

# ALLAWASAYA

TEXTILE AND FINISHING MILLS LIMITED



**67<sup>th</sup> Annual Report  
for the year ended June 30, 2024**



67<sup>th</sup> Annual Report  
of  
**Allawasaya Textile and Finishing Mills Limited**  
for the year ended June 30, 2024



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## **VISION STATEMENT**

The vision of Allawasaya Textile and Finishing Mills Limited is to contribute positively to the Socio-Economic growth of Pakistan through business and industrial pursuits endeavoring to achieve excellence in all spheres of such activity with effective and efficient management.

## **MISSION STATEMENT**

Allawasaya Textile and Finishing Mills Limited becomes a truly professional organization, achieve higher quality standards, utilize maximum capacity, capture expansion opportunities and becomes a least cost operator amongst its competitors.

We will strive to continue as a successful Company, make profit and thus create value for our shareholders, customers, suppliers and employees.

## **QUALITY AND ENVIRONMENTAL POLICY**

Our aim is to achieve the leadership of textile and spinning industry through quality products according to customer satisfaction. We thrive to achieve the above through the following measures:

- 1) Acquisition of quality raw material.
- 2) Manufacturing of high quality yarn as per customer satisfaction.
- 3) Continuous training and guidance to employees regarding quality and environment.
- 4) Continuous improvement, close watch and control in production process and environment.
- 5) Follow up of the system, regarding international quality and environmental laws.
- 6) Control of pollution discharge from industrial process.





## COMPANY PROFILE

### BOARD OF DIRECTORS

1. Mrs. Nusrat Jamil - Chairperson
2. Mian Muhammad Jamil
3. Mr. Mohammad Alamgir Jamil Khan - Chief Executive Officer
4. Mian Idrees Ahmed Sheikh
5. Mian Tauqir Ahmed Sheikh
6. Mrs. Bushra Tauqir
7. Mrs. Misbah Idrees Sheikh
8. Mr. Abdul Rehman Qureshi
9. Mr. Nazir Ahmad Khan
10. Mr. Muhammad Ashraf Khan Durrani
11. Mr. Imran Hussain

### AUDIT COMMITTEE

Mr. Nazir Ahmad Khan (Independent Director)- Chairman  
Mr. Abdul Rehman Qureshi (Independent Director)- Member  
Mrs. Nusrat Jamil (Non-Executive Director)- Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE (HR&R)

Mr. Abdul Rehman Qureshi (Independent Director)- Chairman  
Mr. Muhammad Ashraf Khan Durrani (Independent Director)- Member  
Mrs. Misbah Idrees Sheikh (Non-Executive Director)- Member

### CHIEF FINANCIAL OFFICER

Sohail Nadeem

### COMPANY SECRETARY

Muhammad Ismail

### HEAD OF INTERNAL AUDIT

Ch. Javed Akhtar

### AUDITORS

Yousuf Adil Chartered Accountants  
4<sup>th</sup> Floor, Mehr Fatima Tower Opposite High Court, Multan.

### LEGAL ADVISOR

Mr. Khalil-ur-Rehman– Advocate  
3<sup>rd</sup> Floor, Hameed Law Chambers, 1- Turner Road, Lahore.

### BANKERS

M/s Bank AL Habib Limited  
M/s Habib Metropolitan Bank Limited  
M/s Samba Bank Limited  
M/s United Bank Limited  
M/s Askari Bank Limited  
M/s Habib Bank Limited

### REGISTERED OFFICE

Allawasaya Square, Mumtazabad Industrial Area,  
Vehari Road, Multan, Pakistan  
Ph: (061)4233624-26  
E-Mail: [atm@allawasaya.com](mailto:atm@allawasaya.com)

### SHARES REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Limited  
H.M. House, 7-Bank Square, Lahore, Pakistan  
Ph: (042)37235081-82  
E-Mail: [shares@hmaconsultants.com](mailto:shares@hmaconsultants.com)

## NOTICE OF 67<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 67<sup>th</sup> Annual General Meeting of the Company will be held on Monday October 28, 2024 at 12:00 noon at its registered office, Allawasaya Square, Vehari Road, Multan, to transact the following business:

### **ORDINARY BUSINESS:**

1. To confirm minutes of the Extra Ordinary General Meeting (EOGM) of the Company held on May 23, 2024.
2. To receive, consider and adopt the annual audited Financial Statements of the Company together with the Chairman's' Review Report, Directors' and Auditors' Reports thereon for the year ended June 30, 2024.

As required under Section 223 of the Companies Act, 2017 and pursuant to SRO. 389(I)/2023 dated March 21, 2023, the annual Financial Statements of the Company have been posted on the company's website, which can be viewed/ downloaded using the following web link and QR enabled code:

[https://www.allawasaya.com/annual\\_reports.html](https://www.allawasaya.com/annual_reports.html)



3. To appoint, auditors and to fix their remuneration for the financial year ending June 30, 2025. The Board, on the recommendation of the Audit Committee, has proposed the appointment of M/s Yousuf Adil Chartered Accountants, Multan as external auditors of the Company. The retiring auditors being eligible, have consented and offered themselves for re-appointment.

### **OTHER BUSINESS:**

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

BY ORDER OF THE BOARD

Sd/-

(MUHAMMAD ISMAIL)

COMPANY SECRETARY

Multan, October 5, 2024

### **NOTES:**

1. The Shares Transfer Books of the Company will remain closed from 22-10-2024 to 28-10-2024 (both days inclusive) transfers received in order at the office of the Company's Shares Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore by the close of business on October 21, 2024 will be considered.
2. A member entitled to attend and vote at the meeting, may appoint any other member as a proxy to attend, speak and vote on behalf of him/her. **A proxy must be a member.** Proxy Forms along with copies of CNICs of the member, his/ her proxy and their witness duly stamped with Rs.50/- revenue stamp,



signed and witnessed by one person; in order to be valid must be received at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.

3. Any individual beneficial owners of CDC, entitled to attend and vote at the meeting must bring his/her CNIC or passport to prove his/her identity and the proxy shall produce his/ her original CNIC or passport. In case of corporate members, the Boards' resolution or power of attorney with specimen signatures of the nominee shall require to be produced at the time of meeting.
4. For the convenience of Members, a Standard Request Form with appropriate details has been uploaded on the Company's website<www.allawasaya.com>. Those Members who opt to receive the hard copies of the annual audited financial statements may apply to the Company Secretary at his postal or email address [secretary@allawasaya.com](mailto:secretary@allawasaya.com).
- 5. Members are requested to submit an attested photocopy of their valid Computerized National Identity Cards (CNICs) as per SECP's direction, if not provided earlier and also communicate to the Company immediately of any change in their addresses.**
6. Members can also avail Video Conference facility in (name of cities where facility can be provided keeping in view geographical dispersal of members). In this regard please fill the following form and submit to the registered address of the Company within ten (10) days before holding of annual general meeting.

I/We, \_\_\_\_\_ of \_\_\_\_\_,  
 being a member of ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED,  
 holder of \_\_\_\_\_ Ordinary Shares as per Register Folio  
 No./ CDC A/C No..\_\_\_\_\_ hereby opt for Video Conference Facility  
 at \_\_\_\_\_

\_\_\_\_\_  
 Signature of member

If the Company receives consent from members holding an aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through Video Conference at least 10 days prior to the date of meeting, the Company will arrange Video Conference facility in that city subject to availability of such facility in that city.

**CHAIRPERSON’S REVIEW REPORT U/S 192 OF THE COMPANIES ACT, 2017  
FOR YEAR ENDED JUNE 30, 2024**

I am pleased to present my review report on overall performance of the Board of the Company and I acknowledge the efforts of all the stakeholders and the management of the Company in these challenging scenarios. The Board of Allawasaya Textile and Finishing Mills Limited carried out its duties in the best interests of the company and its members.

The company is committed to adhering to the best practices of the corporate governance as it always complied with all the requirements of the Companies Act, 2017 and the (Code of Corporate Governance) Regulations, 2019.

As per guidelines and standards of the Listed Companies (Code of Corporate Governance) Regulation, 2019, the Board comprises mix of Executive, Non-Executive, Independent and Female Directors, so the Board as a whole possesses core competencies and requisite knowledge and skills to lead the Company effectively and efficiently.

During the year ending on June 30, 2024, the Board successfully achieved targets for achievement of growth of Company keeping in view the following functions and actions:

1. Effective and robust oversight
2. Monitored financial performance and ensured the organization’s financial health. Approved budgets, major investments and working capital allocation.
3. Identified and assessed key risks to the organization and implemented risk management strategies to mitigate identified risks effectively.
4. Review effectiveness of internal control system

This year was historically challenging one for the textile sector as a whole in Pakistan. Spinning sector specifically was under immense pressure during the year. As much as 100 textile spinning industries reported shut down during the year. Despite these challenges; the Allawasaya Textile and Finishing Mills Limited managed to operate through these circumstances efficiently and operating at much better capacity than last year. During the year, the Allawasaya Textile and Finishing Mills Limited reported revenue of Rs.6.118 Billion (Rs.3.775 Billion in 2023). Gross margins declined substantially due to increase in cost of raw materials, high gas and electricity tariffs and increase in overall cost of production. Historically high finance costs on the other end remained matter of utmost concern for the management and management devised and followed various strategies to cope with these finance costs and operate.

Being Chairperson of the Board of Directors and on behalf of the Board, I express my gratitude to customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. I place on record my appreciation of the commitments and contribution made by the employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, cooperation and support.

Sd/-  
MRS. NUSRAT JAMIL  
CHAIRPERSON

Multan, October 5, 2024



## **DIRECTORS' REPORT**

**In the name of Allah the Most Beneficent and the Merciful**

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is our privilege to present before you the 67<sup>th</sup> Annual Report on the affairs of your Company along with the Audited Financial Statements for the year ended June 30, 2024.

### **GENERAL PERFORMANCE:**

The overall performance of the Company mostly remained depressed during the year under report. The financial results of the Company for the year ended June 30, 2024 adversely affected due to the prevailing unstable economic scenario and political instability. The main reason is substantial rise in cost of production due to high cost of energy, high finance costs and other inputs. Due to inflation around the globe, there is decline in demand of textile products due to which rise in cost of production is not being passed on through the sales. The management of the Company is trying their best to allocate its resources optimally by strict strategic planning.

The dire state of the economy is posing major threats for the survival of the textile industry, which makes up 60 percent of Pakistan's exports. Pakistan's industrial manufacturing sector has been negatively impacted by the slowdown in global consumption and increase in energy prices which are the highest in the regional countries. Moreover, huge quantity of yarn is being dumped in the market which is a threat to the survival of the spinning industry. The economic environment is not conducive for the textile sector to boost export revenue in the prevailing economic scenario.

### **OPERATIONS:**

The Mills produced Polyester Viscose (PV), Pure Viscose (Staple Yarn) and Polyester-Cotton (PC) blended yarn throughout the year. The total production of yarn during the year under review at 20's count basis was 16,183,417.90 Kgs (actual production 9,107,154 Kgs) as compared to 11,366,985.03 Kgs (actual production 6,575,975.28 Kgs) last year. The total sales for the year amounted to PKR:6,118,253,956/- as compared to PKR:3,775,805,614/- last year. The gross profit for the year was PKR:279,728,667/- as compared to PKR:144,571,495/- last year. The Net Loss after providing for Tax amounted to (PKR:245,016,688/-) as compared to the Net Loss after tax of (PKR:164,766,633/-) last year.



The financial results for the year ended June 30, 2024 along with the comparative figures of the last year are summarized under the respective heads of Accounts below:

**ACCOUNTS:**

	<b>For the year ended June 30, 2024 Rupees</b>	<b>For the year ended June 30, 2023 Rupees</b>
Revenue from contracts-net	6,118,253,956	3,775,805,614
Cost of goods sold	(5,838,525,289)	(3,631,234,119)
<b>Gross Profit</b>	<b>279,728,667</b>	<b>144,571,495</b>
Other income	12,969,720	19,133,311
Distribution and marketing expenses	(40,080,030)	(28,073,399)
Administrative expenses	(94,395,163)	(87,368,269)
Other expenses	(12,616,555)	(81,390)
Finance Cost	(272,249,300)	(248,851,134)
<b>Loss before revenue taxes &amp; income tax</b>	<b>(126,642,661)</b>	<b>(200,669,386)</b>
Revenue taxes	(76,478,174)	(47,197,570)
<b>Loss before income tax</b>	<b>(203,120,835)</b>	<b>(247,866,956)</b>
Income tax- net	(41,895,853)	83,100,323
<b>Loss for the year</b>	<b>(245,016,688)</b>	<b>(164,766,633)</b>
(Loss)/ earnings per share- basic and diluted	<b>(306.27)</b>	<b>(205.96)</b>

**FUTURE OUTLOOK**

With the elimination of RCET and energy subsidies that resulted in an exorbitant increase in the energy prices, there has been a negative impact on the competitiveness of textile industries. The textile sector is also facing an acute liquidity crunch due to elevated energy costs and shortage of gas. High energy prices will remain a challenge to the textile industry as the energy tariffs are significantly higher than regional countries. The energy retains a share of approximately 40 percent in the actual conversion cost in basic textile such as spinning and weaving. Hence, policy makers should devise regionally competitive energy tariffs for the industry to perform and increase exports and contribute towards the national cause. Besides, the government should provide incentive schemes, tax credits and subsidized financing for renewable energy initiatives taken by industries to adopt affordable, reliable and sustainable energy options and maintain market competitiveness. The textile sector has huge potential to employ major work force and bring foreign exchange by exporting goods provided a suitable and sustainable textile policy is devised.

**DIVIDEND**

Due to the losses suffered by the Company during the year under report, your Directors propose to pass over the Dividend this year.



## **REVISION IN REMUNERATION OF CHIEF EXECUTIVE OFFICER AND TWO FULL TIME WORKING DIRECTORS OF THE COMPANY**

The Company in its Extra Ordinary General Meeting held on May 23, 2024, passed the Ordinary Resolution approving the revision in remuneration of the Chief Executive Officer and two full time Working Directors with effect from 30<sup>th</sup> May 2024 in addition to other perquisites/ benefits already allowed as before as per following detail:

Remuneration of Chief Executive Officer	-	PKR:900,000/- per month Net of Tax
Remuneration of Director Marketing & Sales	-	PKR:900,000/- per month Net of Tax
Remuneration of Director Production	-	PKR:900,000/- per month Net of Tax

## **CERTIFICATIONS**

Your Directors are pleased to report that your Company is quite successfully maintaining its following certifications:

### **ISO 9001:2015**

Certification for Quality Management System is not just a piece of paper, it is a whole set of systems which serves as stepping stone to the wide world of Quality.

### **ISO 14001:2015**

Certification for Environmental Management System which aims to ensure that our products have the least harmful impact on the environment during production, disposal and depletion of natural resources.

### **Other Certifications**

The Company is maintaining BCI (Better Cotton Initiative) and GRS (Global Recycled Standard) Certifications which showed reliability on our product and trust of our customers towards quality.

## **COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE**

The Board of Directors and management of the Company are aware of their responsibilities under the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Rule Book of the Pakistan Stock Exchange Limited. The Company remains committed to the principle of good corporate management practices with emphasis on transparency and disclosures. Your Company is cognizant to monitor its performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information. In compliance of corporate law, the various statements, as required by the code, are given below:

## **PRESENTATION OF FINANCIAL STATEMENTS:**

The financial statements, prepared by the Company, fairly represent its state of affairs, the results of operations, cash flows, and changes in equity;



**BOOKS OF ACCOUNTS:**

The Company has maintained proper books of accounts;

**ACCOUNTING POLICIES:**

Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;

**COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (IAS):**

International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;

**INTERNAL CONTROL SYSTEM:**

The system of internal control is sound in design and has been effectively implemented and monitored;

**ON GOING CONCERN:**

The Company's financial position is sound enough to ensure its continuity as an on going concern;

**NO OUTSTANDING STATUTORY DUES:**

There are no outstanding statutory dues on account of taxes, levies and charges except of normal and routine nature;

**FINANCIAL HIGHLIGHTS:**

Key operating and financial data of the last six years is given in Annex 1.

