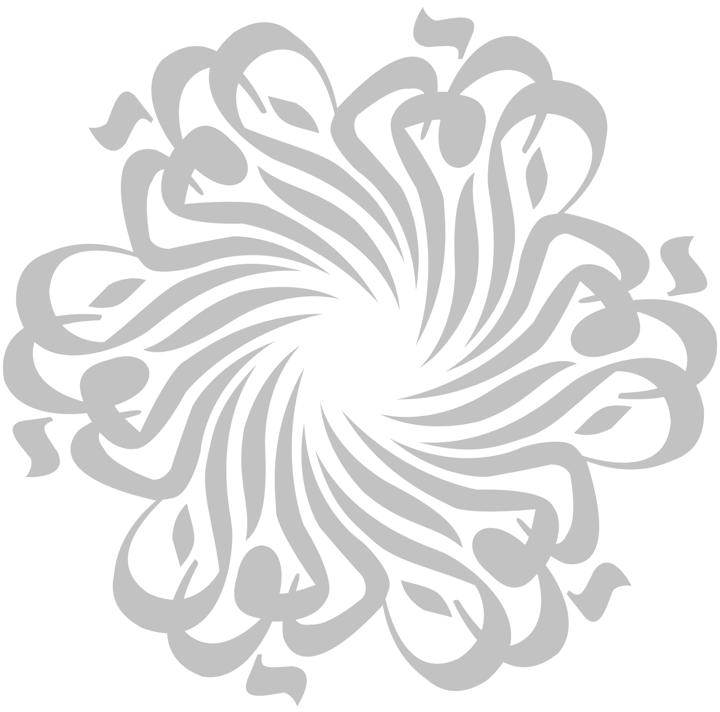

Vision Statement

To be the leader in textile industry by building the Companys' image through quality, competitive prices, customer's satisfaction and meeting social obligation.

Mission Statement

Our Mission is to be recognized as a premium quality yarn manufacturing unit.

The Unit is setup with an idea to cater to the premium market of fine count compact yarn to satisfy the valuable customers.

To assume leadership role in the technological advancement of the industry.

To benefit the customers, employees and shareholders and to fulfill our commitments to the society.

Our trademark is honesty, innovation, fairness, teamwork of our people and integrity in relationship with our customers, associates, shareholders, community and stake holders.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Directors	:	Syed Maqbool Ali Chief Executive Officer & Director
Non-Exective Director	:	Mehmood-Ul-Hassan Asghar - Chairman, Board of Directors Mr. Ghazanfar Baber Siddiqi Mr. Abdul Basit Mr. Muhammad Hanif German Mrs. Nida Jamil
Independent Director	:	Mr. Aziz -ul-Haque
Audit Committee	:	Mr. Aziz -ul-Haque (Chairman) Mr. Abdul Basit (Member) Mr. Ghazanfar Baber Siddiqi (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz -ul-Haque (Chairman) Mr. Mehmood-Ul-Hassan Asghar (Member) Syed Maqbool Ali (Member)
Auditors	:	Feroze Sharif Tariq & Company Chartered Accountants 4/N/4 Block-6, P.E.C.H.S. Karachi
Company Secretary	:	Mr. Muhammad Hanif German
Chief Financial Officer	:	Mr. Muhammad Irfan Ali
Tax Advisor	:	Abbas & Atif Law Associates
Legal Advisor	:	Sharif & Co. Advocates
Bankers	:	United Bank Limited Bank Islami Pakistan Limited MCB Bank Limited Silk Bank Limited Askari Bank Limited Allied Bank Limited Bank Makramah Limited
Registered Office	:	Dewan Centre 3-A, Lalazar Beach Hotel Road Karachi.
Shares Registrar & Transfer Agent	:	BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan.
Factory Office	:	54 Km, Multan Road, Phool Nagar By Pass District Kasur, Punjab , Pakistan.
Website	:	www.yousufdewan.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that 21st Annual General Meeting of **Dewan Farooque Spinning Mills Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan on **Thursday, November 28, 2024 at 12:00 noon.** to transact the following businesses;

1. To confirm the minutes of the preceding Extra Ordinary General Meeting of the Company held on Tuesday, August 27, 2024;

2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon;

3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2025, and to fix their remuneration;

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

By order of the Board

Karachi: November 04, 2024

Muhammad Hanif German
Director & Company Secretary

NOTES:

a. The share transfer books of the company will remain closed from November 22, 2024 to November 28, 2024 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311,3rd Floor,49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.

