے ساتھ زیر التوا قانونی معاملے کی تفصیلات کو مالیاتی بیان کی نوٹ نمبر 1.2 میں بیان کیا ہے، ساتھ ہی دیگر مضمرات بھی فراہم کیے ہیں۔ انتظامیہ کی جانب سے مکمل طور پر افشا کردہ حقائق کی موجودگی میں، آڈیٹر کی جانب سے دی گئی منفی رائے کو درست نہیں سمجھا جا سکتا۔

کمپنی کے مالی نتائج پچھلے چھ سالوں کے دوران مسلسل بہتر ہوتے رہے ہیں، جس میں آمدنی 2019 میں 218.663 ملین سے بڑھ کر 2024 میں 771.550 ملین ہو گئی ہے، جو کہ 3.5 گنا اضافہ ظاہر کرتا ہے۔ موجودہ سال کے لیے آمدنی میں 208.017 ملین روپے کا اضافہ ریکارڈ کیا گیا ہے، جو کہ پچھلے سال 563.533 ملین کے مقابلے میں 771.550 ملین تک پہنچ گیا ہے۔

انتظامیہ کا خیال ہے کہ بیرونی آڈیٹر کی جانب سے منفی رائے کا جاری کرنا ایک حد سے زیادہ محتاط رویے کی عکاسی کرتا ہے، جو ان حقائق کو نظر انداز کرتا ہے کہ کمپنی کے جائیداد، پلانٹ اور سامان کی کتابی قیمت 555.401 ملین روپے ہے، جبکہ بینک کی کل ذمہ داری 110 ملین روپے ہے، جو کہ مقررہ اثاثوں کی کتابی قیمت کا 19.80% ہے۔ یہ اس بات کی نشاندہی کرتا ہے کہ کمپنی اپنے معمول کے کاروباری عمل میں اپنی ذمہ داریوں کو پورا کرنے میں کامیاب ہو جائے گی۔

انتظامیہ عدالت میں اس کیس کو چیلنج کر رہی ہے اور توقع کرتی ہے کہ نیشنل بینک پاکستان (NBP) کے ساتھ تصفیہ بھی قریبی مستقبل میں کمپنی کے حق میں طے پا جائے گا۔

زیر التوا قانونی کارروائی کی وجہ سے کمپنی بینکنگ سیکٹر سے ورکنگ کیپیٹل کے فنڈز حاصل کرنے میں ناکام ہے اور ضروری فنڈز حاصل کرنے کے متبادل آپشنز تلاش کر رہی ہے۔ انتظامیہ نے ورکنگ کیپیٹل کے لیے 25 ملین روپے کا غیر محفوظ قرض حاصل کیا ہے۔ اضافی طور پر، وہ فیکٹری میں شمسی توانائی کی سہولت نصب کرنے کے انتظامات پر بھی کام کر رہے ہیں، جس سے بجلی کی لاگت میں نمایاں کمی کی توقع کی جا رہی ہے۔

مالی گوشواروں کی تیاری کے لیے استعمال ہونے والا جاری کاروبار کا مفروضہ مکمل طور پر جائز ہے کیونکہ یونٹ رکاوٹوں کے باوجود کام کر رہا ہے، اور ہر گزرتے سال آمدنی میں مستقل اضافہ ہو رہا ہے۔ انتظامیہ کا ماننا ہے کہ جب حالات سازگار ہوں گے تو نیشنل بینک پاکستان (NBP) کے ساتھ تصفیے کی کامیابی سے بات چیت کی جا سکتی ہے۔

کوڈ آف کارپوریٹ گورننس

کوڈ آف کارپوریٹ گورننس کے مطابق درکار معلومات، ڈائریکٹرز نے رپورٹ کی ہے:

a) انتظامیہ کی طرف سے تیار کردہ مالی گوشوارے اس کی حالت، عملیاتی نتائج، نقد بہاؤ اور ایکوئٹی میں تبدیلیوں کی صحیح عکاسی کرتے ہیں۔

b) مناسب اکاؤنٹس کی کتابیں تیار رکھی گئی ہیں۔

c) مالی گوشوارے تیار کرنے میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل طور پر اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور محتاط فیصلوں پر مبنی ہیں۔

d) بین الاقوامی اکاؤنٹنگ کے معیارات (IFRS\IAS) جو پاکستان میں قابل اطلاق ہیں، مالی گوشواروں کی تیاری میں اختیار کیے گئے ہیں اور ان سے کسی بھی انحراف کو مناسب طور پر ظاہر کیا گیا ہے۔

e) اندرونی کنٹرول کا نظام ڈیزائن کیا گیا ہے، زور دیا گیا ہے اور مؤثر طریقے سے نافذ اور مانیٹر کیا گیا ہے۔

f) کمپنی کی جاری کاروبار کے طور پر جاری رہنے کی صلاحیت پر کوئی خاص شک نہیں ہے، تاہم غیر یقینی حالات کی وضاحت نوٹ 1.2 میں کی گئی ہے۔ کمپنی کے پاس جاری کاروبار کے طور پر جاری رہنے کی مضبوط صلاحیت ہے۔

g) کوڈ آف کارپوریٹ گورننس کے کوڈ کے بہترین طریقوں سے کوئی بھی اہم انحراف نہیں ہوا ہے، جیسا کہ فہرست سازی کے قواعد و ضوابط میں بیان کیا گیا ہے۔

h) ہم نے ڈائریکٹروں اور ملازمین کے درمیان اخلاقیات اور کاروباری حکمت عملی کا بیان تیار کیا اور تقسیم کیا ہے۔

i) کمپنی نے سال کے دوران نقصان برداشت کیا ہے، لہذا اس نے سال کے لیے کوئی منافع یا بونس نہیں دیا۔

j) ٹیکس، واجبات، عائدات اور چارجز کی مد میں کوئی بھی قانونی ادائیگیاں زیر التوا نہیں ہیں، سوائے ان کے جو حسابات میں ظاہر کی گئی ہیں۔

k) حمید ٹیکسٹائل ملز لمیٹڈ کے ڈائریکٹروں، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کے شوہر/بیویاں اور نابالغ بچوں کی جانب سے سال کے دوران کسی بھی شیئرز کی تجارت نہیں کی گئی۔

l) کمپنی کے کلیدی عملیاتی تناسب اور مالی نتائج کے آخری چھ سال کے اعداد و شمار منسلک ہیں۔

m) کمپنی اپنے ملازمین کے لیے ایک غیر فنڈ ڈ گریچوٹی اسکیم چلاتی ہے۔

n) مالی سال جو 30 جون 2024 کو ختم ہوا، کے دوران کمپنی کے ڈائریکٹرز کی بورڈ پر کوئی غیر حاضر نشستیں نہیں ہوئیں۔

o) کمپنی کے ڈائریکٹروں نے فہرست بندی کی کمپنیوں کے (کوڈ آف کارپوریٹ گورننس کے) ریگولیشن 2019 کے مطابق ڈائریکٹر کی تربیت کی سند حاصل نہیں کی۔ انتظامیہ کا عہد ہے کہ وہ مقرر کردہ ریگولیشن کی تعمیل کو یقینی بنائے گی۔

بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ کے چار اجلاس منعقد ہوئے ہر ڈائریکٹر کی حاضری مندجہ ذیل ہے۔

ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
1۔ خاور الماس خواجہ	04
2۔ مس خوشبو عماد	04
3۔ مس نگہت خاور	04
4۔ مس مومنہ خاور	01
5۔ محمد عالمگیر	04
6۔ عابد حسین	04
7۔ محمد امین	04

آڈٹ کمیٹی کے اجلاس:

سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے، ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

ڈائریکٹر کا نام	عہدہ	حاضری	رخصت
عابد حسین	چیئرمین	04	--
مس خوشبو عماد	ممبر	04	--
محمد امین	ممبر	04	--

انسانی وسائل اور معاوضہ کمیٹی کے اجلاس:

سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کا ایک اجلاس منعقد ہوا، ہر ڈائریکٹر کی حاضری درج ذیل ہے۔

ڈائریکٹر کا نام	عہدہ	حاضری	رخصت
عابد حسین	چیئرمین	01	--
خاور الماس خواجہ	ممبر	01	--
محمد عالمگیر	ممبر	01	--

اندرونی مالیاتی کنٹرول:

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے ایک موثر اندرونی مالیاتی نظام مرتب کیا گیا ہے۔ اس نظام کے تحت تمام کاروباری امور کو مستعد اور موثر انداز سے چلایا جاتا ہے اور اس بات کو ممکن بنایا جاتا ہے کہ کسی بھی قسم کی بدعنوانی، فریب اور غلطیوں کی نشان دہی کی جا سکے اور ان کا تدارک بھی کیا جائے، کمپنی کے اثاثوں کی حفاظت کو ممکن بنایا جائے، تمام قواعد و ضوابط کی پاسداری کو ممکن بنایا جائے، محاسبی کے تمام کھاتے ہر لحاظ سے مکمل اور صحیح ہوں اور بروقت ایسی مالیاتی دستاویزات تیار کی جائیں جو معاملات کی حقیقی عکاس ہوں۔ اندرونی مالیاتی نظام پر وقتاً فوقتاً نظر ثانی کی جاتی ہے تاکہ اس بات کو ممکن بنایا جا سکے کہ نظام موثر انداز سے کام کرنے کے ساتھ ساتھ نئے قوانین و ضوابط کی روشنی میں وقت کے تقاضوں پر بھی پورا اتر رہا ہے۔

اہم خدشات اور غیر یقینی صورتحال

ہر کاروبار کو کئی قسم کے خطرات اور غیر یقینی صورتحال کا سامنا رہتا ہے اگر ان مسائل سے مناسب انداز سے نہ نمٹا جائے تو یہ کمپنی کو سخت نقصان کا باعث بن سکتے ہیں۔ بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کو لاحق ممکنہ اندرونی اور بیرونی خطرات کی باقاعدہ نگرانی کی جاتی ہے اور ان کا گہرائی کے ساتھ تجزیہ بھی کیا جاتا ہے۔ درج ذیل ایسے چند خطرات کا ذکر ذیل میں کیا جارہا ہے جن سے کمپنی کو خدشہ رہتا ہے:

1۔ تیزی سے ترقی کرتی ہوئی ٹیکنالوجی قومی اور بین الاقوامی سطح پر کمپنی کیلئے ایک بڑا چیلنج ہے۔

2۔ پانچ برآمداتی شعبوں سے زیرو ریٹینگ کی سہولت واپس لئے جانے کی وجہ سے مقامی فروخت پر مرتب ہونے والے منفی اثرات اور کاروباری افعال کے لئے اضافی سرمائے کا بوجھ۔

3۔ KIBOR کی بڑھتی ہوئی شرح سے نتیجتاً مالیاتی لاگت میں اضافہ۔

4۔ منافع کی طاقت کو متاثر کرنے والی بڑھتی ہوئی مہنگائی عام آدمی کی خریداری کی طاقت پر اثر انداز ہوتی ہے، جس کی وجہ سے کمپنی کی مصنوعات کی طلب میں کمی آتی ہے۔

ورکرز اور کام کرنے کا ماحول:

آپ کی کمپنی ہنرمند ورکر اور عملے کی اہمیت سے اچھی طرح واقف ہے۔ لہذا اس مقصد کے لیے ڈیزائن کیے گئے ان ہاؤس پروگرام پر باقاعدگی سے عمل کیا جاتا ہے۔ دوسری طرف صحت، حفاظتی اقدامات اور بہتر کام کرنے کے ماحول جیسے دیگر اہم حصوں کی بہت اچھی طرح سے دیکھ بھال کی جارہی ہے۔

