



COLONY
TEXTILE MILLS

L I M I T E D

ANNUAL REPORT
2024



In the Name of Almighty Allah The Most Beneficent
The Most Merciful

COLONY TEXTILE MILLS LIMITED
ACCOUNTS FOR THE YEAR
ENDED
JUNE 30, 2024

Vision



To explore and create opportunities, remain at the forefront of innovation and meet the expectations of stakeholders at every stage, every year, while remaining humble in perception and true to our values.

Mission



To take Colony to new heights with an eye on the future; for the business, for our employees and for our stakeholders.

Business Ethics and Practices

Our Core business is to produce and supply of Textile Products to local and international customers with best quality standards and efficient services. Customer satisfaction being our top priority, we follow the under mentioned business practices for the achievement of the desired results of customer satisfaction.

HUMAN RESOURCE DEVELOPMENT

We believe in individual respect and growth. Our employment and HR policies develop individuals without race, religion, gender or any discrimination factor. We provide equal opportunities to all the employees under a team based working environment. We provide all the possible support to all our employees to enhance their knowledge and vision keeping in view of their own limitations.

SOCIAL AND COMMUNITY COMMITMENTS

We believe in community development. We contribute our resources, both financial and ethical, in supporting all the deserving individuals of the society. We feel it is our responsibility to play our role in the development of the society and do maximum within our own limitations for the community at large.

RISK MANAGEMENT

Our risk management policies are geared to enhance share holders worth, improve credit worthiness and minimize credit risk while diversifying income, along with suppliers and customers base. We strongly believe in having an excellent relationship with our financial institutions as we take them as our business partners.

TRANSPARENT FINANCIAL POLICIES

Our financial polices are based on the principal of fairness and transparency. We are following all the applicable laws and best accounting practices while preparing the financial statements for the stakeholders.

CORPORATE GOVERNANCE

We as a responsible corporate citizen strongly adhere to the Corporate Governance principles and comply with the regulatory obligations enforced by regulatory agencies for improving corporate performance. We believe in up rightness of performance and expect it to be a fundamental responsibility of our employees to act in the best interest of the company without compromising on the rules and regulations enforced by the regulators.

MARKETING AND INDUSTRY PRACTICES

All our marketing polices are customer focused. We believe in One Window Solution and customer satisfaction. Our marketing policy is only based on these two parameters and to achieve this we ensure best quality and efficient response to customers. As a long term marketing strategy we are focusing on diversification, value addition of our products while making a close liaison with markets, customers and their needs.

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Company Information

Board Of Directors

| | |
|-------------------------------|---------------------------|
| Mr. M. Atta Ullah Khan | (Chairman) |
| Mr. Fareed Mughis Sheikh | (Chief Executive Officer) |
| Mr. Muhammad Tariq | |
| Mr. Muhammad Shahzad Jamil | |
| Syed Aftab Hussain Naqvi | |
| Mr. Abdul Hakeem Khan Qasuria | |
| Mrs. Amna Anwar | |

Board Committees

Audit Committee

| | |
|-------------------------------|------------|
| Mr. Abdul Hakeem Khan Qasuria | (Chairman) |
| Mrs. Amna Anwar | |
| Mr. Muhammad Shahzad Jamil | |

HR & Remuneration Committee

| | |
|--------------------------------|------------|
| Syed Aftab Hussain Naqvi | (Chairman) |
| Mr. Abdul Hamkeem Khan Qasuria | |
| Mr. Muhammad Shahzad Jamil | |

Other Management Committees

Executive Committee

| | |
|----------------------------|------------|
| Mr. Fareed Mughis Sheikh | (Chairman) |
| Mr. Muhammad Tariq | |
| Mr. Muhammad Shahzad Jamil | |

Technical Committee

| | |
|--------------------------|------------|
| Mr. Fareed Mughis Sheikh | (Chairman) |
| Mr. Muhammad Tariq | |
| Mr. Noor Khan | |

Social Compliance & Human Resource Committees

| | |
|--------------------------|------------|
| Mr. Fareed Mughis Sheikh | (Chairman) |
| Syed Aftab Hussain Naqvi | |
| Mr. Atta Mohyuddin Khan | |

Company Information

Chief Financial Officer

Mr. Atta Mohyuddin Khan

Company Secretary

Mr. Muhammad Abid

Auditors

Ilyas Saeed & Co.
Chartered Accountants

Legal Advisor

BNR
Advocates and Corporate Counsel

Tax Advisor

Riaz Ahmad & Company
Chartered Accountants

Registered Address

Ismail Aiwan-e-Science Building
205 Ferozpur Road, Lahore-54600
Phone : 042-35758970-2
Fax : 042-35763247
Email : corporate@colonytextiles.com
Website: www.colonytextiles.com

Share Registrar

Hameed Majeed Associates (Pvt.) Limited
HM House, 7 Bank Square
Lahore.
Phone: (042) 37235081-2, Fax: 042-37358817
Email : shares@hmaconsultants.com

Bankers

Bank Islami Pakistan Limited
Meezan Bank Limited
Faysal Bank Limited
Habib Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Silk Bank Limited
The Bank of Punjab
United Bank Limited
Bank Makramah Limited

Notice of Annual General Meeting

Notice is hereby given to all the members of **Colony Textile Mills Limited** (the Company) that an **Annual General Meeting for Financial Year ended 30th June 2024** of the Company is scheduled to be held on October 28, 2024 10:30 A.M at Ismail Aiwan-e-Science Building, 205-Ferozepur Road, Lahore to transact the following business:

1. To confirm the minutes of 13th Annual General Meeting held on October 27, 2023.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2024 together with Directors' and Auditors' Reports thereon.
3. To appoint the Company's Auditors and to fix their remuneration for the next Financial Year 2024-25.
4. Any other business with the permission of the Chair.

By Order of the Board



Company Secretary

Place: Lahore

Date: 7th October, 2024

Notice of Annual General Meeting

NOTES:

1. Share transfer books of the Company will remain closed from October 22, 2024 to October 28, 2024 (both days inclusive). Share transfers received at the address of M/s Hameed Majeed Associates Private Limited at HM House, 7 Bank Square, Lahore at the close of business on October 21, 2024 will be treated in time, for the purpose of entitlement to the transferees.
2. A copy of the annual report of the Company is available on Company's website. Any member interested to receive hard copy of the report is requested to write an email along with complete postal address and folio/CDC account number at corporate@colonytextiles.com
3. A member entitled to attend and vote at the meeting may appoint any person/member as his/her proxy to attend and vote in his/her place. Proxies completed in all respect, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
4. Members who have not yet submitted photocopies of the Computerized National Identity Card (CNIC) are requested to send the same at the earliest.
5. CDC Account Holders will further have to follow the guidelines as laid down by the Securities and Exchange Commission of Pakistan.
 - i. In case of individuals, the accounts holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport at the time of attending the Meeting.
 - ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
 - iii. Members may avail video conference facility for this General Meeting, provided the Company receives request at least 10 days prior to the date of the Meeting from members holding in aggregate 10% or more shareholding from respective location. Any member interested to join meeting through video link is requested to provide CNIC Number, Folio/CDC Account Number at the following email address corporate@colonytextiles.com. Video link will be shared a day prior to the meeting.
 - iv. The shareholders will be able to login and participate in the AGM proceedings through their smartphones or computer devices after completing all the formalities required for the verification and identification of the shareholders.
 - v. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements. Proxy form is attached herewith and also uploaded on Company's website in Urdu and English languages.
 - vi. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - vii. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
 - viii. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.

Notice of Annual General Meeting

- ix. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
6. Members are requested to intimate any change in their registered addresses to the Share Registrar of the Company. Those members who have not yet submitted copy of their CNICs / NTN (in case of corporate entity) are also requested to send the same at the earliest.
7. For any query / problem / information, Members may contact the Company at email corporate@colonytextile.com and/or the Share Registrar of the Company at (+92 42) 35758970-2, email shares@hmaconsultants.com Members may also visit website of the Company www.colonytextiles.com for notices/information.
8. In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if any share are held through CDS Account) without any delay.
9. Those shareholders who have physical share certificates are requested to convert them into book entry form as per Section 72 of the Companies Act, 2017.
10. Pursuant to the Securities and Exchange Commission of Pakistan's notification S.R.O 389(I)/2023 dated March 21, 2023, the shareholders of Colony Textile Mills Limited had accorded their consent for circulation of annual balance sheet and profit and loss account, auditor's report, etc. ("annual audited financial statement") to its members through QR enabled code and weblink.

The Company has placed a copy of the Notice of AGM, Annual Financial Statements for the year ended June 30, 2024 along with Auditors and Directors Reports thereon, Chairman's Review and other information on the website of the Company: www.crescenttextile.com and can be accessed through following weblink and QR Code:

Weblink: <https://colonytextiles.com/wp-content/uploads/2024/10/Annual-Financial-Statements-2024.pdf>

QR Code:



Company Secretary

Lahore.

7th October, 2024

CHAIRMANS' REVIEW

It is a great pleasure and an honour to have this opportunity to write you on the overall performance of the Board of Directors and their effectiveness in steering the Company towards achieving its objectives.

During Financial Year 2023-2024; an Annual General Meeting held on October 27, 2023 and the election of Directors held. The Board has reconstituted two (02) Committees after the recent election. The Audit Committee ensures effectiveness of internal controls and reviews the financial statements in order to ensure that the accounts fairly represent the financial position of the Company. The HR Committee overviews HR policy framework and recommends selection and compensation of senior management team.

The Board and its Committees are comprised of members having appropriate mix of core competencies, diversity, requisite skills, knowledge, qualified and experienced professionals in their specialized fields who are engaged in strategic planning, setting leadership direction and ensuring the highest levels of ethical, moral and legal conducts. The Board has developed Mechanism to evaluate its own performance, its Committees and its Members as required under the Listed Companies (Code of Corporate Governance) Regulations 2019. The board acknowledge its responsibility for Corporate and Financial Reporting Framework and is committed to good Corporate Governance.

During the year, the Board remained committed to achieve operational excellence and is taking suitable measures to address the future challenges. The Board of Directors focused on future strategies and on setting the operational and financial goals. The Board regularly tracked the progress against the budgeted targets. The Subcommittees of the Board also performed their functions as per their terms of reference during the year under review. The Board carried out reviews of its effectiveness and performance during the year which have been satisfactory. The board strictly adhered to the prevailing laws & regulations while conducting the general and board meetings, publication of notices circulation of minutes.

The Board recognizing the importance of sustainability is emphasizing on environmental, social, and governance (ESG) initiatives. The management is committed to promoting diversity, equity, and inclusion (DE&I) within our workforce and community by equal employment opportunities, community support and social responsibility.

During the year, the board considered and approved, among other things, quarterly and annual financial statements, appointment of external auditors and other corporate matters. The Board, while recognizing the significance of building a strong relationship with all its stakeholders, arranged a Corporate Briefing Session wherein it highlighted the Company's strategy, strategic direction, operational activities and overall performance.

Moving ahead, despite a tough year for Textile industry, the Management is taking all possible steps for retention of its market share in a very competitive business environment. The Company is trying to be more innovative by launching value added products and modernization of plant related equipment. The Management of your company is also exploring new markets.

Presently, Pakistan is facing economic, geopolitical, and external debt challenges that may hamper short-term growth. While the IMF agreement offers temporary relief, long-term stability will depend on implementing comprehensive structural reforms. Looking on the bright side, the Government has lowered the interest rates which may ease debt service burden of the Company to some extent but rising utility costs will continue to present significant challenges in cost management. Despite these obstacles, I remain confident about our company's commitment of upholding high product standards.

On behalf of the Board, I would like to express our sincere gratitude to the company's employees at all levels for their dedicated efforts and efficiency. I wish to put on record our thanks for the cooperation and support extended by the shareholders, financial institutions, customers and suppliers of the company and hope their support will continue in the future with same spirit.



M. Atta Ullah Khan

Chairman

Lahore

October 07, 2024

Directors' Report to the Members

The Directors of your Company take pleasure to present the Annual Report along with Audited Financial Statements for the Financial Year ended June 30, 2024 and Auditor's Report thereon. In compliance with the Code of Corporate Governance, these financial statements have been endorsed by the Chief Executive Officer and Chief Financial Officer of the company, recommended for approval by the Audit Committee of the Board and approved by the Board of Directors for presentation.

ECONOMY OVERVIEW

Pakistan's economy remained extremely depressed as affected by ever rising inflation, political instability and legal disputes during the financial year under review. A tight monetary policy was adopted to curb inflation, but elevated interest rates have greatly hindered economic growth. The measures implemented to meet IMF conditions for economic stabilization have had widespread impacts across all sectors. In addition, complex negotiations with international financial institutions have introduced uncertainties in governance and prolonged structural challenges. These factors have eroded consumer purchasing power, leading to decreased spending and hindering economic growth in multiple sectors. Pakistan is also facing increasingly erratic weather patterns, including flash floods, severe droughts, glacial lake outbursts, intense heat waves and unexpected rainfall. As a result, its ecosystems and landscapes are gradually deteriorating. Your management is always cognizant of the challenges that might lie ahead and will continue to proactively adapt in order to ensure optimum performance.

FINANCIAL PERFORMANCE

During the year under review, the Company posted net sales revenue of Rs. 16,764 Million (2023: Rupees 20,853). Ever increasing utility rates, higher cost of inputs, financial charges and depressed market conditions have eroded the profit margin. The gross loss for the year stood at Rs. 2,387 Million (2023: Loss Rupees 603 Million). The bottom line showed a net loss after tax amounting to Rupees 3,641 Million (2023: Net Profit Rupees 824 Million) which resulted loss per share Rupees 7.31 (2023: EPS Rupees 1.66 per share).

The overall performance of the textile sector remained extremely depressed as the products' demand continued to decline. The industry is presently facing multiple challenges like inflated raw material prices, higher energy tariff, mark up rates, declining demand which have made the cost of production extremely uncompetitive. Resultantly, the industry has to curtail production which further added to cost pressures and inefficiencies. Numerous units have been closed due to prevalent situation and the survival of many units of the industry is at stake. Keeping in view this prevailing domestic and international market scenario, we expect this downward trend to continue.

The principal activities of the company are manufacturing and sale of yarn, fabrics, garments made ups and trading in real estate.

Spinning Segment

Our spinning sector remained under incredible pressure throughout the year. As inflation was at an all-time high in the country demand stayed depressed while the cost of production kept on skyrocketing. As consumers have gone into survival mode, they are using all their resources on essentials and hardly have any money to spare. Our spinning products being domestic market based were very badly affected. Sales had to be pushed hard resulting in continuously falling prices.

To make matters worse, unprecedented increase in costs made running complete spinning operations impossible. Unprecedented increase in interest rates, utility and raw material prices played havoc. With our limited resources, we tried our best to secure raw materials at most competitive prices, in order to mitigate the cost push but had to greatly suffer its consequences in loss of production and quality. Significant capacity had to be shut down and even the remaining operational capacities had to face numerous interruptions.

Political uncertainty contributed greatly in setting a very depressed mood among all the stakeholders. From the worker of the mills floor to our suppliers and customers, all were consumed by the turmoil and were not inclined to take a positive view or a position. Business was conducted on day-to-day basis with great reluctance.

All in all, phenomenal increase in inputs were unsustainable for the market to absorb and the segment suffered significantly throughout the year.

Directors' Report to the Members

Weaving Segment

This was probably one of the worst years for our weaving sector. As our looms have become old, their production and cost are not at par with the competition. With our limited resources it was very tough to keep the machines' maintenance up to the mark. Ever increasing costs and sluggish local and international demand made it extremely difficult to make ends meet. Various models of product mix and raw materials were tried but with our cost of production, viability was not attainable, resulting in interruptions and curtailment in our operations.

High cost of utilities, interest, consumables and raw materials, clubbed with lower productivity resulted in making our products unviable. Various solutions to lower our costs were tried but resulted in being counterproductive.

Real Estate Segment

There is no movement/activity in real state segment during the year.

STITCHRITE (PRIVATE) LIMITED- A WHOLLY OWNED SUBSIDIARY-Disposed off

During the year, the company disposed off its wholly owned subsidiary StitchRite (Private) Limited at a profit for better control and management of the company's affairs.

DIRECTORS' LOAN

The Sponsor Directors are truly committed to the well-being of the company, interest free Sub-ordinated loan of Rs. 120 million from an Executive Director still exists to support this financial situation.

DIVIDEND

Considering the financial results of the company for the year ended June 30, 2024 the management has not recommended any dividend in this year.

NON-FINANCIAL PERFORMANCE

Quality, customer's satisfaction, employee's development and professional standards are key areas where management has been taken measures to improve them. The company is currently producing and supplying high quality products which ensure maximum satisfaction of customers. During the year the company has conducted various performance appraisals for the development of existing human capital. The company is maintaining a highly satisfactory relationship with all stakeholders. The company has formed various committees which are responsible for the effective monitoring of key areas.

FUTURE OUTLOOK

Pakistan is still in the midst of significant economic and political challenges. Persistently high inflation, unprecedented interest rates and depleted foreign exchange reserves have significantly impacted the economic growth. Political and economic stability is needed to get the country out of crisis and to pave the way for future growth. Consumer confidence will take a while to return and economic recovery is expected to remain restrained in the short term. Unreasonably high taxation, persistent inflation, currency depreciation, high interest rates, unfriendly business environment and political uncertainty seems to continue. War between Ukraine and Russia along with Middle East unrest has not only effected demand of textile products internationally but also disrupted trade routes and triggered energy crises.

The Management of your company is taking all suitable measures to plan and manage the challenges it is foreseeing in the future.

SAFETY, HEALTH AND ENVIRONMENT

The company maintains working conditions which are safe and without risk to the health of all employees and public at large. Our focus remains on improving all aspects of safety specially with regards to the safe production, delivery, storage and handling of the materials. Your company always ensures environmental preservation and adopts all possible means for environment protection.

CORPORATE SOCIAL RESPONSIBILITY

Your company has very distinct Corporate and Social Responsibility (CSR) policy in fulfilling its responsibilities of securing the community within which it operates. We add substantially to the national exchequer through the payment of various taxes, duties and levies and our export earnings contribute in country's foreign exchange position. We pride ourselves for being an equal opportunity employer.

Directors' Report to the Members

AUDIT COMMITTEE

This is the most prime and effective committee of the Board. It has a vital role in the compliance of internal controls to ensure safeguard of all the interest of the company, through monitoring of internal audit functions, risk management policies in the light of Terms of Reference developed by the Board. The committee recommends the appointment of the external auditors and also reviews the critical reporting made by the internal and external auditors.

The names of Members of Audit Committee are as under:

| Name of Director | Category | Designation in Committee |
|-------------------------------|------------------------|--------------------------|
| Mr. Abdul Hakeem Khan Qasuria | Independent Director | Chairman |
| Mrs. Amna Anwar | Independent Director | Member |
| Mr. Muhammad Shahzad Jamil | Non-Executive Director | Member |

HUMAN RESOURCE & REMUNERATION COMMITTEE

The human resource committee determines the compensation packages for all cadres of the company's employees according to the terms of reference of Committee. The committee is also responsible to create and maintain conducive working environment that instill trust and ensure respect, fair treatment, development opportunity and grooming and make succession plans for all employees. We feel that human resource is key element in our business strategy.

The names of Members of HRR Committee are as under:

| Name of Director | Category | Designation in Committee |
|-------------------------------|------------------------|--------------------------|
| Syed Aftab Hussain Naqvi | Non-Executive Director | Chairman |
| Mr. Abdul Hakeem Khan Qasuria | Non-Executive Director | Member |
| Mr. Muhammad Shahzad Jamil | Independent Director | Member |

The Board of Directors had also formed the following Management Committees and advised them their respective terms of reference to run the affairs of Company:

SOCIAL COMPLIANCE AND HUMAN RESOURCE

Your company takes pride in its highly skilled and motivated workforce. Our strength comes from our people. Today, when we look back on past years, we can see that while our objectives may have changed along the way, our human resource policies have always been based on the underlying values of fairness, merit, equal opportunity and social responsibility. These values manifest themselves in our policies of recruitment, performance appraisal, training and development, health and safety and industrial relations.

The names of Members of Social Compliance and Human Resource Committee are as under:

| Name of Director | Designation in Company | Designation in Committee |
|--------------------------|-------------------------|--------------------------|
| Mr. Fareed M. Sheikh | Executive Director/CEO | Chairman |
| Syed Aftab Hussain Naqvi | Non-Executive Director | Member |
| Mr. Atta Mohyuddin Khan | Chief Financial Officer | Member |

Directors' Report to the Members

BOARD OF DIRECTORS

The Board of Directors consist of seven members and responsible to manage the Company affairs in a transparent manner to achieve the sustainable growth of business.

Presently, the Board consists of six male and one female member.

Category wise composition of Board is as under:

| Category | Number of Directors |
|-------------------------|---------------------|
| Independent Directors* | 02 |
| Non-Executive Directors | 03 |
| Executive Directors | 02 |

*Including one Female Director

During the year under review six meetings of the Board of Directors, four meetings of the audit committee and one meeting of human resource & remuneration committee were held. Attendance in the meetings by each director was as under:

| Directors' Name | Board of Directors | Audit Committee | H.R.R. Committee |
|-------------------------------|--------------------|-----------------|------------------|
| Mr. M. Atta Ullah Khan | - | - | - |
| Mr. Fareed M. Sheikh | 06 | - | - |
| Mr. Muhammad Tariq | 06 | - | - |
| Mr. M. Shahzad Jamil | 06 | - | 01 |
| Syed Aftab Hussain Naqvi | 06 | 04 | 01 |
| Mr. Abdul Hakeem Khan Qasuria | 06 | 04 | 01 |
| Mrs. Amna Anwar | 06 | 04 | - |

*Leaves were granted by board to director who has not attend the meeting.

Code of Ethics and Business Practices has been developed and are communicated and acknowledged by each Director and employee of the company.

DIRECTORS' REMUNERATION

The company has a formal remuneration policy for its directors (Executive/Non Executive) duly approved by board of directors. The policy has been designed as component of HR strategy and both are required to support overall business strategy. The board believes that policy is appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the company as well as to create congruence between directors, executives and shareholders.

POLICIES AND PROCEDURES

The Board has established and implemented effective procedures and controls for business and support cycles after identification of related risks. These are reviewed periodically and updated in line with latest risk assessment and risks faced by the business.

BOARD EVALUATION

Pursuant to Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors approved comprehensive mechanism for evaluation of Board's own performance and its Committees. The terms of reference have been advised to Human Resource and Remuneration Committee for this purpose.

RELATED PARTY TRANSACTIONS

The company has presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and the Board in their respective meetings. The details of related party transactions have been provided in annexed Notes to the financial statements for the year ended June 30, 2024.

Directors' Report to the Members

CODE OF CONDUCT

The Directors of your Company have developed Code of Conduct with set procedures. Copies of Code have duly been acknowledged by all the concerned.

STATEMENT OF COMPLIANCE

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 duly reviewed by the Auditors is attached with Annual Report.

PRINCIPAL RISKS

The Company exposed to principal risk, if any, is explained in the Notes to the Financial Statements at relevant section.

CORPORATE GOVERNANCE

The management ensures that all requirements of the Code of Corporate Governance were complied with. The statement of compliance with the best practices of Code of Corporate Governance is annexed.