b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting.
CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26,2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.

c. members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.

d. **Electronic Transmission of Financial Statements Etc.:**
SECP through its notification No. SRO 787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility? The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: http://www.yousufdewan.com/Dfsml/index.html

e. **Video Conference Facility:**
Pursuant to the provisions of the Companies Act, 2017, member can avail video conference facility to participate in this Annual General Meeting provided that the company receives consent from the members holding in aggregate 10% or more shareholding, residing in a city, at least seven (7) days prior to the date of meeting. Subject to the fulfillment of the above conditions, members shall be informed of the venue along with complete information necessary to access the facility. Format of request form has been placed on the Company's website.

f. Attendance through Zoom:

The members may attend the AGM online through ZOOM, by following the below guidelines:

(i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID dfsml.corp@yousufdewan.com as per Standard Request Form available on the Company's website (http://www.yousufdewan.com/DFSML/index.html or can send his/her request to the Company Secretary at Dewan Centre, 3-A Lalazar Beach Hotel Road Karachi along with a legible copy of CNIC not later than November 26, 2024.

(ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

g. Deposit of physical Shares into CDC Account;

As per section 72 of the Companies Act,2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the commission, within a period not exceeding four years from the commencement of the Act i.e May 30,2017.

The physical Shareholders having physical shareholding are encouraged to open CDC Investor Account with CDC or CDC Sub-Account with any of the brokers to place their physical shares into Script less form.

h. E-Voting Procedure

(a) Details of the e-voting facility will be shared through an email with those members of the Company who have their valid CNIC numbers, cell numbers, and email addresses available in the register of members of the Company within due course.

(b) The web address, login details, will be communicated to members via email.

(c) Identity of the members indenting to case vote through E-voting shall be authenticated through authenticated login.

(d) E-Voting lines will start from November 22, 2024 at 10 am and shall close on November 27, 2024 at 5 p.m. Members can cast their votes any time in the period.

i) Postal Ballot

For voting through Postal Ballot members may exercise their right to vote as per provisions of the Companies (Postal Ballot) Regulations, 2018 subject to the requirement of Section 143 and 144 of the Companies Act, 2017. Further details in this regard will be communicated to the shareholders within the legal time frame as stipulated under these said Regulations, if required.

The members shall ensure that duly filed and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's Registered office or email at dfsml.corp@yousufdewan.com one day before the Annual General Meeting i.e., November 27, 2024 during the working hours. The signature on the ballot paper shall match with the signature on CNIC or Company records.

j) Particulars of Physical Shareholders:

According to section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical Shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to Company's Share Registrar at their address M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, email (bmfconsultantspakistan@gmail.com) immediately to avoid any non-compliance of law or any inconvenience in future.

CHAIRMAN'S REVIEW

I am pleased to present a report on the overall performance of the Board of Directors and effectiveness of the role played by the board in achieving the company's objectives. The board of directors is responsible for the management of the company, which formulates all significant policies and strategies. The board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties are as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavour to contribute towards the aim of the Company with the best of their abilities.

An annual self-evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During financial year ended June 30, 2024, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the board and its committee meetings. All Directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.

Mehmood-ul-Hassan Asghar
Chairman Board of Directors

Date: November 04, 2024
Place: Karachi

DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND THE MERCIFUL
IF YE GIVE THANKS, I WILL GIVE YOU MORE **(HOLY QURAN)**

Dear Shareholder(s),
Assalam-o-Alykum!

The Board of Directors of your Company are pleased to present the Annual Audited Financial Statements of the Company for the year ended June 30, 2024 together with the Auditors' Report thereon.

Economic Overview
The restoration of macroeconomic stability is imperative for establishing a platform to stimulate growth, enhance employment, and improve the overall quality of life for the people. The year was marked by numerous challenges and uncertainties, including low foreign exchange reserves, international economic slowdown, unprecedented surge in energy prices and finance costs, and political instability. The operating environment was further complicated by a slowdown in economic activity due to high production costs. However, in the latter part of ?scal year 2024, despite of these challenges Pakistan's economy experienced a resurgence in moderate growth and a reduction in external pressures due to government's disciplined ?scal and monetary policies that played a key role in restoring market confidence and boosting growth across various sectors. In fiscal year 2024, Pakistan's GDP increased by 2.38 percent, with strong growth in agriculture sector which expanded by 6.25 percent (2.27% in FY23). While both the industrial and services sectors grew by 1.21 percent (-2.94% in FY 23). The State Bank of Pakistan has reduced its policy rate in last three monetary policy committee meetings from 22.0% to 17.50% while Inflation decreased significantly from 38.0% to 17.3% year over year. Due to import compression policy import bills remained slightly decreased by 0.72% (12.7% in FY23). In contrast, the country's exports, on the other hand, witnessed commendable growth of 10.65% to USD 30.67 (USD 27.72 in FY23). Similarly, the remittances also plunged by 10.7% to USD 31.25 billion (USD 27.72 in FY23) thus significantly supporting foreign reserves. As a result, the current account deficit sharply declined by 79% to USD 681 million.