**BOARD MEETINGS:**

During the year ended June 30, 2024 six (6) meetings of the Board of Directors were held. Attendance of each Director is given below:

<u>Director's Name</u>	<u>Meeting Attended</u>
Mrs. Nusrat Jamil	6
Mian Muhammad Jamil	6
Mr. Mohammad Alamgir Jamil Khan	6
Mian Idrees Ahmed Sheikh	6
Mian Tauqir Ahmed Sheikh	6





Mrs. Bushra Tauqir	6
Mrs. Misbah Idrees Sheikh	6
Mr. Abdul Rehman Qureshi	6
Mr. Nazir Ahmad Khan	0
Mr. Muhammad Ashraf Khan Durrani	0
Mr. Imran Hussain	6

The Audit Committee held four (4) meetings during the year. Attendance by each member was as follows:

<b><u>Members Name</u></b>	<b><u>Attendance</u></b>
Mr. Nazir Ahmad Khan	0
Mr. Abdul Rehman Qureshi	4
Mrs. Nusrat Jamil	4

The HR & R Committee held one (1) meeting during the year. Attendance by each member was as follows:

<b><u>Members Name</u></b>	<b><u>Attendance</u></b>
Mr. Abdul Rehman Qureshi	1
Mr. Muhammad Ashraf Khan Durrani	0
Mrs. Misbah Idrees Sheikh	1

## **COMPOSITION OF BOARD**

During the year ended June 30, 2024, the Board consisted of 8 male and 3 female directors with following composition:

Independent Directors	4
Non-Executive Directors	1
Executive Directors	3
Female Non-Executive Directors	3
Total number of Directors	11

## **AUDITORS**

Your Company's Auditors M/s Yousuf Adil Chartered Accountants, Multan retire and being eligible offer themselves for re-appointment for the next year.

The Audit Committee of the Company has recommended and proposed the re-appointment of M/s Yousuf Adil Chartered Accountants, Multan as Auditors of the Company for the year 2024-2025 with remuneration as per ICAP Standard, in the upcoming Annual General Meeting of the Company.



## **PATTERN OF SHAREHOLDING**

A statement showing pattern of shareholdings of the Company and additional information as at June 30, 2024 is annexed to this report.

## **ACKNOWLEDGEMENT**

Your Directors acknowledge the best cooperation as usual enjoyed by your Company from all relevant Financial Institutions, its Bankers, M/s Habib Bank Limited, M/s Bank AL Habib Limited, M/s Habib Metropolitan Bank Limited, M/s United Bank Limited, M/s Askari Bank Limited and M/s Samba Bank Limited and wish to record their appreciation for the same and hope their support to the Company will continue in future as well.

Your Directors also acknowledged the sincere efforts of the entire team of ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED for their role in the successful operations of the Mills during the year. We also thank all our valued customers, stakeholders for their commitment to the Company and look forward to sharing further successes with them in the coming years.

The dedicated hard work of all employees of the Company, working in these challenging circumstances, keeping the operations of the Company smooth is also acknowledged.

On behalf of the Board

Sd/-	Sd/-
Mohammad Alamgir Jamil Khan	Mian Idrees Ahmed Sheikh
Chief Executive Officer	Director

Multan, October 5, 2024



## SIX YEARS KEY OPERATING AND FINANCIAL DATA

Year Ended June 30,	2024	2023	2022	2021	2020	2019
<b>BALANCE SHEET</b>						
Authorized Capital	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Issued, Subscribed & Paid up Capital	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Surplus on Revaluation of Property, Plant & Equipment	1,126,303,251	1,157,451,172	1,177,127,886	815,788,842	829,601,503	844,244,390
Tax holiday reserve	2,668,746	2,668,746	2,668,746	2,668,746	2,668,746	2,668,746
General reserve	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000
Un-appropriated Profits	106,251,722	320,120,489	471,010,408	342,653,609	183,420,824	153,951,755
Total Equity	1,323,223,719	1,568,240,407	1,738,807,040	1,249,111,197	1,103,691,073	1,088,864,891
Loan from Directors	157,500,000	105,000,000	-	-	-	-
	1,480,723,719	1,673,240,407	1,738,807,040	1,249,111,197	1,103,691,073	1,088,864,891
Long Term Loans	129,196,856	214,740,876	193,426,731	151,193,993	178,875,000	173,250,000
Lease Liabilities	5,886,705	8,584,574	13,436,529	-	-	-
Deferred Liabilities	170,967,248	129,071,394	212,171,717	170,029,859	191,772,520	149,248,031
Deferred grant	34,011,367	-	-	-	-	-
Current Liabilities	1,759,681,354	1,942,959,688	1,365,332,196	548,795,824	882,241,528	673,952,127
Total Liabilities	2,099,743,530	2,295,356,532	1,784,367,173	870,019,676	1,252,889,048	996,450,158
Total Equity & Liabilities	3,580,467,249	3,968,596,939	3,523,174,213	2,119,130,873	2,356,580,121	2,085,315,049
Fixed Assets	2,243,547,766	2,298,225,326	2,136,305,160	1,392,975,610	1,423,479,920	1,432,570,929
Long Term Deposits	5,337,497	5,337,497	5,337,497	2,379,997	2,379,997	2,379,997
Current Assets	1,331,581,986	1,665,034,116	1,381,531,556	723,775,266	930,720,204	650,364,123
Total Assets	3,580,467,249	3,968,596,939	3,523,174,213	2,119,130,873	2,356,580,121	2,085,315,049
<b>PROFIT OR LOSS ACCOUNT</b>						
Revenue from contracts - net	6,118,253,956	3,775,805,614	4,827,204,348	3,546,836,485	2,657,387,974	2,090,559,370
Gross Profit	279,728,667	144,571,495	455,492,118	363,196,084	176,766,811	98,699,813
(Loss) / Profit before Taxation	(126,642,661)	(200,669,386)	218,505,649	216,568,597	22,956,403	(9,305,288)
(Loss) / Profit after Taxation	(245,016,688)	(164,766,633)	143,885,427	145,420,124	14,826,182	(15,919,798)
<b>DISTRIBUTION</b>						
Cash Dividend %	-	-	72.50	352.50	-	-
<b>RATIOS</b>						
Break up value Per share (Rs.)	1654.03	1960.30	2173.51	1561.39	1379.61	1361.08
Earning / (Loss) per Share (Rs)	(306.27)	(205.96)	179.86	181.78	18.53	(19.90)
Current Ratio	0.76:1	0.86:1	1.01:1	1.32:1	1.05:1	0.97:1
Debt/ equity ratio	18:82	15:85	14:86	17:83	16:84	15:85
<b>CAPACITY &amp; PRODUCTION</b>						
No. of spindles installed	46,488	46,488	38,232	38,232	38,232	37,752
No. of spindles worked	46,488	46,488	38,232	38,232	38,232	35,352
Capacity of Yarn at 20's Count (Kgs)	16,251,192	11,479,922	16,220,207	16,204,862	13,971,695	10,505,451
Actual Production of Yarn at 20's Count (Kgs)	16,183,418	11,366,985	16,027,605	16,096,494	13,816,608	10,350,145



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

**NAME OF COMPANY ALLWASAYA TEXTILE AND FINISHING MILLS LIMITED  
YEAR ENDING JUNE 30, 2024**

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

1. The total number of directors are 11 as per the following:

- a. Male: 8
- b. Female: 3

2. The composition of Board is as follows:

i. Independent Directors

- |    |                                  |                      |
|----|----------------------------------|----------------------|
| 1. | Mr. Abdul Rehman Qureshi         | Independent Director |
| 2. | Mr. Nazir Ahmad Khan             | Independent Director |
| 3. | Mr. Muhammad Ashraf Khan Durrani | Independent Director |
| 4. | Mr. Imran Hussain                | Independent Director |

ii. Non-executive Directors

- |    |                         |                        |
|----|-------------------------|------------------------|
| 1. | MianTauqir Ahmed Sheikh | Non-Executive Director |
|----|-------------------------|------------------------|

iii. Executive Directors

- |    |                                |                          |
|----|--------------------------------|--------------------------|
| 1. | Mian Muhammad Jamil            | Executive Director       |
| 2. | Mr. Mohammad AlamgirJamil Khan | Executive Director (CEO) |
| 3. | Mian Idrees Ahmed Sheikh       | Executive Director       |

iv. Female Directors

- |    |                           |                                      |
|----|---------------------------|--------------------------------------|
| 1. | Mrs. Nusrat Jamil         | Non-Executive Director (Chairperson) |
| 2. | Mrs. Bushra Tauqir        | Non-Executive Director               |
| 3. | Mrs. Misbah Idrees Sheikh | Non-Executive Director               |

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

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

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with the dates of approval or updating has been maintained by the company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by 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 Chairperson and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. Three out of eleven Directors have already attended Directors' Training Program (DTP), two Independent Directors namely Mr. Abdul Rehman Qureshi and Mr. Nazir Ahmad Khan have gotten exemption from SECP in year 2019, four Directors are exempted from the requirement of DTP as per regulation No. 19(2) of the CCG Regulations, 2019 and out of remaining two female directors, one female director joined the Board during financial year 2021-2022 and other female director joined the Board during financial year 2022-2023. Both the female directors will attend DTP during

- the financial year 2024-2025. All the Directors are fully conversant with their duties and responsibilities as Directors of the Company.
10. There was no change with respect to appointment of CFO, Company Secretary and Head of Internal Audit during the year.
11. CFO and CEO duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
- a) Audit Committee:
1. Mr. Nazir Ahmad Khan- Independent Director- Chairman
  2. Mr. Abdul Rehman Qureshi- Independent Director- Member
  3. Mrs. NusratJamil- Non-Executive Director- Member
- b) HR and Remuneration Committee:
1. Mr. Abdul Rehman Qureshi- Independent Director- Chairman
  2. Mr. Muhammad Ashraf Khan Durrani- Independent Director- Member
  3. Mrs. Misbah Idrees Sheikh- Non-Executive Director- Member
- c) Nomination Committee (not mandatory)
- d) Risk Management Committee (not mandatory)
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 (quarterly/half yearly/ yearly) of the committee were as per following:
- |                                  |                      |
|----------------------------------|----------------------|
| a) Audit Committee               | 4 quarterly meetings |
| b) HR and Remuneration Committee | 1 annually meeting   |
| c) Nomination Committee          | —                    |
| d) Risk Management Committee     | —                    |
15. The Board has set up an effective internal audit function headed by the Head of Internal Audit. The staff is suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company and is involved in the internal audit function on a full time basis.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with.



19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below:

S.No.	Non-Mandatory Regulations	Explanation	Regulation No.
1	<p><b>Environment, Social and Governance (ESG) matters:</b> The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value.</p> <p>The Board may establish a dedicated sustainability committee having at least one female director.</p>	At present the Board provides governance and oversight in relation to the company's initiatives on Environment, Social and Governance (ESG) matters. Nevertheless, the requirements introduced recently by the SECP through notification dated June 12, 2024 will be compiled with in due course.	10A(5)
2	<p><b>Disclosure of Significant Policies</b> The Company may post on its website key elements of its significant policies including DE&amp;I and protection against harassment at workplace as advised by SECP vide its SRO 920 (I)/2024 dated 12 June 2024</p>	Currently, the Company has voluntarily disclosed its CSR policy on its website. However, the Company is committed to comply with this requirement and is planning to place other significant policies as per requirement of the regulation including policies for DE&I and anti-harassment.	35 (1,3,4) and 10 (4)

On behalf of the Board

Sd/-

Mohammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-

Mrs. Nusrat Jamil  
Chairperson

Multan, October 5, 2024



**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Allawasaya Textile and Finishing 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 **Allawasaya Textile and Finishing Mills Limited** (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

**YOUSUF ADIL**  
**CHARTERED ACCOUNTANTS**

**Place:** Multan

**Date:** October 05, 2024

**UDIN Number:** CR2024101809BotnOc5x

## INDEPENDENT AUDITOR'S REPORT

**To the members of Allawasaya Textile & Finishing Mills Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the annexed financial statements of Allawasaya Textile & Finishing Mills Limited (the Company) which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of 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 material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *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 opinion.

#### **Key Audit Matters**

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



Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
<b>1. Revenue Recognition</b>	
<p>The Company’s revenue from contracts comprise of revenue from the sale of yarn this has been disclosed in note 26 to the financial statements.</p> <p>Revenue from the sale is recognized, when control related to the sale of goods is transferred and the performance obligation is satisfied i.e. on dispatch of goods (note 5.4.17).</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized based on transfer of control to the customers in line with the accounting policy adopted and may not have been recognized in the appropriate period.</p>	<p>Our audit procedures to address the Key Audit Matter included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design and implementation and operating effectiveness of controls around recognition of revenue;</li> <li>• Assessing the appropriateness of the Company’s accounting policies for revenue recognition and compliance of those policies with applicable accounting standards;</li> <li>• Checked on sample basis whether the recorded sales transactions are based on transfer of goods to the customer, satisfying the performance obligation and were recorded in the appropriate accounting period.</li> <li>• Testing timeliness of revenue recognition by comparing individual sales transactions before and after year end to underlying documents; and</li> <li>• Reviewing the adequacy of disclosure as required under applicable financial reporting framework.</li> </ul>

**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.

**Responsibilities of Management and the 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 the 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.

The 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of 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 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, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deducted at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Sufyan.