PATTERN OF SHAREHOLDING AND INFORMATION UNDER CLAUSE XIX(i) OF THE CODE OF CORPORATE GOVERNANCE

The pattern of shareholding and information under clause XIX (i) of the Code of Corporate Governance Regulations as on June 30, 2024 is annexed.

APPOINTMENT OF EXTERNAL AUDITORS

The present auditors M/S Ilyas Saeed & Company, Chartered Accountants, will retire at the Annual General Meeting of Company. Audit committee and board of directors have recommended their reappointment for the ensuing year.

The auditors have conveyed that they have been assigned satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan and the firm is fully compliant with code of ethics issued by the International Federation of Accountants (IFAC). Further they are not rendering any related services to the company. The auditors have also confirmed that neither the firm nor any of their partners, their spouses and minor children at any time during the year held or traded in the shares of the company.

WEB PRESENCE

Annual and periodic financial statements of the Company are also available on www.colonytextiles.com.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

In compliance with the Code of Corporate Governance, we are giving below statements on Corporate and Financial Reporting Framework.

- The financial statements prepared by the management of the company, presents fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- The Board of Directors has adopted a vision and mission statement and a statement of overall corporate strategy.
- Proper books of account of the company as per statutory requirements have been maintained.
- Code of Ethics and Business Practice has been developed and are communicated and acknowledged by each director and employee of the company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

Directors' Report to the Members

- International Accounting Standards, as applied in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has effectively implemented and monitored.
- Statement of Compliance with the Code of Corporate Governance is enclosed with this report and this report was found to be in order after review by the auditors.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There has been no departure from the best practices of the code of corporate governance, as detailed in the listing regulations.
- The company strictly complies with the standards of the safety rules and regulations. It also follows environmental friendly policies.
- No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which the balance sheet relates and the date of the Director's Report, except for disclose in the financial statements.
- Key operating and financial data since incorporation is annexed in summarized form.
- The directors have not recommended any dividend in view of current financial scenario.
- Information about outstanding taxes and other Government levies are given in related note(s) to the accounts.
- The annexed audited accounts give the detail of outstanding taxes and levies.
- The company operates a contributory provident fund scheme for all employees and defined benefits gratuity fund scheme for its managerial and non-managerial staff. The net value of investment in their respective accounts has been provided in the relevant Notes of the accounts.

SUSTAINABILITY RISKS, MANAGEMENT, AND DE&I MEASURES

Risk Management and Mitigation

We have implemented a variety of strategies to manage and mitigate risks:

Environmental Protection: The company applies stringent environmental criteria in its operations, focusing on integrating projects with minimal environmental impact. We continuously evaluate and optimizes factory processes to reduce resource wastage and enhance energy efficiency.

Health and Safety: We ensure safe working conditions by investing in equipment and safety systems. We also maintain strict safety protocols for employees, contractors, and the public. These measures help to reduce accidents and safeguard worker health.

Diversity, Equity, and Inclusion (DE&I) Initiatives

We are committed to promoting diversity, equity, and inclusion (DE&I) within our workforce and community. Key measures include:

Equal Employment Opportunities: We emphasize diversity in our hiring practices, ensuring that employees are selected based on their qualifications and abilities, without discrimination. We are committed to fostering an inclusive environment where employees from various backgrounds can thrive.

Community Support and Social Responsibility: We have implemented several community-focused programs to promote education, health, and social welfare. These programs not only contribute to local community development but also align with our DE&I vision by empowering marginalized groups.

Employee Engagement: We involve our employees in decision-making and planning processes, ensuring that they have a voice in shaping the company's direction. Sports activities and other recreational programs also enhance workplace inclusivity and promote team spirit.

Directors' Report to the Members

By integrating environmental sustainability efforts with DE&I measures, we aim to operate as a socially responsible corporate entity that minimizes risks while contributing positively to both the environment and the community.

ACKNOWLEDGEMENT

We would like to place on record our deep appreciation for the efforts of the executives, officers and other staff members for their hard work, cooperation and sincerity to the company in achieving the best possible results. The board also wishes to record the appreciation to all banks for their continued support to the company. The management is quite confident that these relations and cooperation will continue in the coming years.

Abdul Hakeem Khan Qasuria
Director

Fareed Mughis Sheikh
Chief Executive Officer

Lahore
October 07, 2024

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019.

Name of Company: Colony Textile 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 is 7 as per the following:

| | |
|-------------|----|
| a. Male: | 06 |
| b. Female : | 01 |
2. The composition of board is as follows:

| | |
|--|----|
| a. Independent Directors: | 02 |
| b. Non-Executive Director (including female director): | 03 |
| c. Executive Directors: | 02 |
| d. Female Director (Non-executive director) | 01 |
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 on which they were approved or amended 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 Chairman. The Board has complied with the requirements of Act and Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. All The Board Members have completed Director's Training Program (DTP) or exempted from the training. The Company has arranged Orientation Programs for its Directors and Key Employees during the year. The Company also considering the arrangement of training for its Key Employees from the approved Institutions.
10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements at the respective dates of appointments in past.
11. Chief Financial Officer and Chief Executive Officer have duly endorsed the Financial Statements before approval of the Board.
12. The Board has formed Committees comprising of members given below:

a. Audit Committee

| Name of Director | Category | Designation in Committee |
|-------------------------------|------------------------|--------------------------|
| Mr. Abdul Hakeem Khan Qasuria | Independent Director | Chairman |
| Mrs. Amna Anwar | Independent Director | Member |
| Mr. Muhammad Shahzad Jamil | Non-Executive Director | Member |

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019.

b. HR and Remuneration Committee

| Name of Director | Category | Designation in Committee |
|----------------------------|------------------------|--------------------------|
| Mr. Muhammad Shahzad Jamil | Non-Executive Director | Chairman |
| Syed Aftab Hussain Naqvi | Non-Executive Director | Member |
| Mr. Muhammad Shahzad Jamil | Independent Director | Member |

The Board has also developed other Management Committees to run the affairs of the Company efficiently as detailed in "Company Information". The said Committees have been managed by suitable qualified persons with representation of Board Member(s) according to the requirements of respective committee.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a. Audit Committee: At least Once in each Quart during the year

b. HR and Remuneration Committee: Once during the year

15. The Board has set up an effective internal audit function; the members of internal audit team are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirements 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. The management has fully ensured the compliance of mandatory provisions of the Code. Since the Code requires "comply or explain approach" towards the non-mandatory provisions of the Code; hence, we confirm that all requirements of optional provisions also complied with except presently the Board has not constituted a separate Nomination Committee and Risk Management Committee. The functions are being performed by the HR & RC and Audit Committee respectively. Further, the fractional requirement for Independent directors has not been rounded up as one, keeping in view the requisite qualification, experience and expertise of the present Board of Directors.

Lahore
October 07, 2024


M. Atta ullah Khan
Chairman

Independent Auditors' Review Report of Colony Textile Mills Limited Review Report on Statement of Compliance Listed Companies contained in (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 **Colony Textile Mills Limited** (the Company) for the year ended 30 June 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 30 June 2024.

October 07, 2024
Lahore
UDIN: CR202410278awQvhHFJU



Ilyas Saeed & Co.
Chartered Accountants

Independent Auditors' Report To The Members of Colony Textile Mills Limited Report on the Audit of The Financial Statements

Opinion

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

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 30 June 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 are the Key audit matters:

| Key audit matters | How the matters were addressed in our audit |
|--|--|
| <p>1) Revenue</p> <p>(Refer note 33 to the annexed financial statements)</p> <p>Revenue is recognized when control of the underlying products has been transferred to the customers. The Company primarily generates revenue from sale of yarn, fabric. During the year, the Company's revenue is Rs. 16,764 million which is 57.91% of the total assets.</p> <p>We have considered revenue as a key audit matter as it is one of the key performance indicators of the Company. Revenue is a high-risk area and there is always an inherent risk of material misstatement.</p> | <p>Our audit procedures in relation to the matter, amongst others, included the following:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of the relevant key internal controls over the Company's system which governs revenue recognition; Understood and evaluated the accounting policies with respect to revenue recognition including those related to discounts and commissions and its compliance with International Financial Reporting Standards; Performed testing of sample on revenue transactions with underlying documentations including dispatch documents and sales invoices; Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the correct period; Checked on a sample basis, approval of sales prices and commissions by the appropriate authority; Performed recalculation of discounts and commission as per Company's policy on test basis; Performed audit procedures to analyze variation in the price and quantity sold during the year; and Assessed the adequacy of disclosures made in the financial statements related to revenue. |

Independent Auditors' Report To The Members of Colony Textile Mills Limited Report on the Audit of The Financial Statements

| Key audit matters | How the matters were addressed in our audit |
|--|--|
| <p>2) Inventories</p> <p>(Refer notes 25 and 26 to the annexed financial statements)</p> <p>The Company has inventories i.e, stores, spares and loose tools and stock-in-trade aggregating Rs.4,586 million.</p> <p>We identified this area as a key audit matter because inventories constitute 15.84% of the total assets of the Company as at 30 June 2024 and determining an appropriate write down as a result of net realizable value (NRV) and provision for slow moving inventories involves management judgement and estimation.</p> | <p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> • Observation of physical inventory count procedures and compared on a sample basis, physical count with valuations sheets; • Compared on a sample basis specific purchases and directly attributable cost with underlying supporting documents; • Compared the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards; • Assessed the provision for slow moving items as at year end is in accordance with the Company policy and relevant accounting standard; and • We also considered the adequacy of the related disclosures and assessed these are in accordance with the applicable financial reporting standards and the Companies Act, 2017. |
| <p>3) Borrowings</p> <p>(Refer notes 11, 12, 15 and 17 to the annexed financial statements)</p> <p>The Company has significant amounts of borrowings from Banks and other financial institutions amounting to Rs. 9,234 million, being 42.74% of total liabilities, as at reporting date.</p> <p>Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in financial statements and compliance with various loan covenants, this is considered to be a key audit matter.</p> | <p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> • Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate level. • Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP. • Verification of repayments made by the Company during the year on sample basis to confirm that repayments are being made on time and no default has been made. • Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis. • Obtaining direct confirmations from Banks of the Company to confirm balances, terms & conditions stated in the facility offer letters and compliance thereof. • Performing analytical procedures, recalculations and ensuring outstanding liabilities have been properly classified in financial statements. |

Independent Auditors' Report To The Members of Colony Textile Mills Limited Report on the Audit of The Financial Statements

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report To The Members of Colony Textile Mills Limited Report on the Audit of The Financial Statements

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have 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 deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Bushra Sana.

Dated: 07 October, 2024
Lahore
UDIN: AR202410278XHTrnDx0B



Ilyas Syed & Co.
Chartered Accountants



FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|------|------------------------|------------------------|
| EQUITY AND LIABILITIES | | | |
| Share capital and reserves | | | |
| Authorized share capital | 8 | 5,300,000 | 5,300,000 |
| Issued, subscribed and paid up capital | 9 | 4,980,100 | 4,980,100 |
| Reserve arising on amalgamation | | 3,156,388 | 3,156,388 |
| Revaluation surplus on property, plant and equipment | | 19,594 | 19,594 |
| Directors' loan | 10 | 120,000 | 120,000 |
| General reserves | | 4,702 | 4,702 |
| Unappropriated (loss) / profit | | (931,689) | 2,708,963 |
| Surplus on remeasurement of investments | | 819 | 694 |
| | | 7,349,914 | 10,990,441 |
| Non-current liabilities | | | |
| Long term financing | 11 | 6,351,781 | 6,607,342 |
| Liabilities against assets subject to finance lease | 12 | - | - |
| Deferred liabilities | 13 | 4,583,756 | 3,822,520 |
| | | 10,935,536 | 10,429,862 |
| Current liabilities | | | |
| Trade and other payables | 14 | 6,998,396 | 3,922,123 |
| Short term borrowings | 15 | 1,572,646 | 2,881,132 |
| Accrued mark up | 16 | 516,138 | 207,489 |
| Unclaimed dividend | | 94 | 94 |
| Current portion of long term liabilities | 17 | 1,296,174 | 1,005,992 |
| Provision for taxation and tax levies | 18 | 278,338 | 330,754 |
| | | 10,661,786 | 8,347,585 |
| Contingencies and commitments | 19 | - | - |
| | | 28,947,236 | 29,767,887 |



Chief Financial Officer



Director

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 20 | 18,671,967 | 19,077,185 |
| Right of use assets | 21 | 77,665 | 81,753 |
| Investment property | 22 | 1,542,570 | 942,570 |
| Long term investments | 23 | 223,374 | 182,164 |
| Investment in subsidiary | 24 | - | 160,000 |
| Long term deposits | | 54,465 | 51,132 |
| | | 20,570,041 | 20,494,804 |
| Current assets | | | |
| Stores, spare parts and loose tools | 25 | 382,198 | 386,796 |
| Stock in trade | 26 | 4,203,953 | 4,460,113 |
| Trade debts | 27 | 201,306 | 1,017,013 |
| Loans and advances | 28 | 301,291 | 975,921 |
| Trade deposits and short term prepayments | 29 | 102,363 | 89,076 |
| Other financial assets | 30 | 22 | 14 |
| Tax refunds due from the government | 31 | 3,098,184 | 2,253,234 |
| Cash and bank balances | 32 | 87,878 | 90,916 |
| | | 8,377,195 | 9,273,083 |
| | | <u>28,947,236</u> | <u>29,767,887</u> |

The annexed notes from 01 to 53 form an integral part of these financial statements.



Chief Executive Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| Sales - net | 33 | 16,764,028 | 20,852,724 |
| Cost of sales | 34 | 19,150,617 | 21,456,188 |
| Gross profit / (loss) | | (2,386,589) | (603,464) |
| Operating expenses: | | | |
| Distribution cost | 35 | 245,736 | 249,008 |
| Administrative expenses | 36 | 368,911 | 372,449 |
| | | 614,647 | 621,458 |
| Operating profit / (loss) | | (3,001,236) | (1,224,921) |
| Finance cost | 37 | 1,554,808 | 1,045,548 |
| Other operating charges | 38 | 14,880 | 5,997 |
| | | 1,569,688 | 1,051,545 |
| Other income | 39 | 1,143,266 | 2,927,384 |
| Profit / (loss) before taxation and tax levies | | (3,427,658) | 650,918 |
| Taxation and tax levies | 40 | 213,541 | (173,460) |
| Profit / (loss) after taxation and tax levies for the year | | (3,641,199) | 824,378 |
| | | Rupees | Rupees |
| Earnings/(loss) per share - basic and diluted | 41 | (7.31) | 1.66 |

The annexed notes from 01 to 53 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|-------|------------------------|------------------------|
| Profit / (loss) for the year | | (3,641,199) | 824,378 |
| Other comprehensive income: | | | |
| Items that will not be reclassified to statement of profit or loss: | | | |
| Remeasurement (loss) / gain of defined benefit obligation | 13.03 | 771 | 20,650 |
| Deferred tax thereon | | (223) | (5,448) |
| | | 547 | 15,202 |
| Items that may be reclassified to statement of profit or loss: | | | |
| Net fair value (loss) / gain on investment measured at FVTOCI | | 125 | (346) |
| Total comprehensive income/(loss) for the year | | (3,640,527) | 839,233 |

The annexed notes from 01 to 53 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash generated from operations | 50 | 1,868,224 | 1,443,271 |
| Finance cost paid | | (94,026) | (267,770) |
| Staff retirement benefit paid | | (62,759) | (103,406) |
| Income tax and levies paid | | (104,385) | (153,867) |
| | | (261,170) | (525,043) |
| Net cash generated from operating activities | | 1,607,054 | 918,227 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed capital expenditure | | (491,262) | (720,537) |
| Proceeds from disposal of property, plant and equipment | | 2,500 | 136,179 |
| Investment in subsidiary | | 160,000 | (30,000) |
| Long term deposits | | (3,333) | - |
| Net cash used in investing activities | | (332,095) | (614,358) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Long term finances issued | | 33,696 | 493,353 |
| Lease rentals - net | | (3,207) | (10,729) |
| Short term borrowings - net | | (1,308,486) | (716,630) |
| Net cash used in financing activities | | (1,277,997) | (234,006) |
| Net increase / (decrease) in cash and cash equivalents | | (3,038) | 69,863 |
| Cash and cash equivalents at beginning of the year | | 90,916 | 21,053 |
| Cash and cash equivalents at end of the year | | 87,878 | 90,916 |

The annexed notes from 01 to 53 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

| | Share capital | Reserve arising on amalgamation | Revaluation surplus on property, plant and equipment | Directors' loan | Revenue reserves | | Surplus on re-measurement of investments | Total |
|--|---------------|---------------------------------|--|-----------------|------------------|------------------------------|--|-------------|
| | | | | | General reserves | Unappropriated profit/(loss) | | |
| Rupees ('000') | | | | | | | | |
| Balance as at 30 June 2022 | 4,980,100 | 3,156,388 | 19,594 | 120,000 | 4,702 | 1,869,384 | 1,040 | 10,151,208 |
| Total comprehensive income for the year | | | | | | | | |
| Profit for the year | - | - | - | - | - | 824,377 | - | 824,377 |
| Remeasurement of defined benefit obligation | - | - | - | - | - | 15,202 | - | 15,202 |
| Net fair value gain on investment measured at FVTOCI | - | - | - | - | - | - | (346) | (346) |
| Total comprehensive income for the year | - | - | - | - | - | 839,579 | (346) | 839,233 |
| Balance as at 30 June 2023 | 4,980,100 | 3,156,388 | 19,594 | 120,000 | 4,702 | 2,708,963 | 694 | 10,990,441 |
| Total comprehensive income for the year | | | | | | | | |
| Profit / (loss) for the year | - | - | - | - | - | (3,641,199) | - | (3,641,199) |
| Remeasurement of defined benefit obligation | - | - | - | - | - | 547 | - | 547 |
| Net fair value gain on investment measured at FVTOCI | - | - | - | - | - | - | 125 | 125 |
| Total comprehensive income for the year | - | - | - | - | - | (3,640,652) | 125 | (3,640,527) |
| Balance as at 30 June 2024 | 4,980,100 | 3,156,388 | 19,594 | 120,000 | 4,702 | (931,689) | 819 | 7,349,914 |

The annexed notes from 01 to 53 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.01** Colony Textile Mills Limited ("the Company") is a Public Company Limited by shares CUIIN: 0074486 incorporated in Pakistan on 12 January 2011 under the provisions of the repealed Companies Ordinance, 1984 (now The Companies Act 2017). The Company is listed on Pakistan Stock Exchange Limited. The registered office of the company is located at M. Ismail Aiwan-i-Science, Building Ferozepur Road, Lahore, Pakistan. The principal activity of the company is manufacturing and sale of yarn, fabric, garments made ups and trading in real estate.

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

| Location | Purpose |
|--|-----------------------------|
| M. Ismail Aiwan-i-Science Building Ferozepur Road, 4km Raiwind Manga Road, Raiwind, District Kasur. | Head Office Weaving unit |
| Sher Shah Road Ismailabad, Multan | Spinning unit |

2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Company's statement of financial position and performance during the year have been adequately disclosed in the notes to these financial statements. For a detailed discussion about these significant transactions and events, please refer to the Directors' report.

3 BASIS OF PREPARATION

3.01 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.

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

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

The aforesaid Guidance has been applied retrospectively by the Company and the comparative information has been restated, which has not affected current year or prior years' net sales, profit after taxes and levies, equity and cash flows. Impact as of July 01, 2022 is not material to these financial statements. In accordance with the requirements of IAS 1 (Presentation of financial statements), the balances as at June 30, 2023 have been restated and third statement of financial position as of July 01, 2022 has not been presented due to immaterial impact.

In the statement of profit or loss for the year ended June 30, 2023, in terms of the requirements of IFRIC 21 / IAS 37 (the requirements), minimum tax and final tax , which were previously presented as 'taxation' have now been reclassified as 'minimum and final tax levies'.

In the statement of financial position as at June 30, 2023, in terms of the aforementioned requirements, minimum tax and final tax, which was previously presented as 'Taxation' has now been reclassified as 'Provision for taxation and tax levies'.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

3.03 Standards, interpretations and amendments to published approved 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:

- Standards, amendments to published standards and interpretations effective in current year

The Company has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

| New or Revised Standard or Interpretation | Effective Date (Annual periods beginning on or after) |
|---|--|
| Amendments to IAS 1, 'Presentation of Financial Statements' includes requiring companies to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements. | 01 January 2023 |
| The International Accounting Standards Board (the Board) has issued these amendments to end diversity in treatment of IAS 8, accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. An entity should use measurement techniques and inputs to develop an accounting estimate. Measurement techniques include estimation techniques (for example, techniques used to measure a loss allowance for expected credit losses applying IFRS 9) and valuation techniques (for example, techniques used to measure the fair value of an asset or liability applying IFRS 13). and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates. | 01 January 2023 |
| The amendments of IAS 12 Deferred tax narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. | 01 January 2023 |
| The other new standards, amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on April 1, 2023 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations. | |
| - Standards, interpretations and amendments to existing standards that are not yet effective | |
| The following amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning on or after their respective effective dates. | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| Standard or Interpretation | Effective Date (Annual periods beginning on or after) |
|--|--|
| IAS 1 Amendments to IAS 1 'Presentation of Financial Statements'- (Amendments) | January 01, 2024 |
| IAS 7 Amendments to IAS 7 "Statement of Cash Flows" | January 01, 2025 |
| IAS 21 The effects of Changes in Foreign Exchange Rates (Amendments) | January 01, 2024 |
| IFRS 7 Amendments to IFRS 7 "Financial Instruments Disclosures" - Supplier Finance Arrangements | January 01, 2024 |
| IFRS 7 & 9 Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9 | January 01, 2026 |
| IFRS 16 Amendments to IFRS 16 'Leases' - clarification on how seller-lessee subsequently measures sale and leaseback transactions. | January 01, 2024 |

The above standards, amendments and interpretations are either not relevant to the group's operations or are not expected to have significant impact on the group's financial statements except for the increased disclosures in certain cases.

In addition to the above, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

| Standard or Interpretation |
|---|
| IFRS 1 Regulatory deferral accounts |
| IFRIC 12 Service Concession Arrangement |
| IFRS 18 Presentation and Disclosures in Financial Statements. |
| IFRS 19 Subsidiaries without Public Accountability: Disclosures |
| IFRS S1 General Requirements for Disclosure of Sustainability - related Financial Information |
| IFRS S2 Climate - Related Disclosure |

The Company expects that the adoption of the other amendments and interpretations of the standards is not likely to have any material impact on the Company's financial statements in the period of initial application.

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

5 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value, investment on equity basis, certain liabilities at amortized cost, investment property and certain other investments at fair value. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

6 JUDGMENT, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards which requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

Significant management estimates in these financial statements relate to the useful life of property, plant and equipment, provisions for staff retirement benefits, doubtful receivables, slow moving inventory and taxation. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which such estimates are revised. Such estimates are:

- Useful life of depreciable assets;
- Provision for doubtful receivables and slow moving stores, spares and loose tools;
- Provision for current tax and deferred tax;
- Staff retirement benefits;
- Net realizable value of stock-in-trade; and
- Expected credit losses.

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.