Industrial Overview
Textile, being a major sector of Pakistan's economy contributes around 60% to the country's exports and provides employment to 40% of the country's total labor force. Textile sector has recorded slight growth and its exports experienced an increase of 0.93% during the FY 2024 totaling USD 16.5 billion (USD 16.5 billion in FY23). The spinning industry at the start of cotton year was very optimistic that the price for cotton would be reduced due to anticipated growth in cotton crop but in contrary to this, country has witnessed a significant negative growth of 63.55% in cotton production. According to the latest cotton statistics released by the Pakistan Cotton Ginners Association (PCGA) as of September 15, 2024, total cotton arrivals have reached 1.434 million bales (3.934 million in FY 2023). As per experts estimate that 25% of the overall cotton crop has been damaged by rains, prompting the textile industry to place import orders for 1.6 million bales to meet domestic demand, which is expected to rise further, burdening the national economy by billions of dollars.

Operating results and performance:
The operating results for the year under review are as follows:

	"Rupees"
REVENUE	446,380,125
COST OF REVENUE	(887,457,918)
GROSS LOSS	**(441,077,793)**
OPERATING EXPENSES	(41,495,317)
OPERATING LOSS	**(482,573,110)**
OTHER INCOME	79,848,618
FINANCE COST	(267,486)
LEVIES	(5,279,752)
LOSS BEFORE TAXATION	**(408,271,730)**
TAXATION - NET	25,212,835
LOSS AFTER TAXATION	**(383,058,895)**

During the year ended 30th June 2024, Company's net revenue has decreased to Rs.446.380 million from Rs. 448.344 million of last year. Company has suffered gross loss of Rs. 441.078 million, whereas operating expenses of the company remained at Rs. 41.495 million as compared to Rs. 44.636 million of corresponding year. Due to working capital constraints, the company continued the production of yarn on contract basis to keep the company operational.

In financial year ended 2012, Company had settled with its lenders through Compromise Agreement against which consent decrees had been passed by the Honorable High Court of Sindh, Karachi. Company's short term and long term loans had been rescheduled in the form of long term loans, however certain lenders having suits of Rs.37.405 million, did not accept the restructuring proposal at that time. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for executions of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

The Auditors of the company have expressed qualified opinion in their report on default in repayment of installments of restructured liabilities and related non-provisioning of mark-up as explained in their report. They have also added matter of emphasis paragraph in their report regarding doubt about company's ability to continue as going concern.

Company has approached its lenders for further restructuring of its liabilities without markup, which is in process. Management is hopeful that such revision will be finalized soon. Moreover, the markup outstanding up to the date of restructuring is Rs.210.713 million, for which the company would be liable to pay in the event of default of terms of agreement, the management is confident that upon finalization of revised restructuring, this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

These financial statements have been prepared using going concern assumption as the conditions referred in note 2 are temporary and would reverse in foreseeable future. Further, sponsors also provide the support as and when required to meet the working capital requirements of the company and accordingly, the preparation of these financial statements using going concern assumption is justified.

Future Outlook

The country's economic stability would largely depend on political firmness, proactive & prudent monetary policy and will remain heavily dependent on Extended Fund Facility (EFF) comes from IMF program. The economic outlook will largely depend on political stability and the continued implementation of reforms under the IMF program. The path ahead also presents numerous challenges for the economy and industries as the fresh EFF comes at the cost of a substantial increase in energy prices and the withdrawal of various subsidies, which may lead to a resurgence of inflation and exchange rate adjustment, impacting policy rates. The situation may further be compounded by the implications of recent budgetary measures on the textile industry, such as the withdrawal of zero-rating on local supplies under the Export Facilitation Scheme (“EFS”), imposition of duties on the import of certain raw materials, and change in taxation regime from Final Tax Regime (FTR) to Normal Tax Regime (NTR). These measures may not only exacerbate the cash flow issues and create unnecessary hassle but will potentially affect the export competitiveness of the industries. Therefore, we foresee that the spinning industry will go through a tough period threatening to result in the decreased profitability of the industry.