سسٹین ایبلٹی سے متعلق خطرات

سسٹین ایبلٹی سے متعلق خطرات میں ماحولیاتی، سماجی، اور حکومتی عوامل پر غور کرنا شامل ہے۔ آپریشنل طریقوں کو اپنانے، قابل تجدید توانائی کی پالیسیوں اور سبز اقدامات کو اختیار کر کے، کمپنی کا مقصد ایک پائیدار مستقبل میں اپنا کردار ادا کرنا ہے۔ انتظامیہ نے مخصوص اور قابل پیائش ESG اہداف مقرر کیے ہیں جو کمپنی کے اسٹریٹجک مقصد کے ساتھ ہم آہنگ ہیں، تاکہ زیادہ پائیدار لچک اور مثبت سماجی اثرات حاصل کیے جاسکیں۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز ایچ ایل بی اعجاز تبسم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس لاہور، ریٹائرڈ ہوئے ہیں اور اپنی خدمات برائے مالیاتی سال 2025 عہدہ پیش کرنے کے اہل ہیں۔

شیئر ہولڈنگ کا نمونہ:

30 جون 2024 کے حصص کی تفصیل سالانہ رپورٹ کا حصہ ہے۔

اعتراف:

میں بورڈ آف ڈائریکٹرز کی جانب سے اپنے ان تمام شراکت داروں کا خصوصی شکریہ ادا کرنا چاہتا ہوں۔

بحکم بورڈ

Khawar Almas

خاور الماس خواجہ

چیف ایگزیکٹو

محمد عالمگیر

ڈائریکٹر

تاریخ: 30 ستمبر 2024

KEY OPERATING AND FINANCIAL DATA OF LAST SIX YEARS

Profit and Loss account	2024	2023	2022	2021	2020	2019
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales	771,550,202	563,533,352	551,810,523	313,982,107	259,440,185	218,663,246
Cost of sales	(760,304,561)	(553,138,001)	(536,054,979)	(309,389,927)	(255,249,639)	(216,778,340)
Gross Profit/(Loss)	11,245,641	10,395,351	15,755,544	4,592,180	4,190,546	1,884,906
Operating Expenses						
- Distribution cost	(4,568,670)	(1,945,883)	(1,624,577)	(984,777)	(426,640)	(273,008)
- Administrative expenses	(31,272,323)	(25,839,232)	(22,535,670)	(19,081,397)	(16,217,387)	(18,726,205)
- Other operating expenses	-	-				-
	(35,840,993)	(27,785,115)	(24,160,247)	(20,066,174)	(16,644,027)	(18,999,213)
		-				
Operating Profit/ (Loss)	(24,595,352)	(17,389,764)	(8,404,703)	(15,473,994)	(12,453,481)	(17,114,307)
Other operating income/(Expenses)	35,000	-	-	631,489	(2,716,940)	4,349,932
Finance cost	(12,130)	(2,362)	(7,814)	(534,936)	(86,947)	(234,765)
Profit/(Loss) before derecognition of financial liabilities	(24,572,482)	(17,392,126)	(8,412,517)	(15,377,441)	(15,257,368)	(12,999,140)
Derecognition of financial liabilities	-	-		-	-	
Profit/(Loss) before taxation	(24,572,482)	(17,392,126)	(8,412,517)	(15,377,441)	(15,257,368)	(12,999,140)
Taxation	(1,671,833)	24,782,355	16,870,239	(7,718,931)	735,238	(14,923,201)
Profit/(Loss) after taxation	(26,244,315)	7,390,229	8,457,722	(23,096,372)	(14,522,130)	(27,922,341)
Balance Sheet						
Share Capital	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000
Accumulated loss	(242,886,212)	(240,637,117)	(264,090,913)	(288,976,596)	(283,835,661)	(289,563,256)
Net worth	(110,170,212)	(107,921,117)	(131,374,913)	(156,260,596)	(151,119,661)	(156,847,256)
Long term liabilities	121,158,890	102,702,037	74,007,818	99,508,434	96,091,259	100,159,410
Current liabilities	235,330,899	196,300,137	169,191,112	160,048,547	160,668,652	175,952,023
	356,489,789	299,002,174	243,198,930	259,556,981	256,759,911	276,111,433
Property, plant and equipment	555,401,186	596,999,533	403,280,039	418,478,355	447,558,576	479,552,534
Long term deposits	-	-	-	-	-	-
Current assets	174,918,309	102,257,185	75,354,309	68,647,540	60,037,980	61,503,618
	730,319,495	699,256,718	478,634,348	487,125,895	507,596,556	541,056,152
Key Financial Ratios						
Gross profit ratio (%)	1.46	1.84	2.86	1.46	1.62	0.86
Operating profit ratio (%)	(3.19)	(3.1)	(1.5)	(4.9)	(4.8)	(7.8)
Net profit ratio (%)	(3.40)	1.31	1.53	(7.36)	(5.60)	(12.77)
Current ratio	0.74	0.52	0.45	0.43	0.37	0.35
Leverage (Total liabilities/Net worth)	(3.24)	(2.77)	(1.85)	(1.66)	(1.70)	(1.76)
Earning per share (Rs./share)	(1.98)	0.56	0.64	(1.74)	(1.09)	(2.10)

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: **HAMID TEXTILE 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 (7) as per the following
   a. Male 4
   b. Female 3
2. The Composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Abid Hussain Mr. Muhammad Amin
Non-Executive Directors	Mrs. Khushbu Ammad Mrs. Nighat Khawar Mrs. Momina Khawar Ali
Executive Directors	Mr. Khawar Almas Khawaja Mr. Muhammad Alamgir

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 the significant policies along with their date of approval 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 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. One director has already met the exemption criteria to claim exemption of training program, further, Some directors have more than 13 years of experience on the Board of listed Company and have relevant qualifications to claim the exemption of Director's training programme and other directors of the Company are planning to take training programme.
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, during the year. However all such appointment including their remuneration and terms and conditions of employment were duly approved by the Board and complied with relevant requirements of the Regulations.
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:

a) Audit Committee

Names	Designation Held
Mr. Abid Hussain	Independent Director - Chairman
Mrs. Khushbu Ammad	Non-Executive Director
Mr. Muhammad Amin	Independent Director

b) HR and remuneration Committee

Names	Designation Held
Mr. Abid Hussain	Independent Director - Chairman
Mr. Khawar Almas Khawaja	Executive Director
Mr. Muhammad Alamgir	Executive Director

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings of the committee were as per following:

a) Audit Committee

Four quarterly meetings were held during the financial year ended June 30, 2024.

b) HR and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2024

15. The Board has outsourced an effective internal audit function that is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have 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, Internal Auditor, 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 regulation 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with;
19. Explanations for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below:

Sr No.	Requirement	Explanation of Non - Compliance	Regulation Number
1	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the Board.	29 (1)
2	**Risk Management Committee** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and the functions are being performed by the Board.	30 (1)
3	**Responsibilities of the Board and its members** The Board is responsible for governance and oversight of sustainability risks and opportunities and take appropriate measures to address it. Further, the Board ensures that the Company's sustainability and related strategies are periodically reviewed and monitored.	The Board will ensure that the Company has addressed sustainability - related risk and opportunities. Also it will ensure that Company's sustainability and related strategies are periodically reviewed and monitored in future.	10A (1) (3) (4) (5)
4	**Independent director** Independent directors meet all the criteria to be inducted on the board as independent directors but do not appear on the PICG data bank.	The board is considering appointing an independent director from the PICG data bank once the company sought direction from SECP to transfer qualifying shares to a nominee.	6

On behalf of the Board

Khawar Almas

Chief Executive **Chairman**

Dated: September 30, 2024

Certificate No. SG05/0299

To the Members of Hamid Textile Mills Limited.

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN 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 Hamid Textile Mills Limited 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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.

Further we highlight below instance of non-compliance with the requirement of the Regulation as reflected in the paragraph reference where it is stated in the Statement of Compliance:

Sr. #	Paragraph Reference	Description
(i)	9	All directors on their Boards should have Directors' Training till end of June 30, 2022 but till date of this report none of director provided certificate of Director's training orientation course, also company failed to comply with requirements of the regulation 19(3).

HLB IJAZ TABUSSUM & COMPANY
CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER: Mrs. Saira Mudassar
UDIN # CR202410189i07DdLMrp

Dated: October 03, 2024
Place: Lahore

IJAZ TABUSSUM & CO.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
To the members of Hamid Textile Mills Limited
Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Hamid Textile 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 a summary of significant accounting policies 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.

Because of the significance of the matter discussed in the basis for adverse opinion section of our report, In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, 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 do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The financial statement of the company for the year ended June 30, 2024 reflected loss before taxation of Rs. 24.572 million (2023: Rs. 17.392) million, and as of that date it has accumulated losses of Rs. 242.886 million (2023: Rs. 240.637 million) which has resulted in net capital deficiency before revaluation surplus of Rs. 110.170 million (2023: Rs. 107.921 million). Its current liabilities exceed its current assets by Rs. 60.413 million (2023: 94.043 million). The company's financial facilities stand expired which are not renewed and the company is unable to ensure the timely repayments of the debts owing to squeezed working capital facilities. Unit is not running at its optimum production capacity. These conditions indicate the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern. Despite of above factors, financial statement is prepared on going concern basis. Under these circumstances we are constrained to give adverse report.

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 *Auditor's 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 adverse opinion.

Key Audit Matter

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 period. These matters were addressed in the context of 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.

In addition to the matter described in the basis for adverse opinion followings are the key audit matters:

Key Audit Matters	How our audit addressed the key audit matters
1. Stock in trade and stores and spares (Referred to note # 6 & 5 respectively) Stock in trade to the annexed financial statements includes: • Raw materials comprising raw Cotton and yarn. • Work-in-progress & Yarn mainly comprising un-dyed cloth. Further, stores and spares, as disclosed in note 5 to the annexed financial statements include chemical required in process of weaving. Stock in trade and store and spares balances constitute 49.66 % of current assets of the Company. We focus on stock in trade and store and spares as it constitute a significant portion of company's Current assets and it requires management judgment in determining an appropriate costing basis and assessing its valuation.	Our audit procedures, to assess the valuation of stock in trade, amongst others include the following: • Attending management's inventory count and observing the process at material inventory locations, including the process implemented by management to identify and monitor obsolete stock; • Assessing the NRV of stock in trade by comparing, on a sample basis, managements' estimation of future selling prices for the product with current selling prices; • Comparing NRV to the cost of a sample of stock in trade and assess whether stock in trade provision s are complete. • We also tested the calculation of per unit cost of finished goods and work in process and assessed the appropriateness of management's basis for the allocation of cost and production overheads • We also assessed the adequacy of the disclosures made in respect of the accounting policies and the details of inventory balances held by the Company at the year end.

Key Audit Matters	How our audit addressed the key audit matters
2. **Sales**	
Refer to the statement of Profit and Loss and note no. 23 of the financial statements, the Company generates revenue from sale of yarn and fabric to domestic customers. We identified recognition of sales as a key audit matter because sales is one of the key performance indicator of the Company and gives rise to an inherent risk of misstatement to meet expectations or targets.	Our procedures to assess recognition of sales amongst others, include the following: • Obtaining an understanding of process relating to recording of sales and testing the effectiveness of key internal controls over such recording; • assessing the appropriateness of Company's accounting policies for recording of sales and compliance of those policies with applicable accounting standards; • comparing sample of sale transactions recorded during the year with sales orders, sales invoices, delivery challans and other relevant underlying documents; • comparing, on sample basis, specific sale transactions recorded just before and just after the financial year end to determine whether the revenue had been recognized in the appropriate financial period; and • Investigating any journal entries done manually relating to sales during the year which were considered to be material or met other specific risk based criteria for inspection of underlying documentations.

Information Other than the Financial Statements and Auditor's 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 auditor's 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 are responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's 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:

1. 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.

2. 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.