7 MATERIAL ACCOUNTING POLICY INFORMATION

7.01 Staff retirement benefits

The Company operates two plans for its employees:

Defined contribution plan

The Company operates recognised defined contributory provident fund for all eligible employees to which monthly contributions are made to cover the obligation. The Company and its employees make equal monthly contributions at the rate of 8.33% of basic salary.

Defined benefit plan

The Company operates a defined benefit plan for all of its eligible employees who have completed their minimum qualifying period of service with the Company. Provisions are made in the financial statements to cover obligation on the basis of actuarial valuation using the Projected Unit Credit Method. Any actuarial gain or loss is recognised immediately in statement of comprehensive income.

7.02 Taxation

Current

Provision for current taxation is based on applicable current rates of taxation after taking into account tax credits and rebates available, if any, under the provisions of Income Tax Ordinance, 2001. The tax charge also includes adjustments, where necessary, relating to prior years which arise from assessments finalized during the year.

Deferred

Deferred tax liability is accounted for in respect of all taxable temporary differences at the statement of financial position date arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in computation of taxable profits. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses, provisions and tax credits to that extent it is probable that taxable profit will be available in future against which the deductible temporary differences can be utilized. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirement of Technical Release – 27 of Institute of Chartered Accountants of Pakistan.

Deferred tax is calculated at the rates that are expected to apply to the period when the asset is to be realized or liability is to be settled.

7.03 Property, plant and equipment

Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses (if any) except freehold land which is stated at cost and fully depreciated assets which are carried at residual value. Cost includes expenditure that is directly attributable to the acquisition of the asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Depreciation is charged to statement of profit or loss by applying reducing balance method to write off the cost over 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 property, plant and equipment. Depreciation on addition to property, plant and equipment is charged from the date when asset is available for use up to the date of its de-recognition.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains / losses on disposal of fixed assets are included in current year's statement of profit or loss.

Subsequent costs included in the asset's carrying amount are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost of the item can be measured reliably. All other repair and maintenance cost are charged to the statement of profit or loss during the year in which these are incurred.

Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and includes the expenditures on material, labor and appropriate overheads directly relating to the construction, erection or installation of an item of property, plant and equipment. These costs are transferred to property, plant and equipment as and when related items become available for intended use.

Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Where the Company determines that the lease term of identified lease contracts is short term in nature i.e. with a lease term of twelve months or less at the commencement date, right of use assets is not recognised and payments made in respect of these leases are expensed in the statement of profit or loss.

7.04 Investment property

Property held to earn rentals and/or for capital appreciation is classified as investment property. Investment properties are initially measured at cost, including transaction cost. Subsequent to initial recognition, investment properties are stated at fair value, which effect market conditions at reporting date. Gains and losses arising from the change in fair value of properties are included in statement of profit or loss in the year in which they arise. Fair values are determined based on an annual revaluation performed by an independent valuer.

In case of change in use of property from owner occupied property to investment property that will be carried at fair value, Company has applied IAS 16 up to the date of change in use. The difference at that date between carrying amount and fair value has been accounted for in the same way as a revaluation surplus in accordance with IAS-16.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

7.05 Financial instruments

Recognition

A financial instrument is recognised when the Company becomes a party to the contractual provisions of the instrument.

a) Financial assets

(i) Initial Measurement

The Company classifies its financial assets in to following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- measured at amortized cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(ii) Subsequent Measurement

Debt Investments at FVOCI:

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective rate interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in the statement of comprehensive income. On de-recognition, gains and losses accumulated in the statement of comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of or profit loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in the statement of comprehensive income and are never reclassified to the statement of profit or loss.

Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the statement of profit or loss.

Financial assets measured at amortized cost :

These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized is cost reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

b) Financial liabilities

Financial liabilities are classified as measured at amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit or loss. Any gain or loss on de-recognition is also recognised in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

c) Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

d) Regular way purchases or sales of financial assets

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 on the market place. Regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis.

e) Derivatives

Derivative instruments held by the Company comprise of future and forward contracts in the capital and money markets. These are stated at fair value at the date of statement of financial position. The fair value of the derivatives is equivalent to the unrealized gain or loss from marking the derivatives using prevailing market rates at the date of statement of financial position. The unrealized gains are included in other assets while unrealized losses are included in other liabilities in the statement of financial position. The corresponding gains and losses are included in the statement of profit or loss.

7.06 Contingent liability

Contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

7.07 Stores, spares and loose tools

These are valued at lower of cost and net realizable value. Cost is calculated using moving average method except for items in transit which are valued at cost comprising invoice value plus other charges paid thereon till the statement of financial position date. Provision is made against obsolete items.

7.08 Stock in trade

Basis of valuation are as follows:

Particulars

Raw materials:

| | |
|-----------------|---|
| At mills | At weighted average cost |
| In-transit | At cost accumulated to the statement of financial position date |
| Work in process | At average manufacturing cost |
| Finished goods | At average manufacturing cost |
| Waste | At net realizable value |
| Real estate | At cost |

Stock is valued at lower of cost or net realizable value.

Cost in relation to work in process and finished goods represents the average manufacturing cost which consists of prime cost and attributable production overheads.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

7.09 Trade debts and other receivables

Financial assets

These are classified at amortized cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

7.10 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and at banks.

7.11 Borrowings

Loans and borrowings are recorded at the time of proceeds received. Financial charges are accounted for on the accrual basis. 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. All other borrowing costs are charged to statement of profit or loss in the period in which these are incurred.

7.12 Trade and other payables

Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being their fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognised in the statement of profit or loss.

Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

7.13 Provisions

Provisions are recognised when the Company has a legal and constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle these obligations and a reliable estimate of the amounts can be made.

7.14 Impairment

Financial assets

The Company recognizes loss allowances for expected credit losses in respect of financial assets measured at amortized cost on date of initial recognition. The amount of expected credit loss is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial assets.

Impairment is recognised at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognised at an amount equal to 12 months' expected credit losses, with the exception of trade debts contract assets and lease receivables, for which the Company recognizes lifetime expected credit losses estimated using a provision matrix. The provision matrix is based on the Company's historical credit loss experience, adjusted for factors that are specific to counter parties, general economic conditions and an assessment for both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All impairment losses are recognised in the statement of profit or loss. An impairment is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Company writes off a financial asset when there is information indicating that the counter party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognised in the statement of profit or loss.

Non financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset's or group of assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less cost to sell. Impairment losses are recognised in the statement of profit or loss.

7.15 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognised when the goods are provided, and thereby the performance obligations are satisfied. The Company's contract performance obligations are fulfilled at the point in time when the goods are dispatched to the customer. Invoices are generated and revenue is recognised at that point in time, as the control has been transferred to the customers and is reduced for allowances such as taxes, duties, commissions, sales returns and discounts. Revenue from other sources is recognised on the following basis:

- Interest income on deposits with banks and other financial assets is recognised on accrual basis.
- Dividend income is recognised when the Company's right to receive dividend has been established.

7.16 Related parties

- a) Employees Provident Fund
- b) Directors and key management personnel

7.17 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party of the Company are at arm's length prices using the comparable uncontrolled price method except in circumstances where it is in the interest of the Company not to do so.

7.18 Dividend

Dividend is recognised as liability in the period in which it is declared.

7.19 Foreign currency translations

Transactions in foreign currencies are accounted for in Pak rupees at the rates of exchange prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at rates of exchange prevailing at the statement of financial position date and in case of forward exchange contracts at the committed rates. Gains or losses on exchange are charged to the statement of profit or loss.

7.20 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in statement of profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

7.21 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Chief Executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has two reportable business segments. Spinning (Producing different quality of yarn using natural and artificial fibers) and Weaving (Producing different quality of fabric using yarn).

Transaction among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases are eliminated from the total.

7.22 Share capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|------|------------------------|------------------------|
| 8 AUTHORISED SHARE CAPITAL | | | |
| 185,000,000 (2023: 185,000,000) ordinary shares of Rs. 10/- each | | 1,850,000 | 1,850,000 |
| Capital of merged companies | | | |
| 345,000,000 (2023: 345,000,000) ordinary shares of Rs. 10/- each | | 3,450,000 | 3,450,000 |
| | | <u>5,300,000</u> | <u>5,300,000</u> |
| 9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL | | | |
| 20,000 (2023: 20,000) ordinary shares of Rs. 10/- each issued as fully paid in cash shares | | 200 | 200 |
| 497,989,959 (2023: 497,989,959) fully paid in cash ordinary shares of Rs. 10/- each issued to the shareholders of amalgamated entities | | 4,979,900 | 4,979,900 |
| | | <u>4,980,100</u> | <u>4,980,100</u> |

Fully paid ordinary shares, which have a par value of Rs. 10/-, carry one vote per share and carry right to dividends.

There are no rights, preferences and restrictions attached to any class of shares including restrictions on the distribution of the dividends and the repayment of capital.

- There are no shares reserved for issue under options and contracts for the sale of shares.

- There were no bonus shares or treasury shares issued during the year.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---------------------------|-------|------------------------|------------------------|
| 10 DIRECTORS' LOAN | | | |
| Directors' loan | 10.01 | <u>120,000</u> | <u>120,000</u> |

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| 11 LONG TERM FINANCING | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---------------------------------------|--|------------------------|------------------------|
| From banking companies-Secured | | | |
| Name of the Bank | | | |
| The Bank of Punjab | 11.01 | 6,054,444 | 6,115,380 |
| National Bank of Pakistan | 11.02 | 709,642 | 709,642 |
| Habib Bank Limited | 11.03 | 76,248 | 103,536 |
| Faysal Bank Limited | 11.04 | 191,490 | 193,890 |
| Silk Bank Limited | 11.05 | 247,281 | 245,569 |
| Soneri Bank Limited | 11.06 | 34,833 | 39,736 |
| Bank Islami Pakistan Limited | 11.07 | 35,112 | 32,736 |
| Standard Chartered Bank Limited | 11.08 | 133,440 | 135,572 |
| Bank Makramah Limited | 11.09 | 165,464 | 34,066 |
| | | <u>7,647,954</u> | <u>7,610,127</u> |
| Less: Current portion | 17 | <u>1,296,174</u> | <u>1,002,785</u> |
| | | <u>6,351,781</u> | <u>6,607,342</u> |
| 11.01 | This loan includes three facilities Term Finance-1 (TF-1), Term Finance-3 (TF-3) and Term Finance-4 (TF-4) amounting to Rs. 5,365.87 million, Rs. 682.42 million and Rs. 6.14 million respectively. This loan facility was restructured on 23 May 2024. (TF-1) is repayable from 30 September 2024 to 31 December 2032. Markup is charged at cost of funds less administrative cost (2023: cost of funds less administrative cost) of the preceding quarter effective from 1 January 2023 and onwards. (TF-3) is repayable from 30 September 2024 to 31 December 2031. Markup is charged at cost of funds less administrative cost (2023: cost of funds less administrative cost) to be accrued and payable as per repayment schedule. Markup is not applicable on (TF-4) as it is unserviceable. This facility is secured by joint pari passu charge on fixed assets and current assets of the company, registered with SECP. | | |
| 11.02 | This loan facility was restructured on 09 April 2019. It is repayable from 01 July 2019 to 01 April 2029. Markup is chargeable at cost of funds (2023: Cost of fund). The loan is secured against first joint pari passu charge over fixed assets of the Company registered with SECP. | | |
| 11.03 | This loan has been restructured in July 2019. It is repayable from 01 July 2019 to 01 July 2027. Markup is to be charged at cost of funds (2023: Cost of funds) provided by the bank. This loan is secured against joint pari passu hypothecation charge, existing ranking charge over plant and machinery and existing joint pari passu charge on current and fixed assets of the Company. | | |
| 11.04 | This loan facility was restructured on 09 November 2018. It is repayable from 30 December 2018 to 30 September 2028. Markup is charged at cost of funds (2023: Cost of funds) of the bank. The loan is secured against joint and ranking charge over present and future current assets of the Company registered with SECP. | | |
| 11.05 | This loan includes two facilities Term Finance-1 (TF-1) and Term Finance-2 (TF-2) amounting Rs. 225.52 million and Rs. 38.22 million respectively. Both loans were restructured on 15 January 2017. It is payable from 15 January 2018 to 15 October 2032. Markup is payable at Silk bank's cost of funds minus 2% (2023: Cost of funds minus 2%) . Term Finance-2 is interest free and recognised at amortized cost by discounting using effective rate of interest and related present value gain was recognised in the statement of profit or loss. Out of total loan amount of TF-2 Rs. 38.22 million, present value adjustment is Rs. 16.461 million. Both the loans are secured against first joint pari passu charge and ranking charge over the assets of the Company registered with SECP. | | |
| 11.06 | This loan facility was restructured on 27 December 2022. It is repayable from September 2023 to December 2025. The loan is secured against hypothecation charge over property, plant and equipment and existing joint pari passu charge over fixed assets including land of the Company, registered with SECP. This loan facility is interest free and recognised at amortized cost by discounting using effective rate of interest and related present value gain was recognised in the statement of profit or loss. Out of total outstanding amount of Rs. 37.74 million, present value adjustment is Rs. 2.91 million. | | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 11.07** This loan facility was restructured on 22 December 2018. The loan is repayable from 30 March 2019 and ending on 31 December 2033. The loan is secured against joint pari passu charge on the assets of the Company registered with SECP. It is interest free and recognised at amortized cost by discounting using effective rate of interest and related present value gain was recognised in the statement of profit or loss. Out of total outstanding amount of Rs. 72.35 million, present value adjustment is Rs. 37.24 million.
- 11.08** This facility was created as a result of a restructuring made on 17 May 2019. The loan is repayable from 30 June 2019 and ending on 31 March 2024. This loan is secured against joint pari passu charge over current assets of the Company registered with SECP. This loan facility is interest free and recognised at amortized cost by discounting using effective rate of interest and related present value gain was recognised in the statement of profit or loss. Out of total outstanding amount of Rs. 133.44 million, present value adjustment is Rs. 0.00 million.
- 11.09** This facility is established by converting CF-1 into TF with a total amount of Rs. 194.664 million. This facility is repayable in twenty equal installments starting from 31 December 2021 and ending on 30 September 2026. This is secured against ranking charge over fixed assets (Plant & Machinery) of the company with 25% margin registered with SECP duly ensured in favor of Bank Makramah Limited. Mark up is charged at 3 Month Kibor plus 1% per annum with quarterly installments.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|-------|------------------------|------------------------|
| 12 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE | | | |
| Present value of minimum lease payments | 12.02 | - | 3,207 |
| Less: Current portion | 17 | - | (3,207) |
| | | - | - |

- 12.01** This represents machinery under lease and sale and lease back agreements. The principal plus financial charges are payable over the lease period in quarterly/bi monthly installments as per respective agreements ending in the month of September 2025. The liability as at the date of financial position represents the present value of total minimum lease payments bearing the interest rates implicit in leases. The purchase option is available to the Company on payment of last installment and the Company intends to exercise this option. Reconciliation of minimum lease payments and their present values is given below:

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|-------|------------------------|------------------------|
| Not later than one year | | 18,321 | 14,815 |
| Later than one year but not later than five years | | - | 9,675 |
| Later than five years | | - | - |
| | | 18,321 | 24,491 |
| Less: Financial charges allocated to future periods | | (18,321) | (21,284) |
| Present value of minimum lease payments | 12.02 | - | 3,207 |
| Less: Current portion | | - | (3,207) |
| | | - | - |
| 12.02 Present value of minimum lease payments | | | |
| Due not later than one year | | - | 3,207 |
| Due later than one year but not later than five years | | - | - |
| Later than five years | | - | - |
| | | - | 3,207 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--------------------------------|-------|------------------------|------------------------|
| 13 DEFERRED LIABILITIES | | | |
| Deferred taxation | 13.01 | 955,006 | 948,836 |
| Deferred mark up | 13.02 | 3,214,223 | 2,534,250 |
| Staff retirement benefits | 13.03 | 414,527 | 339,434 |
| | | <u>4,583,756</u> | <u>3,822,520</u> |
| 13.01 Deferred taxation | | <u>955,006</u> | <u>948,836</u> |
| | | <u>955,006</u> | <u>948,836</u> |

| Statement of Financial position | | Statement of Profit or Loss | | Statement of OCI | |
|---------------------------------|------|-----------------------------|------|------------------|------|
| 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Rupees ('000') | | | | | |

Deferred taxation

Comprises of the following:

Deferred tax liability on taxable temporary differences in respect of the following:

| | | | | | | |
|--|-----------|-----------|---------|--------|---|---|
| - Accelerated tax depreciation allowance | 3,637,386 | 3,322,360 | 315,026 | 53,037 | - | - |
|--|-----------|-----------|---------|--------|---|---|

Deferred tax asset on deductible temporary differences in respect of the following:

| | | | | | | |
|--|------------------|------------------|------------------|------------------|--------------|----------------|
| Lease liabilities | - | 846 | 846 | 2,753 | - | - |
| Un-absorbed losses | 1,770,368 | 1,404,315 | (366,053) | (330,781) | - | - |
| Minimum tax available for carry forward | 791,924 | 878,373 | 86,449 | 174,648 | - | - |
| Provision for stores, spares and loose tools | - | - | - | 299 | - | - |
| Provision for doubtful debts | 322 | 436 | 114 | (70) | - | - |
| Provision for gratuity | 120,213 | 89,554 | (30,659) | (10,549) | (223) | (5,448) |
| | <u>2,682,827</u> | <u>2,373,524</u> | <u>(309,303)</u> | <u>(163,700)</u> | <u>(223)</u> | <u>(5,448)</u> |
| | <u>954,559</u> | <u>948,836</u> | <u>5,723</u> | <u>(110,663)</u> | <u>223</u> | <u>5,448</u> |

Deferred taxation has been provided using rate of taxation applicable to tax year 2024 under the provisions of Income Tax Ordinance, 2001 to the extent of income of the Company chargeable under normal tax regime.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---------------------------------------|------|------------------------|------------------------|
| 13.02 Deferred mark up | | | |
| Opening balance | | 7,949,635 | 7,259,702 |
| Provision during the year | | 1,152,133 | 689,933 |
| | | <u>9,101,768</u> | <u>7,949,635</u> |
| Less: paid / adjusted during the year | | - | - |
| | | <u>9,101,768</u> | <u>7,949,635</u> |
| Present value adjustment | | (5,887,545) | (5,415,385) |
| | | <u>3,214,223</u> | <u>2,534,250</u> |

It represents markup deferred by Bank of Punjab, Silk Bank Limited, National Bank of Pakistan, Habib Bank Limited, Faysal Bank Limited and First Punjab Modaraba. It is payable starting from 16 September 2023 and maturing on 31 December 2040.

This deferred markup has been discounted using effective rate of interest and classified separately in non-current liabilities and related present value gain or loss is recognised in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------------------------|------------------------|
| 13.03 Staff retirement benefits - unfunded gratuity scheme | | |
| (a) Amounts recognised in the statement of financial position: | | |
| Present value of defined benefit obligation | 414,527 | 339,434 |
| Net liability at the end of the year | 414,527 | 339,434 |
| (b) Movement in net liability | | |
| Net liability at beginning of the year | 339,434 | 305,919 |
| Charge for the year | 138,623 | 157,570 |
| | 478,057 | 463,489 |
| Remeasurements chargeable in other comprehensive income | (771) | (20,650) |
| Benefits paid during the year | (62,759) | (103,406) |
| Net liability at end of the year | 414,527 | 339,434 |
| (c) Changes in the present value of defined benefit obligation | | |
| Defined benefit obligation at beginning of the year | 339,434 | 305,919 |
| Current service cost | 98,760 | 128,027 |
| Past Service cost | - | - |
| Interest cost | 39,863 | 29,544 |
| | 478,057 | 463,490 |
| Remeasurements chargeable in OCI | (771) | (20,650) |
| Benefits paid during the year | (62,759) | (103,406) |
| Present value of defined benefit obligation at end of the year | 414,527 | 339,434 |
| (d) Charge for the year | | |
| Current service cost | 98,760 | 128,027 |
| Interest cost | 39,863 | 29,544 |
| Past service cost | - | - |
| | 138,623 | 157,571 |

The principal assumptions used in the actuarial valuation are as follows:

| | | |
|--|----------------------------|----------------------------|
| Discount rate | 16.25% | 13.25% |
| Expected rate of increase per annum in future salaries | 13.75% | 16.25% |
| Expected average remaining working life of employees | 3 years | 3 years |
| Expected mortality rate | SLIC 2001 - 2005 | SLIC 2001 - 2005 |
| Retirement assumptions | Setback 1 Year 60 years | Setback 1 Year 60 years |

Sensitivity analysis for actuarial assumptions

The following table summarizes how the net defined benefit obligation at the end of the reporting period would have increased/(decreased) as a result of change in respective assumptions.

| | Change in assumptions | Increase Rupees ('000') 2024 | Decrease Rupees ('000') 2024 |
|-----------------------------|--------------------------|------------------------------------|------------------------------------|
| Discount rate | 1.00% | 319,057 | 363,015 |
| Increase in future salaries | 1.00% | 364,042 | 317,761 |

A change in expected remaining working lives of employees is not expected to have a material impact on the present value of defined benefit obligation. Accordingly, the sensitivity analysis for the same has not been carried out.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation as at the reporting date has been calculated by using projected unit credit method, which is the same as that applied in calculating the defined benefit obligation to be recognised in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Risk factors

The defined benefit plan exposes the Company to the following actuarial risks:

Interest risk: The discount rate used in determination of present value of defined benefit obligation has been determined by reference to market yield at the reporting date on Pakistan Investment Bonds since there is no deep market in long term corporate bonds in Pakistan. An increase in market yield resulting in a higher discount rate will decrease in the defined benefit liability.

Longevity risk: The present value of defined benefit obligation is calculated by reference to the best estimate of the expected remaining working lives of the employees. An increase in the expected remaining working lives will increase the defined benefit obligation. However, the increase is not expected to be material.