Further, for the globally competitiveness in the wake of prevalent economic crunch, we expect the government will focus on structural reforms, addressing the fundamental flaws those lead to recurring economic crises. To boost exports and foreign exchange, and to enable the exporters to compete internationally, the government should prioritize export-oriented sectors, including the textile industry. This involves facilitating the import of raw materials, parts, and accessories, further decrease in current interest rate presently too exorbitant for any business to sustain and also ensuring the availability of utilities at rationalized power tariff. Further, Taxation structure is expected to create ease of doing business and with a focus on expanding the tax-base rather than over burdening existing payers. The next year is a challenging year for not only the company but also for the economy of Pakistan.

Corporate Social Responsibilities

We are also committed to Corporate Social Responsibility (CSR) and integrating sound social practices in our day to day business activities. The Company is committed to make conscious effort to consider and balance the interest of all stakeholders, in particular the community in which we live and workers who are the core of our business. We measure our success not only in terms of financial criteria but also in building customer satisfaction and supporting the communities we serve.

Health, Safety and Environment
The management of the company is aware of its responsibility to provide a safe and healthy working environment to our associates and give highest priority to it. Our safety culture is founded on the premise that all injuries are preventable if due care is taken. Continual efforts for provision of safe, healthy and comfortable working conditions for the employees are made. We follow up and investigate on all incidents and injuries to address their root causes. We believe that safety and health is a journey of continuous improvement and eternal diligence. We will continue to take steps to improve the safety and health of our associates.

Human Resource
The management of the Company is committed to excellence and has a clear vision that human resources and strong leadership practices are important enablers of high productivity and sustainable competitive advantage of our Company. Therefore, management of the Company gives much importance to the optimal use of human resources by way of training proper guidance, motivation and incentive schemes for the employees.

Corporate and Financial Reporting
Your Company is committed to good corporate governance. The Board acknowledges its responsibility in respect of Corporate and Financial Reporting Framework. The Directors confirm that:

1. The financial Statements presented by the management of the Company give a fair account of the state of affairs, the results of its operations, cash flow and changes in equity.

2. Proper books of accounts have been maintained.

3. Accounting policies have been consistently applied in the preparation of financial statements, except for certain changes whose impact have been appropriately disclosed in the financial statements and accounting estimates are based on reasonable and prudent judgment.

4. International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure there from, if any, has been adequately disclosed.

5. The system of internal controls, which is in place, is sound in design and has been effectively implemented and monitored.

6. There has been no material departure from the best practices of the corporate governance, except as disclosed in auditors review report.

7. The Company has constituted an Audit Committee from amongst the non-executive members of its Board.

8. The Board has prepared and circulated a Statement of Ethics and Business Practices amongst its members and the company's employees.

9. Doubts upon the company's Going Concern and mitigating factors have appropriately been disclosed in the financial statements.

10. Information regarding the outstanding taxes and Levies is given in the notes to the financial statements.

11. As required under the Code of Corporate Governance, the following information has been presented in this report:

    i) Pattern of Shareholding;
    ii) Shares held by associated undertaking and related persons;

Board
The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities. Complete details of remuneration of CEO and directors are given in note 34 to the financial statements.

The Board of Directors as of June 30, 2024, consisted of the following:

Directors		**Numbers**
a)	Male	6
b)	Female	1
Composition		**Numbers**
a)	Independent Director	1
b)	Other Non-executive Directors	5
c)	Executive Director	1

During the year four meetings of the Board were held. Names of the persons who, at any time during the year, were directors of the Company, number of meetings held and their attendance in the said meetings are as under:

Names	**Attendance in Four (4) Meetings held**
Mr. Aziz-ul-Haque	4
Mr. Ghazanfar Baber Siddiqi	4
Mr. Abdul Basit	4
Syed Maqbool Ali	4
Mr. Mehmood-ul-Hassan Asghar	4
Mr. Muhammad Hanif German	4
Mrs. Nida Jamil	4

Leave of absence was granted to directors who could not attend these meetings.