3. 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 auditor's 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 up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

4. 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 period and are therefore the key audit matters. We describe these matters in our auditor's 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 not 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 not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) but 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 is 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 Mrs. Saira Mudassar (FCA)

HLB IJAZ TABUSSUM & COMPANY
CHARTERED ACCOUNTANTS
UDIN # AR202410189lb6cCsAO4

Dated: October 03, 2024
Place: Lahore

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	JUNE 2024 Rupees	JUNE 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	555,401,186	596,999,533
CURRENT ASSETS			
Stores, spares and loose tools	5	13,752,485	11,606,664
Stock in trade	6	73,103,621	52,115,185
Trade debts	7	70,592,713	28,480,612
Loans and advances	8	720,870	2,898,477
Trade deposits and short term prepayments	9	360,000	360,000
Tax refunds due from the Government	10	11,269,655	3,137,895
Cash and bank balances	11	5,118,964	3,658,352
		174,918,309	102,257,185
		730,319,495	**699,256,718**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
15,000,000 shares (2023: 15,000,000) of Rs. 10/= each		150,000,000	150,000,000
Issued, Subscribed and Paid Up Share Capital			
Issued, subscribed and paid up capital	12	132,716,000	132,716,000
Accumulated loss		(242,886,212)	(240,637,117)
		(110,170,212)	(107,921,117)
Surplus On Revaluation Of Property, Plant And Equipment	13	483,999,917	508,175,661
		373,829,705	400,254,544
NON-CURRENT LIABILITIES			
Long term loan	14	25,000,000	-
Deferred liabilities	15	96,158,890	102,702,037
		121,158,890	102,702,037
CURRENT LIABILITIES			
Trade and other payables	16	122,844,281	64,761,849
Accrued mark-up	17	32,676,328	32,676,328
Loan from Director	18	7,901,600	11,248,100
Short term borrowings	19	24,520,298	24,520,298
Current & overdue portion of long term liabilities	20	47,388,393	47,388,393
Provisions	21	-	15,705,169
		235,330,899	196,300,137
CONTINGENCIES AND COMMITMENTS	22	-	-
		730,319,495	**699,256,718**

The annexed notes from 1 to 42 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

Certificate No. SG05/0299

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	JUNE 2024 Rupees	JUNE 2023 Rupees
Sales - (Net)	**23**	771,550,202	563,533,352
Cost of sales	**24**	(760,304,561)	(553,138,001)
Gross Profit / (Loss)		11,245,641	10,395,351
- Distribution Cost	**25**	4,568,670	1,945,883
- Administrative Expenses	**26**	31,272,323	25,839,232
		(35,840,993)	(27,785,115)
Operating loss		(24,595,352)	(17,389,764)
Other Income	**27**	35,000	-
Finance Cost	**28**	(12,130)	(2,362)
(Loss) / profit before taxation		(24,572,482)	(17,392,126)
Taxation	**29**	(1,671,833)	24,782,355
(Loss) / profit after taxation carried to statement of comprehensive income		(26,244,315)	7,390,229
(Loss) / Earning Per Share - Basic	**30**	(1.98)	0.56

The annexed notes from 1 to 42 form an integral part of these financial statements.

Chief Executive　　Chief Financial Officer　　Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	JUNE 2024 Rupees	JUNE 2023 Rupees
PROFIT / (LOSS) FOR THE PERIOD	(26,244,315)	7,390,229
Items that will not be reclassified to profit or loss		
Surplus on revaluation of Property, Plant and equipment (net of deferred tax)	-	219,020,800
Less: related defered tax liability	-	(61,674,532)
Gain / (Loss) on remeasurement of staff retirement benefit obligation	(180,524)	82,629
	(180,524)	157,428,897
Items that may be reclassified subsequently to profit or loss:		
	-	-
	-	-
TOTAL OF OTHER COMPREHENSIVE INCOME	**(180,524)**	**157,428,897**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(26,424,839)**	**164,819,126**

The annexed notes from 1 to 42 form an integral part of these financial statements.

Chief Executive | Chief Financial Officer | Director

Certificate No. SG05/0299

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

	Share Capital	Revenue Reserve Accumulated Loss	Surplus on Revaluation of Fixed Assets	Total
	(Amounts in Rupees)			
Balance as on June 30, 2022	132,716,000	(264,091,913)	366,811,332	235,435,419
Net Profit / (Loss) for the year	-	7,390,229	-	7,390,229
Revaluation surplus (Net of Tax)	-	-	157,346,268	157,346,268
Other Comprehensive income for the year	-	82,629	-	82,629
Incremental depreciation effect (net of deferred tax)	-	15,981,939	(15,981,939)	-
Balance as on June 30, 2023	132,716,000	(240,637,117)	508,175,661	400,254,545
Net Profit / (Loss) for the year		(26,244,315)		(26,244,315)
Revaluation surplus (Net of Tax)	-	-	-	-
Other Comprehensive income for the year	-	(180,524)	-	(180,524)
Incremental depreciation effect (net of defered tax)		24,175,744	(24,175,744)	-
Balance as on June 30, 2024	132,716,000	(242,886,212)	483,999,917	373,829,705

The annexed notes from 1 to 42 form an integral part of these financial statements.

Chief Executive | Chief Financial Officer | Director

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

	Note	2024 Rupees	2023 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/ profit before taxation		(24,572,482)	(17,392,126)
ADJUSTMENTS			
Depreciation	4	41,248,347	25,301,305
Provision/ (Reversal) for gratuity	15.4	1,758,873	1,600,432
Gain on disposal of fixed assets		(35,000)	-
Provision of Deferred liability	21	-	15,705,169
Finance cost		12,130	2,362
		42,984,350	42,609,268
Operating profit before adjustment of working capital		18,411,868	25,217,142
(Increase) / decrease in current assets:			
Stores, spares and loose tools		(2,145,821)	(1,871,517)
Stock in trade		(20,988,436)	(21,101,677)
Trade debts		(42,112,101)	(6,882,807)
Loans and advances		2,177,607	1,261,314
Trade deposits and short term prepayments		-	(5,000)
Tax refunds due from the Government		(8,131,760)	805,801
		(71,200,511)	(27,793,886)
Increase/(decrease) in current liabilities:			
Trade and other payables		58,082,432	11,058,356
Cash generated from operations		5,293,789	8,481,613
Gratuity paid		(510,000)	(2,671,594)
Finance Cost		(12,130)	(2,362)
Paid Provision for LESCO Bill		(15,705,169)	-
Taxes paid		(9,644,378)	(7,044,167)
Net cash generated from operating activities		(20,577,888)	(1,236,509)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Asset	4	-	-
Disposal proceeds of Fixed Asset		385,000	-
Net cash (outflow) from investing activities		385,000	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Short term loan from related parties - unsecured	18	(3,346,500)	(2,354,500)
Short term loan from related parties - unsecured		-	2,700,000
Long term loan from Other than banking companies - unsecured		25,000,000	-
Net cash outflow from financing activities		21,653,500	345,500
Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,460,612	(891,009)
Cash and cash equivalents at the beginning of the year		3,658,352	4,549,361
Cash and cash equivalents at the end of the year	**31**	**5,118,964**	**3,658,352**

The annexed notes from 1 to 42 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

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

1. THE COMPANY AND ITS ACTIVITIES

1.1 Hamid Textile Mills Limited (the "Company") was incorporated in Pakistan on April, 09, 1987 as a Private Limited Company and was subsequently converted on February 15, 1988 into Public Limited Company under the Companies Ordinance, 1984 (repealed by Companies Act, 2017) and is listed on the Pakistan Stock Exchange in Pakistan. The principal business of the company is to manufacture yarn and grey cloth, which are marketed within and outside Pakistan. The Company's manufacturing activities are located at Wan Adhan, Tehsil Pattoki, Distt. Kasur, and company's registered/Head office situated at 142 ,Block D, Model Town, Lahore.

1.2 The financial statement of the company for the year ended June 30, 2024, reflected loss before taxation Rs.24.572 million (loss before taxation, 2023: Rs. (17.392) million), and as of that date it has accumulated losses of Rs. 242.886 million (2023: Rs. 240.637 million) which has resulted in net capital deficiency of Rs. 110.117 million (2023: Rs. 107.921 million), its current liabilities exceeds its current asset by Rs.60.413 million (2023: 94.043 million). The company's financial facilities have expired and have not been renewed because the matter is currently pending in the Honourable High Court. The company may be unable to ensure the timely repayments of the debts owing to financial constraints due to the squeezed working capital facilities. These conditions indicates the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern.

However total assets exceeds from its total liabilities by Rs. 468.009 million as on the balance sheet date, and therefore, the company is able to meet its liabilities in normal course of business. However, the management is making dedicated efforts to keep the unit viable and operational, for more than one decade unit is operational even in difficult economic conditions of the country.Management is trying to negotiate with the banks for the settlement/restructuring and renewal of the financial facilities. So, the Company will be operative and will revive the equity of the shareholders, therefore, these financial statements have been prepared under the going concern basis without any adjustment to assets and liabilities as the management expects that these factors are temporary, will be reversed in foreseeable future and the unit could be operative.

1.3 Significant Transaction and Events affecting the Company's Financial Position and Performance.

1.3.1 There are no significant matters during the year.

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:

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

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

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention and on accrual basis except that inventories are carried that lower off cost or net reliable value, and except:-

a) Employee retirement benefits (Gratuity)

The Company uses the valuation performed by an independent actuary to determine the present value of its retirement benefit obligations.

b) Certain property, plant and equipment -

The Company is using the revaluation model for certain property, plant and equipment. Revaluation is performed by an independent valuer periodically.

c) Deferred markup, interest free loans from related parties.

The Company is carrying deferred / frozen markup on certain bank borrowings, interest free loans from related parties.

These financial statements have been prepared following accrual basis of accounting except for cash flow information.

2.3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These estimates and related assumptions are reviewed on an on going concern basis. Accounting estimates are revised in the period in which such revisions are made. Significant management estimates in these financial statements relate to the useful life and residual values of property, plant and equipment; revalued amounts of property, plant and equipment; amortization of intangible assets; loss allowance on trade receivables; impairment of assets; provisions for defined benefit obligations; slow moving and obsolete inventory; taxation; and contingent liabilities. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

2.4 Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the company. Further, the company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

2.5 Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

2.6 Functional and presentation currency

These financial statements are prepared and presented in Pakistani rupee, which is the company's functional and presentation currency.

2.7 Changes / Amendments in Accounting Standards

Standards, interpretations and amendments to published accounting standards that are effective in the current year

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the company's operations and are not expected to have significant impact on the company's financial statements other than certain additional disclosures.

		Effective from accounting period beginning on or after :
IAS 1	Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies	January 01,2024
IAS 8	Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01,2023
IAS 37	Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - cost of fulfilling a contract	January 01,2022
IAS 12	Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from single transactions. - International Tax Reforms -- Pillar Two Model Rules	January 01,2023
IFRS 9/IFRS 16/IAS 41	Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	

2.8 Amendments/ Improvements to Accounting Standards that are not yet effective

The following amendments and interpretations with respect to the approved accounting standards as applicable would be effective from the dates mentioned below against the respective standard or interpretation.

		Effective date(annual periods beginning on or after)
IAS 7	Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments disclosures' - Supplier Finance Arrangements	January 01,2024
IAS 1	Presentation of financial Statements- Amendments regarding the classification of liabilities as current or non-current along with Non-current liabilities with convenants	January 01,2024
IAS 21	Amendments to IAS 21, „The effect of changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01,2025
IFRS 17	Insurance contracts (including the June 2020 and December 2021 Amendments in IFRS 17)	January 01,2026
IFRS 9	Amendments to 'IFRS 9 Financial Instruments and IFRS 7 'Financial Instruments disclosures'- Classification and measurements of financial instruments	January 01,2026
IFRS 16	Amendments to IFRS 16 - 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transaction amendments to IAS 1 'Presentation of Financial Statements'- Disclosure of accounting policies.	January 01,2024

2.9 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

The following new standards and interpretation have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by Securities and Exchange Commission of Pakistan.

		IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of international financial reporting standards.	January 01,2018
IFRS 17	Insurance contracts.	January 01,2021
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 01,2027

The management anticipates that the adoption of the above standards and amendments in future periods will have no material impact on the company's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied 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.