Salary risk: The present value of defined benefit obligation is calculated by reference to future salaries of plan participants. An increase in salary of plan participants will increase the defined benefit obligation.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|-------|------------------------|------------------------|
| 14 TRADE AND OTHER PAYABLES | | | |
| Trade creditors | | 3,998,364 | 1,820,109 |
| Accrued liabilities | | 1,145,030 | 1,114,294 |
| Security deposits | | 208 | 204 |
| Advances from customers | | 1,281,973 | 44,625 |
| Withholding tax payable | | 374,803 | 291,352 |
| Out put tax payable | | 155,582 | 609,094 |
| Worker's profit participation fund | 14.01 | - | - |
| Worker's welfare fund | 14.02 | 42,286 | 42,286 |
| Others | | 150 | 160 |
| | | <u>6,998,396</u> | <u>3,922,123</u> |
| 14.01 Worker's profit participation fund | | | |
| Opening balance | | - | 59,537 |
| Provision for the year | | - | - |
| | | <u>-</u> | <u>59,537</u> |
| Payment during the year | | - | (59,537) |
| Closing balance | | <u>-</u> | <u>-</u> |
| 14.02 Worker's welfare fund | | | |
| Opening balance | | 42,286 | 42,286 |
| Provision for the year | | - | - |
| | | <u>42,286</u> | <u>42,286</u> |
| Payment during the year | | - | - |
| Closing balance | | <u>42,286</u> | <u>42,286</u> |
| 15 SHORT TERM BORROWINGS | | | |
| Banking companies - secured | 15.01 | <u>1,572,646</u> | <u>2,881,132</u> |
| 15.01 Conventional short term borrowings are available from banking companies under markup arrangements. The rates of markup range from 22.46% to 26.91% per annum (2023: 15.57% to 25.98%). These are secured against pledge / hypothecation of stock-in-trade, hypothecation of stores and spares, lien over import / export documents, pari passu charge over present and future current assets and ranking charge over fixed assets of the company. | | | |
| 15.02 From the total aggregate short term facilities of Rs. 2,390.09 million (2023: 2,584.76 million), the amount of Rs. 802.449 million related to trade lines (2023: Rs. 155.5 million) remained unutilized as at 30 June 2024. | | | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|--|------------------------|------------------------|
| 16 ACCRUED MARK UP | | | |
| Accrued mark up on: | | | |
| Liabilities against assets subject to finance lease | | 21,264 | 21,264 |
| Long term financing | | 17,818 | 2,080 |
| Short term borrowings | | 477,056 | 184,145 |
| | | <u>516,138</u> | <u>207,489</u> |
| 17 CURRENT PORTION OF LONG TERM LIABILITIES | | | |
| Long term financing | 17.01 | 1,296,174 | 1,002,785 |
| Liabilities against assets subject to finance lease | | - | 3,207 |
| | | <u>1,296,174</u> | <u>1,005,992</u> |
| 17.01 | Current portion of long term financing includes principal installments amounting to Rs. 454.236 million (2023: Rs. 261.361 million) which was overdue as on June 30, 2024. | | |
| 18 PROVISION FOR TAXATION AND LEVIES | | | |
| Opening balance | | 330,754 | 505,413 |
| Add: Taxation and Levies - current | 40 | 206,695 | 330,754 |
| | | <u>537,449</u> | <u>836,167</u> |
| Less: Tax / levies payments / adjustments during the year | | 259,111 | 505,413 |
| | | <u>278,338</u> | <u>330,754</u> |
| 19 CONTINGENCIES AND COMMITMENTS | | | |
| Contingencies | | - | - |
| 19.01 | Bank guarantees amounting to Rs. 403.78 million (2023: Rs. 427.37 million). | | |
| Commitments | | | |
| Under letters of credit for imports | | <u>-</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

20 PROPERTY, PLANT AND EQUIPMENT

| | Note | 2024 Rupees ('000) | 2023 Rupees ('000) |
|--------------------------|-------|-----------------------|-----------------------|
| Operating assets | 20.01 | 18,655,271 | 18,972,956 |
| Capital work in progress | 20.04 | 16,696 | 104,230 |
| | | <u>18,671,967</u> | <u>19,077,185</u> |

20.01 The following is a statement of operating fixed assets (tangible):

| | Freehold land | Building on freehold land | Plant, machinery & equipment | Factory tools and equipments | Furniture & fixtures | Office and hospital equipments | Library books | Vehicles | Leased Plant and Machinery | Leased Vehicles | Total |
|--|---------------|---------------------------|------------------------------|------------------------------|----------------------|--------------------------------|---------------|-----------|----------------------------|-----------------|--------------|
| At 30 June 2022 | | | | | | | | | | | |
| Cost | 1,454,335 | 3,801,795 | 23,444,315 | 486,389 | 70,571 | 61,621 | 44 | 240,348 | - | - | 29,559,417 |
| Accumulated depreciation | - | (1,652,146) | (8,761,723) | (202,554) | (30,407) | (31,737) | (44) | (101,177) | - | - | (10,779,789) |
| Net book value | 1,454,335 | 2,149,649 | 14,682,592 | 283,835 | 40,164 | 29,884 | - | 139,171 | - | - | 18,779,629 |
| Year ended 30 June 2023 | | | | | | | | | | | |
| Additions | - | 47,033 | 615,130 | 1,181 | 2,246 | 8,181 | - | 5,110 | - | - | 678,882 |
| Transfers from capital work in progress during the year (Note 20.05) | - | - | - | - | - | - | - | - | - | - | - |
| Transfers from leased plant and machinery | - | - | 68,320 | - | - | - | - | - | - | - | 68,320 |
| Transferred to right of use asset | - | - | - | - | - | - | - | - | - | - | - |
| Disposals / transfers | - | - | - | - | - | - | - | - | - | - | - |
| Cost | - | - | (231,270) | - | - | - | - | - | - | - | (231,270) |
| Depreciation | - | - | 102,985 | - | - | - | - | - | - | - | 102,985 |
| Net book value | - | - | (128,285) | - | - | - | - | - | - | - | (128,285) |
| Depreciation charge for the year (note 20.02) | - | (108,600) | (740,911) | (14,222) | (2,076) | (3,539) | - | (14,397) | - | - | (883,745) |
| Net book value as at 30 June 2023 | 1,454,335 | 2,546,237 | 14,496,846 | 270,794 | 40,334 | 34,526 | - | 129,884 | - | - | 18,972,956 |
| Year ended 30 June 2024 | | | | | | | | | | | |
| Additions | - | 21,647 | 455,451 | 444 | 2,710 | 9,212 | - | 139 | - | - | 489,602 |
| Transfers from capital work in progress during the year (Note 20.05) | - | - | - | - | - | - | - | - | - | - | - |
| Transfers from leased plant and machinery | - | 61,028 | 28,166 | - | - | - | - | - | - | - | 89,194 |
| Disposals / transfers (Note No. 20.06) | - | - | - | - | - | - | - | - | - | - | - |
| Cost | - | - | - | - | - | - | - | (2,497) | - | - | (2,497) |
| Depreciation | - | - | - | - | - | - | - | 902 | - | - | 902 |
| Net book value | - | - | - | - | - | - | - | (1,595) | - | - | (1,595) |
| Depreciation charge for the year (note 20.02) | - | (127,668) | (734,692) | (13,560) | (2,084) | (4,033) | - | (12,848) | - | - | (894,885) |
| Net book value as at 30 June 2024 | 1,454,335 | 2,501,243 | 14,245,770 | 257,678 | 40,960 | 39,705 | - | 115,580 | - | - | 18,655,271 |

Colony Textile Mills Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | Freehold land | Building on freehold land | Plant, machinery & equipment | Factory tools and equipments | Furniture & fixtures | Office and hospital equipments | Library books | Vehicles | Leased Plant and Machinery | Leased Vehicles | Total |
|---------------------------------------|---------------|---------------------------|------------------------------|------------------------------|----------------------|--------------------------------|---------------|-----------|----------------------------|-----------------|--------------|
| At 30 June 2023 | | | | | | | | | | | |
| Cost/revalued amount | 1,454,335 | 4,306,983 | 23,896,496 | 487,570 | 72,817 | 69,802 | 44 | 245,458 | - | - | 30,533,504 |
| Accumulated depreciation | - | (1,760,746) | (9,399,649) | (216,776) | (32,483) | (35,276) | (44) | (115,574) | - | - | (11,560,548) |
| Net book value in Rupees | 1,454,335 | 2,546,237 | 14,496,846 | 270,794 | 40,334 | 34,526 | - | 129,884 | - | - | 18,972,956 |
| Annual rates (%) of depreciation 2023 | - | 5 | 5 | 5 | 5 | 10 | 15 | 10 | 5 | 10 | - |
| At 30 June 2024 | | | | | | | | | | | |
| Cost/revalued amount | 1,454,335 | 4,389,657 | 24,380,112 | 488,014 | 75,527 | 79,014 | 44 | 243,100 | - | - | 31,109,803 |
| Accumulated depreciation | - | (1,888,414) | (10,134,342) | (230,336) | (34,567) | (39,309) | (44) | (127,520) | - | - | (12,454,531) |
| Net book value in Rupees | 1,454,335 | 2,501,243 | 14,245,770 | 257,678 | 40,960 | 39,705 | - | 115,580 | - | - | 18,655,271 |
| Annual rates (%) of depreciation 2024 | - | 5 | 5 | 5 | 5 | 10 | 15 | 10 | 5 | 10 | - |

20.02 Depreciation charge for the year has been allocated as follows:

| | 2024 | 2023 |
|-------------------------------|----------------|----------------|
| | Rupees ('000) | Rupees ('000) |
| Cost of sale | 882,434 | 873,318 |
| Administrative expenses | 16,539 | 14,730 |
| | <u>898,973</u> | <u>888,048</u> |
| Property, plant and equipment | 894,885 | 883,745 |
| Right of use asset | 4,088 | 4,303 |
| | <u>898,973</u> | <u>888,048</u> |

20.03 No impairment relating to operating fixed assets has been recognised in the current year.

20.04

| | 2024 | 2023 |
|--------------------------|---------------|----------------|
| | Rupees ('000) | Rupees ('000) |
| Capital work in progress | | |
| Plant and machinery | 6,963 | 33,525 |
| Civil work | 9,733 | 70,704 |
| | <u>16,696</u> | <u>104,230</u> |

Movement in capital work in progress

| | | |
|---------------------------------|---------------|----------------|
| Opening | 104,230 | 589,050 |
| Additions during the year | 1,660 | 41,655 |
| | 105,890 | 630,705 |
| Transferred to operating assets | (89,194) | (526,475) |
| | <u>16,696</u> | <u>104,230</u> |

20.05 Transfer to property, plant and equipment are represented by:

| | | |
|---------------------|---------------|----------------|
| Building | 61,028 | 458,155 |
| Plant and machinery | 28,166 | 68,320 |
| | <u>89,194</u> | <u>526,475</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

20.06 Disposal of property, plant and equipment

The following operating fixed assets were disposed off during the year:

| Particulars | Cost | Accumulated depreciation | Net book value | Sale proceeds | Gain / (loss) | Relationship of purchaser with the Company | Mode of disposal | Buyer's name |
|-----------------|------------------|--------------------------|------------------|------------------|----------------|--|------------------|-------------------|
| RUPEES | | | | | | | | |
| Vehicles | | | | | | | | |
| LEA-19-3874 | 1,316,996 | 492,176 | 824,820 | 1,000,000 | 175,180 | Third party | Negotiation | Sohail Choudhary |
| LEE-19-4968 | 1,180,038 | 409,845 | 770,193 | 1,500,000 | 729,807 | Third party | Negotiation | Sajjad Associates |
| Total | 2,497,034 | 902,021 | 1,595,013 | 2,500,000 | 904,987 | | | |

20.07 Charge / mortgage on fixed assets has been disclosed in respective notes.

20.08 The Company's obligation under finance lease are secured by lessor's title to the leased assets, which have a carrying amount of Rs. 77.664 million (2023: Rs. 81.753 million).

20.09 Addition in building includes capitalization of borrowing cost of Rs. 14.829 million (2023: Rs. 45.043 million):

20.10 Particulars of immovable assets of the Company are as follows:

| Location | Addresses | Usage of immovable property | Total Area (Sq. ft.) | Covered Area (Sq. ft.) |
|----------|---|-----------------------------|----------------------|------------------------|
| Mullan | Mouza Junglebhaera and mouza Muzafarabad Mullan | Production Unit | 6,917,232 | 2,993,438 |
| Kasur | 4km Raiwind Manga road, Raiwind, district Kasur | Production Unit | 1,638,528 | 1,054,751 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| 21 RIGHT OF USE ASSET | Note | 2024 | 2023 |
|--|------|----------------|----------------|
| | | Rupees ('000') | Rupees ('000') |
| Present value of future lease payments | | 81,753 | 86,056 |
| | | <u>81,753</u> | <u>86,056</u> |
| Net book value as at the beginning of the year | | 81,753 | 86,056 |
| Transfer to Property, plant and equipment | | - | - |
| Depreciation charged during the year | | (4,088) | (4,303) |
| Balance as at the end of the year | | <u>77,665</u> | <u>81,753</u> |

| 22 INVESTMENT PROPERTY | | 2024 | 2023 |
|--|-------|------------------|----------------|
| Opening balance | | 942,570 | 791,089 |
| Transfer from owner's occupied property | | - | - |
| Revaluation gain / (loss) recognised through statement of profit or loss | 22.01 | 600,000 | 151,481 |
| | | <u>1,542,570</u> | <u>942,570</u> |

22.01 As of reporting date, the fair value of such investment property was determined by an independent external property valuer, Hamid Mukhtar Evaluators having appropriate recognised qualification and relevant experience. Forced sale value of above investment as at reporting date is Rs. 1,320.95 million.

| 23 LONG TERM INVESTMENTS | | 2024 | 2023 |
|---|-------|----------------|----------------|
| At fair value through statement of profit or loss designated on initial recognition | Note | Rupees ('000') | Rupees ('000') |
| - Investment in Imperial Limited | 23.02 | 222,081 | 180,996 |
| At fair value through other comprehensive income | 23.01 | 1,293 | 1,168 |
| | | <u>223,374</u> | <u>182,164</u> |

23.01 Investment - at fair value through other comprehensive income

| | 2024 | 2023 | 2024 | 2023 |
|-----------------------------------|-----------------------|----------------|----------------|----------------|
| | No. of Shares / Bonds | | Rupees ('000') | Rupees ('000') |
| Quoted - at fair value | | | | |
| Colony Woolen Mills Limited | 70,506 | 70,506 | 282 | 282 |
| Azgard Nine Limited | 80,948 | 80,948 | 611 | 486 |
| Colony Thal Textile Mills Limited | 6 | 6 | - | - |
| | <u>151,460</u> | <u>151,460</u> | <u>893</u> | <u>768</u> |
| Unquoted - at cost | | | | |
| Government Compensation Bonds | 400 | 400 | 400 | 400 |
| | <u>151,860</u> | <u>151,860</u> | <u>1,293</u> | <u>1,168</u> |

Government Compensation Bonds for Rs. 0.4 million (2023: Rs. 0.4 million) are receivable from the Federal Government in respect of shares held by the Company in the share capital of Multan Electric Supply Company Limited. The Company had challenged the withholding of these Bonds through writ petition filed in the Lahore High Court, Lahore, which is still pending for final adjudication.

23.02 Investment - at fair value through profit or loss

| | 2024 | 2023 | 2024 | 2023 |
|----------------------------------|-----------------------|-------------------|----------------|----------------|
| | No. of Shares / Bonds | | Rupees ('000') | Rupees ('000') |
| Quoted - at fair value | | | | |
| - Investment in Imperial Limited | 15,862,960 | 15,862,960 | 222,081 | 180,996 |
| | <u>15,862,960</u> | <u>15,862,960</u> | <u>222,081</u> | <u>180,996</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | | 2024 | 2023 |
|--|---|----------------|----------------|
| | Note | Rupees ('000') | Rupees ('000') |
| 24 INVESTMENT IN SUBSIDIARY | | | |
| Investment in Stitchrite | 24.01 | - | 160,000 |
| | | - | 160,000 |
| 24.01 | Stitchrite (Private) Limited, a private company incorporated in Pakistan (a wholly owned subsidiary of the Company) was disposed off during the year at profit for better control and management of the Company's affair. | | |
| 25 STORES, SPARE PARTS AND LOOSE TOOLS | | 2024 | 2023 |
| | Note | Rupees ('000') | Rupees ('000') |
| Stores | | 138,627 | 202,705 |
| Spares | | 243,572 | 183,678 |
| Loose tools | | 1,397 | 1,545 |
| | | 383,596 | 387,928 |
| Less: Provision for slow moving items | 25.01 | 1,398 | 1,132 |
| | | 382,198 | 386,796 |
| 25.01 Provision for slow moving items | | | |
| Opening balance | | 1,132 | 1,120 |
| Provision made during the year | | 1,398 | 1,132 |
| | | 2,530 | 2,252 |
| Less: Provision written off during the year | | 1,132 | 1,120 |
| Closing balance | | 1,398 | 1,132 |
| 26 STOCK IN TRADE | | | |
| Textile | | | |
| Raw material | | 790,006 | 876,329 |
| Work in process | | 420,267 | 435,503 |
| Finished goods | | 2,828,680 | 2,983,281 |
| | | 4,038,953 | 4,295,113 |
| Real Estate Business | | | |
| Land held for development and resale | | 165,000 | 165,000 |
| | | 4,203,953 | 4,460,113 |
| 27 TRADE DEBTS | | | |
| Foreign - secured: | | | |
| Considered good | | 44,449 | - |
| Local - unsecured: | | | |
| Considered good | | 156,857 | 1,017,013 |
| Considered doubtful | | 1,110 | 1,652 |
| | | 202,416 | 1,018,665 |
| Less: Allowance for expected credit loss | 27.01 | 1,110 | 1,652 |
| | | 201,306 | 1,017,013 |
| 27.01 Allowance for expected credit loss | | | |
| Opening balance | | 1,652 | 1,370 |
| ECL allowance provided during the year | | 1,110 | 1,652 |
| | | 2,762 | 3,022 |
| Less: ECL allowance written off during the year | | 1,652 | 1,370 |
| Closing balance | | 1,110 | 1,652 |
| 28 LOANS AND ADVANCES | | | |
| Considered good: | | | |
| Secured: | | | |
| Loans to employees | 28.01 | 16,440 | 20,774 |
| Advances to: | | | |
| -Suppliers | | 19,800 | 58,418 |
| -Stitchrite (Private) Limited (Subsidiary Company) | | - | 22,474 |
| -Letters of credit fee, margin and expenses | | 265,051 | 874,255 |
| | | 301,291 | 975,921 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

28.01 The advances are given to employees as per company's HR policy.

| | | 2024 | 2023 |
|---|-------------|----------------|----------------|
| | | Rupees ('000') | Rupees ('000') |
| 29 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS | Note | | |
| Trade deposits | | 92,189 | 80,661 |
| Other receivables | | 10,174 | 8,415 |
| | | <u>102,363</u> | <u>89,076</u> |
| 30 OTHER FINANCIAL ASSETS | | | |
| Other financial assets | 30.01 | <u>22</u> | <u>14</u> |

30.01 These include shares of listed companies classified at fair value through statement of profit or loss.

| | 2024 | 2023 | | 2024 | 2023 |
|--|-----------------------|------------|---|----------------|----------------|
| | No. of Shares / Bonds | | Note | Rupees ('000') | Rupees ('000') |
| | | | | | |
| | | | <i>Quoted - at fair value</i> | | |
| | 89 | 89 | Oil and Gas Development Company Limited | 12 | 7 |
| | 250 | 250 | Maple Leaf Cement Factory Limited | 10 | 7 |
| | <u>339</u> | <u>339</u> | | <u>22</u> | <u>14</u> |

31 TAX REFUNDS DUE FROM THE GOVERNMENT

| | | | |
|------------------------------------|--|------------------|------------------|
| Sales tax | | 2,988,841 | 1,989,165 |
| Income tax refundable / adjustable | | 109,343 | 264,069 |
| | | <u>3,098,184</u> | <u>2,253,234</u> |

32 CASH AND BANK BALANCES

| | | | |
|----------------------|-------|---------------|---------------|
| Cash in hand | | 2,088 | 4,781 |
| Cash at banks: | | | |
| -in current accounts | | 77,845 | 70,421 |
| -in deposit accounts | 32.01 | 7,945 | 15,714 |
| | | <u>87,878</u> | <u>90,916</u> |

32.01 These carry profit / markup ranging from 17.50% to 20.50% (2023: 12.25% to 19.50%) per annum.

| | | 2024 | 2023 |
|-----------------------|-------------|-------------------|-------------------|
| | | Rupees ('000') | Rupees ('000') |
| 33 SALES | Note | | |
| Local | | | |
| Yarn and Fabric | | 15,409,306 | 18,744,125 |
| Raw material sales | | 23,247 | 70,929 |
| Waste | | 115,335 | 329,000 |
| | | 15,547,888 | 19,144,054 |
| Export | | | |
| Yarn | | - | - |
| Soft -waste | | - | 46,347 |
| Fabric | | 1,313,331 | 1,794,448 |
| | | <u>1,313,331</u> | <u>1,840,795</u> |
| | | 16,861,219 | 20,984,849 |
| Commission and duties | | (97,191) | (132,125) |
| | | <u>16,764,028</u> | <u>20,852,724</u> |

33.01 Sales are shown net of sales tax, amounting Rs. 2,741 million (2023: 3,547 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| | | 2024 | 2023 |
|---------------------------------------|--|----------------|----------------|
| | Note | Rupees ('000') | Rupees ('000') |
| 34 COST OF SALES | | | |
| Raw material consumed | 34.01 | 9,680,653 | 13,173,615 |
| Stores consumed | | 558,674 | 1,342,841 |
| Staff salaries, wages and benefits | 34.02 | 1,428,549 | 2,067,349 |
| Power and fuel | | 6,200,895 | 4,401,877 |
| Insurance | | 74,165 | 60,788 |
| Rent, rates and taxes | | 14,442 | 11,192 |
| Depreciation | 20.02 | 882,434 | 873,318 |
| Other charges | | 140,969 | 75,371 |
| | | 18,980,781 | 22,006,351 |
| Work in process: | | | |
| Opening | | 435,503 | 392,980 |
| Closing | | (420,267) | (435,503) |
| | | 15,236 | (42,523) |
| Cost of goods manufactured | | 18,996,017 | 21,963,828 |
| Finished goods: | | | |
| Opening stock | | 2,983,281 | 2,475,640 |
| Closing stock | | (2,828,680) | (2,983,281) |
| | | 154,601 | (507,641) |
| Real estate: | | | |
| Opening stock | | 165,000 | 165,000 |
| Closing stock | | (165,000) | (165,000) |
| | | - | - |
| | | 19,150,617 | 21,456,188 |
| 34.01 Raw material consumed | | | |
| Opening stock | | 876,329 | 1,702,808 |
| Purchases including purchase expenses | | 9,594,330 | 12,347,136 |
| | | 10,470,659 | 14,049,944 |
| Closing stock | | (790,006) | (876,329) |
| | | 9,680,653 | 13,173,615 |
| 34.02 | Salaries, wages and other benefits include provision for staff retirement benefits for the year Rs. 156.94 million (2023: Rs. 176.91 million). | | |
| 35 DISTRIBUTION COST | | | |
| Staff salaries and benefits | | 31,696 | 29,037 |
| Freight | | 70,385 | 70,090 |
| Rent and rates | | 40 | 175 |
| Telecommunication | | 1,898 | 1,719 |
| Export forwarding charges | | 122,052 | 128,442 |
| Bank charges | | 2,440 | 1,724 |
| Others | | 17,225 | 17,821 |
| | | 245,736 | 249,008 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| 36 ADMINISTRATIVE EXPENSES | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|-------|------------------------|------------------------|
| Staff salaries and benefits | 36.01 | 276,782 | 270,250 |
| Printing and stationery | | 915 | 763 |
| Travelling and conveyance | | 17,065 | 16,913 |
| Communication | | 6,733 | 5,966 |
| Repair and maintenance | | 5,605 | 15,676 |
| Insurance | | 9,790 | 8,062 |
| Advertisement | | 6,450 | 71 |
| Fee and subscription | | 6,150 | 6,826 |
| Allowance for expected credit loss | 27.01 | 1,110 | 1,652 |
| Provision for slow moving stores, spares and loose tools | 25.01 | 1,398 | 1,132 |
| Entertainment | | 4,192 | 4,134 |
| Auditors' remuneration | 36.02 | 4,345 | 4,081 |
| Donation | 36.03 | 2,311 | 5,262 |
| Expenses related to corporate social responsibilities | | 1,800 | 6,030 |
| Legal and professional charges | | 6,898 | 7,474 |
| Directors' meeting fee | | 400 | 350 |
| Depreciation | 20.00 | 16,539 | 14,730 |
| Miscellaneous expenses | | 428 | 3,077 |
| | | 368,911 | 372,449 |

36.01 Salaries, wages and other benefits include staff retirement benefits for the year Rs. 12.568 million (2023: Rs. 10.582 million).

| 36.02 Auditors' remuneration | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|------------------------------|------|------------------------|------------------------|
| Statutory audit fee | | 3,700 | 3,520 |
| Half yearly review fee | | 425 | 376 |
| CCG review fee | | 150 | 125 |
| Out of pocket expenses | | 70 | 60 |
| | | 4,345 | 4,081 |

36.03 No director or his / her spouse had any interest in the donees' fund.

37 FINANCE COST

| | | |
|---|-----------|-----------|
| Bank charges and commission | 7,973 | 17,551 |
| Mark up on inland bill discounting | 27,734 | 25,424 |
| Mark up on; | | |
| - Long term finance | 1,162,168 | 652,219 |
| - Short term borrowings | 356,865 | 349,568 |
| - Liabilities against assets subject to finance lease | 68 | 786 |
| | 1,519,101 | 1,002,573 |
| | 1,554,808 | 1,045,548 |

38 OTHER OPERATING CHARGES

| | | |
|--------------------------------------|--------|-------|
| Unwinding of loans at amortized cost | 4,131 | 5,997 |
| Exchange Loss | 10,749 | - |
| | 14,880 | 5,997 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| 39 OTHER INCOME | | 2024 | 2023 |
|--|-------|----------------|----------------|
| Income from financial assets | Note | Rupees ('000') | Rupees ('000') |
| Profit on deposits with banks | | 14,315 | 7,494 |
| Amortization of deferred mark up | | 472,160 | 2,702,196 |
| Gain on remeasurement of investments | | 41,093 | 5,076 |
| Income from other than financial assets | | | |
| (Loss) / Gain on sale of property, plant and equipment | 20.06 | 905 | 7,894 |
| (Loss) / gain on revaluation of investment property | 22 | 600,000 | 151,481 |
| (Loss) / Exchange gain realized | | - | 15,444 |
| Agricultural income | | - | 4,432 |
| Miscellaneous income | | 14,793 | 33,367 |
| | | 1,143,266 | 2,927,384 |
| 40 TAXATION AND LEVIES | | | |
| Levies - final and minimum tax: | | | |
| -Final tax | | 12,346 | 19,810 |
| -Minimum tax | | 194,349 | 239,301 |
| Current tax levies | | 206,695 | 259,111 |
| -Prior years levies | | 896 | (316,460) |
| Taxation: | | 207,591 | (57,349) |
| -Current year | | - | - |
| -Prior years | | - | - |
| | | 207,591 | (57,349) |
| Deferred | | 5,950 | (116,111) |
| | | 213,541 | (173,460) |

- Income tax return has been filed to the income tax authorities up to and including tax year 2023 under the provisions of the Income Tax Ordinance, 2001.