**YOUSUF ADIL**  
**CHARTERED ACCOUNTANTS**

**Place:** Multan

**Date:** October 05, 2024

**UDIN Number:** AR202410180vO61Vranx



**STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2024**

	Note	2024 Rupees	2023 Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	2,243,547,766	2,298,225,326
Long term deposits		5,337,497	5,337,497
		<u>2,248,885,263</u>	<u>2,303,562,823</u>
<b>Current assets</b>			
Stores and spares	7	58,578,263	56,672,966
Stock in trade	8	545,123,823	934,774,914
Trade debts	9	282,144,194	406,488,578
Loans and advances	10	24,012,983	40,784,179
Advance income tax		75,638,815	79,212,240
Trade deposits and prepayments	11	3,742,015	2,938,965
Tax refunds due from government	12	323,555,029	127,061,759
Other financial assets	13	15,000,000	14,918,610
Cash and bank balances	14	3,786,864	2,181,905
		<u>1,331,581,986</u>	<u>1,665,034,116</u>
<b>Total assets</b>		<u><b>3,580,467,249</b></u>	<u><b>3,968,596,939</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital	15	8,000,000	8,000,000
Surplus on revaluation of property, plant and equipment	16	1,126,303,251	1,157,451,172
Tax holiday reserve		2,668,746	2,668,746
General reserve		80,000,000	80,000,000
Unappropriated profits		106,251,722	320,120,489
		<u>1,323,223,719</u>	<u>1,568,240,407</u>
Loan from directors	17	157,500,000	105,000,000
		<u>1,480,723,719</u>	<u>1,673,240,407</u>
<b>Non-current liabilities</b>			
Long term loan	18	129,196,856	214,740,876
Lease liabilities	19	5,886,705	8,584,574
Deferred taxation	20	170,967,248	129,071,394
Deferred grant	21	34,011,367	-
		<u>340,062,176</u>	<u>352,396,844</u>
<b>Current liabilities</b>			
Trade and other payables	22	770,156,906	665,119,885
Accrued markup	23	48,779,664	69,799,699
Short term borrowings	24	731,873,325	1,108,873,180
Current portion of long term loan	18	116,696,198	45,758,724
Current portion of lease liabilities	19	2,693,918	2,043,917
Current portion of deferred grant	21	8,836,456	-
Unclaimed dividend		1,029,630	1,029,630
Provision for taxation	25	79,615,257	50,334,653
		<u>1,759,681,354</u>	<u>1,942,959,688</u>
<b>Contingencies and commitments</b>	26		
<b>Total equity and liabilities</b>		<u><b>3,580,467,249</b></u>	<u><b>3,968,596,939</b></u>

The annexed notes from 1 to 46 form an integral part of these financial statements. ya

Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer





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

	Note	2024 Rupees	2023 Rupees
Revenue from contracts - net	27	6,118,253,956	3,775,805,614
Cost of goods sold	28	(5,838,525,289)	(3,631,234,119)
Gross profit		279,728,667	144,571,495
Other income	29	12,969,720	19,133,311
Distribution and marketing expenses	30	(40,080,030)	(28,073,399)
Administrative expenses	31	(94,395,163)	(87,368,269)
Other expenses	32	(12,616,555)	(81,390)
Finance cost	33	(272,249,300)	(248,851,134)
		(406,371,328)	(345,240,881)
<b>Loss before revenue taxes and income tax</b>		(126,642,661)	(200,669,386)
Revenue taxes	34	(76,478,174)	(47,197,570)
<b>Loss before income tax</b>		(203,120,835)	(247,866,956)
Income tax- net	35	(41,895,853)	83,100,323
<b>Loss for the year</b>		(245,016,688)	(164,766,633)
(Loss) / earnings per share - basic and diluted	36	(306.27)	(205.96)

The annexed notes from 1 to 46 form an integral part of these financial statements. *ya*

Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer



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

	<b>2024 Rupees</b>	<b>2023 Rupees</b>
Loss for the year	<b>(245,016,688)</b>	(164,766,633)
Other comprehensive income for the year	-	-
	<u><b>(245,016,688)</b></u>	<u>(164,766,633)</u>
<b>Total comprehensive loss for the year</b>	<u><b>(245,016,688)</b></u>	<u>(164,766,633)</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

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Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer



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

Share Capital	Reserves				Loan from directors	Total	
	Capital		Revenue				
	Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve	Unappropriated profits			
	----- Rupees -----						
Balance at July 01, 2022	8,000,000	1,177,127,886	2,668,746	80,000,000	471,010,408	-	1,738,807,040
Loss for the year	-	-	-	-	(164,766,633)	-	(164,766,633)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(164,766,633)	-	(164,766,633)
<b>Transaction with owners</b>							
Loan from directors	-	-	-	-	-	105,000,000	105,000,000
Final dividend for the period ended June 30, 2022 @ Rs. 7.25	-	-	-	-	(5,800,000)	-	(5,800,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(19,676,714)	-	-	19,676,714	-	-
Balance at June 30, 2023	8,000,000	1,157,451,172	2,668,746	80,000,000	320,120,489	105,000,000	1,673,240,407
Loss for the year	-	-	-	-	(245,016,688)	-	(245,016,688)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(245,016,688)	-	(245,016,688)
<b>Transaction with owners</b>							
Loan from directors	-	-	-	-	-	52,500,000	52,500,000
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax (note-16)	-	(17,998,827)	-	-	17,998,827	-	-
Transfer of revaluation surplus due to disposal of revalued assets - net of deferred tax (note-16)	-	(13,149,094)	-	-	13,149,094	-	-
Balance at June 30, 2024	8,000,000	1,126,303,251	2,668,746	80,000,000	106,251,722	157,500,000	1,480,723,719

The annexed notes from 1 to 46 form an integral part of these financial statements.

*YR*

Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer





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

	Note	2024 Rupees	2023 Rupees
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before income tax		(203,120,835)	(247,866,956)
Adjustments for:			
Depreciation on property, plant and equipment	6	80,470,972	60,635,583
Gain on disposal of property, plant and equipment		-	(17,025,428)
Loss on disposal of property, plant and equipment		12,616,555	-
Allowance for expected credit losses		(12,257,349)	-
Minimum taxes		76,478,174	47,197,570
Gain on other financial assets		(81,390)	-
Provision for staff retirement benefits - gratuity		30,826,702	26,005,515
Finance cost		272,249,300	248,851,134
<b>Operating cash flows before movement in working capital</b>		<b>257,182,129</b>	<b>117,797,418</b>
<b>Decrease / (Increase) in current assets</b>			
Stores and spares		(1,905,297)	477,039
Stock in trade		389,651,091	(366,760,508)
Trade debts		124,344,384	146,806,147
Loans and advances		16,771,196	54,413,062
Trade deposits and prepayments		(803,050)	(116,447)
Sales tax refundable		(180,046,786)	(121,535,545)
<b>(Decrease) / increase in current liabilities</b>			
Trade and other payables		96,868,001	275,140,098
		444,879,539	(11,576,154)
<b>Net cash generated from / (used in) operations</b>		<b>702,061,668</b>	<b>106,221,264</b>
Income taxes paid		(60,070,627)	(64,161,706)
Staff retirement benefits - gratuity paid		(22,657,682)	(7,440,375)
Finance cost paid		(293,269,335)	(198,192,859)
<b>Net cash used in from operating activities</b>		<b>326,064,024</b>	<b>(163,573,676)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition to property, plant and equipment	6	(45,502,618)	(4,820,151)
Addition to capital work in progress		-	(221,960,323)
Proceeds from disposal of property, plant and equipment		19,350,000	14,340,394
Payment for purchase of short term investments		-	(14,918,610)
Security deposit paid		-	-
<b>Net cash used in investing activities</b>		<b>(26,152,618)</b>	<b>(227,358,690)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term finances obtained		94,000,000	66,860,000
Loan from directors		52,500,000	105,000,000
Lease liability paid		(2,047,868)	(4,977,720)
Repayment of long term finances	43	(65,758,724)	(69,661,705)
Dividend paid		-	(5,800,000)
Short term borrowings - net		(295,698,239)	162,661,025
<b>Net cash (used in) / generated from financing activities</b>		<b>(217,004,831)</b>	<b>254,081,600</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>		<b>82,906,575</b>	<b>(136,850,766)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>(397,204,250)</b>	<b>(260,353,484)</b>
<b>Cash and cash equivalents at end of the year</b>		<b>(314,297,675)</b>	<b>(397,204,250)</b>





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

	Note	2024 Rupees	2023 Rupees
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	14	3,786,864	2,181,905
Running finance (overdraft)	24	(318,084,539)	(399,386,155)
Net cash and cash equivalents at the end of year		<u>(314,297,675)</u>	<u>(397,204,250)</u>

The annexed notes from 1 to 46 form an integral part of these financial statements.

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Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer

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

**1. THE COMPANY AND ITS OPERATIONS**

**1.1** Allawasaya Textile & Finishing Mills Limited (the Company) was incorporated in Pakistan on March 31, 1958 as a private limited company. It was converted into a public limited company in 1965 under the Companies Act 1913 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange (PSX) in Pakistan. It is principally engaged in the manufacturing and sale of yarn. The Registered office and mill of the Company is situated at Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan in the province of Punjab.

**2. STATEMENT OF COMPLIANCE**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**3. Adoption of new and revised accounting standards**

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

**3.1 New amendments that are effective for the year ended June 30, 2024**

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

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

Amendments to IAS 12 'Income taxes' - International Tax Reform – Pillar Two Model Rules

**3.2 Standard and amendments to IFRS that are not yet effective**

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	<b>Effective from accounting period beginning on or after:</b>
Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024



**Effective from accounting period beginning on or after:**

Amendments to IAS 21 'The Effects 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 to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026

**3.3** Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

**4 ADOPTION OF NEW ACCOUNTING POLICY**

**4.1 Accounting for minimum taxes and final taxes**

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes in compliance with the requirements of IFRS Accounting Standards. The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In view of the above clarifications from ICAP, it has been established that minimum tax do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The Guide issued by ICAP provides approaches to account for minimum regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach:

Designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37 Provisions, Contingent Liabilities and Contingent Assets". Therefore, the effective rate of income tax is equal to the enacted rate of income tax and the deferred tax will be calculated at such rate.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guidance provided in the guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of financial statements since deferred tax liability recognised in the year ended June 30, 2023 was already at enacted rate and the application of this guide did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
	----- (Rupees) -----	
<b>Effect on statement of profit or loss:</b>		
<i>For the year ended June 30, 2023</i>		
Taxation:		
- Current year	-	47,197,570
- prior year	-	-
Deferred tax	(83,100,323)	(83,100,323)
Revenue taxes:		
- minimum taxes	47,197,570	-
	<u>(35,902,753)</u>	<u>(35,902,753)</u>

#### 4.2 Significant Accounting Policy to Material Accounting Policies Information

'During the year, the Company adopted the Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

#### 5. MATERIAL ACCOUNTING POLICY INFORMATION

The company has consistently applied the following accounting policies to all periods presented in these financial statements, except as mentioned in note No.4.

##### 5.1 Basis of preparation

These financial statements have been prepared under the historical cost convention modified by:

- revaluation of certain property, plant and equipment; and
- certain financial instruments at fair value.

##### 5.2 Functional and presentation currency

The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

##### 5.3 Critical judgments and accounting estimates in applying the accounting policies

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under circumstances, the results of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which estimate is revised if the revision affects only that period, or in the period of revision and future period if the revision affects both current and future periods.

Significant areas requiring the use of management estimates in these financial statements relate to the following:

- useful life of depreciable assets.
- allowance for expected credit loss.
- provision for tax and deferred tax.
- revaluation of property plant and equipment.

However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.



**5.4 The principal accounting policies adopted are set out as below.****5.4.1 Property, plant and equipment**

Property, plant and equipment except freehold land, building on freehold land, plant and machinery, electric installation and power house and capital work in progress are stated at cost less accumulated depreciation and impairment, if any.

Freehold land, building on freehold land, plant and machinery, electric installation and power house are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the statement of financial position date. Increases in the carrying amounts arising on revaluation of land, buildings and plant and machinery are recognised, net of deferred tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity.

To the extent that increase reverses a decrease previously recognised in the statement of profit or loss, the increase is first recognised in the statement of profit or loss. Decrease that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset. All other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus on property, plant and equipment to unappropriated profit.

Depreciation is charged to income applying reducing balance method to write-off the cost over the estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Rates of depreciation are stated in note 6.1. In respect of additions and disposals during the year, depreciation is charged from the month of acquisition and up to the month preceding the disposal respectively.

Gains / losses on disposal of operating assets, if any, are recognized in statement of profit or loss, as and when assets are derecognized.

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

**5.4.2 Right-of-use assets and lease liabilities**

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

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

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

**5.4.3 Capital work-in-progress**

Capital work-in-progress (CWIP) is stated at cost less any recognized impairment loss. All expenditures connected to the specific assets incurred during installation and construction period are carried under CWIP. These are transferred to specific assets as and when assets are available for use.





**5.4.4 Stores and spares**

These are valued at lower of cost and net realized value. The cost is determined on moving average cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice values plus other charges incurred thereon upto the reporting date.

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

**5.4.5 Stock in trade**

These are determined at lower of cost and net realisable value. Cost is determined as;

**Particulars**

Raw material	
- At mills	Weighted average cost.
- In transit	Cost accumulated up to statement of financial position date.
Work in process	Average manufacturing cost.
Finished goods	Average manufacturing cost.
Waste	Net realizable value.

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

**5.4.6 Trade debts and other receivables**

Trade debts and other receivables are initially recognized at fair value, which is usually the original invoiced amount and subsequently carried at amortized cost using the effective interest method less allowance for expected credit loss.

**5.4.7 Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, highly liquid short-term investments that are convertible to known amount of cash and are subject to insignificant risk of change in value, and short-term running finance. Running finances under mark-up arrangements are shown with short term borrowings in current liabilities on the balance sheet.

**5.4.8 Trade and other payables**

Liabilities for trade and other payables are carried at amortised cost which is the fair value of the consideration to be paid in future for the goods and services received, whether or not billed to the Company.

**5.4.9 Taxation / Revenue Taxes**

**Current**

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, as per Income Tax Ordinance, 2001.

**Revenue Taxes**

Revenue taxes includes amount representing excess of :

a) minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation and;

b) minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax stream taxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.

Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as revenue taxes.



The company determines, based on expected future taxable profits, that excess paid under section 113 by the entity over and above its tax liability (on income stream(s) taxable at general rate of taxation) is expected to be realized in subsequent tax years, then, such excess shall be recorded as deferred tax asset adjustable against tax liability for subsequent tax years. This shall be recognized as 'deferred tax asset' for the reason that it represents unused tax credit as it can be adjusted only against tax liability (of subsequent tax years) arising on taxable income subject to general rate of taxation. Such an asset shall be subject to requirements contained in IAS 12 'Income Tax'

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- (a) those outflows of resources that are within the scope of other standards.
- (b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are calculated on a basis other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised as prepaid assets.

#### **Deferred**

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average enacted tax rate.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

#### **5.4.10 Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

#### **5.4.11 Impairment**

##### **Non-financial assets**

The Company assesses at each statement of financial position date whether there is any indication that assets 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 amount and the resulting impairment loss is recognized in 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 assets is increased to the revised recoverable amount but limited to the extent of carrying amount that would have been determined had no impairment loss been recognized in prior periods. Reversal of impairment loss is recognized as income.

##### **Financial assets**

The Company recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost or at FVTPL, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognises lifetime ECL for trade receivables. For all other financial instruments, the Company recognises 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.



Lifetime ECL represents the expected credit losses 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. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative, quantitative, reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The measurement of expected credit losses 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.

**Definition of default:**

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

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

**Write-off policy**

The Company writes off financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognised in profit or loss.

**5.4.12 Financial Instruments:**

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised 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 recognised financial assets are measured subsequently in their entirety at either amortised cost or at fair value, depending on the classification of the financial assets.

**Classification of financial assets**

**a) Debt instruments measured at amortised cost**

Debt instruments that meet the following conditions are measured subsequently at amortised 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.



**Amortised cost and effective interest method**

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

**b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)**

Debt instruments that meet specified conditions and are measured subsequently at fair value through other comprehensive income (FVTOCI).

**c) Equity instruments designated as at FVTOCI**

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

**d) Financial assets measured subsequently at fair value through profit or loss (FVTPL)**

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

**Derecognition of financial assets**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

**5.4.13 Financial liabilities****Subsequent measurement of financial liabilities**

Financial liabilities that are not

- contingent consideration of an acquirer in a business combination,
- held-for-trading, or
- designated as at FVTPL,

are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised 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 amortised cost of a financial liability.

**5.4.14 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 derecognised and the consideration paid and payable is recognised in Statement of profit or loss.

**5.4.15 Off setting of financial assets and financial liabilities**

A financial asset and a financial liability is off set and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.



**5.4.16 Foreign currency translation**

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing on the date of transactions. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction.

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

**5.4.17 Revenue recognition**

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

**5.4.18 Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

**5.4.19 Provisions**

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. However, provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

**5.4.20 Staff retirement benefits*****Defined benefit plan***

The Company operates an unfunded gratuity scheme for all its eligible employees who have completed the minimum qualifying period of service. Employees successfully completing one year of service are paid with the outstanding amount which is calculated at latest drawn gross salary for the year. Charge for the year represents the amount becoming due in the year (whether paid or un-paid).