3.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at June 30, 2024.

Remeasurement changes which comprise actuarial gains and losses are recognized immediately in the statement of comprehensive income.

3.2 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss.

3.2.1 Current

The charge for current tax is based on taxable income at current tax rates after considering the rebates and tax credits available, if any.

3.2.2 Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized 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 utilized. The carrying amount of all deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax is calculated at the rates that are expected to apply for the year when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity. The Company assesses at each reporting date whether its income is subject to tax under the Final Tax Regime or normal provision of the Income Tax Ordinance, 2001.

3.3 Property, plant, equipment and depreciation

Owned

Property plant and equipment (except free hold land, building, plant and machinery) are stated as cost less accumulated depreciation and impairment losses, if any. Freehold land, building , plant and machinery are stated at revalued amounts less subsequent accumulated depreciation and subsequent impairment losses, if any. Capital work-in-progress (if any) is stated at cost less impairment.

A revaluation surplus is recorded in other comprehensive income (OCI) and credit to the assets revaluation surplus reserve in equity. However, the increase is recorded in statement of profit or loss to extent it reverses a revaluation deficit of the same assets previously. A decrease as a result of revaluation is recognized in the statement of profit or loss however, a decrease is recorded in statement of other comprehensive income to the extent of any credit balance entry in revaluation surplus in respect of same assets.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against gross carrying amount of the assets and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus to particular asset being sold is transferred to retained earnings.

Land, building and plant and machinery have been valued on the basis of revaluation carried out on June 30, 2023 (Note 4). Depreciation is charged to profit or loss account applying the reducing balance method whereby the cost of an asset is written off over its estimated useful life at the rate specified in the Note 4.1. Depreciation on additions during the year is charged on pro-rata basis when the asset is available for use.

Similarly the depreciation on deletion is charged on pro-rata up to the period when the asset is derecognized.

The assets residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Gains and losses on disposal of property, plant & equipment are charged to the statement of profit or loss. Normal repair and maintenance and replacement is charged to income as and when incurred while Cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associates with the item will flow to the entity and cost of item can be measured reliably. All other repair and maintenance cost is charged to income during the period in which they incurred.

The carrying amount of an item of property, plant, and equipment will include the cost of replacing the part of such an item when that cost is incurred if, and only if it is probable that future economic benefits associates with the item will flow to the entity and cost of item can be measured reliably. The carrying amount of those parts that are replaced is derecognized or withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is the difference between the proceeds and the carrying amount and shall be recognized in profit and loss.

3.3.1 Assets subject to Leases IFRS 16

The Company has adopted IFRS 16 from 01 July 2019. The standard replaces IAS 17 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognized in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognized lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under IFRS 16 will be higher when compared to lease expenses under IAS 17, as the operating expense is now replaced by interest expense and depreciation in the statement of profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The adoption of IFRS 16 has no financial impact on the financial statements of the Company.

Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

Lease Liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.4 Impairment of non-financial assets

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the estimated recoverable amount of that asset is determined and impairment losses are recognized in the profit or loss account, for the difference between recoverable and carrying amount.

3.5 Stores, spares and loose tools

These are valued at lower of moving average cost or net realizable value, except items in transit, which are stated at cost plus other charges incurred thereon up to balance sheet date.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

For items that are slow moving adequate provision is made, if necessary, for any excess carrying value over estimated realizable value and charged to the statement of profit or loss.

3.6 Stock in trade

These are valued at lower of cost and net realizable value except waste, which are valued at contract price. Cost is determined as under:

Raw material	Moving average cost.
Work in process and finished goods	Prime cost plus estimated production overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

3.7 Revenue from contracts with customer

3.7.1 Revenue recognition

The Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. The Company recognizes revenue in accordance with that core principle by applying the following steps:

– Identify the contract with a customer
– Identify the performance obligations in the contract
– Determine the transaction price
– Allocate the transaction price to the performance obligations in the contract
– Recognize revenue when the entity satisfies a performance obligation

i) Customer acquisition costs

Customer acquisition costs are capitalized as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortized on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

ii) Customer fulfilment costs

Customer fulfilment costs are capitalized as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortized on a straight-line basis over the term of the contract.

iii) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

iv) 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 recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract

v) Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

vi) Contract balances

(a)the opening and closing balances of receivables, contract assets and contract liabilities from contracts with customers, if not otherwise separately presented or disclosed;

(b) revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period; and

(c) revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods

• the difference between contract assets and trade receivables, enabling users to understand the different risks associated with each balance; and

• howthe timing of the satisfaction of performance obligations related the typical timing of payment and the effect that those factors have on the contract asset and contract liability balances.

Interest income is recognized on a time proportionate basis using the effective rate of return.

3.8 Provision

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

3.9 Deferred government grant

In accordance with IFRS 9 the benefit of interest rate lower than the market rate on borrowings obtained under State Bank of Pakistan (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity and temporary economic refinance facility, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognized and presented in statement of financial position as deferred government grant.

3.10 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

3.11 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.12 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

3.13 Financial Instruments

3.13.1 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

i) Financial assets at amortized cost

Instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at fair value through profit or loss (FVTPL). Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in the statement of profit or loss.

3.13.2 Impairment of financial assets

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less loss allowance, if any. The Company recognizes a loss allowance for Expected Credit Loss (ECL) on trade debts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognizes lifetime ECL for trade debts. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument.

In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(1) The financial instrument has a low risk of default,

(2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and

(3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Company employs statistical models to analyses the data collected and generate estimates of probability of default ('PD') of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event (see (ii) above);

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derivative financial instruments

Derivatives that do not qualify for hedge accounting are recognized in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

3.13.3 Non-financial assets

The Company assesses at each reporting date whether there is any indication that assets except inventories, biological assets and deferred tax asset may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's 'fair value less costs to sell' and 'value in use'.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized. Reversal of impairment loss is recognized as income in the statement of profit or loss.

3.13.4 Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognized in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in the statement of profit or loss incorporates any interest paid on the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability. Borrowing costs are recognized 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 capitalized as part of the cost of that asset.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit or loss.

Offsetting of financial assets and financial liabilities

3.13.5 Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.14 Investments

3.14.1 Investment in associates

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognized in the statement of profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associate's other comprehensive income that have not been recognized in the associate's statement of profit or loss. The Company's share of those changes is recognized in the statement of comprehensive income of the Company.

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

3.15 Trade and other payables

Liabilities for trade and other payable are measured at cost which is the fair value of consideration to be paid in future for goods and services.

3.16 Borrowing cost

Borrowing costs are recognized as an expense in which these are incurred except to the extent these are directly attributable to acquisition, construction or production of qualifying assets, where these are added to the cost of those assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use/sale.

3.17 Foreign currency transaction

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange approximating those prevailing on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated into Pak Rupees at the rates prevailing on the reporting date.

Gains and losses arising on retranslation are included in the statement of profit or loss for the period.

3.18 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at book value which approximates their fair values. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cash with bank on current, saving and deposit accounts, short term bank borrowings and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to in significant risk of change in value.

3.19 Related party transaction and transfer pricing

Transaction and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method. Parties are said to be related if they able to influence the operating and financial decisions of the company and vice versa.

4 Property, plant and equipment

The following is a statement of Operating Fixed assets:

As at June 30, 2024

	Land	Building	Plant & Machinery	Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
NET CARRING VALUE BASIS									
Opening net book value (NBV)	87,600,000	193,099,001	315,275,000	61,323	121,198	253,918	527,036	62,058	596,999,533
Disposal	-	-	-	-	-	-	-	-	-
Cost			(1,528,634)						(1,528,634)
Accumulated Depreciation			1,178,634						1,178,634
Depreciation Charge	-	(9,654,950)	(31,484,637)	(6,132)	(12,120)	(25,392)	(52,704)	(12,412)	(41,248,346)
Closing net book value	87,600,000	183,444,050	283,440,363	55,191	109,078	228,526	474,332	49,647	555,401,186
GROSS CARRYING VALUE BASIS									
Cost/Revaluation	87,600,000	301,424,803	682,804,409	1,503,568	460,171	2,619,932	3,367,532	2,815,401	1,082,595,816
Accumulated Depreciation	-	(117,980,753)	(399,364,046)	(1,448,377)	(351,093)	(2,391,406)	(2,893,200)	(2,765,754)	(527,194,629)
Closing net book value	87,600,000	183,444,050	283,440,363	55,191	109,078	228,526	474,332	49,647	555,401,186
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	

As at June 30, 2023

	FreeHold Land	Building	Plant & Machinery	Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
NET CARRING VALUE BASIS									
Opening net book value (NBV)	81,250,000	138,189,130	182,692,808	68,137	134,664	282,131	585,595	77,573	403,280,038
Addition / Transfers	-	-	-	-	-	-	-	-	-
Revaluation Surplus	6,350,000	61,819,327	150,851,473	-	-	-	-	-	219,020,800
Depreciation Charge	-	(6,909,457)	(18,269,281)	(6,814)	(13,466)	(28,213)	(58,560)	(15,515)	(25,301,305)
	-	-	-	-	-	-	-	-	-
Closing net book value	87,600,000	193,099,001	315,275,000	61,323	121,198	253,918	527,036	62,058	596,999,533
GROSS CARRYING VALUE BASIS									
Cost / Revaluation	87,600,000	301,424,803	684,333,043	1,503,568	460,171	2,619,932	3,367,532	2,815,401	1,084,124,450
Accumulated Depreciation	-	(108,325,803)	(369,058,043)	(1,442,245)	(338,973)	(2,366,014)	(2,840,497)	(2,753,343)	(487,124,917)
Closing net book value	87,600,000	193,099,001	315,275,000	61,323	121,198	253,918	527,036	62,058	596,999,533
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	

4.1 Subsequent to revaluation on June 30, 2013 & June 30, 2018 which had resulted in surplus of PKR 295,191,006/- and PKR 146,957,869/-PKR respectively. As at June 30, 2023 further revaluation is conducted resulting revaluation surplus, PKR 219,020,800/-. The valuation is conducted by independent valuer M/s Surval Approved valuers of PBA, NBFI & Modaraba Association of Pakistan. Valuation for land, building & machinery are based on the estimated gross replacement cost.

4.2 Particulars of immovable assets of the Company are as follows:-

Location	Address		Covered Area
Pattoki	Changa Manga Road Wan Adhan, Pattoki Dist. Kasur		202,682 Sq. Ft.

4.3 Depreciaiton charge for the year has been allocated as follows

	2024	2023
Cost of sales	39,116,502	23,738,157
Administrative	2,131,844	1,563,147
	41,248,346	**25,301,304**

4.4 Had there been no revaluation, the original cost, accumulated depreciation, and book value of revalued class of property, plant & equipment would have been as follows:

Description	Cost as at 01-07-2023	Addition/ (Deletion)	Cost as at 30-06-2024	Accumulated Depreciation	Accumulated Depreciation on disposal	BOOK VALUE AS 30-06-2024
Free Hold Land	5,373,978		5,373,978	-		5,373,978
Building	71,835,757	-	71,835,757	64,417,390		7,418,367
Plant & Machinery	362,128,738	(915,350)	361,213,388	333,078,894	(680,912)	27,453,582
	439,338,473	**(915,350)**	**438,423,123**	**397,496,285**		**40,245,926**

Description	Cost as at 01-07-2022	Addition/ (Deletion	Cost as at 30-06-2023	Accumulated Depreciation	BOOK VALUE AS 30-06-2023
Free Hold Land	5,373,978	-	5,373,978	-	5,373,978
Building	71,835,757	-	71,835,757	64,026,950	7,808,807
Plant & Machinery	362,128,738	-	362,128,738	329,851,134	32,277,604
		-	-		-
	439,338,473	**-**	**439,338,473**	**393,878,084**	**45,460,389**

Fair value of the properties was determined using the market comparable method. Fair values are categorized as level 2 fair value hierarchy where inputs are observable. The valuations have been performed by an independent professional valuer and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition.