- Provision for taxation and tax levies has been made in accordance with section 154 and 113 of the Income Tax Ordinance, 2001 ("The Ordinance"). There is no relation between aggregate tax expense and accounting profit. Accordingly, no numerical reconciliation has been presented.

| 41 EARNINGS PER SHARE | Note | 2024 | 2023 |
|--|----------------|-------------|---------|
| Basic Earnings per share: | | | |
| Profit after taxation | Rupees ('000') | (3,641,199) | 824,377 |
| Weighted average number of ordinary shares | Number ('000') | 498,010 | 498,010 |
| Earning per share - basic and diluted | Rupees | (7.31) | 1.66 |
| Diluted earnings per share: | | | |

There is no dilutive effect on the basic earnings per share of the company because the company has no outstanding potential ordinary shares.

42 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

| | CHIEF EXECUTIVE | | EXECUTIVE DIRECTOR | | NON-EXECUTIVES DIRECTORS | | EXECUTIVES | |
|-------------------------|-----------------|----------------|--------------------|----------------|--------------------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | Rupees ('000') | Rupees ('000') | Rupees ('000') | Rupees ('000') | Rupees ('000') | Rupees ('000') | Rupees ('000') | Rupees ('000') |
| Managerial remuneration | 27,273 | 27,273 | 5,455 | 5,636 | - | - | 108,687 | 94,546 |
| Retirement benefits | 2,272 | 2,272 | 454 | 470 | - | - | 8,579 | 7,757 |
| Medical | 2,727 | 2,727 | 545 | 564 | - | - | 10,869 | 9,455 |
| Meeting fee | - | - | - | - | 400 | 350 | - | - |
| | 32,272 | 32,272 | 6,454 | 6,670 | 400 | 350 | 128,135 | 111,758 |
| Number of Executives | 1 | 1 | 1 | 1 | 5 | 5 | 67 | 52 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

42.01 Certain executives including Chief Executive Officer of the company are also provided with free use of Company's cars in accordance with their entitlements.

42.02 No remuneration was given to Non Executive Director except the fee paid for attending the meeting and as disclosed in note No. 36. Non Executive Directors include one independent director.

43 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of directors, key management personnel and post employment benefits plan. Remuneration of Chief Executive Officer is disclosed in note No. 42. Other significant transactions with related parties are as follows:

| Nature of transaction | Nature of Relationship | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------------------------|-------|------------------------|------------------------|
| Expense related to provident fund trust | Employees Fund | 43.01 | 31,797 | 31,839 |

43.01 The related party status of outstanding balances as at 30 June 2024 related to employee provident fund trust are included in trade and other payables amounting to Rs. 32.919 million (2023: Rs. 46.822 million). These are to be settled in the ordinary course of business.

Following are the related parties with whom the company has entered into transactions or have arrangements / agreements in place.

| Sr. No. | Company Name | Basis of relationship |
|---------|--|-----------------------|
| 1 | CTML Employees Contributory Provident Fund | Trustee |

44 PLANT CAPACITY AND ACTUAL PRODUCTION

Installed capacity

Spinning division:

Ring spinning:

| | | | |
|---|-----|-------------|-------------|
| Installed capacity converted into 20s count | Kgs | 124,807,256 | 124,807,256 |
|---|-----|-------------|-------------|

Open end spinning:

| | | | |
|---|-----|------------|------------|
| Installed capacity converted into 20s count | Kgs | 14,284,911 | 14,284,911 |
|---|-----|------------|------------|

Weaving Division:

| | | | |
|---|--------|-------------|-------------|
| Installed capacity converted into square meter @ 60 PPI | Meters | 121,824,244 | 121,824,244 |
|---|--------|-------------|-------------|

Actual production:

Spinning division:

Ring spinning:

| | | | |
|-------------------------------------|-----|------------|------------|
| Production converted into 20s count | Kgs | 49,263,462 | 61,778,212 |
|-------------------------------------|-----|------------|------------|

Open end spinning:

| | | | |
|-------------------------------------|-----|-----------|-----------|
| Production converted into 20s count | Kgs | 4,639,004 | 7,768,014 |
|-------------------------------------|-----|-----------|-----------|

Weaving Division:

| | | | |
|---|--------|------------|------------|
| Production converted into square meter @ 60 PPI | Meters | 23,280,935 | 39,195,482 |
|---|--------|------------|------------|

Remarks:

It is difficult to describe precisely the production capacity in spinning / weaving mills since it fluctuates widely depending on various factors such as count of yarn spun, twist, fiber blend and fabric construction etc. It also significantly varies based on the pattern of production adopted throughout the year. Difference of actual production with installed capacity is in normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| 45 PROVIDENT FUND | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|--|-------|------------------------|------------------------|
| The following information is based on the latest audited -financial statements of the trust: | | | |
| Size of the fund | | 448,146 | 393,254 |
| Cost of investments made | 45.01 | 308,737 | 333,899 |
| Percentage of investments made | | 68.89% | 84.91% |
| Fair value of investments | | 308,737 | 333,899 |

45.01 The break-up of fair value of investments is:

| | 2024 | | 2023 | |
|-----------------------|-------------|------------|-------------|------------|
| | Rs. ('000') | Percentage | Rs. ('000') | Percentage |
| Loan to members | 216,163 | 70% | 237,816 | 71% |
| Bank balances | 92,574 | 30% | 82,256 | 25% |
| Government securities | - | 0% | 13,827 | 4% |
| | 308,737 | 100% | 333,899 | 100% |

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

| 46 NUMBER OF EMPLOYEES | | 2024 Number | 2023 Number |
|---|-----------|----------------|----------------|
| The total and average number of employees during the year and as at 30 June 2024 / 30 June 2023 are as follows: | | | |
| Average number of employees during the year | - factory | 3,091 | 6,007 |
| | - others | 845 | 955 |
| | | 3,936 | 6,962 |
| Number of employees at the end of the year | - factory | 2,343 | 3,838 |
| | - others | 809 | 881 |
| | | 3,152 | 4,719 |

47 FINANCIAL INSTRUMENTS

47.01 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. 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.

47.02 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from deposits, trade debts, loans, advances and other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date by type of parties was:

| Financial assets as per statement of financial position | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------------------------|------------------------|
| Long term investment in IL | 222,081 | 180,996 |
| Long term deposits | 54,465 | 51,132 |
| Trade debts | 201,306 | 1,017,013 |
| Loans and advances | 19,800 | 20,774 |
| Trade deposits and short term prepayments | 102,363 | 89,076 |
| Cash and Bank balances | 85,790 | 86,135 |
| Investments measured at fair value through profit or loss | | |
| Quoted - at fair value | 22 | 14 |
| Investment measured at fair value through other comprehensive income | | |
| Quoted - at fair value | 893 | 768 |
| Unquoted - at cost | 400 | 400 |
| | 687,120 | 1,446,308 |

NOTES TO THE FINANCIAL STATEMENTS

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The Company's credit risk exposures are categorized under the following headings:

Counter parties

The Company conducts transactions with the following major counterparties:

- Trade debtors

- Banks and other financial institutions

The Company has adopted a policy of only dealing with creditworthy counter parties 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.

Credit risk related to trade debts

Trade debts are essentially due from local and foreign customers against sale of yarn, fabric and waste material and the Company does not expect these counter parties to fail to meet their obligations. The majority of sales to the Company's customers are made on specific terms. Customer credit risk is managed subject to established policies, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on past experience with the customer. Outstanding customer receivables are regularly monitored and any shipments to foreign customers are generally covered by letters of credit.

Trade receivables are non-interest bearing and are generally on 60 to 90 days credit terms.

Impairment losses

The aging of trade debts and loans to employees at the reporting date was:

| | 2024 Rupees ('000') | 2023 Rupees ('000') |
|-----------------|------------------------|------------------------|
| 0 to 30 days | 65,324 | 311,336 |
| 31 to 180 days | 87,098 | 415,114 |
| 181 to 360 days | 64,214 | 309,684 |
| Over one year | 1,110 | 1,652 |
| | 217,746 | 1,037,786 |

Trade debts include debtors with a carrying amount of Rs. 1.110 million (2023: Rs. 1.652 million) which are past due at the reporting date but not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Concentration of credit risk

Trade debts consist of a large number of diversified customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable where appropriate. Geographically, there is no concentration of credit risk.

Credit risk related to banks and other financial institutions

Credit risk on balances with banks is managed by management in accordance with the Company's policy. Excess funds are placed in deposits with reputable banks and financial institutions.

47.03 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of statement of financial position liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customer. Furthermore, support from sponsors in the form of interest free loans to meet liquidity shortfall is also contributory to minimize liquidity risk.

The Company manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in note No. 15.02 is a list of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

47.03.1 Liquidity risk table

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

| | 30 June 2024 | | | | | | |
|---|--------------------------|-------------------------|-------------------|------------------------------|-------------------------|-------------------|-------------------|
| | Interest/mark-up bearing | | | Non interest/mark-up bearing | | | |
| | Maturity within one year | Maturity after one year | Sub Total | Maturity within one year | Maturity after one year | Sub Total | Total |
| Financial Liabilities: | | | | | | | |
| Financial liabilities measured at amortized cost | - | - | - | - | 3,214,223 | 3,214,223 | 3,214,223 |
| Long term financing | 1,296,174 | 6,351,781 | 7,647,954 | - | - | - | 7,647,954 |
| Director's loan | - | - | - | - | 120,000 | 120,000 | 120,000 |
| Liabilities against assets subject to finance lease | - | - | - | - | - | - | - |
| Short-term borrowings | 1,572,646 | - | 1,572,646 | - | - | - | 1,572,646 |
| Trade and other payables | - | - | - | 6,998,396 | - | 6,998,396 | 6,998,396 |
| Unclaimed dividend | - | - | - | 94 | - | 94 | 94 |
| Accrued mark up | 516,138 | - | 516,138 | - | - | - | 516,138 |
| | 3,384,958 | 6,351,781 | 9,736,738 | 6,998,490 | 3,334,223 | 10,332,713 | 20,069,451 |
| | | | | | | | |
| | 30 June 2023 | | | | | | |
| | Interest/mark-up bearing | | | Non interest/mark-up bearing | | | |
| | Maturity within one Year | Maturity after one Year | Sub Total | Maturity within one Year | Maturity after one Year | Sub Total | Total |
| Financial Liabilities: | | | | | | | |
| Financial liabilities measured at amortized cost | - | - | - | - | 2,534,250 | 2,534,250 | 2,534,250 |
| Long term financing | 1,002,785 | 6,607,342 | 7,610,127 | - | - | - | 7,610,127 |
| Director's loan | - | - | - | - | 120,000 | 120,000 | 120,000 |
| Liabilities against assets subject to finance lease | 3,207 | - | 3,207 | - | - | - | 3,207 |
| Short-term borrowings | 2,881,132 | - | 2,881,132 | - | - | - | 2,881,132 |
| Trade and other payables | - | - | - | 3,922,124 | - | 3,922,124 | 3,922,124 |
| Unclaimed dividend | - | - | - | 94 | - | 94 | 94 |
| Accrued mark up | 207,489 | - | 207,489 | - | - | - | 207,489 |
| | 4,094,613 | 6,607,342 | 10,701,955 | 3,922,218 | 2,654,250 | 6,576,468 | 17,278,423 |

Effective mark up / interest rates have been disclosed in respective notes to the financial statements.

47.04 Market risk

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.

47.04.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The Company is exposed to currency risk on trade debts which are denominated in currency other than the functional currency of the Company. The Company's exposure to foreign currency risk is as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| Statement of financial position items | 2024 | | 2023 | |
|--|----------------|---------------|----------------|---------------|
| | Rupees ('000') | US \$ ('000') | Rupees ('000') | US \$ ('000') |
| Trade debts | 44,449 | 161 | - | - |
| L/C Margins | 265,051 | 962 | 874,255 | 3,057 |
| Off statement of financial position commitments | | | | |
| | 2024 | | 2023 | |
| | Rupees ('000') | US \$ ('000') | Rupees ('000') | US \$ ('000') |
| Letter of credit | - | - | - | - |

The following US Dollar exchange rates were applied during the year:

| | 2024 | 2023 |
|---|--------|--------|
| | Rupees | Rupees |
| Average rate | 280.76 | 245.42 |
| Statement of financial position date rate | 275.52 | 285.99 |

Sensitivity analysis - foreign currency

At 30 June 2024, if the Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit for the year would have been lower / higher by Rs. 2.218 million (2023: 65.081 million), as a result of foreign exchange gains / losses on translation of foreign currency trade debts. Profit / (loss) is more sensitive to movement in Rupee / foreign currency exchange rates in 2024 than 2023 because of average increase in foreign currency exchange rate during the year.

47.04.2 Interest rate risk

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 1 month, 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.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| Fixed rate instruments | | | |
| There are no fixed rate instruments. | | | |
| Variable rate instruments | | | |
| Financial assets | | | |
| Cash in deposit accounts | | 7,945 | 15,714 |
| Financial liabilities | | | |
| Long term finance | | 7,647,954 | 7,610,127 |
| Short term finance | | 1,572,646 | 2,881,132 |
| Liabilities against assets subject to finance lease | | - | 3,207 |
| | | 9,220,600 | 10,494,465 |

Sensitivity analysis - interest rate

If interest rates had been 1% higher / lower and all other variables were held constant, the Company's / profit (loss) for the year ended 30 June 2024 would have decreased / increased by Rs. 0.00 million (2023: Rs. 104.78 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate financial instruments.

47.04.3 Other price risk

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not materially exposed to other price risk on financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

47.04.4 Financial instruments by category

The Company finances its operation through equity, borrowings and management of working capital with a view to maintain 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.

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| Financial assets as per statement of financial position | | | |
| Loan and receivable | | | |
| Long-term deposits | | 54,465 | 51,132 |
| Trade debts | | 201,306 | 1,017,013 |
| Loans and advances | | 19,800 | 20,774 |
| Trade deposits and short term prepayments | | 102,363 | 89,076 |
| Cash and Bank balances | | 85,790 | 86,135 |
| Long term investment | | | |
| Investment in IL at fair value through statement of profit or loss | | 222,081 | 180,996 |
| Fair value through profit or loss | | | |
| Quoted - at fair value | | 22 | 14 |
| Fair value through other comprehensive income | | | |
| Quoted - at fair value | | 893 | 768 |
| Unquoted - at cost | | 400 | 400 |
| | | 687,120 | 1,446,308 |
| Financial liabilities as per statement of financial position | | | |
| Financial liabilities measured at amortized cost | | | |
| Long term finance | | 3,214,223 | 2,534,250 |
| Director's loan | | 7,647,954 | 7,610,127 |
| Liabilities against assets subject to finance lease | | 120,000 | 120,000 |
| Short-term borrowings | | - | 3,207 |
| Trade and other payables | | 1,572,646 | 2,881,132 |
| Unclaimed dividend | | 6,998,396 | 3,922,124 |
| Accrued mark up | | 94 | 94 |
| | | 516,138 | 207,489 |
| | | 20,069,451 | 17,278,423 |

47.05 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

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

47.05.1 Fair value hierarchy

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

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

| Financial assets: | 2024 | | | Total |
|---|----------------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | |
| | Rupees ('000') | | | |
| Financial investments: available for sale | 22 | - | - | 22 |
| Investment at fair value through profit or loss | 222,081 | - | - | 222,081 |
| Investment - available for sale | 611 | - | 282 | 893 |
| | 222,714 | - | 282 | 222,996 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

| Financial assets: | 2023 | | | |
|---|----------------|----------|------------|----------------|
| | Level 1 | Level 2 | Level 3 | Total |
| | Rupees ('000') | | | |
| Financial investments: available for sale | 14 | - | - | 14 |
| Investment at fair value through profit or loss | 180,996 | - | - | 180,996 |
| Investment - available for sale | 486 | - | 282 | 768 |
| | <u>181,496</u> | <u>-</u> | <u>282</u> | <u>181,778</u> |

48 CAPITAL MANAGEMENT

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 statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e., share capital, reserves and unappropriated profit).
- The Company's strategy is to maintain its debt-to-adjusted capital ratio between 40% to 60%. The debt-to-adjusted capital ratios at 30 June 2023 and 30 June 2022 were as follows:

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---------------------------------|------|------------------------|------------------------|
| Total debt | | 9,220,601 | 10,494,466 |
| Less: cash and cash equivalents | | 87,878 | 90,916 |
| Net debt | | 9,132,722 | 10,403,550 |
| Total equity | | 7,349,914 | 10,990,441 |
| Total capital employed | | <u>16,482,636</u> | <u>21,393,991</u> |
| Gearing ratio (%) | | 55.41% | 48.63% |

49 NON ADJUSTING EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no non-adjusting events after the statement of financial position date.

50 CASH GENERATED FROM OPERATIONS

CASH FLOWS FROM OPERATING ACTIVITIES

| | Note | 2024 Rupees ('000') | 2023 Rupees ('000') |
|---|------|------------------------|------------------------|
| Profit / (loss) before taxation and levies | | (3,427,658) | 650,917 |
| Adjustments for: | | | |
| Provision for staff retirement benefits | | 138,623 | 157,570 |
| Depreciation | | 898,973 | 888,048 |
| Finance cost | | 1,554,808 | 1,045,548 |
| Share of (gain) / loss from investment in IML | | (41,085) | (5,076) |
| Loss/(gain) on remeasurement of short term investments | | (8) | - |
| Revaluation loss / (gain) on investment property | | (600,000) | (151,481) |
| Provision for slow moving stores, spares and loose tools | | 1,398 | 1,132 |
| Loss allowance for doubtful trade debts | | 1,110 | 1,652 |
| Amortization of deferred mark up | | (472,160) | (2,702,196) |
| Gain on amortization of long term loan | | 4,131 | 5,997 |
| (Gain)/loss on disposal of property, plant and equipment | | (905) | (7,894) |
| | | <u>1,484,886</u> | <u>(766,699)</u> |
| Operating cash flows before working capital changes carried forward | | <u>(1,942,772)</u> | <u>(115,782)</u> |

Changes in working capital:

(Increase) / decrease in current assets:

| | | |
|--|------------------|------------------|
| Stores, spares and loose tools | 4,598 | 237,586 |
| Stock-in-trade | 256,160 | 276,315 |
| Trade debts | 815,707 | 561,368 |
| Loans and advances | 674,630 | 536,439 |
| Tax refund due from government | (999,676) | (1,283,076) |
| Trade deposits and short term prepayments | (13,287) | (3,347) |
| Increase / (decrease) in current liabilities: | | |
| Trade and other payables | 3,072,865 | 1,233,767 |
| | <u>3,810,997</u> | <u>1,559,052</u> |
| Cash generated from operations | <u>1,868,224</u> | <u>1,443,271</u> |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

51 SEGMENT INFORMATION

| | Spinning | | Weaving | | Real estate | | Total | |
|--|----------------------------|-------------|-------------|-----------|-------------|------|-------------|-------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | ----- Rupees ('000') ----- | | | | | | | |
| Sales: | | | | | | | | |
| Total | 14,467,264 | 17,805,287 | 2,483,913 | 3,276,078 | - | - | 16,951,177 | 21,081,365 |
| Intersegment | (187,149) | (228,641) | - | - | - | - | (187,149) | (228,641) |
| | 14,280,115 | 17,576,646 | 2,483,913 | 3,276,078 | - | - | 16,764,028 | 20,852,724 |
| Cost of Sales | 15,869,452 | 18,023,198 | 3,281,165 | 3,432,990 | - | - | 19,150,617 | 21,456,188 |
| Gross profit / (loss) | (1,589,337) | (446,552) | (797,252) | (156,912) | - | - | (2,386,589) | (603,464) |
| Distribution Cost | 172,015 | 174,306 | 73,721 | 74,702 | - | - | 245,736 | 249,008 |
| Administrative expenses | 258,238 | 260,715 | 110,673 | 111,735 | - | - | 368,911 | 372,449 |
| | 430,253 | 435,020 | 184,394 | 186,437 | - | - | 614,647 | 621,458 |
| | (2,019,589) | (881,572) | (981,646) | (343,350) | - | - | (3,001,236) | (1,224,922) |
| Finance cost | 1,010,625 | 731,884 | 544,183 | 313,664 | - | - | 1,554,808 | 1,045,548 |
| Profit / (loss) before unallocated income and expenses | (3,030,215) | (1,613,456) | (1,525,829) | (657,014) | - | - | (4,556,044) | (2,270,470) |

Unallocated income and expenses

| | | | |
|--|--|-------------|-----------|
| Other operating charges | | 14,880 | 5,997 |
| Other Income | | 1,143,266 | 2,927,384 |
| Profit / (loss) before taxation and tax levies | | (3,427,659) | 650,917 |
| Taxation and tax levies | | 213,541 | (173,460) |
| Profit / (loss) after taxation and tax levies for the year | | (3,641,199) | 824,377 |
| Other comprehensive income: | | | |
| Remeasurement (loss) / gain of defined benefit obligation | | 547 | 15,202 |
| Net fair value gain / (loss) on investment through FVOCI | | 125 | (346) |
| Total comprehensive profit for the year | | (3,640,527) | 839,233 |

Reconciliation of reportable segment assets and liabilities

| | Spinning | | Weaving | | Total | |
|---|----------------------------|------------|-----------|-----------|-------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | ----- Rupees ('000') ----- | | | | | |
| Total assets for reportable segments | 10,124,801 | 10,537,416 | 8,624,831 | 8,621,522 | 18,749,632 | 19,158,939 |
| Unallocated assets: | | | | | | |
| Investment property | | | | | 1,542,570 | 942,570 |
| Long term investments | | | | | 223,374 | 182,164 |
| Investment in subsidiary | | | | | - | 160,000 |
| Cash and bank balances | | | | | 87,878 | 90,916 |
| Other corporate assets | | | | | 8,343,782 | 9,233,299 |
| Total assets as per statement of financial position | | | | | 28,947,236 | 29,767,887 |
| Unallocated liabilities: | | | | | | |
| Directors' loan | | | | | 120,000 | 120,000 |
| Provision for taxation | | | | | 278,338 | 330,754 |
| Other corporate liabilities | | | | | 28,548,898 | 29,317,133 |
| Total liabilities as per statement of financial position | | | | | 28,947,236 | 29,767,887 |

51.01 Geographical information

The Company's revenue from external customers by geographical locations is detailed below:

| | Spinning | | Weaving | | Total | |
|--------|----------------------------|--------|-----------|-----------|-----------|-----------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | ----- Rupees ('000') ----- | | | | | |
| Europe | - | - | 881,728 | 975,878 | 881,728 | 975,878 |
| USA | - | - | 93,900 | 67,688 | 93,900 | 67,688 |
| Africa | - | - | 41,331 | 22,110 | 41,331 | 22,110 |
| Asia | - | 46,347 | 296,372 | 728,772 | 296,372 | 775,119 |
| | - | 46,347 | 1,313,331 | 1,794,448 | 1,313,331 | 1,840,795 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

52 DATE OF AUTHORISATION FOR ISSUE

These financial statements have been approved and authorized for issue on 07 October 2024 by the Board of Directors of the Company.