6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024 Rupees	2023 Rupees
Operating assets	6.1	2,234,683,486	2,287,144,976
Right of use asset	6.1.1	8,864,280	11,080,350
Capital Work in Progress (CWIP)	6.3	-	-
		<u>2,243,547,766</u>	<u>2,298,225,326</u>

6.1 Operating assets

Particulars	Cost / Revaluation			Accumulated Depreciation			Written Down Value as at June 30, 2024	Rate
	At July 01, 2023	Additions/ (Disposals)	At June 30, 2024	At July 01, 2023	For the year	At June 30, 2024		
	Rupees							%
Land- Freehold	805,943,000	-	805,943,000	-	-	-	805,943,000	
Building on Free-hold Land	375,298,464	-	375,298,464	15,606,675	17,984,589	33,591,264	341,707,200	5
Plant & Machinery	1,113,644,715	45,433,218 (21,286,396)	1,137,791,537	102,969,793	50,929,239 (1,577,190)	152,321,842	985,469,695	5
<b>Power house</b>								
- Building on freehold land	8,353,620	-	8,353,620	2,519,976	291,682	2,811,658	5,541,962	5
- Generators	97,332,424	-	97,332,424	26,652,871	3,533,978	30,186,849	67,145,575	5
- Electric Installation	11,825,040	-	11,825,040	8,034,216	568,624	8,602,840	3,222,200	15
	117,511,084	-	117,511,084	37,207,063	4,394,284	41,601,347	75,909,737	
Tube Well	1,270,006	-	1,270,006	699,742	57,026	756,768	513,238	10
Electric Installation	31,378,378	-	31,378,378	12,408,343	2,845,505	15,253,848	16,124,530	15
Workshop Equipments	160,909	-	160,909	159,254	166	159,420	1,489	10
Tools & Equipments	151,401	-	151,401	148,737	266	149,003	2,398	10
Laboratory Equipments	3,832,266	-	3,832,266	3,429,017	40,325	3,469,342	362,924	10
Weighing Scales	811,008	69,400	880,408	720,631	9,038	729,669	150,739	10
Arms & Ammunition	295,907	-	295,907	211,482	8,443	219,925	75,982	10
Office Equipments	3,512,021	-	3,512,021	2,795,439	107,487	2,902,926	609,095	15
Furniture & Fixture	1,734,197	-	1,734,197	1,135,551	59,865	1,195,416	538,781	10
Vehicle & Automobile	25,087,408	-	25,087,408	15,994,061	1,818,669	17,812,730	7,274,678	20
<b>TOTAL</b>	<b>2,480,630,764</b>	<b>45,502,618 (21,286,396)</b>	<b>2,504,846,986</b>	<b>193,485,788</b>	<b>78,254,902 (1,577,190)</b>	<b>270,163,500</b>	<b>2,234,683,486</b>	
6.1.1 Vehicles-right of use asset	17,234,120	-	17,234,120	6,153,770	2,216,070	8,369,840	8,864,280	20
	2,497,864,884	45,502,618 (21,286,396)	2,522,081,106	199,639,559	80,470,972 (1,577,190)	278,533,340	2,243,547,766	





For Comparative year

Particulars	Cost / Revaluation			Accumulated Depreciation			Written Down Value At June 30, 2023	Rate
	At July 01, 2022	Additions/ (Disposals)	At June 30, 2023	At July 01, 2022	For the year	At June 30, 2023		
	Rupees							%
Owned								
Land- Freehold	805,943,000	-	805,943,000	-	-	-	805,943,000	
Building on Free-hold Land	306,391,238	68,907,226	375,298,464	-	15,606,675	15,606,675	359,691,789	5
Plant & Machinery	709,805,401	411,633,653 (7,794,339)	1,113,644,715	77,255,401	33,337,525 (7,623,132)	102,969,793	1,010,674,922	5
Power house								
- Building on freehold land	8,353,620	-	8,353,620	2,212,942	307,034	2,519,976	5,833,644	5
- Generators	97,332,424	-	97,332,424	22,932,895	3,719,976	26,652,871	70,679,553	5
- Electric Installation	11,825,040	-	11,825,040	7,365,247	668,969	8,034,216	3,790,824	15
	117,511,084	-	117,511,084	32,511,083	4,695,979	37,207,063	80,304,021	
Tube Well	1,270,006	-	1,270,006	636,380	63,363	699,742	570,264	10
Electric Installation	31,378,378	-	31,378,378	9,060,690	3,347,653	12,408,343	18,970,035	15
Workshop Equipments	160,909	-	160,909	159,070	184	159,254	1,655	10
Tools & Equipments	151,401	-	151,401	148,441	296	148,737	2,664	10
Laboratory Equipments	3,832,266	-	3,832,266	3,384,212	44,805	3,429,017	403,249	10
Weighing Scales	811,008	-	811,008	710,589	10,042	720,631	90,377	10
Arms & Ammunition	295,907	-	295,907	202,101	9,381	211,482	84,425	10
Office Equipments	3,512,021	-	3,512,021	2,668,983	126,456	2,795,439	716,582	15
Furniture & Fixture	1,734,197	-	1,734,197	1,069,035	66,516	1,135,551	598,646	10
Vehicle & Automobile	39,031,339	4,340,151 (18,284,082)	25,087,408	29,668,006	556,621 (14,230,566)	15,994,061	9,093,347	20
<b>TOTAL</b>	<b>2,021,828,155</b>	<b>484,881,030</b> <b>(26,078,421)</b>	<b>2,480,630,764</b>	<b>157,473,991</b>	<b>57,865,496</b> <b>(21,853,698)</b>	<b>193,485,788</b>	<b>2,287,144,976</b>	
6.1.1 Vehicles-right of use asset	17,234,120		17,234,120	3,383,683	2,770,087	6,153,770	11,080,350	20
	<b>2,039,062,275</b>	<b>458,802,609</b>	<b>2,497,864,884</b>	<b>160,857,674</b>	<b>60,635,583</b>	<b>199,639,559</b>	<b>2,298,225,326</b>	

6.2 Depreciation for the year has been allocated as under:

	Note	2024 Rupees	2023 Rupees
Cost of goods sold	28	76,260,438	57,106,522
Administrative expenses	31	4,210,534	3,529,061
		<b>80,470,972</b>	<b>60,635,583</b>

## 6.3 Disposal of property, plant and equipment of book value exceeding Rs. 500,000

Particulars	Cost	Accumulated Depreciation	Carrying value	Sale proceeds	Gain/ (Loss)	Mode of Disposal	Relationship	Particulars of buyers
----- Rupees -----								
<b>For the year ended June 30, 2024</b>								
<b>Plant and machinery</b>								
5 cards, one scature, 4 simplex machines	8,003,045	540,394	7,462,651	8,750,000	1,287,349	Negotiation	Third party	Tuseef Brothers
4 siplex FI-12 toyoda	3,176,551	171,401	3,005,150	5,300,000	2,294,850	Negotiation	Third party	Malik Muhammad Afzal Kabaria
One suto cone machine 7-II model	5,053,400	452,700	4,600,700	2,650,000	(1,950,700)	Negotiation	Third party	Sadam Traders
One suto cone machine 7-II model	5,053,400	412,694	4,640,706	2,650,000	(1,990,706)	Negotiation	Third party	Muhammad Hafiz Kabaria
	<b>21,286,396</b>	<b>1,577,189</b>	<b>19,709,207</b>	<b>19,350,000</b>	<b>(359,207)</b>			
<b>For the year ended June 30, 2023</b>								
<b>Plant and machinery</b>								
2 set Generator	7,984,339	7,639,687	344,652	14,000,000	13,655,348	Negotiation	Third party	Bilal Engineering
<b>Vehicle &amp; automobile</b>								
Parado	6,688,918	5,495,591	1,193,327	327,575	(865,752)	Negotiation	Third party	Maqbool Textile Mills Limited
Fortuner	5,506,329	4,057,365	1,448,964	3,504,368	2,055,404	Negotiation	Third party	Maqbool Textile Mills Limited
	<b>20,179,586</b>	<b>17,192,643</b>	<b>2,986,943</b>	<b>17,831,943</b>	<b>14,845,000</b>			



**6.3 Capital Work in Progress**

	Note	2024 Rupees	2023 Rupees
Building	6.3.1	-	-
Machinery	6.3.1	-	-
		<u>-</u>	<u>-</u>

**6.3.1 Movement in capital work in progress**

Opening Balance	-	258,100,556
Additions during the year	-	221,960,323
Capitalized during the year	-	(480,060,879)
		<u>-</u>

**6.4** The Company had revalued its Freehold land, Building on Freehold land, Plant & Machinery, Electric Installation and Power house on June 30, 2022. The revaluation was carried out by K.G. Traders (Private) Limited, an independent valuer not connected to the company, on the basis of market value. The revaluation surplus had been credited to 'Surplus on revaluation of property, plant and equipment'.

Forced sale value of the above items of property, plant and equipment is as follows:

	Rupees
Freehold land	644,754,400
Building on Freehold land	257,959,440
Plant & Machinery	785,080,000
	<u>1,687,793,840</u>

**6.5.** Had there been no revaluation the related figures of freehold land, building on freehold land and plant and machinery as at the statement of financial position date would have been as follows;

	2024 Rupees	2023 Rupees
Freehold land	5,335,834	5,335,834
Building on freehold land	156,376,816	164,607,691
Plant and machinery	772,611,605	768,094,520
	<u>934,324,255</u>	<u>938,038,045</u>

**7. STORES AND SPARES**

Stores and spares	51,747,877	50,052,986
Packing material	6,830,386	6,619,980
	<u>58,578,263</u>	<u>56,672,966</u>

**7.1** The Company hold Rs. nil (2023: Rs. 9.90 million) stores, spares and loose tools for specific capitalization.

**8. STOCK IN TRADE**

	2024 Rupees	2023 Rupees
Raw materials		
- Cotton	287,006,597	485,142,983
- Polyester	12,134,349	20,532,307
- Viscose	18,121,290	31,348,736
	<u>317,262,236</u>	<u>537,024,026</u>
Raw material in- transit	35,129,327	-
Work in process	33,313,644	40,802,995
Finished goods		
-Yarn	149,561,101	347,888,644
-Waste	9,857,515	9,059,249
	<u>159,418,616</u>	<u>356,947,893</u>
	<u>545,123,823</u>	<u>934,774,914</u>





	2024 Rupees	2023 Rupees
<b>9. TRADE DEBTS</b>		
<b>Local - unsecured</b>		
Considered good	292,125,820	406,654,084
Provision of expected credit loss	(9,981,626)	(165,506)
	<u>282,144,194</u>	<u>406,488,578</u>
<b>9.1 Allowance for expected credit losses</b>		
Opening balance	165,506	165,506
Expected credit losses	9,981,620	-
Closing balance	<u>9,981,626</u>	<u>165,506</u>

- 9.1 Trade debts are non-interest bearing and are generally on 60 to 90 days terms.
- 9.2 The Company provides for doubtful debts on the basis of past due balances. Balances considered bad and irrecoverable are written off when identified.
- 9.3 Trade debts consist of a large number of diversified customers. Ongoing credit evaluation is performed on the financial condition of account receivable and, where appropriate, provision is made.
- 9.4 The fair value of trade debts approximate their carrying amounts.
- 9.5 At year end, trade debts of Rs. 290.44 million (2023: Rs. 394.54 million) were neither past due nor impaired.
- 9.6 As at year end, trade debts of Rs. 28.12 million (2023: Nil) were past due but not considered impaired for which the Company has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The aging of past due debts is as follows:

	2024 Rupees	2023 Rupees
Over 6 months	28,121,070	12,114,744
	<u>28,121,070</u>	<u>12,114,744</u>

**10. LOANS AND ADVANCES**

<b>Considered good</b>		
Advance to suppliers	23,728,943	37,531,124
Provision of expected credit loss	(2,441,229)	-
	21,287,714	37,531,124
Advances to employees	2,708,366	3,145,154
Advance expenses on letter of credit	16,903	107,901
	<u>24,012,983</u>	<u>40,784,179</u>

**11. TRADE DEPOSITS AND PREPAYMENTS**

Margin deposit	1,605,311	1,605,311
Prepayments	2,136,704	1,333,654
	<u>3,742,015</u>	<u>2,938,965</u>

**12. TAX REFUNDS DUE FROM GOVERNMENT**

Sales tax refundable	301,582,331	121,535,545
Income tax refundable	21,972,698	5,526,214
	<u>323,555,029</u>	<u>127,061,759</u>

**13. OTHER FINANCIAL ASSETS**

Measured at amortized cost	<u>15,000,000</u>	<u>14,918,610</u>
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This represents investment in AA+ rated, unsecured, subordinated, perpetual and non-cumulative term finance certificate of Bank Al Habib, having face value of Rs.15 million per certificate and carries profit at the rate of 6 Months KIBOR + 1.65% per annum.



<b>14. CASH AND BANK BALANCES</b>	<b>2024</b>	<b>2023</b>
	<i>Rupees</i>	<i>Rupees</i>
Cash in hand	2,484,915	181,278
Cash at banks in current accounts	1,301,949	2,000,627
	<u>3,786,864</u>	<u>2,181,905</u>

**15. SHARE CAPITAL**

2024	2023		2024	2023
<i>Number of shares</i>			<i>Rupees</i>	<i>Rupees</i>
<b>Authorised</b>				
<u>1,000,000</u>	<u>1,000,000</u>	Ordinary share of Rs. 10 each	<u>10,000,000</u>	<u>10,000,000</u>
<b>Issued, subscribed and paid up</b>				
<u>800,000</u>	<u>800,000</u>	Ordinary share of Rs. 10 each	<u>8,000,000</u>	<u>8,000,000</u>

15.1 There were no movements in issued, subscribed and paid up capital during the reporting year.

15.2 The Company has only one class of ordinary shares which carry no right to fixed income.

15.3 Shareholders are entitled to cast vote proportionate to the paid up value of shares carrying voting rights. All shares rank equally with regard to the Company's residual assets.

**16. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**

	2024	2023
	<i>Rupees</i>	<i>Rupees</i>
Opening balance	1,318,575,688	1,346,289,368
Addition during the year	-	-
Transferred to unappropriated profit on account of:		
Incremental depreciation - net of deferred tax	(17,998,827)	(19,676,714)
Revaluation surplus due to disposal of revalued assets	(13,149,094)	-
Related deferred tax liability	(23,636,035)	(8,036,967)
	<u>(54,783,956)</u>	<u>(27,713,680)</u>
	1,263,791,732	1,318,575,688

**Related deferred tax liability**

Opening balance	(161,124,516)	(169,161,482)
Transferred to unappropriated profit on account of:		
- deferred tax on incremental depreciation	18,265,278	8,036,966
- deferred tax on disposal of revalued assets	5,370,757	-
	<u>(137,488,481)</u>	<u>(161,124,516)</u>
	<u>1,126,303,251</u>	<u>1,157,451,172</u>

**17. LOAN FROM DIRECTORS**

Mian Muhammad Jamil	21,500,000	21,500,000
Mian Muhammad Alamgir Jamil Khan	76,000,000	36,000,000
Mian Idrees Ahmad Sheikh	60,000,000	47,500,000
	<u>157,500,000</u>	<u>105,000,000</u>

These loans are interest free and are obtained during the years 2023 and 2024 to meet operational financing needs of the Company. These are repayable at the discretion of the Company and its repayment terms are not defined.