4.5 Detail of fixed assets disposal

Particulars	Quantity	Cost	Acc. Depreciation	Book Value	Sale Proceed	Gain on Disposal
Sale of Press		1,528,634	1,178,634	350,000	385,000	35,000
		-	-	-	-	-
Total		**1,528,634**	**1,178,634**	**350,000**	**385,000**	**35,000**

			2024 Rupees	2023 Rupees
5.	**STORES, SPARES AND LOOSE TOOLS**			
	Stores and spares		13,752,485	11,606,664

No stores, spares and loose tools were in transit at the balance sheet date.
No stores, spares and loose tools were held for capitalization at the balance sheet date.

6.	**STOCK IN TRADE**			
	Raw material		34,108,512	39,738,892
	Work-in-process		4,939,706	2,939,398
	Finished goods		34,055,403	9,436,895
			73,103,621	52,115,185

No stock in trade was in transit at the balance sheet date.

7.	**TRADE DEBTS - Unsecured**			
	Considered good-Unsecured.		70,592,713	28,480,612

7.1 Trade debts do not include amounts due from related party (2023: Rupees Nil)

7.2 As at 30 June 2024, trade debts of Rupees 1.091 million (2023: Rupees 0.741 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is given in Note # 36 of these financial statements.

8.	**LOANS AND ADVANCES**			
	Advances - *considered good (Unsecured)*			
	To employees	**8.1**	85,000	20,000
			-	-
			85,000	20,000
	To suppliers		635,870	2,878,477
			720,870	2,898,477

8.1 No amount was due from chief executive and director as at balance sheet date (2023 : Nil).

9.	**TRADE DEPOSITS AND SHORT TERM PREPAYMENTS**			
	Trade deposits:			
	Security deposits		350,000	350,000
	Advance against others		10,000	10,000
			-	-
			360,000	360,000
10.	**TAX REFUNDS DUE FROM THE GOVERNMENT**			
	Sales tax refundable		11,123,489	2,311,952
	Income tax refundable		146,166	825,943
			11,269,655	3,137,895
11.	**CASH AND BANK BALANCES**			
	Cash in hand		198,611	373,569
	Cash at bank (Current accounts in Pak Rupees)		4,920,353	3,284,783
			5,118,964	3,658,352
12.	**SHARE CAPITAL**			
	Authorized:			
	15,000,000 (2023:15,000,000) ordinary shares of Rs.10/= each		150,000,000	150,000,000
	Issued, subscribed and paid-up:			
	13,271,600 (2023: 13,271,600) ordinary shares of Rs.10/= each fully paid in cash		132,716,000	132,716,000

12.1 Ordinary shares of the Company held by associated companies as at the reporting date are as follows:

	Number of sahres	
Bankers' equity Limited	2,977,500	2,977,500

All ordinary shares rank equally with regard to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

13. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	2024 Rupees	2023 Rupees
Opening balance:		
Land freehold	82,226,022	75,876,022
Building on freehold land	170,892,403	131,675,148
Plant and machinery	255,057,236	159,260,162
	508,175,661	366,811,332
surplus on assets		
Land freehold	-	6,350,000
Building on freehold land	-	43,891,722
Plant and machinery	-	107,104,546
	-	157,346,268
Adjustments		
Depreciation on the incremental value arising on Revaluation of property, plant and equipment:		
Current year:		
Building on freehold land	(8,544,620)	(6,583,757)
Plant and machinery	(25,505,724)	(15,926,016)
	-	-
	(34,050,344)	(22,509,773)
Related Deferred tax liability	9,874,600	6,527,834
	483,999,917	508,175,661

13.1 This represents surplus over book value resulting from the revaluation of freehold land, buildings on freehold land and plant and machinery, adjusted by incremental depreciation arising on revaluation of the above-mentioned assets except freehold land. Latest revaluation was carried out by an independent valuer "Surval" as on June 30, 2023 using market value method, This resulted in net additional revaluation surplus of Rs. =219,020,800/- million.

13.2 The revaluation surplus relating to the above-mentioned property, plant and equipment excluding freehold land is net of applicable deferred income taxes. Incremental depreciation charged on revalued property, plant and equipment has been transferred to the statement of changes in equity to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between actual depreciation based on revalued carrying amount of the asset and equivalent depreciation based on the original carrying amount of the asset.

14. LONG TERM LOANS

	Note	2024 Rupees	2023 Rupees
14.1 BANKING COMPANIES: (Secured)			
National Bank of Pakistan			-
Demand finance - I	**14.1.1**	17,857,143	17,857,143
Demand finance - II	**14.1.2**	29,531,250	29,531,250
		47,388,393	47,388,393
		47,388,393	47,388,393
Current portion			
National Bank of Pakistan			
Current portion	**20**	-	-
Overdue portion	**20**	47,388,393	47,388,393
		47,388,393	47,388,393
		47,388,393	47,388,393
		-	-

14.1.1 Demand Finance-I

The limit under this facility was Rs. 25.00 million (2023:25.00 million) and carry markup at SBP's discount rate with a floor of 7.5% p.a (2023: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. The repayment of terms of the facility was payable in 20 quarterly installments of Rs.892,857/- each within a period of 5-years starting from June 30, 2007 to March 31, 2012 and on the date of change of management i.e 06-02-2008, the installments for the quarters ended on 30-06-2007, 30-09-2007, 31-12-2007 and 31-03-2008 was to be paid on immediate basis by the company and its incoming directors.

14.1.2 Demand Finance-II

The limit under this facility was Rs. 35.00 million (2023:35.00 million) and carry markup at SBP's discount rate with a floor of 7.5% p.a (2023: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. The repayment of terms of the facility was payable in 27 quarterly installments of Rs.1,093,750/- each within a period of 5-years starting from March 31, 2007 to September 30, 2013 and on the date of change of management i.e 06-02-2008, the installments for the quarters ended on 30-06-2007, 30-09-2007, 31-12-2007 and 31-03-2008 was to be paid on immediate basis by the company and its incoming directors.

14.1.3 The above mentioned Demand Finance-I and II facilities are secured against the following:

- First charge of Rs.220.000 Million on all the present/future fixed assets of the company.
- First pari passu charge of Rs.220.000 Million over all current assets of the company.
- Personal guarantees of directors of the company.

14.1.4 In case of default in repayment as per term of settlement, the above facilities shall be subject to markup @ 3 months KIBOR + 3% (2022: Mark-up @ 3 months KIBOR +3%) on the principal amount of installment for the period from due date till its repayment by the company to NBP.

In case of default in repayment as per term of settlement, the above facilities shall be subject to markup @ 3 months KIBOR + 3% (2022: Mark-up @ 3 months KIBOR +3%) on the principal amount of installment for the period from due date till its repayment by the company to NBP.

14.1.5 The company unable to pay as per terms of settlement and the NBP filed recovery suit against the company. The court awarded decree in aggregate of Rs. 103 million (Inclusive of long term loan (Note 14.1 &14.2) , short term loans (Note-19) and markup and company appeal pending adjudication refer to Note-22 (b) of the financial statements.

14.2 OTHER THAN BANKING COMPANIES: (Un-Secured)

Mr. Sohail Ahmad	14.2.1	25,000,000	-

14.2.1 This is an un-secured loan repayable in fixed 24 installments of Rs. 1,248,103 on a monthly basis starting from 01 July 2027 and then on each mark-up payment date at a fixed mark-up rate of 18% per annum. The mark-up is payable on a monthly or quarterly basis in arrears starting from 01 July 2024. (The agreement allows the company to opt for repayment of markup or equal monthly Installment on quarterly basis).

		2024 Rupees	2023 Rupees
15 DEFERRED LIABILITIES			
Provision for Deferred Tax	**15.1**	94,179,863	102,152,407
Staff retirement benefits - Gratuity	**15.2**	1,979,027	549,630
		96,158,890	102,702,037

15.1 PROVISION FOR DEFERRED TAXATION	**2024 Rupees**	**2023 Rupees**
Taxable Temporary difference		
Accelerated Tax Depreciation Allowance	131,561,867	142,932,488
Deductable temporary difference		
Provision for gratuity	(426,018)	615,370
Provision for obsolete stock/stores and spares	-	-
Provision for doubtful receivables	-	-
Total Taxable/(Deductible) Difference	131,135,849	143,547,858
Effect of Accumulated Tax Losses	(36,955,986)	(41,395,451)
Deferred Tax Liability	**94,179,863**	**102,152,407**

15.2 Staff retirement benefits (defined benefit plans)

The amounts recognized in the balance sheet are as follows:			
Present value of defined benefit obligation (Note 15.3)		1,979,027	549,630
Benefit Payable		-	-
Liability as at 30 June 2024		1,979,027	549,630
Net Liability as at 01 July 2023	**15.3**	549,630	1,703,421
Charge to profit and loss account (Note 15.4)		1,758,873	1,600,432
Benefit Payable		-	
Payments		(510,000)	(2,671,594)
Experience adjustment		187,279	(88,938)
Acturial (Gains)/Losses from change in financial assumption		(6,755)	6,309
Liability as at 30 June 2024		1,979,027	549,630

15.3 Present value of defined benefit obligation

Present value of defined benefit obligations	549,630	1,703,421
Current service cost	1,710,996	1,588,099
Interest cost	47,877	12,333
Benefit paid	(510,000)	(2,671,594)
Benefit due but not paid (payable)	-	-
Experience adjustment	187,279	(88,938)
Acturial (Gains)/Losses from change in financial assumption	(6,755)	6,309
(Gains)/losses arising on plan settlement		-
	1,979,027	549,630

15.4 Charge to profit and loss account:

Current service cost	1,710,996	1,588,099
Interest cost	47,877	12,333
	-	-
	1,758,873	1,600,432

15.5 Total Remeasurment Chargeable in other Comprehensive Income

Actuarial (gains)/losses from changes in demoghaphic assumptions	-	-
Actuarial (gains)/losses from changes in financial assumptions	(6,755)	6,309
Experience adjustments	187,279	(88,938)
Total remeasurements chargeable in OCI	180,524	(82,629)

The latest actuarial valuation for gratuity scheme was carried out on June 30, 2024 by M/s Nauman Associates under Projected Unit Credit Method, using the following significant assumptions for valuation of the scheme:

	2024 Rupees	2023 Rupees
Discount rate	14.75% p.a	16.25% p.a
Expected rate of salary increase in future years	13.75 % p.a	15.25 % p.a
Average duration of the defined benefits obligation	6 years	
Expected mortality rate of active employees	SLIC (2001-2005) Mortality Table	
Acturial Valuation Method	Projected Unit Credit Method	

The Company does not have any plan assets covering its post-employment benefits payable. The comparative statement of present value of defined benefit obligations is as under:

	2024	2023	2022	2021	2020
Present value of defined benefit obligation	1,979,027	549,630	1,703,421	3,436,169	3,028,195
Fair value of plan asset	-	-	-	-	-
Net liability	1,979,027	549,630	1,703,421	3,436,169	3,028,195

Year end sensitivity analysis on defined benefit obligation
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

Discount rate + 100bps	1,875,750
Discount rate - 100bps	2,094,396
Salary Icrease + 100bps	2,098,086
Salary Icrease - 100bps	1,870,566

16 TRADE AND OTHER PAYABLES

	2024 Rupees	2023 Rupees
Creditors	39,951,686	9,239,029
Accrued expenses	41,089,592	33,545,602
Advances from customers	39,178,945	19,482,274
Other payable	2,624,058	2,494,944
Income Tax	-	-
Sales Tax Payable	-	
	122,844,281	64,761,849

17 ACCRUED MARK-UP

Accrued mark-up	32,676,328	32,676,328
	32,676,328	32,676,328

17.1 The break-up of accrued mark-up is as follows:

On long term loans from banking company	29,876,434	29,876,434
On short term borrowings from banking company	2,799,894	2,799,894
	32,676,328	32,676,328