53 GENERAL

- Figures have been rounded off to the nearest Rupees in thousand except where stated otherwise.
- Corresponding figures have been rearranged/reclassified, wherever necessary, to facilitate comparison.

Chief Financial Officer

Director

Chief Executive Officer

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Number of ShareHolders | Shareholding | | Total Number of Share Held | Percentage of Total Capital |
|------------------------|--------------|--------|----------------------------|-----------------------------|
| | From | To | | |
| 243 | 1 - | 100 | 6,635 | 0.00 |
| 401 | 101 - | 500 | 126,524 | 0.03 |
| 417 | 501 - | 1000 | 333,638 | 0.07 |
| 864 | 1001 - | 5000 | 2,340,103 | 0.47 |
| 333 | 5001 - | 10000 | 2,555,362 | 0.51 |
| 99 | 10001 - | 15000 | 1,246,541 | 0.25 |
| 93 | 15001 - | 20000 | 1,696,396 | 0.34 |
| 43 | 20001 - | 25000 | 1,002,149 | 0.20 |
| 32 | 25001 - | 30000 | 902,890 | 0.18 |
| 32 | 30001 - | 35000 | 1,053,275 | 0.21 |
| 24 | 35001 - | 40000 | 915,394 | 0.18 |
| 16 | 40001 - | 45000 | 679,811 | 0.14 |
| 24 | 45001 - | 50000 | 1,175,678 | 0.24 |
| 7 | 50001 - | 55000 | 364,749 | 0.07 |
| 15 | 55001 - | 60000 | 869,352 | 0.17 |
| 6 | 60001 - | 65000 | 376,662 | 0.08 |
| 9 | 65001 - | 70000 | 610,799 | 0.12 |
| 5 | 70001 - | 75000 | 368,615 | 0.07 |
| 9 | 75001 - | 80000 | 712,685 | 0.14 |
| 4 | 80001 - | 85000 | 338,500 | 0.07 |
| 5 | 85001 - | 90000 | 439,074 | 0.09 |
| 4 | 90001 - | 95000 | 371,357 | 0.07 |
| 9 | 95001 - | 100000 | 891,574 | 0.18 |
| 4 | 100001 - | 105000 | 409,234 | 0.08 |
| 3 | 105001 - | 110000 | 325,889 | 0.07 |
| 3 | 110001 - | 115000 | 337,471 | 0.07 |
| 4 | 115001 - | 120000 | 467,067 | 0.09 |
| 1 | 120001 - | 125000 | 123,290 | 0.02 |
| 2 | 125001 - | 130000 | 256,500 | 0.05 |
| 3 | 130001 - | 135000 | 402,069 | 0.08 |
| 2 | 135001 - | 140000 | 276,184 | 0.06 |
| 1 | 140001 - | 145000 | 140,464 | 0.03 |
| 2 | 145001 - | 150000 | 293,000 | 0.06 |
| 3 | 155001 - | 160000 | 473,640 | 0.10 |
| 2 | 160001 - | 165000 | 325,916 | 0.07 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Number of ShareHolders | Shareholding | | Number of Share Held | % of Capital |
|------------------------|--------------|--------|----------------------|--------------|
| | From | To | | |
| 1 | 165001 - | 170000 | 165,091 | 0.03 |
| 2 | 170001 - | 175000 | 345,000 | 0.07 |
| 1 | 175001 - | 180000 | 180,000 | 0.04 |
| 1 | 180001 - | 185000 | 180,485 | 0.04 |
| 1 | 185001 - | 190000 | 189,000 | 0.04 |
| 1 | 190001 - | 195000 | 193,427 | 0.04 |
| 5 | 195001 - | 200000 | 999,000 | 0.20 |
| 1 | 205001 - | 210000 | 206,000 | 0.04 |
| 1 | 215001 - | 220000 | 215,054 | 0.04 |
| 2 | 220001 - | 225000 | 447,500 | 0.09 |
| 1 | 240001 - | 245000 | 241,123 | 0.05 |
| 2 | 245001 - | 250000 | 498,500 | 0.10 |
| 2 | 265001 - | 270000 | 536,500 | 0.11 |
| 1 | 270001 - | 275000 | 274,297 | 0.06 |
| 1 | 295001 - | 300000 | 300,000 | 0.06 |
| 1 | 305001 - | 310000 | 307,000 | 0.06 |
| 2 | 325001 - | 330000 | 656,600 | 0.13 |
| 1 | 335001 - | 340000 | 340,000 | 0.07 |
| 1 | 340001 - | 345000 | 342,605 | 0.07 |
| 1 | 350001 - | 355000 | 352,500 | 0.07 |
| 1 | 355001 - | 360000 | 357,704 | 0.07 |
| 1 | 370001 - | 375000 | 370,945 | 0.07 |
| 2 | 395001 - | 400000 | 796,351 | 0.16 |
| 1 | 445001 - | 450000 | 447,373 | 0.09 |
| 1 | 450001 - | 455000 | 452,508 | 0.09 |
| 1 | 465001 - | 470000 | 467,909 | 0.09 |
| 1 | 470001 - | 475000 | 471,316 | 0.09 |
| 1 | 480001 - | 485000 | 483,404 | 0.10 |
| 1 | 495001 - | 500000 | 500,000 | 0.10 |
| 2 | 510001 - | 515000 | 1,026,626 | 0.21 |
| 1 | 515001 - | 520000 | 516,717 | 0.10 |
| 1 | 540001 - | 545000 | 540,600 | 0.11 |
| 1 | 625001 - | 630000 | 626,558 | 0.13 |
| 1 | 635001 - | 640000 | 637,500 | 0.13 |
| 1 | 705001 - | 710000 | 705,758 | 0.14 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Number of ShareHolders | Shareholding | | Number of Share Held | % of Capital |
|------------------------|--------------|-----------|----------------------|---------------|
| | From | To | | |
| 2 | 725001 - | 730000 | 1,454,272 | 0.29 |
| 1 | 895001 - | 900000 | 897,000 | 0.18 |
| 1 | 1065001 - | 1070000 | 1,069,498 | 0.21 |
| 1 | 1755001 - | 1760000 | 1,760,000 | 0.35 |
| 1 | 1975001 - | 1980000 | 1,979,000 | 0.40 |
| 1 | 2035001 - | 2040000 | 2,039,500 | 0.41 |
| 1 | 2365001 - | 2370000 | 2,368,863 | 0.48 |
| 1 | 2410001 - | 2415000 | 2,413,500 | 0.48 |
| 1 | 3050001 - | 3055000 | 3,054,000 | 0.61 |
| 1 | 6825001 - | 6830000 | 6,828,342 | 1.37 |
| 1 | 7120001 - | 7125000 | 7,124,400 | 1.43 |
| 1 | 12250001 - | 12255000 | 12,251,186 | 2.46 |
| 1 | 12640001 - | 12645000 | 12,644,702 | 2.54 |
| 1 | 15855001 - | 15860000 | 15,858,576 | 3.18 |
| 1 | 19950001 - | 19955000 | 19,950,652 | 4.01 |
| 1 | 24280001 - | 24285000 | 24,282,881 | 4.88 |
| 1 | 24295001 - | 24300000 | 24,298,517 | 4.88 |
| 1 | 33895001 - | 33900000 | 33,895,628 | 6.81 |
| 1 | 48340001 - | 48345000 | 48,344,892 | 9.71 |
| 1 | 49750001 - | 49755000 | 49,754,204 | 9.99 |
| 1 | 55710001 - | 55715000 | 55,713,402 | 11.19 |
| 1 | 131445001 - | 131450000 | 131,447,506 | 26.39 |
| 2,793 | Total | | 498,009,959 | 100.00 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Ser # | Code | Category | No. of Shareholder | Shares Held | Percentage of Total Capital |
|---------------|------|-------------------------|--------------------|--------------------|-----------------------------|
| 1 | 1 | Individuals | 2,729 | 281,666,220 | 56.5584 |
| 2 | 2 | Directors/Sponsors etc. | 14 | 207,029,194 | 41.5713 |
| 3 | 4 | Joint Stock Companies | 25 | 2,658,439 | 0.5338 |
| 4 | 5 | Financial Institutions | 11 | 1,750,944 | 0.3516 |
| 5 | 9 | Insurance Companies | 6 | 170,888 | 0.0343 |
| 6 | 10 | Investment Companies | 4 | 3,150,792 | 0.6327 |
| 7 | 11 | Mutual Funds | 2 | 1,469,498 | 0.2951 |
| 8 | 13 | Others | 2 | 113,984 | 0.0229 |
| TOTAL: | | | 2,793 | 498,009,959 | 100.0000 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Sr. # | Folio Number | Name | Shares Held | |
|--------------------------------|----------------------|---|--------------------|----------------|
| Category | | | | |
| Individuals | | | | |
| | Running Total | Individuals | 281,666,220 | 56.5584 |
| Directors/Sponsors etc. | | | | |
| 1 | 1350 | MUHAMMAD SHAHZAD JAMIL | 1,000 | 0.0002 |
| 2 | 1352 | MRS. AMNA ANWAR | 1,000 | 0.0002 |
| 3 | 914 | MUHAMMAD TARIQ | 5,337 | 0.0011 |
| 4 | CDC-436 | FAREED MUGHIS SHEIKH | 55,713,402 | 11.1872 |
| 5 | 1349 | SYED AFTAB HUSSAIN NAQUI | 500 | 0.0001 |
| 6 | CDC-1106 | FAREED MUGHIS SHEIKH (21083) | 7,124,400 | 1.4306 |
| 7 | 306 | FAREED MUGHIS SHEIKH | 12,644,702 | 2.5390 |
| 8 | 611 | MAHNAZ FAREED SHEIKH | 57,787 | 0.0116 |
| 9 | 20 | Abdul Hakeem Khan Qasuria | 1,000 | 0.0002 |
| 10 | 23 | FAREED MUGHIS SHEIKH | 131,447,506 | 26.3946 |
| 11 | 24 | MAHNAZ FAREED SHEIKH | 16,560 | 0.0033 |
| 12 | 1 | Mr. Fareed Mughis Sheikh | 14,000 | 0.0028 |
| 13 | 14 | Mr. Muhammad Tariq | 1,000 | 0.0002 |
| 14 | 19 | Mr. Muhammad Atta Ullah Khan | 1,000 | 0.0002 |
| | Running Total | Directors/Sponsors etc. | 207,029,194 | 41.5713 |
| Joint Stock Companies | | | | |
| 1 | CDC-1471 | YASIR MAHMOOD SECURITIES (PVT.) LIMITED | 10,000 | 0.0020 |
| 2 | CDC-246 | PREMIER FASHIONS (PVT) LTD | 200,000 | 0.0402 |
| 3 | CDC-247 | SIZA (PRIVATE) LIMITED | 223,000 | 0.0448 |
| 4 | CDC-779 | NCC - PRE SETTLEMENT DELIVERY ACCOUNT | 4,110 | 0.0008 |
| 5 | CDC-300 | SAAO CAPITAL (PRIVATE) LIMITED | 90,040 | 0.0181 |
| 6 | CDC-441 | SARFRAZ MAHMOOD (PRIVATE) LTD | 293 | 0.0001 |
| 7 | CDC-442 | H M INVESTMENTS (PVT) LIMITED | 292 | 0.0001 |
| 8 | CDC-373 | ICON GLOBAL (PVT) LTD. | 50,000 | 0.0100 |
| 9 | CDC-461 | MAPLE LEAF CAPITAL LIMITED | 1 | 0.0000 |
| 10 | CDC-328 | FATEH TEXTILE MILLS LTD. | 752 | 0.0002 |
| 11 | CDC-645 | S.Z. SECURITIES (PRIVATE) LIMITED | 374 | 0.0001 |
| 12 | CDC-416 | TARIQ CAPITAL (PRIVATE) LIMITED | 11,500 | 0.0023 |
| 13 | CDC-325 | SIR WILLIAN ROBERTS CO (PVT) LTD | 21,222 | 0.0043 |
| 14 | CDC-1388 | FIKREES (PRIVATE) LIMITED | 32,510 | 0.0065 |
| 15 | CDC-1427 | NINI SECURITIES (PRIVATE) LIMITED | 10,000 | 0.0020 |
| 16 | CDC-1340 | HAFIZ LIMITED | 40,000 | 0.0080 |
| 17 | CDC-1130 | UNIVERSAL EQUITIES (PVT) LTD. | 180,485 | 0.0362 |
| 18 | CDC-1079 | UNIVERSAL EQUITIES (PRIVATE) LIMITED | 1,760,000 | 0.3534 |
| 19 | CDC-1459 | SHAFFI SECURITIES (PVT) LIMITED | 500 | 0.0001 |
| 20 | 213 | AZEEM SERVICES (PVT.) LTD. | 7 | 0.0000 |
| 21 | 221 | AZGARD NINE LIMITED | 21,057 | 0.0042 |
| 22 | 263 | DADA LIMITED | 752 | 0.0002 |
| 23 | 1307 | Y.S. SECURITIES & SERVICES (PVT) LTD. | 1 | 0.0000 |
| 24 | CDC-216 | Y.S. SECURITIES & SERVICES (PVT) LTD. | 791 | 0.0002 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Sr. # | Folio Number | Name | Shares Held | |
|-------------------------------|----------------------|--|------------------|---------------|
| | Category | | | |
| 25 | 982 | ORIENTAL SECURITIES (PVT.) LTD. | 752 | 0.0002 |
| | Running Total | Joint Stock Companies | 2,658,439 | 0.5338 |
| Financial Institutions | | | | |
| 1 | CDC-478 | NATIONAL BANK OF PAKISTAN | 471,316 | 0.0946 |
| 2 | CDC-477 | NATIONAL BANK OF PAKISTAN | 677 | 0.0001 |
| 3 | CDC-676 | BANKISLAMI PAKISTAN LIMITED | 307 | 0.0001 |
| 4 | CDC-392 | BANK ALFALAH LIMITED - LAHORE STOCK EXCHANGE BRANC | 728,272 | 0.1462 |
| 5 | CDC-414 | ESCORTS INVESTMENT BANK LIMITED | 722 | 0.0001 |
| 6 | 939 | NATIONAL BANK OF PAKISTAN | 58,658 | 0.0118 |
| 7 | 397 | HABIB BANK LIMITED | 2,843 | 0.0006 |
| 8 | CDC-1449 | SALIM SOZER SECURITIES (PRIVATE) LIMITED | 483,404 | 0.0971 |
| 9 | 1251 | UNITED BANK LTD. | 752 | 0.0002 |
| 10 | 1252 | UNITED BANK LTD. | 3,730 | 0.0007 |
| 11 | 938 | NATIONAL BANK OF PAKISTAN | 263 | 0.0001 |
| | Running Total | Financial Institutions | 1,750,944 | 0.3516 |
| Insurance Companies | | | | |
| 1 | 987 | PAKISTAN INSURANCE CORPORATION | 24,065 | 0.0048 |
| 2 | 253 | CENTRAL INSURANCE CO. LIMITED | 6,016 | 0.0012 |
| 3 | 409 | HABIB INSURANCE CO. LTD. | 1,631 | 0.0003 |
| 4 | 110 | ADAMJEE INSURANCE COMPANY LIMITED | 1,504 | 0.0003 |
| 5 | 1253 | UNITED INSURANCE COMPANY OF PAKISTA | 5,264 | 0.0011 |
| 6 | 940 | NATIONAL SECURITY INSURANCE CO. LTD | 132,408 | 0.0266 |
| | Running Total | Insurance Companies | 170,888 | 0.0343 |
| Investment Companies | | | | |
| 1 | CDC-351 | ICON MANAGEMENT (PRIVATE) LIMITED | 3,054,000 | 0.6132 |
| 2 | 986 | PAKISTAN INDUSTRIAL CREDIT & INVESTMENT CORP. LTD | 3,760 | 0.0008 |
| 3 | 494 | IDBP | 88,460 | 0.0178 |
| 4 | 918 | NAEEMS SECURITIES LTD. | 4,572 | 0.0009 |
| | Running Total | Investment Companies | 3,150,792 | 0.6327 |
| Mutual Funds | | | | |
| 1 | CDC-1426 | CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST | 1,069,498 | 0.2148 |
| 2 | CDC-939 | CDC - TRUSTEE AKD OPPORTUNITY FUND | 400,000 | 0.0803 |
| | Running Total | Mutual Funds | 1,469,498 | 0.2951 |

PATTERN OF SHAREHOLDING REPORT

AS ON JUNE 30, 2024

| Sr. # | Category | Folio Number | Name | Shares Held |
|---------------|----------|----------------------|--|-----------------------------|
| Others | | | | |
| 1 | CDC-357 | | TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSIO | 110,120 0.0221 |
| 2 | CDC-367 | | TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT F | 3,864 0.0008 |
| | | Running Total | Others | 113,984 0.0229 |
| | | | Grand Total: | 498,009,959 100.0000 |

Financial Highlights

| Year Ended | Year Ended | Year Ended | Year Ended | Year Ended | Year Ended |
|---------------|---------------|---------------|---------------|---------------|---------------|
| June 30, 2024 | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 |
| (Rupees 000) | (Rupees 000) | (Rupees 000) | (Rupees 000) | (Rupees 000) | (Rupees 000) |

Operating performance

| | | | | | | |
|-------------------------------|-------------|------------|------------|------------|------------|------------|
| Sales-net | 16,764,028 | 20,852,724 | 30,817,244 | 25,468,528 | 17,700,292 | 23,123,399 |
| Gross profit | (2,386,589) | (603,464) | 2,883,998 | 2,229,023 | 945,858 | 1,727,563 |
| Profit/(Loss) before taxation | (3,427,658) | 650,917 | 962,034 | 1,121,325 | (170,039) | 2,224,426 |
| Profit/(Loss) after taxation | (3,641,199) | 824,377 | 286,311 | 748,256 | (375,062) | 1,435,785 |

Financial position

Property, plant & equipment

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Property, plant and equipment-net | 18,732,936 | 19,054,709 | 18,865,685 | 18,211,729 | 18,118,579 | 18,330,300 |
| Capital work in progress | 16,696 | 104,230 | 589,050 | 527,287 | 132,452 | 131,659 |
| | 18,749,632 | 19,158,938 | 19,454,735 | 18,739,015 | 18,251,031 | 18,461,959 |

Current assets

| | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Stores, spare parts, loose tools and stock in trade | 4,586,151 | 4,846,909 | 5,361,942 | 5,160,871 | 4,884,600 | 5,103,283 |
| Other current assets | 3,703,166 | 4,335,258 | 4,111,737 | 2,911,549 | 3,171,285 | 2,698,375 |
| Cash and cash equivalents | 87,878 | 90,916 | 21,053 | 54,796 | 47,952 | 37,287 |
| | 8,377,195 | 9,273,083 | 9,494,732 | 8,127,216 | 8,103,837 | 7,838,945 |

Current liabilities

| | | | | | | |
|--|------------|-----------|-----------|-----------|-----------|-----------|
| Short term bank borrowings | 1,572,646 | 2,881,132 | 3,597,762 | 2,993,518 | 3,328,787 | 3,188,296 |
| Current portion of long term financing | 1,296,174 | 1,005,992 | 969,475 | 830,584 | 430,598 | 640,975 |
| Other current liabilities | 7,792,966 | 4,460,461 | 3,313,508 | 2,373,206 | 1,759,576 | 1,645,573 |
| | 10,661,786 | 8,347,585 | 7,880,745 | 6,197,309 | 5,518,961 | 5,474,844 |

Number of shares

| | | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| | 498,010 | 498,010 | 498,010 | 498,010 | 498,010 | 498,010 |
|--|---------|---------|---------|---------|---------|---------|

Ratios

| | | | | | | |
|--------------------|---------|--------|-------|-------|--------|-------|
| Gross profit ratio | -14.24% | -2.89% | 9.36% | 8.75% | 5.34% | 7.47% |
| Net profit ratio | -21.72% | 3.95% | 0.93% | 2.94% | -2.12% | 6.21% |
| Earning per share | (7.31) | 1.66 | 0.57 | 1.50 | (0.75) | 2.88 |
| Current ratio | 0.79 | 1.11 | 1.20 | 1.31 | 1.47 | 1.43 |

Capital structure ratio

| | | | | | | |
|----------------|------|------|------|------|------|------|
| Debt to equity | 0.51 | 0.41 | 0.41 | 0.44 | 0.46 | 0.46 |
|----------------|------|------|------|------|------|------|