		2024 Rupees	2023 Rupees
<b>18. LONG TERM LOAN</b>			
<b>Secured</b>			
Term Finance 1	18.1	46,500,000	85,500,000
Temporary Economic Refinance Facility	18.2	168,240,876	174,999,600
Term Finance 2	18.3	74,000,000	-
		<b>288,740,876</b>	260,499,600
Current portion of long term loan		<b>(116,696,198)</b>	(45,758,724)
Deferred grant		<b>(42,847,822)</b>	-
		<b>129,196,856</b>	214,740,876

**18.1** This finance has been obtained from Bank Al Habib Limited for BMR. The loan is repayable in 20 equal quarterly instalments commencing from Feb 14, 2020. The Tenor of this loan is 6.5 Years with 1 year grace period. It carries markup at rate of 6 month Avg Kibor + 1.5%. The finance is secured against first mortgage charge of Rs.415 Million duly registered with SECP, over present and future fixed assets of the Company.

**18.2** This loan is obtained from Bank Al Habib Limited for retirement of import documents drawn under LC(s). This loan has facility Limit upto PKR 175 million and is repayable in 10 years with 2 years grace period in 16 semi-annual installments or on demand. It carries mark up at (SBP Rate + 1%). The finance is secured against first mortgage charge of Rs 727 million against personal guarantees of the directors.

**18.3** This loan is obtained from Askari Bank Limited for balance sheet re-profiling. This loan has facility Limit upto PKR 104 million and is repayable in 19 months with no grace period in 19 equal monthly installments. It carries mark up at 1 Month KIBOR + 2%. The finance is secured against first paripassu / joint pari passu charge of PKR 152 million over fixed assets (Land, Building, Plant and Machinery) of the company, Subordination agreement of Directors loan with Askari Bank Limited, and post dated cheques as per repayment schedule.

#### 19. LEASE LIABILITIES

Present value of minimum lease payments	5,886,705	8,584,574
Current portion shown under current liabilities	2,693,918	2,043,917
	<b>8,580,623</b>	10,628,491

This represents auto lease financing amounting to Rs 8.5 million (2023: Rs. 10.6 million) obtained from Bank AL Habib Limited for the purpose of leasing the vehicles. This loan has facility limit upto PKR 40 million and is repayable in 5 years in 60 monthly installments. It carries mark up at 6 months KIBOR plus 1.5%. Minimum lease payments have been discounted at an implicit interest rate ranging from 23.08% to 24.46% per annum (2023: 7.74% to 9.91%) to arrive at their present values. The lessee has the option to purchase the assets after expiry of the lease term.

The amount of future payments of the lease and the period in which these payments will become due are as follows:

2024	Minimum lease payment	Future finance charge	Present value of lease liability
	------(Rupees)-----		
Not later than one year	4,402,032	1,708,114	2,693,918
Later than one year and not later than five years	7,121,620	1,234,915	5,886,705
	<b>11,523,652</b>	<b>2,943,029</b>	<b>8,580,623</b>



<b>2023</b>	Minimum lease payment	Future finance charge	Present value of lease liability
	------(Rupees)-----		
Not later than one year	3,806,655	1,424,135	2,382,520
Later than one year and not later than five years	10,013,853	1,767,882	8,245,971
	<u>13,820,508</u>	<u>3,192,017</u>	<u>10,628,491</u>

**20. DEFERRED LIABILITIES**

		<b>2024</b> <b>Rupees</b>	<b>2023</b> <b>Rupees</b>
Deferred Tax	20.1	<u><b>170,967,248</b></u>	<u>129,071,394</u>

**20.1 Deferred Tax**

Opening Balance	Deferred tax recognised in		Closing Balance
	Recognised in Statement of Profit or loss	Recognised in SOCI	
-----Rupees-----			

**Movement for the year ended June 30, 2024**

Deferred tax liabilities on taxable temporary differences arising in respect of:				
- Property, plant and equipment	122,400,546	9,246,168	-	131,646,714
- Surplus on revaluation of assets	150,210,871	(12,722,390)	-	137,488,481
Deferred tax assets on deductible temporary differences arising in respect of:				
- staff gratuity	(10,170,304)	(2,369,016)	-	(12,539,320)
- Provision of expected credit loss	-	(3,554,631)	-	(3,554,631)
- investment credit	(12,235,610)	12,235,610	-	-
- unabsorbed tax losses	(121,134,109)	39,060,113	-	(82,073,996)
	<u>129,071,394</u>	<u>41,895,853</u>	<u>-</u>	<u>170,967,248</u>

Opening Balance	Deferred tax recognised in		Closing Balance
	Recognised in Statement of Profit or loss	Recognised in SOCI	
-----Rupees-----			

**Movement for the year ended June 30, 2023**

Deferred tax liabilities on taxable temporary differences arising in respect of:				
- property, plant and equipment	82,330,583	40,069,963	-	122,400,546
- Surplus on revaluation of assets	169,161,483	(18,950,612)	-	150,210,871
Deferred tax assets on deductible temporary differences arising in respect of:				
- staff gratuity	(5,116,511)	(5,053,793)	-	(10,170,304)
- investment credit	(12,235,610)	-	-	(12,235,610)
- unabsorbed tax losses	(21,968,228)	(99,165,881)	-	(121,134,109)
	<u>212,171,717</u>	<u>(83,100,323)</u>	<u>-</u>	<u>129,071,394</u>





		2024 <i>Rupees</i>	2023 <i>Rupees</i>
<b>21. DEFERRED GRANT</b>			
Opening balance		-	212,869
Recognized during the year		51,690,687	-
Amortized during the year		(8,842,864)	(212,869)
Closing balance		<u>42,847,823</u>	<u>-</u>
Less: Current portion		8,836,456	-
Non current portion		<u>34,011,367</u>	<u>-</u>

		2024 <i>Rupees</i>	2023 <i>Rupees</i>
<b>22. TRADE AND OTHER PAYABLES</b>	<b>Note</b>		
Creditors	22.1	383,327,926	343,858,906
Accrued liabilities		107,906,794	139,092,839
Gratuity payable	22.2	43,239,035	35,070,015
Workers' profit participation fund	22.3	-	14,328,588
Workers' welfare fund		14,857,112	14,857,112
Current portion of provision for GIDC	22.4	36,040,531	36,040,531
Advance from customer		145,797,681	45,591,743
Tax deducted at source		21,355,535	27,926,922
Sales Tax Payable		17,569,432	8,293,229
Other payables		62,860	60,000
		<u>770,156,906</u>	<u>665,119,885</u>

**22.1** It includes due to associated undertakings relating to purchase of raw material in normal course of business. Detail of balances due is as follows:

		2024 <i>Rupees</i>	2023 <i>Rupees</i>
	<b>Note</b>		
Allwasaya Spinning Mills (Private) Limited	40	<u>61,042,595</u>	<u>-</u>

**22.2 Gratuity payable**

Opening balance	35,070,015	16,504,875
Charged during the year	30,826,702	26,005,515
Payment made during the year	(22,657,682)	(7,440,375)
Closing balance	<u>43,239,035</u>	<u>35,070,015</u>

**22.3 Workers Profit Participation Fund**

Opening balance	14,328,588	11,761,067
Interest on funds utilized in company's business	2,590,334	2,567,521
Allocation for the period / year	-	-
Paid during the year	(16,918,922)	-
Closing balance	<u>-</u>	<u>14,328,588</u>

**22.4.** On August 13, 2020 the Supreme Court of Pakistan (SCP) through its order declared GIDC Act an intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly installments starting from August 01, 2020. The Company has been granted stay by High Court through its order September 09,2021 from making those installments.

The Company opted to recognize the Cess as payable in twenty four equal monthly installments is in accordance with the provision of IAS 37.

**23. ACCRUED MARKUP**

Short term borrowings	39,368,741	63,889,221
Long term borrowings	9,410,923	5,910,478
	<u>48,779,664</u>	<u>69,799,699</u>

		2024	2023
		<i>Rupees</i>	<i>Rupees</i>
<b>24. SHORT TERM BORROWINGS</b>			
<b>Secured</b>			
Cash Finance	24.1	413,788,786	709,487,025
Running finance	24.2	318,084,539	399,386,155
		<u>731,873,325</u>	<u>1,108,873,180</u>

**24.1** Cash finance facilities have been obtained from Bank Al Habib Limited, Habib Bank Limited, Habib Metro Bank Limited, United bank Limited and Samba bank limited having limit aggregate to Rs.975 million of which facilities remain un utilized at the year end amounts to Rs.561.3 million (2023: 265.11 million). These facilities are obtained for working capital requirements, and are secured against pledge of cotton bales, fiber, and yarn in lock and key under bank's muccaddum and promissory note along with personal guarantee of directors with personal net worth statement. These facilities carry mark up at the rates ranging from 21.24% to 24.7% per annum (2023: 14.91% to 23.20% per annum).

**24.2** Running finance facilities have been obtained from Bank Al Habib Limited, Habib Bank Limited, Habib Metro Bank Limited, United bank Limited and Samba bank limited aggregate to Rs.335 million of which facilities remain unutilize at the year end amounts to Rs.17.2 million (2023: 53.25 million). These facilities are obtained for working capital requirements, and are secured against joint pari passu charge over current assets of the company and personal guarantee of directors. These facilities carry mark up at the rates ranging from 22.51% to 24.41% per annum (2023: 12.89% to 23.48% per annum).

		2024	2023
		<i>Rupees</i>	<i>Rupees</i>
<b>25. PROVISION FOR TAXATION</b>			
<i>Note</i>			
Opening balance		50,334,653	66,009,771
Provision made during the year		76,478,174	47,197,570
		<u>126,812,827</u>	<u>113,207,341</u>
Adjustments against completed assessments		(47,197,570)	(62,872,688)
		<u>79,615,257</u>	<u>50,334,653</u>

## 26. CONTINGENCIES AND COMMITMENTS

### Contingencies

**26.1** The Company has filed a writ petition against water and sanitation agency (WASA) Multan regarding special notice dated December 22, 2004 in which the authority has demanded a sum of Rs. 4.1 million of the arrears of water effluent discharge. The Company is of opinion that it is a spinning mill and has not undertaken a job of weaving and finishing so there is no effluent discharge of water from the unit. The Lahore High Court through order no. C.M.No.2 of 2004 had ordered that impugned notice shall remain suspended till final order.

### 26.2 Commitments

Letter of guarantee issued by Habib bank limited to SNGPL of Rs. 37.65 million and by Bank Al Habib to WAPDA of Rs. 12.96 million on behalf of the Company outstanding as at June 30, 2024. This aggregates to Rs. 50.61 million (2023: Rs. 50.61 million).

		2024	2023
		<i>Rupees</i>	<i>Rupees</i>
Letter of credit		35,146,230	107,899





		2024 Rupees	2023 Rupees
<b>27. REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>Note</b>		
Local			
- Yarn		6,775,573,586	4,233,988,497
- Viscose		-	71,679,762
- Polyester		-	20,858,656
- Cotton		34,601,821	-
- Waste		28,184,811	38,917,033
		6,838,360,218	4,365,443,948
Less: sales tax		(720,106,262)	(589,638,334)
		<b>6,118,253,956</b>	<b>3,775,805,614</b>
<b>28. COST OF GOODS SOLD</b>			
Raw materials consumed	28.1	4,027,010,913	2,925,418,605
Fuel and power		909,031,291	449,212,304
Salaries, wages and benefits	28.2	466,126,067	321,232,199
Depreciation	6.2	76,260,438	57,106,522
Stores and spares consumed		76,553,964	47,388,436
Packing material consumed		70,299,729	42,345,359
Insurance		6,145,942	9,578,745
Repairs and maintenance		2,078,317	2,189,541
		5,633,506,661	3,854,471,711
<b>Adjustment of work in process</b>			
Opening stock		40,802,995	28,496,209
Closing stock		(33,313,644)	(40,802,995)
		7,489,351	(12,306,786)
Cost of goods manufactured		5,640,996,012	3,842,164,925
<b>Finished goods</b>			
Opening stock		356,947,893	146,017,087
Closing stock	28.3	(159,418,616)	(356,947,893)
		197,529,277	(210,930,806)
		<b>5,838,525,289</b>	<b>3,631,234,119</b>
<b>28.1 Raw materials consumed</b>			
Opening stock		537,024,026	134,226,571
Purchases (including direct expenses) - Net		3,806,336,574	3,327,473,599
		4,343,360,600	3,461,700,170
Closing stock		(317,262,236)	(537,024,026)
		4,026,098,364	2,924,676,144
Cotton cess		912,549	742,461
		<b>4,027,010,913</b>	<b>2,925,418,605</b>
<b>28.2</b>	Salaries, wages and benefits include Rs. 29.46 million (2023: Rs. 24.42 million) in respect of gratuity.		
<b>28.3</b>	It includes waste stock amounting to Rs. 9.86 million (2023: Rs. 9.06 million).		
<b>29. OTHER INCOME</b>		2024 Rupees	2023 Rupees
Interest income on TFCs		3,562,435	2,107,883
Amortization of deferred grant		8,842,864	-
Scrap Sale		483,031	-
Gain on sale of property, plant and equipment		-	17,025,428
Gain on other financial assets		81,390	-
		<b>12,969,720</b>	<b>19,133,311</b>

**30. DISTRIBUTION AND MARKETING EXPENSES**

	<i>Note</i>	<b>2024</b> <i>Rupees</i>	<b>2023</b> <i>Rupees</i>
Commission on sale of yarn		29,369,986	20,822,129
Salaries of sales staff		10,710,044	7,251,270
		<u>40,080,030</u>	<u>28,073,399</u>

**31. ADMINISTRATIVE EXPENSES**

Directors' remuneration		36,820,310	31,710,899
Salaries and benefits	31.1	22,567,134	21,339,676
Vehicles running and maintenance		13,258,164	12,978,144
Depreciation	6.2	4,210,534	3,529,061
Travelling and conveyance	31.2	1,440,133	954,043
Communication		2,176,285	2,279,314
Auditors' remuneration	31.3	1,935,000	1,935,000
Legal and professional		1,820,717	3,965,364
Fee and subscription		2,906,484	1,843,928
Insurance		1,940,048	1,506,731
Printing and stationery		1,375,942	1,328,565
Entertainment		1,758,031	1,242,353
Rent, rates and taxes		761,988	641,042
Donation		322,176	1,050,000
Repairs and maintenance		422,955	385,645
Advertisement		592,262	118,250
Others		87,000	560,254
		<u>94,395,163</u>	<u>87,368,269</u>

**31.1** Salaries and benefits include Rs. 1.36 million (2023: Rs. 1.58 million) in respect of gratuity.

**31.2** This includes directors' travelling amounting to Rs. 0.28 million (2023: Rs. 0.16 million).

**31.3 AUDITORS' REMUNERATION**

	<b>2024</b> <i>Rupees</i>	<b>2023</b> <i>Rupees</i>
- Statutory audit fee	1,150,000	1,150,000
- Half yearly review	200,000	200,000
- Review report on compliance with CCG	100,000	100,000
- Certificate for CDC and free float shares	200,000	200,000
- Income tax return fee	125,000	125,000
- Out of pocket expenses	160,000	160,000
	<u>1,935,000</u>	<u>1,935,000</u>

**32. OTHER EXPENSES**

Loss on sale of property plant and equipment	359,206	-
Unrealized loss on other financial assets	-	81,390
Allowance for expected credit losses	12,257,349	-
	<u>12,616,555</u>	<u>81,390</u>

**33. FINANCE COST**

Mark up on short term borrowings	218,056,826	204,992,091
Mark up on long term borrowings	39,369,373	28,309,484
Bank and other charges	11,790,541	12,603,331
Bank guarantee commission	442,226	378,707
Interest on Workers' Profit participation fund	2,590,334	2,567,521
	<u>272,249,300</u>	<u>248,851,134</u>



<b>34. REVENUE TAX</b>	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
Minimum taxes	<u>76,478,174</u>	<u>47,197,570</u>
	<u><b>76,478,174</b></u>	<u><b>47,197,570</b></u>

**34.1** This represents provision for minimum tax under section 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levy in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

<b>35. TAXATION</b>		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
Current			
- for the year		-	-
Deferred tax	20.1	41,895,853	(83,100,323)
Prior year		-	-
		<u><b>41,895,853</b></u>	<u><b>(83,100,323)</b></u>

**35.1 Relationship between tax expense and accounting profit**

	<b>2024</b>	<b>2023</b>
Applicable tax rate	29%	29%
Loss before revenue taxes and income tax	(126,642,661)	(200,669,386)
Tax on accounting profit before tax	-	-
Effect of deferred tax	<u>41,895,853</u>	<u>(83,100,323)</u>
Taxation	<u><b>41,895,853</b></u>	<u><b>(83,100,323)</b></u>

**35.2** The Company has filed Income Tax Return up to tax year 2023 which is deemed assessed as per Income Tax Ordinance, 2001.