18 LOAN FROM RELATED PARTIES DIRECTOR (Unsecured)

Loan from Director	7,901,600	11,248,100

This represents loan provided by the chief Executive of the company for the purpose of meeting working capital requirements. The loan is contractual, unsecured and interest free payable on demand, Detail of material Loan is hereunder:-

Loan from Chief Executive (Mr.Khawar Almas Khawaja)

Opening balance	11,248,100	10,902,600
Contribution during the year	-	2,700,000
Repayment during the year	(3,346,500)	(2,354,500)
Balance	7,901,600	11,248,100

			2024 Rupees	2023 Rupees
19	**SHORT TERM BORROWINGS**			
	From Banking Company: (SECURED)			
	National Bank of Pakistan			
	Trust receipt	**19.1**	19,848,336	19,848,336
	Cash finance (Pledge)	**19.2**	4,671,962	4,671,962
			24,520,298	24,520,298
			24,520,298	24,520,298

19.1 The trust receipt facility of Rs. 20.000 million (2023: Rs.20.000 million from National Bank of Pakistan (NBP) and it carries markup at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. and no cap, and is payable on quarterly basis. The facility is secured against the trust receipt executed by the company plus collateral and securities mentioned in 19.3

19.2 The cash finance facility of Rs.40.600 million (2023: Rs.40.600 million is availed from National Bank of Pakistan (NBP) to meet working capital requirements of the company and at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. and no cap, and is payable on quarterly basis.The facility is secured pledge of cotton, yarn and cloth stocks plus collateral and securities mentioned in 19.3

19.3 The above facilities of Demand Finance-I and II are secured against the following:
- First charge of Rs.220.000 Million on all the present/future fixed assets of the company.
- First pari passu charge of Rs.220.000 Million over all current assets of the company.
- Personal guarantees of directors of the company.

19.4 The company unable to pay as per terms of settlement and the NBP filed recovery suit against the company. The court awarded decree in aggregate of Rs. 103 million (Inclusive of long term loan (Note 14.1 &14.2) , short term loans (Note-19) and markup and company appeal pending adjudication refer to Note-22(b) of the financial statements.

			Rupees 2024	Rupees 2023
20	**CURRENT & OVERDUE PORTION OF LONG TERM LIABILITIES-(SECURED)**			
	Current:			
	Long term loans from banking companies			
	- National Bank of Pakistan	**14**	-	-
			-	-
	Overdue:			
	Long term loans from banking companies			
	- National Bank of Pakistan	**14**	47,388,393	47,388,393
			47,388,393	47,388,393
			47,388,393	47,388,393
			47,388,393	47,388,393

21 PROVISIONS:

(a) The company filed a writ petition in the Honorable Lahore High Court, The Court granted the company a stay order against LESCO following the revised tariff in the electric bill.

In the opinion of Legal advisor of the company the relif is temporary and it is probable that settlement will result in an outflow of resource. Therefore management decided to account for provision for said amount as in note.

	2024	2023
Provision for Lesco Bill	-	15,705,169
	-	15,705,169

22 Contingencies:

(a) The company's passed order u/s 122(1)/122(5) read with section 122(9)/177 of the Income Tax Ordinance, 2001 for the tax year 2014 in which raised demand Rupees 38,295,313/- the company preferred appeal which is decided in favor of company by CIR appeal and in balance no income tax is payable.Depatment preferred second appeal before the ATIR and the same is decided by the Honorale ATIR dated 15/11/2023 and directed to assessing officer pass and speaking order.

(b) The National Bank of Pakistan has filed suit against the Company before the Honorable Lahore High Court, Lahore and the case has been decreed against M/S Hamid Textile Mills Limited and the company has filed the appeal in the Honorable High Court, Lahore against the decree. The expected decision may be recovery of Finances along with cost of fund.

In the opinion of the Legal advisor of the company, the point (a) to(b) in the contingencies, The company have good prima facie cases and the outcome of these cases will be settled in favor of the company.

Commitments:

There are no Commitments as at June 30, 2024 (2023: Nil).

			2024 Rupees	2023 Rupees
23	**SALES -NET**			
	Fabric	**23.1**	492,153,794	319,856,919
	Yarn	**23.2**	58,914,000	-
	Conversion income	**23.3**	212,744,385	238,825,030
	Waste	**23.4**	7,738,023	4,851,403
			771,550,202	563,533,352
	23.1 Fabric Sale		580,741,477	374,133,662
	Sales Tax		88,587,683	54,276,743
	Discount		-	-
			492,153,794	319,856,919
	23.3 Conversion Income		251,038,374	280,346,782
	Sales Tax		38,293,989	41,521,752
	Discount		-	-
			212,744,385	238,825,030
	23.4 Waste Sale		9,130,867	5,714,938
	Sales Tax		1,392,844	863,535
	Discount		-	-
			7,738,023	4,851,403

			JUNE 2024 Rupees	JUNE 2023 Rupees
24	**COST OF SALES**			
	Raw material consumed	**24.1**	441,996,345	265,039,377
	Salaries, wages and other benefits	**24.2**	78,864,269	87,853,108
	Fuel and power		193,499,066	156,968,101
	Stores and spares consumed		23,111,374	23,557,194
	Doubling and sizing charges		7,880,685	2,284,526
	Repair and maintenance		224,400	453,630
	Travelling and Conveyance		-	152,760
	Other overheads		2,230,736	2,838,610
	Depreciation	**4.1.1**	39,116,502	23,738,157
			786,923,377	562,885,463
	Work-in-process			
	Opening stock		2,939,398	2,628,831
	Closing stock		(4,939,706)	(2,939,398)
			(2,000,308)	(310,567)
	Cost of goods manufactured		784,923,069	562,574,896
			2024 Rupees	**2023 Rupees**
	Finished goods			
	Opening stock		9,436,895	-
	Closing stock		(34,055,403)	(9,436,895)
			(24,618,508)	(9,436,895)
			760,304,561	553,138,001
	24.1 Raw material consumed			
	Opening stock		39,738,892	28,384,677
	Add: Purchases including expenses		436,365,965	276,393,592
	Available for consumption		476,104,857	304,778,269
	Less: Closing stock		(34,108,512)	(39,738,892)
			441,996,345	265,039,377

24.2 Salaries, wages and benefits include Rs 1,597,853 /- (2023 Rs. 1,216,328/-) in respect of staff retirement benefits.

		2024 Rupees	2023 Rupees
25	**DISTRIBUTION COST**		
	Salaries and benefits	1,500,000	-
	Freight, clearing and forwarding	2,842,670	1,636,350
	Others	226,000	309,533
		4,568,670	1,945,883

25.1 Salaries and benefits include Rs. Nil (2023 Nil) in respect of staff retirement benefits.

			2024	2023
26	**ADMINISTRATIVE EXPENSES**		**Rupees**	**Rupees**
	Directors' remuneration		3,600,000	3,600,000
	Salaries and benefits	**26.1**	15,748,523	12,944,530
	Travelling and conveyance		463,950	338,017
	Entertainment		1,992,109	1,135,318
	Printing and stationery		448,675	295,820
	Communication		557,361	374,912
	Repairs and maintenance		878,298	433,869
	Rent, rates and taxes		2,186,766	1,062,404
	Electricity, sui gas and water		912,293	614,440
	Fee and subscription		517,874	710,224
	Legal and professional charges		689,105	1,756,933
	Advertisement		52,000	82,033
	Auditors' remuneration	**26.2**	525,000	525,000
	General		568,523	402,585
	Depreciation		2,131,846	1,563,147
			31,272,323	25,839,232

26.1 Salaries and benefits include Rs 161,020 /- (2023: 384,104/-) in respect of staff retirement benefits.

26.2 AUDITORS' REMUNERATION

Statutory audit	450,000	450,000
Half Year Review	50,000	50,000
Punjab Sales tax	25,000	25,000
	525,000	525,000

27 OTHER INCOME

Profit on disposal of fixed assets	35,000	-
	-	-
	35,000	-

28 FINANCE COST

Bank charges	12,130	2,362
	12,130	2,362

29 TAXATION

Current	**29.1**	9,644,378	7,044,167
Provision for deferred tax	**15.1**	(7,972,544)	(31,826,522)
		1,671,833	(24,782,355)

29.1 Minimum tax liability has been provided for in these accounts based on liability worked out under section 113 of the Income Tax Ordinance, 2001 (2023: Provision of section 113 was applicable under the Income Tax Ordinance, 2001). The Income Tax Returns of the company have been filed upto Tax year 2023.

		2024	2023
		Rupees	**Rupees**

30 EARNING / (LOSS) PER SHARE

30.1 Earning / (loss) per share - Basic

Net Profit / (loss) after taxation	(Rupees)	(26,244,315)	7,390,229
Weighted average number of ordinary shares	(No. of shares)	13,271,600	13,271,600
	(Rupees)	(1.98)	0.56

30.2 Earning per share - Diluted

There is no dilution effect on the basic earning/(loss) per share of the company.

31 CASH AND CASH EQUIVALENTS

Cash and bank balances	**11**	5,118,964	3,658,352
		5,118,964	3,658,352

32 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel. Amounts due to / from related parties are shown in the relevant notes to the financial statements. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Short term loan from director - net (Note No.18)	7,901,600	11,248,100

All transactions with related parties (if any) are at an arm's length except Loan from directors it is interest free loan to meet working capital requirements.

33 PLANT CAPACITY AND PRODUCTION

		2024	2023
WEAVING			
Looms installed	Nos.	66	66
Looms worked	Nos.	50	40
Production at normal capacity converted to 50 picks - 3 shifts per day	Sq. Mtrs.	3,613,500	3,613,500
Actual production at normal capacity converted to 50 picks - 3 (2023: 3) shifts per day	Sq. Mtrs.	2,345,000	2,160,000
SPINNING			
Rotors installed	Nos.	1,416	1,416
Rotors worked for the year	Nos.	1,224	1,224
Rated capacity based on cotton converted to 10 count based on 3 shifts per day	Lbs.	9,593,640	9,593,640
Actual production converted to 10 count based on 3 (2023: 3) shifts per day	Lbs.	6,515,250	7,446,000

- It is difficult to determine precisely the production capacity in textile industry since it fluctuates widely depending on various factors such as count of yarn spun, rotors' speed, twists, width and construction of cloth woven etc. It also vary according to pattern of production.

- Weaving unit of the company has produced less than normal cloth due to the fact that third party cloth was produced on conversion basis as the market demand of yarn is comparatively better, while production of yarn has been increased. Production was highly dependent on the availability of orders. Moreover, some looms remained closed due to technical faults.

34 NUMBER OF EMPLOYEES

Number of employees at June 30, 2024			
	Permanent	44	47
	Contractual	178	146
		222	193
Average number of employees		186	177

35 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements in respect of Chief Executive, Directors and Executives by the company as remuneration, allowances and perquisites is as follows:

PARTICULARS	Remuneration		No of Persons	
	2024	2023	2024	2023
Chief Executive	3,600,000	3,600,000	1	1
Director	-	-	-	-
Executives	5,810,000	4,815,000	3	3
Defined benefit plan charged during the year	220,000	200,000	1	1

Remuneration is paid only to Chief Executive.

35.1 Some of the Directors and Executives of the Company are provided free use of Company maintained car and telephone.
35.2 No key management personal is awarded with any allowance but basic salary.
35.3 No meeting fee has been paid to Directors for attending meetings of Board of Directors.

36. FINANCIAL RISK MANAGEMENT

36.1 Financial risk factors

The company's activities expose it to a variety of financial risks including market risk (currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors, which provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The company is not exposed to any currency risk as it does not have any foreign debtors and creditors.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because 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 instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any market price risk.

Sensitivity analysis

Because company is not exposed to other price risk therefore no sensitivity analysis is required.

(iii) Interest rate risk

It represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from long term financing and short term borrowings. As the borrowings obtained at variable rates has frozen its markup therefore there is no interest rate risk.