- کمپنی تمام ملازمین کے لئے کتنی ہیوی ٹری پروویڈنٹ فنڈ اسکیم چلاتی ہے اور اپنے انتظامی اور غیر انتظامی عملے کے لئے فوائد گریجویٹ فنڈ اسکیم کی وضاحت کرتی ہے۔ ان کے متعلقہ اکاؤنٹس میں سرمایہ کاری کی خالص قیمت اکاؤنٹس کے متعلقہ نوٹوں میں فراہم کی گئی ہے۔

پائیداری کے خطرات، انتظام، اور ڈی اینڈ آئی اقدامات

خطرے کا انتظام اور تخفیف

ہم نے خطرات کو منظم کرنے اور کم کرنے کے لئے مختلف حکمت عملیوں پر عمل درآمد کیا ہے:

ماحولیاتی تحفظ: کمپنی اپنے آپریشنز میں سخت ماحولیاتی معیار کا اطلاق کرتی ہے، کم سے کم ماحولیاتی اثرات والے منصوبوں کو مربوط کرنے پر توجہ مرکوز کرتی ہے۔ ہم وسائل کے ضیاع کو کم کرنے اور توانائی کی کارکردگی کو بڑھانے کے لئے فیکٹری کے عمل کا مسلسل جائزہ لیتے ہیں اور بہتر بناتے ہیں۔

صحت اور حفاظت: ہم ساز و سامان اور حفاظت کے نظام میں سرمایہ کاری کر کے محفوظ کام کے حالات کو یقینی بناتے ہیں۔ ہم ملازمین، ٹھیکیداروں اور عوام کے لئے سخت حفاظتی پروٹوکول بھی برقرار رکھتے ہیں۔ ان اقدامات سے حادثات کو کم کرنے اور کارکنوں کی صحت کی حفاظت میں مدد ملتی ہے۔

تنوع، مساوات اور شمولیت (ڈی ای اینڈ آئی) اقدامات

ہم اپنی افرادی قوت اور کمیونٹی کے اندر تنوع، مساوات اور شمولیت (ڈی ای اینڈ آئی) کو فروغ دینے کے لئے پرعزم ہیں۔ اہم اقدامات میں شامل ہیں:

مساوی روزگار کے مواقع: ہم اپنی بھرتی کے طریقوں میں تنوع پر زور دیتے ہیں، اس بات کو یقینی بناتے ہیں کہ ملازمین کو ان کی قابلیت اور صلاحیتوں کی بنیاد پر بغیر کسی امتیاز کے منتخب کیا جاتا ہے۔ ہم ایک جامع ماحول کو فروغ دینے کے لئے پرعزم ہیں جہاں مختلف پس منظر سے تعلق رکھنے والے ملازمین پھل پھول سکتے ہیں۔

کیونٹی سپورٹ اور سماجی ذمہ داری: ہم نے تعلیم، صحت اور سماجی بہبود کو فروغ دینے کے لئے کمیونٹی پر مرکوز متعدد پروگراموں کو نافذ کیا ہے۔ یہ پروگرام نہ صرف مقامی کمیونٹی کی ترقی میں حصہ ڈالتے ہیں بلکہ پسماندہ گروہوں کو بااختیار بنا کر ہمارے ڈی ای اینڈ آئی وژن کے ساتھ بھی مطابقت رکھتے ہیں۔

ملازمین کی مصروفیت: ہم اپنے ملازمین کو فیصلہ سازی اور منصوبہ بندی کے عمل میں شامل کرتے ہیں، اس بات کو یقینی بناتے ہیں کہ کمپنی کی سمت کو تشکیل دینے میں ان کی آواز ہے۔ کھیلوں کی سرگرمیاں اور دیگر تفریحی پروگرام بھی کام کی جگہ کی شمولیت کو بڑھاتے ہیں اور ٹیم کے جذبے کو فروغ دیتے ہیں۔

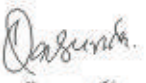
ڈی ای اینڈ آئی اقدامات کے ساتھ ماحولیاتی استحکام کی کوششوں کو مربوط کر کے، ہمارا مقصد سماجی طور پر ذمہ دار کارپوریٹ ادارے کے طور پر کام کرنا ہے جو ماحول اور کمیونٹی دونوں کے لئے مثبت کردار ادا کرتے ہوئے خطرات کو کم سے کم کرتا ہے۔


اظہارِ تشکر

ہم بہترین ممکنہ نتائج کے حصول میں کمپنی کے ساتھ ان کی سخت محنت، تعاون اور خلوص کے لئے ایگزیکٹوز، افسران اور دیگر عملے کے ممبروں کی کوششوں کو ریکارڈ پر رکھنا چاہتے ہیں۔ بورڈ کمپنی کی مسلسل حمایت پر تمام بینکوں کی تعریف بھی ریکارڈ کرنا چاہتا ہے۔ انتظامیہ کو پورا یقین ہے کہ یہ تعلقات اور تعاون آنے والے سالوں میں بھی جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

منجانب بورڈ


عبدالکلیم خان قصور یہ
ڈائریکٹر


فرید معیث شیخ
چیف ایگزیکٹو آفیسر

لاہور: 07 اکتوبر 2024ء

متعلقہ خدمات فراہم نہیں کر رہے ہیں۔ آڈیٹرز نے اس بات کی بھی تصدیق کی ہے کہ نہ تو فرم اور نہ ہی ان کے کسی پارٹنر، ان کے شریک حیات اور نابالغ بچوں نے سال کے دوران کسی بھی وقت کمپنی کے حصص میں کاروبار کیا یا تجارت کی۔

ویب پر موجودگی

کمپنی کے سالانہ اور وقتاً فوقتاً مالی بیانات بھی www.colonytextiles.com پر دستیاب ہیں۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کوڈ آف کارپوریٹ گورننس کی تعمیل میں، ہم کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر ذیل میں بیانات دے رہے ہیں۔

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات، اس کے معاملات، اس کے آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- بورڈ آف ڈائریکٹرز نے ایک وٹن اور مشن بیان اور مجموعی کارپوریٹ حکمت عملی کا بیان اپنایا ہے۔
- قانونی تقاضوں کے مطابق کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- کوڈ آف ایٹیکس اینڈ بزنس پریکٹس تیار کیا گیا ہے اور کمپنی کے ہر ڈائریکٹر اور ملازم کی طرف سے بات چیت اور تسلیم کیا جاتا ہے۔
- مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں لاگو کیا جاتا ہے، پر عمل کیا گیا ہے۔
- اندرونی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور مؤثر طریقے سے نافذ اور نگرانی کی گئی ہے۔
- کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل کا بیان اس رپورٹ کے ساتھ منسلک ہے اور آڈیٹرز کے جائزے کے بعد یہ رپورٹ درست پائی گئی۔
- کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت پر کوئی اہم شک نہیں ہے۔
- کارپوریٹ گورننس کے کوڈ کے بہترین طریقوں سے کوئی انحراف نہیں ہوا ہے، جیسا کہ لسٹنگ ریگولیشنز میں تفصیل سے بیان کیا گیا ہے۔
- کمپنی حقائق قواعد و ضوابط کے معیارات کی سختی سے تعمیل کرتی ہے۔ یہ ماحول دوست پالیسیوں پر بھی عمل کرتا ہے۔
- مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلی اور وعدے نہیں ہوئے ہیں، سوائے مالی بیانات میں انکشاف کے۔
- انتظام کے بعد سے کلیدی آپریٹنگ اور مالی اعداد و شمار کو خلاصہ شکل میں منسلک کیا گیا ہے۔
- ڈائریکٹرز نے موجودہ مالی منظر نامے کے پیش نظر کسی منافع کی سفارش نہیں کی ہے۔
- واجب الادا ٹیکسوں اور دیگر سرکاری لیویز کے بارے میں معلومات متعلقہ نوٹوں میں اکاؤنٹس کو دی جاتی ہیں۔
- منسلک آڈٹ شدہ اکاؤنٹس واجب الادا ٹیکسوں اور لیویز کی تفصیلات فراہم کرتے ہیں۔

متعلقہ پارٹی کے لین دین

کمپنی نے تمام متعلقہ پارٹی ٹرانزیکشنز کو آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لئے پیش کیا ہے۔ ان لین دین کی منظوری آڈٹ کمیٹی اور بورڈ نے اپنے متعلقہ اجلاسوں میں دی ہے۔ متعلقہ پارٹی ٹرانزیکشنز کی تفصیلات 30 جون 2023 کو ختم ہونے والے مالی گوشواروں کے منسلک نوٹوں میں فراہم کی گئی ہیں۔

ضابطہ اخلاق

آپ کی کمپنی کے ڈائریکٹرز نے طے شدہ طریقہ کار کے ساتھ ضابطہ اخلاق تیار کیا ہے۔ کوڈ کی کاپیوں کو تمام متعلقہ اداروں کی طرف سے باقاعدہ طور پر تسلیم کیا گیا ہے۔

تعمیل کا بیان

آڈیٹرز کے ذریعہ جائزے کے مطابق لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ساتھ تعویل کا بیان سالانہ رپورٹ کے ساتھ منسلک ہے۔

بنیادی خطرات

کمپنی کو بنیادی خطرے کا سامنا ہے، اگر کوئی ہے تو، متعلقہ سیکشن میں مالیاتی بیانات کے نوٹوں میں وضاحت کی گئی ہے۔

کارپوریٹ گورننس

انتظامیہ اس بات کو یقینی بناتی ہے کہ کارپوریٹ گورننس کے کوڈ کی تمام ضروریات کی تعویل کی جائے۔ کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں کی تعویل کا بیان منسلک ہے۔

کارپوریٹ گورننس کوڈ کی شق XIX(i) کے تحت حصص اور معلومات کا نمونہ

30 جون، 2024 تک کوڈ آف کارپوریٹ گورننس ریگولیشنز کی شق XIX (i) کے تحت شیئر ہولڈنگ اور معلومات کا بیٹرن منسلک کیا گیا ہے۔

بیرونی آڈیٹرز کی تقرری

موجودہ آڈیٹرز ایس سعید اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کمپنی کی سالانہ جنرل میٹنگ میں ریٹائر ہوں گے۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے آئندہ سال کے لئے ان کی دوبارہ تقرری کی سفارش کی ہے۔

آڈیٹرز نے آگاہ کیا ہے کہ انہیں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کے کوالٹی کنٹرول ریویو پروگرام کے تحت تسلی بخش ریٹنگ تفویض کی گئی ہے اور فرم انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (آئی ایف اے سی) کے جاری کردہ ضابطہ اخلاق کی مکمل تعویل کرتی ہے۔ اس کے علاوہ وہ کمپنی کو کوئی

سال کے دوران بورڈ آف ڈائریکٹرز کے چھ اجلاس، آڈٹ کمیٹی کے چار اور ہیومن ریسورس اینڈ ریونیویشن کمیٹی کا ایک اجلاس منعقد ہوا۔ ہر ڈائریکٹر کی میٹنگوں میں حاضری درج ذیل تھی:

| ڈائریکٹر کا نام | بورڈ آف ڈائریکٹرز | آڈٹ کمیٹی | ایچ آر کمیٹی |
|---------------------------|-------------------|-----------|--------------|
| جناب ایم عطاء اللہ خان | - | - | - |
| جناب فرید ایم شیخ | 06 | - | - |
| جناب محمد طارق | 06 | - | - |
| جناب محمد شہزاد جمیل | 06 | - | 01 |
| سید آفتاب حسین نقوی | 06 | 04 | 01 |
| جناب عبدالکلیم خان قصوریہ | 06 | 04 | 01 |
| محترمہ آمنہ انوار | 06 | 04 | - |

ضابطہ اخلاق اور کاروباری طریقوں کو تیار کیا گیا ہے اور کمپنی کے ہر ڈائریکٹر اور ملازم کے ذریعہ مواصلات اور تسلیم کیا جاتا ہے۔

ڈائریکٹرز کا معاوضہ

کمپنی کے پاس اپنے ڈائریکٹرز (ایگزیکٹو/نان ایگزیکٹو) کے لئے باضابطہ معاوضہ پالیسی ہے جو بورڈ آف ڈائریکٹرز کی طرف سے باقاعدہ طور پر منظور شدہ ہے۔ پالیسی کو ایچ آر حکمت عملی کے جزو کے طور پر ڈیزائن کیا گیا ہے اور دونوں کو مجموعی کاروباری حکمت عملی کی حمایت کرنے کی ضرورت ہے۔ بورڈ کا ماننا ہے کہ پالیسی کمپنی کو چلانے اور منظم کرنے کے ساتھ ساتھ ڈائریکٹرز، ایگزیکٹوز اور شیئرز ہولڈرز کے درمیان ہم آہنگی پیدا کرنے کے لئے بہترین ایگزیکٹوز اور ڈائریکٹرز کو راغب کرنے اور برقرار رکھنے کی صلاحیت میں مناسب اور موثر ہے۔

پالیسیاں اور طریقہ کار

بورڈ نے متعلقہ خطرات کی نشاندہی کے بعد کاروبار اور سپورٹ سائیکلوں کے لئے موثر طریقہ کار اور کنٹرول قائم اور نافذ کیا ہے۔ ان کا وقتاً فوقتاً جائزہ لیا جاتا ہے اور کاروبار کو درپیش تازہ ترین خطرات کی تشخیص اور خطرات کے مطابق اپ ڈیٹ کیا جاتا ہے۔

بورڈ کی تشخیص

لینڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق بورڈ آف ڈائریکٹرز نے بورڈ کی اپنی کارکردگی اور اس کی کمیٹیوں کی تشخیص کے لئے جامع میکانزم کی منظوری دی۔ اس مقصد کے لئے انسانی وسائل اور معاوضہ کمیٹی کو ٹرمنز آف ریفرنس کا مشورہ دیا گیا ہے۔

| ڈائریکٹر کا نام | زمرہ | کمپنی میں نامزدگی |
|--------------------------|-----------------------|-------------------|
| سید آفتاب حسین نقوی | نان ایگزیکٹو ڈائریکٹر | چیئر مین |
| جناب عبدالکیم خان قصوریہ | نان ایگزیکٹو ڈائریکٹر | ممبر |
| جناب محمد شہزاد جمیل | آزاد ڈائریکٹر | ممبر |

بورڈ آف ڈائریکٹرز نے مندرجہ ذیل انتظامی کمیٹیاں بھی تشکیل دی تھیں اور انہیں کمپنی کے معاملات چلانے کے لئے اپنی متعلقہ شرائط کا مشورہ دیا تھا:

سماجی تعمیل اور انسانی وسائل

آپ کی کمپنی کی کامیابی میں ایک اہم عنصر اس کی انتہائی بہتر مندر اور حوصلہ افزائی کرنے والی افرادی قوت ہے۔ ہماری طاقت ہمارے لوگوں سے آتی ہے۔ ہم بجا طور پر فخر کر سکتے ہیں کہ انسانی وسائل کو ہمیشہ اعلیٰ ترجیح دی گئی ہے۔ آج، جب ہم پچھلے سالوں پر نظر ڈالتے ہیں، تو ہم دیکھ سکتے ہیں کہ اگرچہ ہمارے مقاصد راستے میں تبدیل ہو سکتے ہیں، لیکن ہماری انسانی وسائل کی پالیسیاں ہمیشہ انصاف، میرٹ، مساوی مواقع اور سماجی ذمہ داری کی بنیادی اقدار پر مبنی رہی ہیں۔ یہ اقدار بھرتی، کارکردگی کی تشخیص، تربیت اور ترقی، صحت اور حفاظت اور صنعتی تعلقات کی ہماری پالیسیوں میں ظاہر ہوتی ہیں۔ سوشل کمپلائنس اینڈ ہیومن ریسورس کمیٹی کے ممبران کے نام درج ذیل ہیں:

| ڈائریکٹر کا نام | زمرہ | کمپنی میں نامزدگی |
|------------------------|-----------------------|-------------------|
| جناب فرید ایم شیخ | ایگزیکٹو ڈائریکٹر | چیئر مین |
| سید آفتاب حسین نقوی | نان ایگزیکٹو ڈائریکٹر | ممبر |
| جناب عطا محی الدین خان | چیف فنانس آفیسر | ممبر |

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز سات ممبران پر مشتمل ہے اور کاروبار کی پائیدار ترقی کے حصول کے لئے شفاف طریقے سے کمپنی کے معاملات کا انتظام کرنے کے ذمہ دار ہیں۔ اس وقت بورڈ میں چھ مرد اور ایک خاتون ممبر شامل ہیں۔ بورڈ کی زمرہ دار تشکیل درج ذیل ہے:

| زمرہ | ڈائریکٹرز کی تعداد |
|-----------------------|--------------------|
| آزاد ڈائریکٹر | 02 |
| نان ایگزیکٹو ڈائریکٹر | 03 |
| ایگزیکٹو ڈائریکٹر | 02 |

* بشمول ایک خاتون ڈائریکٹر

حفاظت، صحت اور ماحول

کمپنی کام کے حالات کو برقرار رکھتی ہے جو محفوظ ہیں اور بڑے پیمانے پر تمام ملازمین اور عوام کی صحت کے لئے خطرے کے بغیر ہیں۔ ہماری توجہ حفاظت کے تمام پہلوؤں کو بہتر بنانے پر ہے خاص طور پر مواد کی محفوظ پیداوار، ترسیل، اسٹوریج اور پیئڈنگ کے حوالے سے۔ آپ کی کمپنی ہمیشہ ماحولیاتی تحفظ کو یقینی بناتی ہے اور ماحولیاتی تحفظ کے لئے تمام ممکنہ ذرائع کو اپناتی ہے۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی کے پاس کمیونٹی کو محفوظ بنانے کی اپنی ذمہ داریوں کو پورا کرنے میں بہت الگ کارپوریٹ اور سماجی ذمہ داری (سی ایس آر) پالیسی ہے جس کے اندر وہ کام کرتی ہے۔ ہم مختلف ٹیکسوں، ڈیوٹیوں اور لیویز کی ادائیگی کے ذریعے قومی خزانے میں خاطر خواہ اضافہ کرتے ہیں اور ہماری برآمدی آمدنی ملک کے زرمبادلہ کی پوزیشن میں حصہ ڈالتی ہے۔ ہم اپنے آپ کو مساوی مواقع کے آجر ہونے پر فخر کرتے ہیں۔

آڈٹ کمیٹی

یہ بورڈ کی سب سے اہم اور موثر کمیٹی ہے۔ بورڈ کی جانب سے تیار کردہ شرائط کی روشنی میں انٹرنل آڈٹ انفعال کی نگرانی، رسک مینجمنٹ پالیسیوں کی نگرانی کے ذریعے کمیٹی کے تمام مفادات کے تحفظ کو یقینی بنانے کے لیے انٹرنل کنٹرولز کی تعمیل میں اس کا اہم کردار ہے۔ کمیٹی بیرونی آڈیٹرز کی تقرری کی سفارش کرتی ہے اور اندرونی اور بیرونی آڈیٹرز کی جانب سے کی جانے والی اہم رپورٹنگ کا بھی جائزہ لیتی ہے۔ آڈٹ کمیٹی کے ممبران کے نام درج ذیل ہیں:

| ڈائریکٹر کا نام | زمرہ | کمیٹی میں نامزدگی |
|--------------------------|-----------------------|-------------------|
| جناب عبدالکیم خان قصوریہ | آزاد ڈائریکٹر | چیئرمین |
| محترمہ آمنہ انور | آزاد ڈائریکٹر | ممبر |
| جناب محمد اشرف سیف | نان ایگزیکٹو ڈائریکٹر | ممبر |

انسانی وسائل اور معاوضہ کمیٹی

ہیومن ریسورس کمیٹی کمیٹی کی شرائط کے مطابق کمیٹی کے ملازمین کے تمام کیڈرز کے لئے معاوضے کے پیکیج کا تعین کرتی ہے۔ کمیٹی کام کے لئے سازگار ماحول پیدا کرنے اور برقرار رکھنے کی بھی ذمہ دار ہے جو اعتماد پیدا کرے اور احترام، منصفانہ سلوک، ترقی کے مواقع اور سجاوٹ کو یقینی بنائے اور تمام ملازمین کے لئے جانشینی کے منصوبے بنائے۔ ہم محسوس کرتے ہیں کہ انسانی وسائل ہماری کاروباری حکمت عملی میں کلیدی عنصر ہیں۔ ایچ آر آر کمیٹی کے ارکان کے نام درج ذیل ہیں:

اسٹیج رائٹ (پرائیویٹ) لمیٹڈ - ایک مکمل ملکیتی ماتحت ادارہ - نمٹا دیا گیا

سال کے دوران، کمپنی نے کمپنی کے معاملات کے بہتر کنٹرول اور انتظام کے لئے اپنی مکمل ملکیت والے ماتحت ادارے اسٹیج رائٹ (پرائیویٹ) لمیٹڈ کو منافع پر بیچ دیا۔

ڈائریکٹرز کا قرض

اسپانسر ڈائریکٹرز حقیقی معنوں میں کمپنی کی فلاح و بہبود کے لئے پرعزم ہیں، ایگزیکٹو ڈائریکٹرز کی جانب سے 120 ملین روپے کا بلا سود ذیلی قرضہ اب بھی اس مالی صورتحال کو سہارا دینے کے لئے موجود ہے۔

منافع

30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے مالی نتائج کو مد نظر رکھتے ہوئے انتظامیہ نے اس سال کسی ڈیویڈنڈ کی سفارش نہیں کی ہے۔

غیر مالیاتی کارکردگی

معیار، گاہکوں کی اطمینان، ملازمین کی ترقی اور پیشہ ورانہ معیار اہم شعبے ہیں جہاں انتظامیہ نے انہیں بہتر بنانے کے لئے اقدامات کیے ہیں۔ کمپنی فی الحال اعلیٰ معیار کی مصنوعات کی پیداوار اور فراہمی کر رہی ہے جو گاہکوں کے زیادہ سے زیادہ اطمینان کو یقینی بناتی ہے۔ سال کے دوران کمپنی نے موجودہ انسانی سرمائے کی ترقی کے لئے مختلف کارکردگی کے جائزے کیے ہیں۔ کمپنی تمام اسٹیک ہولڈرز کے ساتھ انتہائی تسلی بخش تعلقات برقرار رکھے ہوئے ہے۔ کمپنی نے مختلف کمیٹیاں تشکیل دی ہیں جو کلیدی علاقوں کی موثر نگرانی کی ذمہ دار ہیں۔