**36 EARNINGS PER SHARE**

(Loss) / profit for the year	<b>Rupees</b>	<u>(245,016,688)</u>	<u>(164,766,633)</u>
Weighted average number of ordinary shares	<b>Number</b>	<u>800,000</u>	<u>800,000</u>
(Loss) / earnings per share - basic and diluted	<b>Rupees</b>	<u>(306.27)</u>	<u>(205.96)</u>

**36.1** There is no dilutive effect on the basic profit per share of the Company.



### 37 FINANCIAL RISK MANAGEMENT

37.1 The Company has exposure to the following risks from its use of financial instruments:

Credit risk  
Liquidity risk  
Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### 37.2 Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. Out of the total financial assets of Rs. 308.09 million (2023: Rs. 433.50 million), the financial assets which are subject to credit risk amounted to Rs. 308.09 million (2023: Rs. 433.50 million). The Company manages credit risk in trade debts by assigning credit limits to its customers and thereby does not have significant exposure to any individual customer.

Credit risk of the Company arises principally from the trade debts, loans and advances and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

##### Financial assets

	2024 Rupees	2023 Rupees
Long term deposits	5,337,497	5,337,497
Trade debts	282,144,194	406,488,578
Loans and advances	2,708,366	3,145,154
Other financial assets	15,000,000	14,918,610
Trade deposit	1,605,311	1,605,311
Bank balances	1,301,949	2,000,627
	<u>308,097,317</u>	<u>433,495,777</u>

##### 37.2.1 Credit risk related to receivables

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.



Trade debts consist of a large number of diversified customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, provision is made. The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

### 37.2.2 Credit risk related to bank balances

In respect of bank balances, credit risk on bank balances is limited as they are placed with local banks having good credit ratings assigned by credit rating agencies.

	<i>Rating</i>		<i>Rating agency</i>
	<i>Short term</i>	<i>Long term</i>	
The Bank of Punjab	A1+	AA+	PACRA
Askari Bank Limited	A1+	AA+	PACRA
Allied Bank Limited	A1+	AAA	PACRA
BankIslami Pakistan Limited	A1	AA-	PACRA
Bank Alfalah Limited	A1+	AAA	PACRA
Bank Al Habib Limited	A1+	AAA	PACRA
Faysal Bank Limited	A1+	AA	PACRA
Habib Bank Limited	A-1+	AAA	VIS
Habib Metropolitan Bank Limited	A1+	AA+	PACRA
United Bank Limited	A-1+	AAA	VIS
National Bank of Pakistan	A1+	AAA	PACRA
MCB Bank Limited	A1+	AAA	PACRA

### 37.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. Note 37.3.2 below sets out details of additional unutilized facilities that the Company has at its disposal to further reduce liquidity risk.

#### 37.3.1 Liquidity and interest risk table

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<i>Weighted average effective rate</i>	<i>Upto 1 year</i>	<i>1 - 5 years</i>	<i>Total</i>
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
<b>June 30, 2024</b>				
<b>Financial liabilities</b>				
<b>Interest bearing</b>				
Long term loans	4% to 24.47%	125,532,654	163,208,223	288,740,877
Lease liability	23.08% to 24.46%	2,693,918	5,886,705	8,580,623
Short term borrowings	21.24% to 24.7%	731,873,325	-	731,873,325
<b>Non interest bearing</b>				
Unclaimed dividend		1,029,630	-	1,029,630
Accrued markup		48,779,664	-	48,779,664
Trade and other payables		491,297,580	-	491,297,580
		<b>1,401,206,771</b>	<b>169,094,928</b>	<b>1,570,301,699</b>

	<b>Weighted Average effective rate</b>	<b>Upto 1 year</b>	<b>1 - 5 years</b>	<b>Total</b>
<b>June 30, 2023</b>		<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
<b>Financial liabilities</b>				
<b>Interest bearing</b>				
Long term loans	12.97% to 18.57%	54,343,298	216,784,793	271,128,091
Short term borrowings	12.89% to 23.48%	1,108,873,180	-	1,108,873,180
<b>Non interest bearing</b>				
Unclaimed dividend		1,029,630	-	1,029,630
Accrued markup		69,799,699	-	69,799,699
Trade and other payables		483,011,745	-	483,011,745
		<u>1,717,057,552</u>	<u>216,784,793</u>	<u>1,933,842,345</u>

### 37.3.2 Financing facilities

Secured bank loan facilities with various maturity dates which may be extended by mutual agreement:

	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
- amount utilized	<b>731,873,325</b>	1,108,873,180
- amount unutilized	<b>578,126,675</b>	201,126,820

### 37.4 Market risk management

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

#### 37.4.1 Interest rate risk management

Interest / markup rate risk arises from the possibility that changes in interest / markup rates will affect the value of financial instruments. The Company has significant amount of interest based financial assets and financial liabilities which are largely based on variable interest / markup rates, therefore the Company has to manage the related finance cost which exposes it to the risk of SBP rate, 3 months and 6 months KIBOR. Since the impact on interest rate exposure is significant to the Company, management is considering the alternative arrangement to manage interest rate exposure in future.

#### 37.4.2 Interest rate sensitivity

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's (loss) / profit for the year ended June 30, 2024 would increase / decrease by Rs. 10.29 million (2023: Rs. 13.69 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The Company does not recognized any fixed rate financial assets and liabilities at fair value through profit and loss therefore, a change in interest rate would not affect Statement of profit or loss.

#### 37.4.3 Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and balances held in foreign currency. However, the Company is not exposed to foreign currency risk on assets and liabilities as it does not have foreign debtors or creditors.

#### 37.4.4 Equity price risk management

The Company is not exposed to equity price risks arising from equity investments as the Company has no such investment held for trading purpose.

### 37.5 Determination of fair values

#### Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction other than in a forced or liquidation sale.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.



**37.6 Fair value estimation**

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy as follows.

- **Level 1**; Quoted prices (unadjusted) in active market for identical assets or liabilities.
- **Level 2**: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. drive from prices). The Company has no items to report in this level.
- **Level 3**: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

**37.6.1 Fair value of non-financial asset measured at fair value**

**Fair value of property, plant and equipment**

The company's Land-Freehold, Building on Free-hold Land, Plant & Machinery, Electric Installation, Power house at revalued amount, being fair value at the date of revaluation using market basis, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurement of the company's Free-hold Land, Plant & Machinery, Electric Installation and Power house as at June 30, 2022 were performed by K.G. (Private) Limited (valuer), an independent valuer is listed on panel of Pakistan Banks Association with proper qualification and experience in the fair value measurement of property, plant and equipment.

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>As at June 30, 2024</b>				
Freehold land	-	805,943,000	-	805,943,000
Building freehold land	-	341,707,200	-	341,707,200
Plant & machinery	-	985,469,695	-	985,469,695
Power house	-	75,909,737	-	75,909,737
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>As at June 30, 2023</b>				
Freehold land	-	805,943,000	-	805,943,000
Building freehold land	-	359,691,789	-	359,691,789
Plant & machinery	-	1,010,674,921	-	1,010,674,921
Power house	-	80,304,021	-	80,304,021

The fair value of of financial instruments are appoximate to their carrying value. There were no transfer between levels of fair value hierarchy during the year.

**37.7 Financial instruments by category**

The Company finances its operation through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. Taken as a whole, the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments.

The accounting policies for financial instruments have been applied for line items as below:

	2024 Rupees	2023 Rupees
<b>Assets categorized at amortized cost</b>		
Long term deposits	5,337,497	5,337,497
Trade debts	282,144,194	406,488,578
Loans and advances	2,708,366	3,145,154
Trade deposit	1,605,311	1,605,311
Other financial asset	15,000,000	14,918,610
Cash and bank balances	3,786,864	2,181,905
	<b>310,582,232</b>	<b>433,677,055</b>



	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Liabilities categorized at amortized cost</b>		
Long term loan	172,044,678	214,740,876
Lease liability	5,886,705	8,584,574
Current portion of long term loan	116,696,198	45,758,724
Current portion of lease liabilities	2,693,918	2,043,917
Short term borrowings	731,873,325	1,108,873,180
Trade and other payables	491,297,580	483,011,745
Unclaimed dividend	1,029,630	1,029,630
Accrued markup	48,779,664	69,799,699
	<b>1,570,301,698</b>	<b>1,933,842,345</b>

### 38. CAPITAL MANAGEMENT DISCLOSURE

The Company's objectives, policies and processes for managing capital are as follows:

- The Company is not subject to any externally imposed capital requirements.
- 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.
- Consistently with others in the industry, the company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the SOFP) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e., share capital and unappropriated profit).
- The debt-to-adjusted capital ratios at June 30 were as follows:

	<b>2024</b>	<b>2023</b>
	<b>Rupees</b>	<b>Rupees</b>
Total debt	1,029,194,825	1,380,001,271
Less: Cash and cash at Bank	<b>(3,786,864)</b>	<b>(2,181,905)</b>
Net debt	<b>1,025,407,961</b>	<b>1,377,819,366</b>
Total equity	<b>1,480,723,719</b>	<b>1,673,240,407</b>
Adjusted capital	<b>2,506,131,680</b>	<b>3,051,059,773</b>
Debt-to-adjusted capital ratio	<b>40.92%</b>	<b>45.16%</b>

### 39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

<b>Particulars</b>	<b>Managerial remuneration</b>		<b>Utilities</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	----- Rupees -----			
Chief Executive	9,159,678	9,000,000	2,559,400	2,434,232
Directors	17,719,356	16,200,000	10,197,665	7,186,849
Executive	6,554,375	6,398,645	-	-
	<b>33,433,409</b>	<b>31,598,645</b>	<b>12,757,065</b>	<b>9,621,081</b>

#### 39.1 Particulars

<b>Particulars</b>	<b>No of persons</b>	
	<b>2024</b>	<b>2023</b>
Chief Executive	1	1
Directors	2	2
Executive	2	2

39.2 During the year, meeting fee of Rs. 1,060,000 (2023: Rs. 1,080,000) was paid to the directors.

39.3 The Chief Executive and directors are also provided with the Company owned and maintained cars and telephones at their residences.

**40. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated undertakings, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Amounts due to related parties are shown under trade and other payable (note 22.1), remuneration of Chief Executive, director and executives (note 39) and loan from directors (note 17). Allwasaya Spinning Mills (Private) Limited is associated undertaking based on common directorship. Other significant transactions with related parties are as follows:

	2024 Rupees	2023 Rupees
<b>Transactions with associated undertakings (due to common directorship)</b>		
<b>Allwasaya Spinning Mills (Private) Limited</b>		
Purchase of raw material	<u>61,042,595</u>	-

All transactions with related parties have been carried out on agreed terms and conditions.

**41. PLANT CAPACITY AND ACTUAL PRODUCTION**

	2024	2023
Number of spindles installed	46,488	46,488
Number of spindles worked	46,488	46,488
Number of shifts worked	811	592
Capacity of yarn at 20's count		
on the basis of utilization	<i>Kgs</i> 16,251,192	11,479,922
Actual production of yarn at 20's count	<i>Kgs</i> 16,183,418	11,366,985

**Reasons for increase**

It is difficult to describe precisely the production capacity in spinning mills since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed, twist and raw materials used, etc. It also varies according to the pattern of production adopted in a particular year.

**42. NUMBER OF EMPLOYEES**

	2024	2023
	<i>Number</i>	
Total number of employees	977	986
Average number of employees during the year	<u>975</u>	<u>923</u>

**43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

	At June 30, 2023	Cash inflows	Cash outflows	At June 30, 2024
		<i>Rupees</i>		
Long term loans	260,499,600	94,000,000	(65,758,724)	288,740,876
Short term borrowings	1,108,873,180	4,895,565,402	(5,272,565,257)	731,873,325
Lease liabilities	10,628,491	-	(2,047,868)	8,580,623
Unclaimed dividend	1,029,630	-	-	1,029,630
	<u>1,381,030,901</u>	<u>4,989,565,402</u>	<u>(5,340,371,849)</u>	<u>1,030,224,454</u>

**44. CORRESPONDING FIGURES**

The preparation and presentation of these financial statements for the year ended June 30, 2024 is in accordance with the requirements of IFRSs.



**45. DATE OF AUTHORIZATION FOR ISSUE**

These financial statements were approved and authorized for issue by the Board of Directors of the Company in its meeting held on **October 05, 2024.**

**46. GENERAL**

Figures in the financial statements have been rounded-off to the nearest rupee except stated otherwise.

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Sd/-  
Mian Muhammad Alamgir Jamil Khan  
Chief Executive Officer

Sd/-  
Mian Idrees Ahmed Sheikh  
Director

Sd/-  
Sohail Nadeem  
Chief Financial Officer



**PATTERN OF SHAREHOLDING OF THE SHAREHOLDERS  
OF THE COMPANY AS ON JUNE 30, 2024**

Number of Shareholders	Shareholding		Total Shares held	Percentage of Total Capital
	From	To		
119	1	100	5,398	0.675
17	101	500	4,210	0.526
7	501	1,000	6,160	0.770
12	1,001	5,000	35,811	4.476
0	5,001	10,000	0	0.000
0	10,001	15,000	0	0.000
4	15,001	20,000	75,482	9.435
2	20,001	25,000	43,574	5.447
2	25,001	30,000	55,058	6.882
4	30,001	35,000	132,182	16.523
0	35,001	40,000	0	0.000
1	40,001	45,000	44,156	5.520
0	45,001	50,000	0	0.000
2	50,001	70,000	127,339	15.917
2	70,001	100,000	144,262	18.033
1	100,001	130,000	126,368	15.796
<b>173</b>			<b>800,000</b>	<b>100.000</b>

Serial Number	Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage
1	Individuals	167	799,745	99.97
2	Joint Stock Companies	2	150	0.02
3	Investment Companies	2	100	0.01
4	Others	2	5	0.00
	<b>TOTAL</b>	<b>173</b>	<b>800,000</b>	<b>100.00</b>

**Trade in shares of the company carried out by a Director, CEO or Executive, their spouses, minor children and substantial shareholders during 2023-24**

S.No.	Name of Person with Description	Date of Transaction					
		Date	Nature	No.of Shares	Rate (PKR)	Form of Share Certificates	Market
1	Mian Muhammad Jamil (Director)	03.08.2023	Buy	2,000	1,621/-	Physical	Ready
2	Mrs. Nusrat Jamil (Chairperson)	03.08.2023	Buy	1,500	1,621/-	Physical	Ready
3	Mrs. Qaiser Shamim Khan	03.08.2023	Buy	25,000	1,621/-	Physical	Ready
4	Mrs. Misbah Idrees Sheikh (Director)	03.08.2023	Buy	16,414	1,621/-	Physical	Ready
5	Mrs. Sarah Hajra Khan (Spouse CEO)	03.08.2023	Buy	15,260	1,621/-	Physical	Ready
6	Mian Muhammad Jamil (Director)	05.03.2024	Buy	10,064	730/-	Physical	Ready
7	Mr. Idrees Ahmed Sheikh (Director)	25.03.2024	Buy	2,378	1,395/-	Physical	Ready
8	Mr. Idrees Ahmed Sheikh (Director)	03.04.2024	Buy	2,458	1,395/-	Physical	Ready
9	Mian Muhammad Jamil (Director)	05.04.2024	Sell	1,250	900/-	Physical	Ready
10	Mr. Idrees Ahmed Sheikh (Director)	05.04.2024	Sell	1,250	900/-	Physical	Ready
11	Mrs. Sarah Hajra Khan (Spouse CEO)	25.04.2024	Sell	1,250	900/-	Physical	Ready
12	Mr. Idrees Ahmed Sheikh (Director)	25.04.2024	Sell	1,250	900/-	Physical	Ready
13	Mr. Idrees Ahmed Sheikh (Director)	25.06.2024	Buy	1,200	1,395/-	Physical	Ready
14	Mr. Idrees Ahmed Sheikh (Director)	28.06.2024	Buy	1,050	730/-	Physical	Ready
15	Mrs. Sarah Hajra Khan (Spouse CEO)	28.06.2024	Buy	1,450	730/-	Physical	Ready

Except the detail given above no trade in shares was reported by a Director, CEO or Executive, their spouses, minor children and substantial shareholders from July 1, 2023 to June 30, 2024 in the shares of the Company.