At the balance sheet date the interest rate profile of the Company's interest bearing financial instrument was:

	2024	2023
Floating rate instruments	(Rupees)	(Rupees)
Financial liabilities:		
Long term loans	-	-
Short term borrowings	24,520,298	24,520,298
Loan from director	-	-
Financial assets	-	-

Cash flow sensitivity analysis for variable rate instruments

The interest on short term borrowing is freezed as company's main lander has been filled the legal case for recovery of finance, in Honorable Lahore High court, therefore variation in interest by 1% higher/lower with all other variables held constant, loss after taxation for the year would have been Nil.

(b) Credit risk

It is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent maximum exposure to credit risk and at the reporting date these are as follows:

	2024	2023
	(Rupees)	(Rupees)
Trade debts	70,592,713	28,480,612
Loans and advances	85,000	20,000
Trade deposits	350,000	350,000
Bank balances	4,920,353	3,284,783

The aging of the trade debts that are past due but not impaired at the reporting date is as follows:

Upto 1 month	30,158,769	19,448,219
1 to 6 months	36,705,504	7,086,369
6 to 12months	2,705,282	1,204,754
More than 12 months	1,091,095	741,270
	70,660,650	28,480,612

There are no trade debts to be written off during the year (2023: nil/-), however efforts are made to recover the debts more than six/twelve months old.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

	Rating			2024	2023
	Short Term	Long term	Agency	Rupees	Rupees
Banks					
National Bank of Pakistan	A1+	AAA	PACRA-VIS	-	-
Bank Alfalah Limited	A1+	AA+	PACRA	2,824,290	668,213
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	237,578	1,378,162
Meezan Bank Limited	A1+	AAA	VIS	1,858,485	1,238,408
				4,920,353	3,284,783

The Company's exposure to credit risk and impairment losses related to trade debts is disclosed in Note 7.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

It is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity by arranging sufficient cash balances from directors and financial institutions to ensure availability of sufficient funds to meet its liabilities when due. The following are the contractual maturities of financial liabilities, including interest payments:

	2024			
	Carrying amount	Contractual cash flows	Upto one year	After one year
	(Amount in rupees)			
FINANCIAL LIABILITIES				
Long term loan other than banking companies	25,000,000	-		25,000,000
Loan from Directors	7,901,600	7,901,600	7,901,600	-
Trade and other payables	122,844,281	122,844,281	122,844,281	-
Accrued markup	32,676,328	32,676,328	32,676,328	-
Current & overdue portion of long term liabilities	47,388,393	47,388,393	47,388,393	
Short term borrowings	24,520,298	24,520,298	24,520,298	-
	260,330,899	235,330,899	235,330,899	25,000,000

	2023			
	Carrying amount	Contractual cash flows	Upto one year	After one year
	(Amount in rupees)			
FINANCIAL LIABILITIES				
Loan from Directors	11,248,100	11,248,100	11,248,100	-
Trade and other payables	64,761,849	64,761,849	64,761,849	-
Accrued markup	32,676,328	32,676,328	32,676,328	-
Current & overdue portion of long term liabilities	47,388,393	47,388,393	47,388,393	
Short term borrowings	24,520,298	24,520,298	24,520,298	-
	180,594,968	180,594,968	180,594,968	-

The contractual cash flows relating to above liabilities have been calculated on the basis of mark-up rates effective on June 30, 2024. The rates of interest/markup have been disclosed in Note No. 14, 17 and 19, 20 to these financial statements.

36.2 Fair values of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

36.3 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

As at June 30, 2024

Assets as per statement of financial position	**Amortised Cost**	**FVTOCI**	**Total**
Trade debts	70,592,713	-	70,592,713
Loan and advances	720,870	-	720,870
Trade deposits	360,000	-	360,000
Cash and bank balances	5,118,964	-	5,118,964
	76,792,547	**-**	**76,792,547**

Liabilities as per statement of financial position	Financial liabilities at
Trade and other payables	122,844,281
Loan from directors	7,901,600
Loan from other than banking companies	25,000,000
Accrued mark-up	32,676,328
Current and overdue portion of long term liability	47,388,393
Short term borrowings	24,520,298
	260,330,899

As at June 30, 2023

Assets as per statement of financial position	**Amortised Cost**	**FVTOCI**	**Total**
Trade debts	28,480,612	-	28,480,612
Loan and advances	2,898,477	-	2,898,477
Trade deposits	360,000	-	360,000
Cash and bank balances	3,658,352	-	3,658,352
	35,397,441	**-**	**35,397,441**

Liabilities as per statement of financial position	Financial liabilities at
Loan from directors	11,248,100
Trade and other payables	64,761,849
Accrued mark-up	32,676,328
Current and overdue portion of long term liability	47,388,393
Short term borrowings	24,520,298
	180,594,968

36.4 Reconciliation to the line items presented in the statement of financial position is as follows:

(Amounts in rupees)

PARTICULARS	2024						
	INTEREST BEARING			NON INTEREST BEARING			TOTAL
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Financial Assets							
Trade debts	-	-	-	70,592,713	-	70,592,713	70,592,713
Loan and advances	-	-	-	720,870	-	720,870	720,870
Trade deposits	-	-	-	360,000	-	360,000	360,000
Cash and bank balances	-	-	-	5,118,964	-	5,118,964	5,118,964
	-	-	-	76,792,547	-	76,792,547	76,792,547
Financial Liabilities							
Loan from directors	-	-	-	7,901,600	-	7,901,600	7,901,600
Loan from other than banking companies	-	25,000,000	25,000,000				25,000,000
Trade and other payables	-		-	122,844,281		122,844,281	122,844,281
Accrued mark-up	-		-	32,676,328		32,676,328	32,676,328
current and overdue portion of long term liability	47,388,393		47,388,393				47,388,393
Short term borrowings	24,520,298		24,520,298			-	24,520,298
	71,908,690	25,000,000	96,908,690	163,422,209	-	163,422,209	260,330,899
On balance sheet gap	(71,908,690)	(25,000,000)	(96,908,690)	(86,629,661)	-	(86,629,661)	(183,538,352)

PARTICULARS	2023						
	INTEREST BEARING			NON INTEREST BEARING			TOTAL
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Financial Assets							
Trade debts	-	-	-	28,480,612	-	28,480,612	28,480,612
Loan and advances	-	-	-	2,898,477	-	2,898,477	2,898,477
Trade deposits	-	-	-	360,000	-	360,000	360,000
Cash and bank balances	-	-	-	3,658,352	-	3,658,352	3,658,352
	-	-	-	35,397,441	-	35,397,441	35,397,441
Financial Liabilities							
Loan from directors	-	-	-	11,248,100	-	11,248,100	11,248,100
Trade and other payables	-	-	-	64,761,849	-	64,761,849	64,761,849
Accrued mark-up	-	-	-	32,676,328	-	32,676,328	32,676,328
current and overdue portion of long term liability	47,388,393	-	47,388,393	-	-	-	47,388,393
Short term borrowings	24,520,298	-	24,520,298	-	-	-	24,520,298
	71,908,691	-	71,908,691	108,686,277	-	108,686,277	180,594,968
On balance sheet gap	(71,908,691)	-	(71,908,691)	(73,288,836)	-	(73,288,836)	(145,197,527)

37 CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

38 FAIR VALUE MEASUREMENTS-FINANCIAL INSTRUMENTS

The company does not have any financial assets which qualify for the following levels.

Level 1: The fair value of financial instruments traded in active markets (Such as publicly traded derivatives, and trading and available for sale securities) is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (For example, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all the significant inputs required to fair value an instrument is observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

39 DISCLOSURE BY COMPANY LISTED ON ISLAMIC INDEX

	2024	2023
Loan / advances obtained as per Islamic mode:		
Loan	-	-
Advances	-	-
Shariah compliant Bank deposit / Baank Balances		
Bank balances	1,858,485	1,238,408

Relationship with Shariah compliant Banks

Name	Relationship
Meezan Bank Limited	Bank balance

40 OPERATING SEGMENTS

These financial statements have been prepared on the basis of single reportable segment.
Sales of textile goods represent total sales of the Company.
100% (2023: 100%) of the sales of the Company relates to customers in Pakistan especially in Punjab.
All non-current assets of the Company at 30 June 2024 are located in Pakistan.
20.02% (2023: 35%) of the total sales of the Company are made to a single customer in Faisalabad Punjab.

41 DATE OF AUTHORISATION OF FINANCIAL STATEMENTS

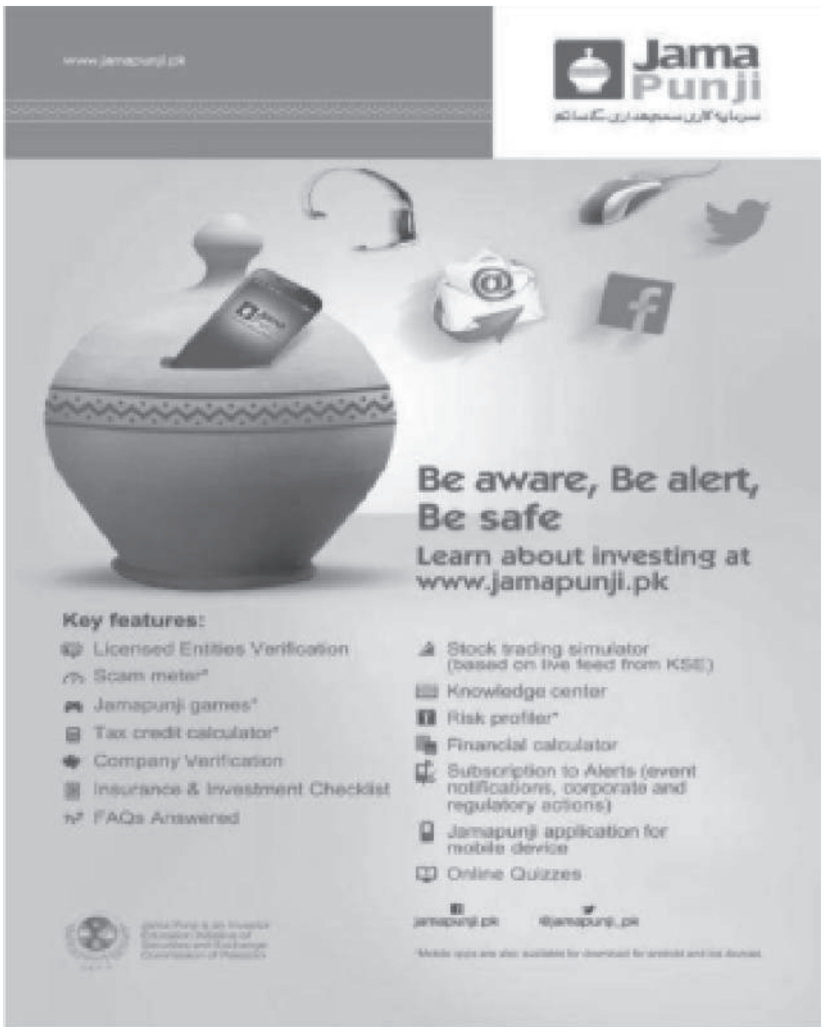
These financial statements are authorised for issue on 30th September, 2024 by the Board of Directors of the company.

42 GENERAL

Corresponding figures have been re-arranged/re-grouped, wherever necessary, for the purpose of comparison.

Figures are rounded off to nearest Rupee.