مستقبل کا نقطہ نظر

پاکستان اب بھی اہم معاشی اور سیاسی چیلنجوں کا سامنا کر رہا ہے۔ مسلسل بلند افراط زر، بہت زیادہ شرح سود اور غیر ملکی زرمبادلہ کے ذخائر میں کمی نے معاشی ترقی کو نمایاں طور پر متاثر کیا ہے۔ ملک کو بحران سے نکلنے اور مستقبل کی ترقی کی راہ ہموار کرنے کے لئے سیاسی اور معاشی استحکام کی ضرورت ہے۔ صارفین کے اعتماد کو واپس آنے میں کچھ وقت لگے گا اور توقع ہے کہ معاشی بحالی قلیل مدت میں محدود رہے گی۔ غیر معقول طور پر زیادہ ٹیکس، مسلسل افراط زر، کرنسی کی قدر میں کمی، بلند شرح سود، غیر دوستانہ کاروباری ماحول اور سیاسی غیر یقینی صورتحال جاری ہے۔ یوکرین اور روس کے درمیان جنگ ایک اور مسئلہ ہے، جو مشرق وسطیٰ کی بد امنی کی وجہ سے ہوا ہے، جس نے نہ صرف بین الاقوامی سطح پر ٹیکسٹائل مصنوعات کی طلب کو متاثر کیا ہے بلکہ تجارتی راستوں میں بھی خلل ڈالا ہے اور توانائی کے بحران کو جنم دیا ہے۔

آپ کی کمپنی کی انتظامیہ مستقبل میں پیش آنے والے چیلنجوں کی منصوبہ بندی اور انتظام کرنے کے لئے تمام مناسب اقدامات کر رہی ہے۔

سپننگ سیگنٹ

ہمارا اسپننگ سیکٹر سال بھر ناقابل یقین دہاؤ میں رہا۔ چونکہ ملک میں افزائے زرعت کی بلند ترین سطح پر تھا اس لئے طلب میں کمی رہی جبکہ پیداواری لاگت آسمان کو چھو رہی تھی۔ چونکہ صارفین زندہ رہنے کے موڈ میں چلے گئے ہیں، لہذا وہ اپنے تمام وسائل کو ضروری اشیاء پر استعمال کر رہے ہیں اور ان کے پاس بچانے کے لئے شاید ہی کوئی پیسہ ہے۔ ہماری اسپننگ مصنوعات گھریلو مارکیٹ پر مبنی ہونے کی وجہ سے بہت بری طرح متاثر ہوئیں۔ فروخت کو سخت دھکیلنا پڑا جس کے نتیجے میں قیمتوں میں مسلسل گراوٹ آئی۔

معاملات کو مزید خراب کرنے کے لئے، اخراجات میں غیر معمولی اضافے نے مکمل اسپننگ آپریشنز کو چلانا ناممکن بنا دیا۔ شرح سود، افادیت اور خام مال کی قیمتوں میں غیر معمولی اضافے نے تباہی مچا دی۔ اپنے محدود وسائل کے ساتھ، ہم نے زیادہ سے زیادہ مسابقتی قیمتوں پر خام مال کو محفوظ کرنے کی پوری کوشش کی، تاکہ لاگت کے دہاؤ کو کم کیا جاسکے لیکن پیداوار اور معیار کے نقصان میں اس کے نتائج کو بہت زیادہ بھگتنا پڑا۔ قابل ذکر صلاحیت کو بند کرنا پڑا اور یہاں تک کہ باقی آپریشنل صلاحیتوں کو بھی متعدد رکاوٹوں کا سامنا کرنا پڑا۔

سیاسی غیر یقینی صورتحال نے تمام اسٹیک ہولڈرز کے درمیان انتہائی افسردہ موڈ قائم کرنے میں اہم کردار ادا کیا۔ ملز فلور کے کارکن سے لے کر ہمارے سپلائرز اور گاہکوں تک، سبھی اس افزائے تفری سے متاثر تھے اور مثبت نقطہ نظر یا پوزیشن لینے کے لئے مائل نہیں تھے۔ کاروبار و زمانہ کی بنیاد پر بڑی چٹکچاہٹ کے ساتھ کیا جاتا تھا۔

مجموعی طور پر، ان پٹ میں غیر معمولی اضافہ مارکیٹ کے جذب کرنے کے لئے ناقابل برداشت تھا اور اس شعبے کو سال بھر نمایاں نقصان اٹھانا پڑا۔

ویونگ سیگنٹ

یہ شاید ہمارے بنائی کے شعبے کے لئے بدترین سالوں میں سے ایک تھا۔ چونکہ ہمارے کرگھے پرانے ہو گئے ہیں، ان کی پیداوار اور لاگت مقابلہ کے برابر نہیں ہے۔ ہمارے محدود وسائل کے ساتھ مشینوں کی دیکھ بھال کو معیار کے مطابق رکھنا بہت مشکل تھا۔ مسلسل بڑھتی ہوئی لاگت اور سست مقامی اور بین الاقوامی طلب نے ضروریات کو پورا کرنا انتہائی مشکل بنا دیا۔ پروڈکٹ کس اور خام مال کے مختلف ماڈلز آزمائے گئے لیکن ہماری پیداواری لاگت کے ساتھ، قابل عملیت حاصل نہیں کی جاسکی، جس کے نتیجے میں ہمارے آپریشنز میں رکاوٹیں اور کٹوتی ہوئی۔

کم پیداواری صلاحیت کے ساتھ مل کر یوٹیلیٹیز، سود، استعمال کی اشیاء اور خام مال کی اعلیٰ قیمت کے نتیجے میں ہماری مصنوعات ناقابل عمل ہو گئیں۔ ہمارے اخراجات کو کم کرنے کے لئے مختلف حل آزمائے گئے لیکن اس کے نتیجے میں نقصان ہوا۔

ریئل اسٹیٹ سیگنٹ

سال کے دوران ریئل اسٹیٹ سیگنٹ میں کوئی نقل و حرکت / سرگرمی نہیں ہے۔

ڈائریکٹرز کی ممبران کو رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2024ء کو ختم ہونے والے مالی سال کے لئے آڈٹ شدہ مالیاتی بیانات اور اس پر آڈیٹر کی رپورٹ کے ساتھ سالانہ رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔ کوڈ آف کارپورٹ گورننس کی تعمیل میں، ان مالی بیانات کو کمپنی کے چیف ایگزیکٹو آفیسر اور چیف فنانس آفیسر کی طرف سے توثیق کی گئی ہے، بورڈ کی آڈٹ کمیٹی کی طرف سے منظوری کے لئے سفارش کی گئی ہے اور بورڈ آف ڈائریکٹرز کی طرف سے پریزنٹیشن کے لئے منظور کیا گیا ہے۔

معیشت کا جائزہ

مالی سال کے دوران بڑھتی ہوئی افراط زر، سیاسی عدم استحکام اور قانونی تنازعات کی وجہ سے پاکستان کی معیشت مندی کا شکار رہی۔ افراط زر پر قابو پانے کے لیے سخت مانیٹری پالیسی اپنائی گئی لیکن بلند شرح سود نے معاشی ترقی میں رکاوٹیں کھڑی کر دی ہیں۔ معاشی استحکام کے لئے آئی ایم ایف کی شرائط کو پورا کرنے کے لئے نافذ کردہ اقدامات کے تمام شعبوں میں وسیع پیمانے پر اثرات مرتب ہوئے ہیں۔ اس کے علاوہ، بین الاقوامی مالیاتی اداروں کے ساتھ پیچیدہ مذاکرات نے گورننس میں غیر یقینی صورتحال اور طویل ساختی چیلنجوں کو جنم دیا ہے۔ ان عوامل نے صارفین کی قوت خرید کو کم کر دیا ہے، جس کی وجہ سے اخراجات میں کمی آئی ہے اور متعدد شعبوں میں معاشی ترقی میں رکاوٹ پیدا ہوئی ہے۔ پاکستان کو سیلاب، شدید خشک سالی، برقانی جھیلوں کے پھٹنے، شدید گرمی کی لہروں اور غیر متوقع بارشوں سمیت تیزی سے غیر یقینی موسمی بیٹرن کا بھی سامنا ہے۔ نتیجتاً، اس کے ماحولیاتی نظام اور مناظر آہستہ آہستہ خراب ہو رہے ہیں۔ آپ کی انتظامیہ ہمیشہ آگے آنے والے چیلنجوں سے آگاہ رہتی ہے اور زیادہ سے زیادہ کارکردگی کو یقینی بنانے کے لئے فعال طور پر خود کو ڈھالنا جاری رکھے گی۔

مالی کارکردگی

زیر غور سال کے دوران کمپنی نے 16,764 ملین روپے (2023: 20,853 روپے) کی خالص سیلز آمدنی حاصل کی۔ یونٹیلیٹی ریٹ میں مسلسل اضافہ، ان پٹ کی زیادہ لاگت، مالیاتی چارجز اور مارکیٹ کے خراب حالات نے منافع کے مارجن کو کم کر دیا ہے۔ سال کے لئے مجموعی نقصان 2,387 ملین روپے (2023: نقصان 603 ملین روپے) رہا۔ ٹیلی سٹیج پر 3,641 ملین روپے (2023: خالص منافع 839 ملین روپے) کی بعد از ٹیکس خالص نقصان ظاہر کیا گیا جس کے نتیجے میں فی حصص 7.31 روپے (2023: ای پی ایس روپے 1.66 روپے فی حصص) کا نقصان ہوا۔

ٹیکسٹائل سیکٹر کی مجموعی کارکردگی مایوس کن رہی کیونکہ مصنوعات کی طلب میں مسلسل کمی کا سلسلہ جاری رہا۔ صنعت کو اس وقت خام مال کی قیمتوں میں اضافہ، توانائی کے نرخوں میں اضافہ، مارک اپ ریٹ، طلب میں کمی جیسے متعدد چیلنجز کا سامنا ہے جس نے پیداواری لاگت کو انتہائی زیادہ بنا دیا ہے۔ نتیجتاً، صنعت کو پیداوار کو کم کرنا پڑا جس سے لاگت کے دباؤ اور نااہلیت میں مزید اضافہ ہوا۔ موجودہ صورتحال کی وجہ سے متعدد یونٹس بند ہو چکے ہیں اور صنعت کے کئی یونٹوں کی بقا داؤ پر لگی ہوئی ہے۔ مقامی اور بین الاقوامی مارکیٹ کے موجودہ منظر نامے کو مد نظر رکھتے ہوئے، ہم توقع کرتے ہیں کہ یہ گراؤت کارجمان جاری رہے گا۔

کمپنی کی اہم سرگرمیاں دھاگے، کپڑوں، ملبوسات کی مینوفیکچرنگ اور فروخت اور ریلی اسٹیٹ میں تجارت ہیں۔

- iv. شیئر ہولڈرز حصص یافتگان کی تصدیق اور شناخت کے لیے درکار تمام رسمی کارروائیوں کو مکمل کرنے کے بعد اپنے اسمارٹ فونز یا کمپیوٹر ڈیوائسز کے ذریعے AGM کی کارروائی میں لاگ ان اور حصہ لے سکیں گے۔
- v. افراد کی صورت میں اکاؤنٹ ہولڈرز/یاسب اکاؤنٹ ہولڈرز، مندرجہ ذیل قواعد کے مطابق پراسی فارم جمع کروائیں۔ پراسی فارم، نوٹس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر انگریزی اور اردو دونوں بانوں میں مہیا کروایا گیا ہے۔
- vi. پراسی فارم، دو افراد جن کے نام، پتے اور CNIC نمبرز فارم پر مقرر ہوئے ہوں گے، کے گواہی شدہ ہونے چاہئیں۔
- vii. beneficial owner اور پراسی ہولڈر کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل پراسی فارم کے ساتھ جمع کرانا ہوگی۔
- viii. پراسی ہولڈر، اجلاس کے موقع پر اپنا اصلی CNIC یا اصل پاسپورٹ فراہم کرے گا۔
- ix. کارپوریٹ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ، نمونہ دستخط پراسی فارم کے ساتھ کمپنی کو فراہم کرنا ہوگا (اگر پہلے فراہم نہیں کیا گیا ہے)۔
6. وہ ارکان جو فزیکل حصص کے حامل ہیں ان سے گزارش ہے کہ رجسٹرڈ ایڈریس میں تبدیلی کی صورت میں کمپنی کے شیئر رجسٹرار کو مطلع کریں۔ جن ممبران نے اپنی کمپیوٹرائزڈ شناختی کارڈ/این ٹی این (کارپوریٹ ادارے کی صورت میں) کی کاپی جمع نہیں کروائی وہ فوراً ارسال کریں۔
7. کسی بھی سوال/مسئلہ/معلومات کے لئے نمبر کمپنی کے ای میل corporate@colonytextiles.com پر یا کمپنی کے شیئر رجسٹرار ای میل shares@hmconsultants.com فون نمبر 2-35758970 (+92-42) پر رابطہ کر سکتے ہیں۔ ممبران، نوٹس/معلومات کے لئے کمپنی کی ویب سائٹ www.colonytextiles.com بھی ملاحظہ کر سکتے ہیں۔
8. کمپنیز (ڈیویڈنڈ کی تقسیم) ریگولیشن 2017 کے مطابق، شیئر ہولڈرز بین الاقوامی بینک اکاؤنٹ نمبر (IBAN) کی تفصیلات فراہم کریں (اگر پہلے فراہم نہیں کیا)، اگر حصص فزیکل فارم میں ہیں تو ہمارے شیئر رجسٹرار کو ان کے مذکورہ بالا دفتر کے ایڈریس پر اور اگر حصص سی ڈی ایس اکاؤنٹ کے ذریعے رکھے گئے ہیں تو متعلقہ پارٹنیشنر/بروکر کو کسی تاخیر کے بغیر فراہم کریں۔
9. وہ شیئر ہولڈرز جن کے پاس فزیکل شیئر سرٹیفکیٹس ہیں ان سے درخواست کی جاتی ہے کہ وہ کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق انہیں بک انٹری فارم میں تبدیل کریں۔
10. سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے نوٹیفیکیشن S.R.O.389 (i)/2023 مورخہ 21 مارچ 2023 کے مطابق سالانہ رپورٹس کی سرکولیشنز، کالونی ٹیکسٹائل ملز لمیٹڈ کے شیئر ہولڈرز نے سالانہ بیننس ٹیٹ اور منافع و نقصان کی گردش کے لیے اپنی رضامندی ظاہر کی تھی۔ اکاؤنٹ، آڈیٹر کی رپورٹ، وغیرہ ("سالانہ آڈٹ شدہ مالیاتی بیان") اپنے اراکین کو QR فعال کوڈ اور ویب لنک کے ذریعے۔
- کمپنی نے AGM کے نوٹس کی ایک کاپی، 30 جون 2024 کو ختم ہونے والے سال کے سالانہ مالیاتی گوشواروں کے ساتھ اس پر آڈیٹرز اور ڈائریکٹرز کی رپورٹس، چیئرمین کا جائزہ اور دیگر معلومات کمپنی کی ویب سائٹ: www.colonytextiles.com پر رکھ دی ہیں۔ درج ذیل ویب لنک اور کیو آر کوڈ کے ذریعے رسائی حاصل کی جاسکتی ہے:
- ویب لنک: <https://colonytextiles.com/wp-content/uploads/2024/10/Annual-Financial-Statements-2024.pdf>



QR کوڈ:

منامہ
کمپنی ہیکری
لاہور۔

17 اکتوبر 2024

اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا کالونی ٹیکسٹائل ملز لمیٹڈ (کمپنی) کے تمام ممبران کو نوٹس دیا جاتا ہے کہ کمپنی کے 30 جون 2024 کو ختم ہونے والے مالیاتی سال کے لیے ایک سالانہ اجلاس عام، مورخہ 28 اکتوبر 2024 کو صبح 10:30 بجے اسماعیل ایوان سائنس بلڈنگ 205 فیروز پور روڈ، لاہور نیز وڈیولنگ کے ذریعے، مندرجہ ذیل امور کی انجام دہی کے لئے منعقد ہوگا۔

عام امور:

1. 27 اکتوبر 2023 کو منعقدہ 13 ویں سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنا۔
2. 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو وصول کرنے، ان پر غور کرنے اور اس پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کو اپنانے کے لیے۔
3. کمپنی کے آڈیٹرز کا تقرر کرنا اور اگلے مالی سال 2024-25 کے لیے ان کے معاوضے کا تعین کرنا۔
4. چیئرمین کی اجازت سے کسی دوسرے امور کی سرانجام دہی۔

تاریخ: 107 اکتوبر، 2024

جگہ: لاہور

محکم بورڈ
منیجنگ
کمپنی سیکریٹری

نوٹس:

1. کمپنی کی حصص کی منتقلی کی کتابیں 22 اکتوبر 2024 سے 28 اکتوبر 2024 تک بند رہیں گی (دونوں دنوں سمیت)۔ 21 اکتوبر 2024 کو کاروبار کے اختتام پر HM ہاؤس، 7 بینک اسکوائر، لاہور میں میسرز حمید حمید ایسوسی ایٹس پرائیویٹ لمیٹڈ کے پتے پر موصول ہونے والی حصص کی منتقلی کا بروقت علاج کیا جائے گا، اس مقصد کے لیے کہ منتقلی کے حقدار ہیں۔
2. کمپنی کی سالانہ رپورٹ کی ایک کاپی کمپنی کی ویب سائٹ پر دستیاب ہے۔ رپورٹ کی بارڈ کاپی حاصل کرنے میں دلچسپی رکھنے والے کسی بھی رکن سے درخواست کی جاتی ہے کہ وہ corporate@colonytextiles.com پر مکمل پوسٹل ایڈریس اور فوٹو/ای سی ڈی کا ڈاؤن لوڈ نمبر کے ساتھ ای میل لکھیں۔
3. میٹنگ میں شرکت اور ووٹ دینے کا حقدار رکن کسی بھی شخص/ممبر کو اس کی جگہ پر شرکت اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے۔ ہر لحاظ سے مکمل شدہ پراکسی، موثر ہونے کے لیے، میٹنگ کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس میں موصول ہونی چاہیے۔
4. جن اراکین نے ابھی تک کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی فوٹو کاپیاں جمع نہیں کرائی ہیں ان سے درخواست کی جاتی ہے کہ وہ اسے جلد از حد بھیج دیں۔
5. سی ڈی سی اکاؤنٹ ہولڈرز کو بلیو رٹیز اینڈ ایگزیکٹو کمیشن آف پاکستان کی طرف سے مقرر کردہ رہنما خطوط پر مزید عمل کرنا ہوگا۔

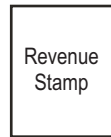
- i. افراد کے معاملے میں، اکاؤنٹس ہولڈرز اور/یا ذیلی اکاؤنٹ ہولڈرز اور ان کی رجسٹریشن کی تفصیلات CDC کے ضوابط کے مطابق اپ لوڈ کی گئی ہیں، میٹنگ میں شرکت کے وقت اپنا اصل CNIC یا پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کریں گے۔
- ii. کارپوریٹ ادارے کی صورت میں، میٹنگ کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی جس میں نامزد شخص کے دستخط کے نمونے کے ساتھ پیش کیا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔

- iii. ممبران اس جنرل میٹنگ کے لیے ویڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں، بشرطیکہ کمپنی کو میٹنگ کی تاریخ سے کم از کم 10 دن پہلے متعلقہ مقام سے مجموعی %10 یا اس سے زیادہ شیئرز ہولڈنگ رکھنے والے ممبران سے درخواست موصول ہو۔ ویڈیولنگ کے ذریعے میٹنگ میں شامل ہونے میں دلچسپی رکھنے والے کسی بھی ممبر سے درخواست کی جاتی ہے کہ وہ درج ذیل ای میل ایڈریس corporate@colonytextiles.com پر CNIC نمبر، فوٹو/ای سی ڈی اکاؤنٹ نمبر فراہم کریں۔ ویڈیولنگ میٹنگ سے کارروائی میں لاگ ان اور حصہ لے سکیں گے۔

COLONY TEXTILE MILLS LIMITED FORM OF PROXY

I/We _____
of _____
being a member of **COLONY TEXTILE MILLS LIMITED** and holder of _____ Ordinary Shares as per
Register Folio / CDC Participant No. _____ hereby appoint Mr./Mrs./Miss. _____
of _____ or failing him / her Mr./Mrs./Miss. _____ of _____
who is also a member of the **COLONY TEXTILE MILLS LIMITED** vide Registered Folio / CDC Participant I.D.
No. _____ as my proxy to vote for me and on my behalf at the 14th Annual General Meeting of the Company to
be held on Monday the October 28, 2024 at 10:30 a.m. and any adjournment thereof.

Signed this _____ day of October 2024.



Signature
(As registered with the company)

Witness: 1

Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport # _____

Witness: 2

Signature: _____
Name: _____
Address: _____

CNIC or _____
Passport # _____

NOTES:-

- This proxy form, duly completed and signed, must be received at the Registered Office of the company not later than 48 hours before the time of holding the Meeting.
- Attested copies of the CNIC or the passport of beneficial owners, proxy holder and witnesses shall be furnished with the proxy form.
- The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company.





کالونی ٹیکسٹائل ملز لمیٹڈ

تشکیل نیابت داری برائے سالانہ اجلاس عام

میں / ہم _____ ساکن _____ کالونی ٹیکسٹائل ملز لمیٹڈ کا اکی اکی کے حصص دار ہوں / ہیں اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر کے تحت _____ عمومی حصص کا اکی اکی کے مالک ہوں / ہیں۔ اپنی جگہ پر حق رائے وہی کے لیے _____ رہائشی _____ اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر _____ اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر _____ کو یا اس کے نہ آنے کی صورت میں رہائشی _____ اور بموجب رجسٹرڈ کھاتہ نمبر یا مجوزہ سی ڈی سی کھاتہ نمبر _____ کو جو کہ کالونی ٹیکسٹائل ملز لمیٹڈ کا اکی اکی کے حصہ دار ہے ہیں۔ کو اپنی جگہ بروز پیر بتاریخ 28 اکتوبر 2024 بوقت صبح 10:30 بجے بمقام اسماعیل ایوان سائنس بلڈنگ 205 فیروز پور لاہور میں منعقد ہونے والے 14 ویں سالانہ اجلاس عام یا کسی متبادل دن جو بھی ہوگا میں رائے دہندگی کے لئے نمائندہ مقرر کرتا / کرتی کرتے ہوں / ہیں۔

بتاریخ _____ اکتوبر 2024 کو دستخط کیا گیا۔ دستخط۔

رہائشی نمٹ

کمپنی ریکارڈ کے مطابق دستخط

| | |
|---------------------------|---------------------------|
| گواہ نمبر: 1 | گواہ نمبر: 2 |
| دستخط _____ | دستخط _____ |
| نام _____ | نام _____ |
| پتہ _____ | پتہ _____ |
| شناختی کارڈ نمبر یا _____ | شناختی کارڈ نمبر یا _____ |
| پاسپورٹ نمبر _____ | پاسپورٹ نمبر _____ |

نوٹ: 1۔ یہ پتہ نامہ مکمل اور دستخط شدہ، ہمراہ شناختی کارڈ کی تصدیق شدہ کاپیوں، کمپنی کے رجسٹرڈ آفس کے پتے پر اجلاس کے شروع ہونے سے 48 گھنٹے پہلے پہنچ جانا چاہیے۔

2۔ کوئی بھی فرد پتہ نامہ اس وقت تک استعمال نہیں کر سکتا جب تک وہ کمپنی کا حصص دار نہ ہو۔ علاوہ اس کے کہ کوئی ایک کمپنی کسی فرد کو نمائندہ مقرر کرے جو کمپنی کا حصص دار نہ ہو۔



Colony Textile Mills Limited

**Ismail Aiwan-e-Science Building
205 Ferozpur Road Lahore - 54600
Phone: 042-35758970-2
Fax: 042-35763247**