**PATTERN OF SHAREHOLDING  
AS ON JUNE 30, 2024**

**ADDITIONAL INFORMATION**

Shareholders' Category	Number of Shareholders	Number of Shares held	Percentage of Shares held
<b>Directors, Chief Executive Officer and their spouse and minor Children</b>			
<b>DIRECTORS</b>			
Mian Muhammad Jamil	1	71,814	8.98
Mrs. Nusrat Jamil	1	66,876	8.36
Mian Idrees Ahmed Sheikh	1	126,368	15.80
Mian Tauqir Ahmed Sheikh	1	34,166	4.27
Mrs. Bushra Tauqir	1	23,404	2.93
Mrs. Misbah Idrees Sheikh	1	72,448	9.06
Mr. Abdul Rehman Qureshi	1	2,500	0.31
Mr. Nazir Ahmad Khan	1	2,500	0.31
Mr. Muhammad Ashraf Khan Durrani	1	2,500	0.31
Mr. Imran Hussain	1	2,500	0.31
<b>CHIEF EXECUTIVE OFFICER</b>			
Mr. Mohammad Alamgir Jamil Khan	1	60,463	7.56
<b>Directors'/C.E.O's Spouses &amp; Minor Children</b>			
Mrs. Sarah Hajra Khan	1	34,980	4.37
Mr. Mohammad Hadi Alamgir Khan through his mother Mrs. Sarah Hajra Khan (Minor)	1	1,665	0.21
<b>Associated Companies, Undertakings and Related Parties</b>		NIL	-
<b>NIT and ICP</b>			
Investment Corporation of Pakistan	2	100	0.01
Banks Development Financial Institutions, Non Banking Financial Institutions		NIL	-
Insurance Companies		NIL	-
Modarabas and Mutual Funds		NIL	-
<b>General Public- a. Local</b>		92	10,367
<b>b. Foreign</b>			NIL
Central Depository Company of Pakistan Limited		43	2,851
<b>Others (Sponsors and other relatives)</b>		23	284,498
<b>TOTAL</b>		173	800,000
<b>Shareholders holding 10% or more voting interest</b>			
Mian Idrees Ahmed Sheikh	1	126,368	15.80

**CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED  
PATTERN OF SHAREHOLDING  
AS ON JUNE 30, 2024**

Number of Shareholders	Shareholding		Total Number of Shares held
	From	To	
40	1	100	781
1	101	500	160
2	501	1,000	1,910
<b>43</b>			<b>2,851</b>

Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage
Individuals	39	2,696	94.56
Joint Stock Companies	2	150	5.26
Others	2	5	0.18
	<b>43</b>	<b>2,851</b>	<b>100.00</b>



ایچ آر اینڈ آر کمیٹی کی مالیاتی سال مختتمہ 30 جون 2024ء کے دوران ایک (1) اجلاس منعقد ہوا۔ ہر ایک ممبر کی حاضری درج ذیل ہے۔

ممبر کا نام	حاضری
مسٹر عبدالرحمن قریشی	1
مسٹر محمد اشرف خان وڑائی	0
مسز مصباح اوریس شیخ	1

#### بورڈ کی ترکیب

مالیاتی سال مختتمہ 30 جون 2024ء کے دوران کمیٹی کے بورڈ آف ڈائریکٹرز آٹھ (8) ممبروں اور تین (3) خواتین پر مشتمل تھے، جن کی تفصیل درج ذیل ہے۔

خود مختار ڈائریکٹرز	4
غیر انتظامی ڈائریکٹرز	1
انتظامی ڈائریکٹرز	3
خواتین غیر انتظامی ڈائریکٹرز	3
ڈائریکٹرز کی کل تعداد	11

**آڈیٹرز:** میسرز یوسف عادل چارڈا کاؤنٹینٹس، ملتان ریٹائر ہو گئے ہیں اور انہوں نے اپنی فرم کو دوبارہ تعیناتی کے لیے پیش کیا ہے۔ کمیٹی کی آڈٹ کمیٹی نے آئندہ سالانہ اجلاس عام میں آئی۔ سی۔ اے۔ پی (ICAP) کے معیار کے مطابق معاوضے کے ساتھ مالیاتی سال 2024-25 کے لئے میسرز یوسف عادل چارڈا کاؤنٹینٹس، ملتان کی دوبارہ تعیناتی بطور ایڈیٹرز تجویز کی ہے۔

**حصص داری کا اسلوب:** کمیٹی کا 30 جون 2024ء کا حصص داری کا اسلوب لف کر دیا گیا ہے۔

#### اکتاجم (اعتراف):

آپ کے ڈائریکٹرز ان تمام متعلقہ مالیاتی اداروں اور اپنے بینکوں بشمول میسرز حبیب بینک لمیٹڈ، میسرز بینک لمیٹڈ، میسرز حبیب میٹروپولیٹن بینک لمیٹڈ، میسرز یونائیٹڈ بینک لمیٹڈ، میسرز عسکری بینک لمیٹڈ اور میسرز سامبا بینک لمیٹڈ کے تعاون کو سراہتے ہیں اور اس امید کی خواہش کا اظہار کرتے ہیں کہ تمام بینک مستقبل میں بھی اس تعاون کو جاری رکھیں گے۔

آپ کے ڈائریکٹرز ان سال کے دوران ملز کے آپریشنز میں ملازمین کے کردار اور ان کی مخلصانہ کوششوں کو بھی سراہتے ہیں اور ہم اپنے تمام قابل قدر صارفین، اسٹیک ہولڈرز کا کمیٹی سے وابستگی پر شکر یہ ادا کرتے ہیں اور آنے والے سالوں میں بھی ان کے ساتھ مزید کامیابیاں ماننے کے منتظر ہیں۔

محکم بورڈ آف ڈائریکٹرز

دستخط

میاں اورمس احمد شیخ۔ ڈائریکٹر

دستخط

محمد عالمگیر جمیل خان۔ چیف ایگزیکٹو آفیسر

ملتان۔ بتاریخ 05 اکتوبر 2024ء

### اکاؤٹنگ پالیسیاں:

مالیاتی نتائج کی تیاری میں اکاؤٹنگ پالیسیوں کو تسلسل سے لاگو کیا جاتا ہے۔

بین الاقوامی اکاؤٹنگ معیار کے ساتھ مطابقت:

مالیاتی نتائج کی تیاری میں پاکستان میں رائج بین الاقوامی اکاؤٹنگ معیار کو لاگو کیا جاتا ہے۔

### اندرونی نگرانی کا نظام:

کمپنی کا اندرونی نگرانی کا نظام اچھا بنایا گیا ہے اور اسے مندرجہ ذیل طور پر لاگو جانچا جاتا ہے۔

### بہمیشہ جاری رہنے والا کاروبار:

کمپنی کی مالی حالت نہ صرف اچھی ہے بلکہ اس بات کو یقینی بناتی ہے کہ اس کا کاروبار پروان چڑھتا رہے گا۔

### کوئی پرانے بچاؤات نہیں ہیں:

عمومی اور روزمرہ بچاؤات کے علاوہ ٹیکس، محصول اور وصولیوں کی مد میں کوئی پرانے بچاؤات نہیں ہیں۔

### تبادلہ ہائی لائسنس:

سابقہ چھ سالوں کا بنیادی پیداواری اور مالیاتی مواد ضمیرہ ایک میں دیا گیا ہے۔

### بورڈ کے اجلاس:

سال منتخبہ 30 جون 2024ء کے دوران بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری نیچے دی گئی ہے۔

تعداد حاضری اجلاس	ڈائریکٹر کا نام
6	مسز نصرت جمیل
6	میاں محمد جمیل
6	مسٹر محمد عالمگیر جمیل خان
6	میاں ادریس احمد شیخ
6	میاں توقیر احمد شیخ
6	مسز بشری توقیر
6	مسز مصباح ادریس شیخ
6	مسز عبدالرحمن قریشی
0	مسٹر نذیر احمد خان
0	مسٹر محمد اشرف خان وڑائی
6	مسٹر عمران حسین

مالیاتی سال منتخبہ 30 جون 2024ء کے دوران آڈٹ کمیٹی کی چار (4) اجلاس منعقد ہوئے ہر ایک ممبر کی حاضری درج ذیل ہے:

حاضری	ممبر کا نام
0	مسٹر نذیر احمد خان
4	مسٹر عبدالرحمن قریشی
4	مسز نصرت جمیل

## مستقبل کے رجحانات:

علاقائی مسابقتی توانائی نرغ (آر سی ای ٹی) اور توانائی کی سبسڈی کے خاتمے کے بعد میں توانائی کی قیمتوں میں بے تحاشہ اضافہ ہوا، نتیجتاً ٹیکسٹائل کی صنعت کی مسابقت پر منفی اثر پڑا ہے۔ ٹیکسٹائل سیکٹر کو توانائی کے بڑھتے ہوئے اخراجات اور گیس کی کمی کی وجہ سے لیکو پڈیٹی کے شدید بحران کا سامنا ہے۔ توانائی کی بلند قیمتیں ٹیکسٹائل انڈسٹری کے لیے چیلنج رہیں گی کیونکہ توانائی کے نرغ علاقائی ممالک کے مقابلے میں نمایاں طور پر زیادہ ہیں۔ بنیادی ٹیکسٹائل جیسا سپلائنگ اور یونٹنگ میں اصل لاگت میں توانائی کا حصہ تقریباً چالیس فیصد ہے۔ اس لیے پالیسی سازوں کو چاہیے کہ وہ صنعت کے لیے علاقائی سطح پر مسابقتی توانائی کے نرغ وضع کریں تاکہ برآمدات میں اضافہ ہو اور ٹیکسٹائل سیکٹر کو قومی مقاصد کے حصول میں اپنا حصہ ڈال سکے۔ اس کے علاوہ حکومت کو قابل تجدید توانائی کے اقدامات کے لیے مراعاتی اسکیمیں، ٹیکس کریڈٹس اور سبسڈی والی فنانسنگ فراہم کرنے چاہیے تاکہ صنعتوں کی جانب سے رعایتی، قابل اعتماد اور پائیدار توانائی کے اختیار کو اپنایا جاسکے اور مارکیٹ میں مسابقت برقرار رہے۔ ٹیکسٹائل سیکٹر میں بڑی افرادی قوت کو ملازمت دینے اور اشیاء برآمد کر کے زرمبادلہ کمانے کی بڑی صلاحیت ہے بشرطیکہ ایک مناسب اور پائیدار ٹیکسٹائل پالیسی وضع کی جائے۔

### ڈیوڈنڈ:

کمپنی کے موجودہ مالیاتی خسارے کو مد نظر رکھتے ہوئے آپ کے ڈائریکٹران نے ڈیوڈنڈ کی تقسیم کو مؤخر کرنے کی تجویز پیش کی ہے۔

### کمپنی کے چیف ایگزیکٹو آفیسر اور وکیل وقتی ڈائریکٹروں کے مشاہروں میں نظر ثانی

کمپنی کے غیر معمولی سالانہ اجلاس عام منعقدہ 23 مئی 2024ء میں عام قرارداد کے ذریعے کمپنی کے چیف ایگزیکٹو آفیسر اور وکیل وقتی ڈائریکٹروں کے مشاہروں میں 30 مئی 2024ء سے بشمول دیگر مراعات کے اضافہ کیا گیا جس کی تفصیل درج ذیل ہے۔

چیف ایگزیکٹو آفیسر کا مشاہرہ	-	مبلغ - 900,000 روپے ماہانہ نیٹ آف ٹیکس
ڈائریکٹ مارکیٹنگ اور سیلز	-	مبلغ - 900,000 روپے ماہانہ نیٹ آف ٹیکس
ڈائریکٹ پروڈکشن	-	مبلغ - 900,000 روپے ماہانہ نیٹ آف ٹیکس

### اسناد (سرٹیفیکیشن)

آپ کے ڈائریکٹران اس بات کا اظہار کرتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی نے کامیابی کے ساتھ درج ذیل سرٹیفیکیشنز جاری رکھی ہوئی ہیں۔

### آئی ایس او 9001:2015 کی ایم ایس سند

یہ سرٹیفیکیشن برائے کوالٹی مینجمنٹ سسٹم صرف کاغذ کا کلز نہیں ہے بلکہ یہ معیاری وسیع دنیا میں قدم رکھنے کا کام کرتا ہے۔

### اور آئی ایس او 14001:2015 ای ایم ایس سند

انوار مشعل مینجمنٹ سسٹم کے لیے سرٹیفیکیشن کا مقصد یہ یقینی بنانا ہے کہ ہماری مصنوعات قدرتی وسائل کی پیداوار ضائع کرنے اور ختم ہونے کے دوران ماحول پر کم سے کم نقصان دہ اثر پڑے۔

### دیگر اسناد (سرٹیفیکیشنز)

موجودہ مالی سال کے دوران کمپنی نے BCI بیورکاشن انیشی ایٹیو اور GRS گلوبل ری سائیکلڈ سٹینڈرڈ سرٹیفیکیشنز کو جاری رکھا ہوا ہے جس نے ہماری مصنوعات پر اعتماد اور معیار کے حوالے سے ہمارے صارفین کا اعتماد کو ظاہر کیا ہے۔

### کوڈ آف کارپوریٹ گورننس کی بیرونی

آپ کی کمپنی کے ڈائریکٹران اور انتظامیہ لیمڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019ء اور پاکستان اسٹاک ایکسچینج کی رول بک کے تحت اپنی ذمہ داریوں سے آگاہ ہیں۔ کمپنی شفافیت اور انکشافات پر زور دیتے ہوئے اچھے کارپوریٹ انتظامات کے اصولوں پر قائم ہے۔ آپ کی کمپنی مالیاتی اور غیر مالیاتی معلومات کی درستگی، جامعیت اور شفافیت کو بڑھانے کے لیے اپنی کارکردگی کی نگرانی کے لیے باخبر ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق اہم بیانات درج ذیل ہیں۔

### مالیاتی نتائج کی پیشکش:

کمپنی کے تیار کردہ مالیاتی نتائج واضح طور پر کمپنی کے معاملات، پیداوار کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو ظاہر کرتے ہیں۔

### اکاؤنٹس کی عتب:

کمپنی نے صحیح اکاؤنٹس کی عتب مرتب کی ہوئی ہیں۔



### ڈائریکٹران کی رپورٹ

شروع اللہ کے نام سے جو بے انتہا مہربان رحم فرمانے والا ہے۔

محترم حصص داران!