Chief Executive | Chief Financial Officer | Director



Certificate No. SG05/0299

THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING

1.1 Name of the Company **HAMID TEXTILE MILLS LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at **30-06-2024**

2.2 No. of Shareholders	------Shareholdings------ From	To	Total Shares Held
13	1	100	1,300
227	101	500	110,100
10	501	1,000	10,000
12	1,001	5,000	34,400
2	5,001	10,000	14,800
1	10,001	15,000	10,500
1	15,001	20,000	18,000
1	35,001	40,000	36,000
1	40,001	45,000	42,100
1	45,001	50,000	50,000
1	55,001	60,000	55,900
1	75,001	80,000	79,900
1	80,001	85,000	84,200
1	90,001	95,000	95,000
15	95,001	100,000	1,463,000
1	800,001	805,000	801,350
1	820,001	825,000	820,300
1	835,001	840,000	839,040
1	910,001	915,000	913,900
1	1,170,001	1,175,000	1,171,410
1	1,185,001	1,190,000	1,187,900
1	2,450,001	2,455,000	2,455,000
1	2,975,001	2,980,000	2,977,500
296			**13,271,600**

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	3,629,510	27.3479
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	-	-
2.3.3 NIT and ICP	42,100	0.3172
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	2,977,500	22.4351
2.3.5 Insurance Companies	146,000	1.1001
2.3.6 Modarabas and Mutual Funds	913,900	6.8861
2.3.7 Shareholders holding 10% or more	5,432,500	40.9333
2.3.8 General Public		
a. Local	5,562,590	41.9135
b. Foreign	-	-
2.3.9 Others (to be specified)		

Categories of Shareholding under Code of Corporate Governance (CCG)
As on June 30, 2024

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-	-
Mutual Funds (Name Wise Detail)		-	-
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. MOHAMMAD ALAMGIR	1,000	0.0075
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MRS. NIGHAT KHAWAR	1,000	0.0075
4	MR. ABID HUSSAIN	500	0.0038
5	MR. MOHAMMAD AMIN	100	0.0008
6	MST. MOMINA KHAWAR ALI	1,171,410	8.8264
7	MRS. KHUSHBU AMMAD	500	0.0038
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		4,037,400	30.4214
Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)			
1	BANKER EQUITY LIMITED	2,977,500	22.4351
2	KHAWAR ALMAS KHAWAJA	2,455,000	18.4981
3	MR. AHSAN AFZAL	1,187,900	8.9507
4	MST. MOMINA KHAWAR ALI	1,171,410	8.8264
5	IST. HAJVERI MODARABA	913,900	6.8861
6	MR. FARRUKH HASSAN KHAWAJA	839,040	6.3221
7	MR. MUHAMMAD AYUB KHAN	820,300	6.1809
8	MR. ZARIEN BASHAR	801,350	6.0381

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
	NIL		

FORM OF PROXY

I/We, Mr./Miss/Mrs. ____

S/o, D/o, W/o Mr. ____ in the

District of being member(s) of **HAMID TEXTILE MILLS LIMITED** and holding ordinary shares,

as per Registered Folio No. ____________ hereby appoint Mr./Miss/Mrs. ____________________

S/o, D/o, W/o Mr. __________________________ as per Registered Folio No. ________________

Of ____________ (failing him/her) Mr./Miss/Mrs. __________________ S/o, D/o, W/o __________

___________________ of ___________________ as per Registered Folio No. ________________

as my/our Proxy in my absence to attend for me and my/our behalf at the Annual General Meeting of the

company to be held at registered office, 142, Block D, Model Town, Lahore.
on ______________ (date) at ____________ (time) and at any adjournment thereof.

Signed this ________________ day of October, 20___.

Member's Signature

Revenue Stamp

(Witness) ____________________

Folio Number

Signature

Notes:

1. Revenue stamp of Rs. 20/- to be affixed.
2. A member entitled to attend at the Annual General Meeting of the Company is entitled to appoint a proxy instead of him/her. No person shall act as proxy (except for corporation) unless he is entitled to present on this own.
3. The instrument appointing a proxy should be signed by the member(s) so or by him/her attorney duly authorized in writing, if the member is a corporation its common seal should be affixed.
4. This proxy form, duly completed, must be deposited at the Company's Registered Office not later than 48 hours before the time of holding the meeting and through their original CNIC/Passport and providing a copy thereon.
5. The signature on the instrument of proxy must agree with the specimen signature recorded with the company.
6. A proxy must be a member of the Company.

تشکیل نیابت داری

عام حصص بمطابق شیئر رجسٹر / فلیو نمبر　　　　تعداد حصص

میں ہم ....

ساکن ....

بطور حمید ٹیکسٹائل ملز لمیٹڈ کے رکن و حامل ....

ساکن: .... یا بصورت دیگرے ....

ساکن: .... کو اپنی جگہ، بروز جمعہ، 25 اکتوبر 2024 صبح 11:30 بجے آفس کے پتہ 142 بلاک D، ماڈل ٹاؤن، لاہور میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کیلئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

دستخط مورخہ .... اکتوبر 2024

دستخط

گواہی

1: دستخط	1: دستخط ....
نام	نام ....
قومی شناختی کارڈ	قومی شناختی کارڈ ....
پتہ	پتہ ....

ضروری:

(i) پراکسیز کے مئوثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ سی ڈی سی کے حصص یافتگان اور کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پروکسی فارم کے ساتھ کمپنی میں جمع کروائیں۔

(ii) پروکسی کو اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(ii) کارپوریٹ اینٹٹی کی صورت میں ڈائریکٹرز کی قرارداد مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پروکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

حمید ٹیکسٹائل ملز لمیٹڈ
اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ حمید ٹیکسٹائل ملز لمیٹڈ کا 37 واں سالانہ اجلاس عام بروز جمعہ، 25 اکتوبر 2024 کو صبح 11:30 بجے کمپنی کے رجسٹرڈ آفس، 142- بلاک ڈی، ماڈل ٹاؤن، لاہور میں درج ذیل کاروباری امور کی انجام دہی کے لیے منعقد ہوگا۔

1. پچھلے 36 ویں سالانہ اجلاس عام منعقدہ 26 اکتوبر 2023 بروز جمعرات، کی کارروائی کی تصدیق۔
2. کمپنی کے 30 جون 2024 کو مختتمہ سال کے لیے آڈٹ شدہ اکاؤنٹس بمعہ ڈائریکٹران، چیئرمین، اور آڈیٹر کی رپورٹس کی وصولی، غور وخوض، اور منظوری۔ کمپنیز ایکٹ، 2017 کے سیکشن کے مطابق اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے 21 مارچ 2023 کو جاری کردہ 2023/(I)389 S.R.O کے تحت کمپنی کے مالیاتی بیانات درج ذیل ویب لنک اور QR کوڈ کے ذریعے دستیاب ہیں۔

https://hamid-textile.com/financial-year-2024/

3. 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈیٹر کا تقرر اور ان کے مشاہرے کا تعین۔ موجودہ آڈیٹرز میسرز HLB اعجاز تبسم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، جو کہ ریٹائر ہو رہے ہیں، دوبارہ انتخاب کے لیے اپنے آپ کو پیش کرتے ہیں۔
4. چیف ایگزیکٹو کی ماہانہ تنخواہ 300,000 سے بڑھا کر 400,000 ماہانہ کرنے کی منظوری۔
5. جناب چیئرپرسن کی اجازت سے کسی بھی دیگر کاروباری معاملے کو زیر غور لانا۔

چیف ایگزیکٹو اپنے معاوضے کے حوالے سے اس قرارداد میں دلچسپی رکھتے ہیں۔

بحکم بورڈ

رائف نذیر اللہ
کمپنی سیکرٹری

لاہور
30 ستمبر 2024

نوٹس:

1۔ کمپنی کے حصص منتقلی کی کتابیں 21 اکتوبر 2024 تا 26 اکتوبر 2024 (بشمول دونوں دن) بند رہیں گی۔

2۔ ممبر جو اجلاس ہذا میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھتا ہو کسی دیگر ممبر کو اپنی جگہ اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے اپنا پراکسی مقرر کر سکتا/سکتی ہے۔ کارپوریٹ ادارے کی صورت میں ووٹ پراکسی یا اٹارنی کے ذریعے دینا ممکن ہے۔ دونوں صورتوں میں پراکسیاں موثر کرنے کیلئے کمپنی کے اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئر رجسٹرار میسرز کورپ لنک پرائیوٹ لمیٹڈ کو لازماً موصول ہونی چاہیے۔ (پراکسی فارم اس رپورٹ کے آخری حصہ میں منسلک ہے)

3۔ اوریجنل کمپیوٹرائزڈ شناختی کارڈ کی فراہمی ہمراہ اکاؤنٹس تفصیلات حصص داران/پراکسی کی شناخت کیلئے لازمی ہے۔ اجلاس کے وقت کارپوریٹ ادارے کی صورت میں بورڈ کے ڈائریکٹروں کی قرارداد/پاور آف اٹارنی ہمراہ نمونہ دستخط نامزد (اگر پہلے جمع نہیں کروائے) تو پراکسی کیساتھ جمع کروانے ہونگے۔

کمپنی ایکٹ 2017 سیکشن (2)132 کے تحت کمپنی ان ممبران جو ٹوٹل پیڈ اپ کیپٹل کا 10% حصص داران ہیں، اور کسی ایسے شہر کے رہائشی ہیں جہاں سالانہ اجلاس منعقد نہیں ہو رہا انکو کمپنی وڈیو لنک کی سہولت فراہم کر سکتی ہے اور یہ سہولت ممبران کی طرف سے اجلاس سے کم از کم 7 یوم پہلے تحریری درخواست کی وصولی کے عوض فراہم ہوگی۔

5۔ ایس ای سی پی کے جاری کردہ 2021 کے سرکلر نمبر 4 کے مطابق شیئر ہولڈر جو عمومی طور پر اجلاس میں بذریعہ وڈیو لنک شرکت کرنا چاہتے ہیں ان سے درخواست کی جاتی ہے کہ وہ میٹنگ کی تاریخ سے کم از کم سات یوم پہلے کمپنی کے رجسٹرڈ آفس ایڈریس پر بذریعہ کوریئر درج ذیل معلومات شیئر کریں۔

شیئر ہولڈر کا نام | CNIC نمبر | فولیو/CDC اکاؤنٹ نمبر | رجسٹرڈ ای میل ایڈریس | موبائل نمبر

6- کمپنی ایکٹ 2017 کی شق 223(6) کے مطابق آڈٹ مالیاتی کتابچہ اجلاسوں کی آگاہی کی ترسیل بذریعہ ای میل تمام لسٹڈ کمپنی کو اجازت ہے۔ لہذا جو ممبران بذریعہ ای میل آڈٹ شدہ اکاؤنٹس کی وصولی چاہتے ہیں وہ تحریری درخواست ہمراہ موجودہ ای میل ایڈریس ارسال کریں ۔فارم کمپنی کی ویب سائٹ www.hamid-textile.com پر موجود ہے ۔کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ www.hamid-textile.com پر جاری کردیے گئے ہیں۔ تاہم طلب کرنے پر کمپنی اپنے حصص داران کو انفرادی طور پر حسابات کی طبع شدہ کاپی درخواست موصول ہونے پر انکے رجسٹرڈ پتہ پر ایک ہفتے کے اندر بلا معاوضہ فراہم کریگی۔

7- کمپنیز پوسٹل بیلٹ کے ریگولیشنز (2018) کے تحت کسی ایسے ایجنڈا آیٹم جو کہ ایکٹ کی شق 143 اور 144 کے متعلق ہوں ، کے ضمن میں حاضر حصص داران ، نائب یا بذریعہ ویڈیو کانفرنس شریک ہیں اور کل ووٹنگ پاور کے 10% حصہ کے حامل ہیں اپنا حق رائے دہی بذریعہ پوسٹ یا کسی الیکٹرونک ذرائع سے ریگولیشن میں درج طریقہ کار کے مطابق استعمال کرسکتے ہیں۔

8۔ جیسا کہ پہلے درخواست کی گئی ممبران سے دوبارہ گذارش ہے کہ (ا)۔ اگر پہلے Valid شناختی کارڈ فراہم نہیں کیا تو براہ مہربانی درست شناختی کارڈ کی کاپی فراہم کریں۔ (ب)۔ پتہ میں تبدیلی کے بارے میں فوری آگاہ کریں۔