یہ ہمارے لیے اعزازی بات ہے کہ ہم کمپنی کی 67 ویں سالانہ رپورٹ بشمول آڈٹ شدہ حسابات و نتائج برائے مالیاتی سال مختتمہ 30 جون 2024 پیش کر رہے ہیں۔

**عمومی کارکردگی:**

پیش کردہ مالیاتی سال کی رپورٹ کے مطابق کمپنی کی مجموعی کارکردگی دباؤ کا شکار رہی۔ 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی نتائج موجودہ غیر مستحکم معاشی اور سیاسی عدم استحکام کی وجہ سے بری طرح متاثر ہوئے اس کی بنیادی وجہ تو انائی کی بڑھی ہوئی قیمت، مالیاتی اخراجات اور دیگر اخراجات کی وجہ سے پیداواری لاگت میں خاطر خواہ اضافہ ہوا۔ دنیا بھر میں مہنگائی کی وجہ سے ٹیکسٹائل مصنوعات کی مانگ میں کمی آ رہی ہے، جبکہ پیداواری لاگت میں اضافہ فروخت کی شرح سے زیادہ رہا۔ کمپنی کی انتظامیہ بہترین حکمت عملی کے ذریعے اپنے وسائل کو بہترین طریقے سے استعمال کرنے کی پوری کوشش کر رہی ہے۔

معیشت کی اتر چلائی خصوصاً ٹیکسٹائل کی صنعت کا سامنا کر رہی ہے، جو پاکستان کی برآمدات کا ساٹھ فیصد ہے۔ پاکستان کا صنعتی سیکٹر عالمی کھپت میں کمی اور توانائی کی قیمتوں میں اضافے سے منفی طور پر متاثر ہوا ہے جو کہ علاقائی ممالک میں سب سے زیادہ ہے۔ مزید یہ کہ دھماگے کی بھاری مقدار مارکیٹ میں نہیں بک رہی جو اسپننگ انڈسٹری کی بقا کے لیے خطرہ ہے۔ نتیجتاً موجودہ معاشی صورت میں ٹیکسٹائل سیکٹر برآمدی محصولات کو بڑھانے میں غیر موثر ہے۔

**آپریشنز:**

ملز نے سال بھر پولیسٹر وکوس (PV)، خالص وکوس (انٹیل یارن) اور پولیسٹر کاٹن یارن (PC) تیار کیا۔ پیش کردہ مالیاتی سال کے دوران دھماگے کی کل پیداوار میں سنگل کاؤنٹ کی بنیاد پر 16,183,417.90 کلوگرام (حقیقی پیداوار 9,107,154 کلوگرام) جو کہ پچھلے سال میں 11,366,985.03 کلوگرام (حقیقی پیداوار 6,575,975.28 کلوگرام) تھی۔ موجودہ مالیاتی سال کی کل محصولات مبلغ -/6,118,253,956 روپے ہیں جو کہ پچھلے سال مبلغ -/3,775,805,614 روپے تھے۔ کمپنی کا ہتھائی منافع مبلغ -/279,728,667 روپے تھا جو کہ پچھلے سال مبلغ -/144,571,495 روپے تھا۔ کل خسارہ بعد از ٹیکس مبلغ -/245,016,688 روپے ہے جب کہ پچھلے سال کل خسارہ بعد از ٹیکس مبلغ -/164,766,633 روپے تھا۔

موجودہ مالیاتی سال مختتمہ 30 جون 2024ء اور پچھلے مالیاتی سال کے تقابلی مالیاتی نتائج کا جائزہ مندرجہ ذیل ترتیب کے ساتھ ذیل میں دیے گئے ہیں۔

**اکاؤنٹس:**

سال مختتمہ 30 جون 2023ء	سال مختتمہ 30 جون 2024ء	
روپے	روپے	
3,775,805,614	6,118,253,956	حتمی آمدنی بڑھانے کے معاہدے
(3,631,234,119)	(5,838,525,289)	لاگت فروخت کردہ اشیاء
<b>144,571,495</b>	<b>279,728,667</b>	ادائیگی منافع
19,133,311	12,969,720	دیگر آمدنی
(28,073,399)	(40,080,030)	زیل و مارکیٹنگ اخراجات
(87,368,269)	(94,395,163)	انتظامی اخراجات
(81,390)	(12,616,555)	دیگر اخراجات
(248,851,134)	(272,249,300)	فنانس لاگت
(200,669,386)	(126,642,661)	(خسارہ) قلیل از ریونیو ٹیکس اور انکم ٹیکس
(47,197,570)	(76,478,174)	ریونیو ٹیکس
(247,866,956)	(203,120,835)	خسارہ قلیل از انکم ٹیکس
83,100,323	(41,895,853)	حتمی انکم ٹیکس
(164,766,633)	(245,016,688)	سالانہ (خسارہ)
<b>(205.96)</b>	<b>(306.27)</b>	(خسارہ) آمدنی فی حصص۔ بنیادی و ڈائی لیونڈ

نوٹ:-

(i) - کمپنی کی حصص کی منتقلی کی کٹب 22 اکتوبر 2024 تا 28 اکتوبر 2024 (بشمول دونوں دن) بند رہیں گی۔ حصص کی منتقلیاں جو کہ مورخہ 21 اکتوبر 2024 کو کاروباری دن کے اختتام سے

قبل کمپنی کے شیئرز رجسٹر آفیس، میسرز جمید جمید ایسوی ایٹس (پرائیویٹ) لمیٹڈ، ایچ ایم ہاؤس، 7، بنک سکوآر، لاہور میں پہنچ جائیں گی، قبل از وقت شمار ہوں گی۔

(ii) - اجلاس ہذا میں شرکت اور ووٹ دینے کا استحقاق رکھنے والا ممبر اپنی جگہ پر ووٹ دینے اور شرکت کرنے کیلئے کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کا ممبر ہونا لازمی ہے۔ پراکسی کے مورخہ ہونے کیلئے ضروری ہے کہ پراکسی فارم کے ساتھ ممبر اور گواہ کے CNICs کی کاپیاں، پراکسی فارم پر 50/- روپے کا رسیدی ٹکٹ چسپاں ہو، علاوہ ازیں پراکسی فارم پر ممبر اور ایک گواہ کے بھی دستخط ہوں جو کہ اجلاس کے آغاز سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفیس میں پہنچ جائیں۔

(iii) - سی ڈی سی حصص داران جو اس اجلاس میں شرکت اور ووٹ دینے کا استحقاق رکھتے ہوں ان کے لیے ضروری ہے کہ اپنی شناخت کیلئے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ، ہمراہ لائیں اور پراکسی کی صورت میں کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل لف کریں۔ کارپوریٹ ممبرز کے نمائندگان معمول کی ضروری دستاویزات اپنے ہمراہ لائیں۔

(iv) - ممبران کی آسانی کیلئے ایک معیاری درخواست فارم (Standard Request Form) کمپنی کی ویب سائٹ (www.allwasaya.com) پر دے دیا گیا ہے۔ جو ممبران سالانہ ڈے شدہ مالیاتی نتائج بڑی ریج ہارڈ کاپی وصول کرنا چاہتے ہیں وہ اپنی درخواست کمپنی سیکریٹری کے ڈاک کے پتہ پر یا ای میل ایڈریس secretary@allwasaya.com کے ذریعے بھیج سکتے ہیں۔

(v) - ممبران سے اتنا سہ ہے کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (S.E.C.P) کے حکم کے مطابق اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی غیر منسوخ شدہ مصدقہ کاپی جمع کروائیں، اگر ابھی تک نہیں جمع کروائی اور اگر پتہ میں کوئی تبدیلی ہو تو کمپنی کو فوراً مطلع کریں۔

(vi) - ممبران ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں جن شہروں میں ممبران کا جغرافیائی پھیلاؤ زیادہ ہے اس مقصد کیلئے سالانہ اجلاس عام کے انعقاد سے دن (10) دن قبل ذیل میں دی گئی منشاء کمپنی کے رجسٹرڈ پتہ پر پہنچ جانی چاہیے۔

ممبر ممبرز اللہ وسایا ٹیکسٹائل اینڈ فینشنگ ملز لمیٹڈ، حامل عام حصص \_\_\_\_\_ کار کی رہائشی \_\_\_\_\_  
 ممبر ممبرز اللہ وسایا ٹیکسٹائل اینڈ فینشنگ ملز لمیٹڈ، حامل عام حصص \_\_\_\_\_ ممبر ممبرز اللہ وسایا ٹیکسٹائل اینڈ فینشنگ ملز لمیٹڈ، حامل عام حصص \_\_\_\_\_  
 برطانیہ رجسٹرڈ فونڈ نیومبر سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ ویڈیو کانفرنس کی سہولت کا انتخاب کرنا رکرتی ہوں جو کہ \_\_\_\_\_ شہر میں ہو۔  
 ممبر کے دستخط \_\_\_\_\_

اگر کمپنی نے مجموعی دن (10) فیصد یا اس سے زائد ممبران کی منشاء وصول پائی جو کہ کمپنی کے سالانہ اجلاس عام سے دن قبل کمپنی کو وصول ہوئیں تو پھر کمپنی اس شہر میں ویڈیو کانفرنس کی سہولت فراہم کرے گی بشرطیکہ اس شہر میں یہ سہولت موجود ہو۔

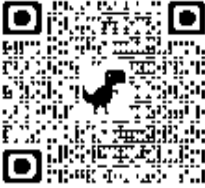
## اطلاع برائے 67 واں سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ اللہ وسایا ٹیکسٹائل اینڈ فینشنگ ملز لمیٹڈ کا 67 واں سالانہ اجلاس عام بروز سوموار 28 اکتوبر 2024ء بوقت دوپہر 12:00 بجے کمپنی کے رجسٹرڈ آفس اللہ وسایا سکوائر، وہاڑی روڈ، ملتان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

### عمومی کاروبار

1- 23 مئی 2024ء کمپنی کے منعقدہ غیر معمولی اجلاس عام کی کارروائی کی توثیق۔

2- سال مختتمہ 30 جون 2024ء کے آڈٹ شدہ حسابات، ڈائریکٹران، آڈیٹران اور چیئر پرسن کے جائزہ کی رپورٹوں پر غور و خوض اور منظوری۔ کمپنیز ایکٹ کے سیکشن 223 اور ایس آر او 389(1)/2023 بتاریخ 21 مارچ 2023ء کے تحت کمپنی کی آڈٹ شدہ فائنل اسٹیٹمنٹس کمپنی کی ویب سائٹ پر اپ لوڈ کر دی گئی ہیں جنہیں درج ذیل ویب لنک اور کیو آر ایبلڈ کوڈ سے دیکھا اور ڈاؤن لوڈ کیا جاسکتا ہے۔



کیو آر کوڈ

ویب لنک [https://www.allwasaya.com/urdu/annual\\_reports.html](https://www.allwasaya.com/urdu/annual_reports.html)

3- 30 جون 2025ء کو ختم ہونے والے مالیاتی سال کیلئے کمپنی کے آڈیٹر کا تقرر جو کہ آئندہ اجلاس عام کے انعقاد تک آڈٹ کی ذمہ داری سنبھالیں گے اور ان کے مشاہرے کا تعین کیا جائے گا۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر 30 جون 2025ء کو ختم ہونے والے مالیاتی سال کیلئے میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس کا نام بطور بیرونی آڈیٹر تجویز کیا ہے۔ میسرز یوسف عادل چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور انہوں نے دوبارہ تعیناتی کیلئے اپنی خدمات پیش کی ہیں۔

### دیگر کاروبار

4- چیئر پرسن کی اجازت سے دیگر امور پر کارروائی۔

محکم بورڈ آف ڈائریکٹرز

محمد سلیمان۔ کمپنی سیکریٹری

ملتان، مورخہ 105 اکتوبر 2024ء



## پراکسی فارم

میں (نام فونڈ نمبر) \_\_\_\_\_ رہائشی \_\_\_\_\_  
بشمیت ممبر اللہ وسایا ٹیکسٹائل اینڈ فینشنگ ملز لمیٹڈ اور حامل عام حصص برطابق (نام فونڈ نمبر) \_\_\_\_\_  
کو بطور اپنے ممبر کے ایما پر مختار (پراکسی) مقرر کرتا ہوں / کرتی ہوں تاکہ وہ میری جگہ کمپنی کے سالانہ اجلاس عام / غیر معمولی اجلاس عام میں  
جو بتاریخ \_\_\_\_\_ کو منعقد ہو رہا ہے۔ اس میں اور یا اس کے ملتوی شدہ اجلاس میں شرکت کرے / حق رائے دہی  
استعمال کرے بالکل اسی طرح جیسے میں خود اس جگہ موجود ہوتا رہتی۔

دستخط بتاریخ \_\_\_\_\_ 2024ء

پچاس روپے کارسیدی ٹکٹ چسپاں کریں۔

گواہ:

نام:

پتہ:

شناختی کارڈ نمبر:

دستخط:

اہم نوٹ: پُرشدہ پراکسی فارم اجلاس کے آغاز سے ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس واقع اللہ وسایا اسکوائر، ممتاز آباد، ٹراٹر، مل ایریا، وہاڑی روڈ، ملتان میں پہنچ جانے چاہیے۔



# FORM OF PROXY

I, \_\_\_\_\_ FOLIO NO. \_\_\_\_\_

of \_\_\_\_\_

being a member of ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED, hereby

appoint \_\_\_\_\_ FOLIO NO. \_\_\_\_\_

of \_\_\_\_\_

as my proxy in my absence to attend and vote for me and on my behalf at the  
(Ordinary or / and Extraordinary as the case may be) General Meeting of the Company  
to be held on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and at any adjournment thereof.

As witness my hand this

day of \_\_\_\_\_ 2024

Signed by the said

In presence of

Please affix Revenue  
Stamp Rs.50/-

Witness:

Name: \_\_\_\_\_

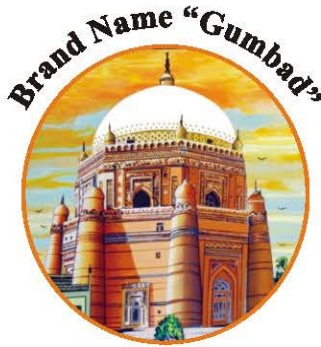
Address: \_\_\_\_\_

CNIC No. \_\_\_\_\_

Signature: \_\_\_\_\_

### IMPORTANT

This form of proxy, duly completed, must be deposited at the Company's Registered office at Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan not less than 48 hours before the time for holding the meeting.



[www.allawasaya.com](http://www.allawasaya.com)

**ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED**

Allawasaya Square, Mumtazabad Industrial Area,  
Vehari Road, Multan, Pakistan.

Phone: (061) 4233624-26

Website: [www.allawasaya.com](http://www.allawasaya.com)

E-mail: [atm@allawasaya.com](mailto:atm@allawasaya.com)