Audit Committee
Audit committee was established by the Board to assist the Directors in discharging their responsibilities for Corporate Governance, Financial Reporting and Corporate Control. The committee consists of three members. Majority of members including the chairman of the committee are non-executive directors.

During the year, four Audit Committee meetings were held and attendance was as follows.

Names	**No. of Meetings attended**
Mr. Aziz-Ul Haque Chairman	4
Mr. Abdul Basit	4
Mr. Ghazanfar Baber Siddiqi	4

Human Resource and Remuneration Committee

Human Resource and Remuneration Committee was established by the Board to assist the Directors in discharging their responsibilities with regard to devising and periodic reviews of human resource policies. It also assists Board in selection, evaluation, compensation and succession planning of key management personnel.

The committee consists of three members. During the year one Human Resource and Remuneration committee meeting was held and attendance was as follows

Names	No. of Meetings attended
Mr. Aziz-Ul Haque Chairman	1
Syed Maqbool Ali	1
Mr. Mehmood-ul-Hassan Asghar	1

Earnings per Share
(Loss) per share during the period under review worked out to Rs (3.92) [2023: Rs. (2.93)]

Appointment of Auditors
The present auditors, M/s. Feroze Sharif Tariq & Co., Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors of your company, based on the recommendations of the Audit Committee of the board, proposes M/s. Feroze Sharif Tariq & Co., Chartered Accountants, for reappointment as auditors of the company for the ensuing year.

Pattern of Shareholding
The prescribed shareholding information, both under the Companies Act, 2017, and the Listing Regulations, vis-à-vis, Code of Corporate Governance, is attached at the end of this report.

Key operating and financial data
Key operating and financial data for preceding six years is annexed.

Subsequent Events
Subject to expressly stated elsewhere, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Vote of Thanks & Conclusion
On the behalf of the Board, we appreciate the valuable, loyal, and commendable services rendered to the Company by its executives, members of the staff and workers.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-o-Ar-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, guidance, strength, health, and prosperity to us, our company, country and nation; and also pray to Almighty Allah to bestow peace, harmony, brotherhood, and unity in true Islamic spirit to whole of the Muslim Ummah; Ameen; Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER **(HOLY QURAN)**

By and under Authority of the Board of Directors

Syed Maqbool Ali
Chief Executive Officer & Director

Mehmood-ul-Hassan Asghar
Chairman Board of Directors

Date: November 04, 2024
Place: Karachi

FINANCIAL HIGHLIGHTS

	2019	2020	2021	2022	2023	**2024**
	(Rupees in Thousands)					
Sales (Net)	482,918	431,984	602,428	694,230	488,343	446,380
Gross (Loss)/ Profit	(110,117)	(99,211)	(24,786)	(117,103)	(227,976)	(441,078)
(Loss)/ Profit Before Tax	(225,131)	(210,263)	(119,029)	(216,900)	(308,476)	(402,992)
(Loss)/ Profit After Tax	(210,213)	(197,869)	(112,601)	(192,991)	(286,601)	(383,059)
Current Assets	297,930	267,439	252,910	202,744	125,618	184,207
Shareholder's Equity	936,849	739,922	2,001,994	1,808,851	1,524,319	1,146,727
Current Liabilities	978,877	1,259,456	1,274,972	1,305,462	1,394,018	1,796,864
(Loss)/ Earning per Share	(2.15)	(2.02)	(1.15)	(1.97)	(2.93)	(3.92)
Breakup value per share (Rs.)	9.58	7.57	20.48	18.50	15.59	11.73
current ratio (Times)	0.30	0.21	0.20	0.16	0.09	0.10
Gross (Loss)/ Profit %	-22.80%	-22.97%	-4.11%	-16.87%	-46.68%	-98.81%
Net (Loss)/ profit%	(0.44)	(0.46)	(0.19)	(0.28)	(0.59)	(0.86)
Debt equity ratio (Times)	0.93	1.18	0.44	0.48	0.57	0.76

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

For the Year Ended June 30, 2024

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

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

a)	Male	:	6
b)	Female	:	1

2. The composition of board is as follows:

a)	Independent Director	:	Mr. Aziz-ul-Haque
b)	Other Non-executive Directors	:	Mr. Ghazanfar Baber Siddiqi Mrs. Nida Jamil Mr. Abdul Basit Mr. Mehmood-Ul-Hassan Asghar Mr. Muhammad Hanif German
c)	Executive Director	:	Syed Maqbool Ali

3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.

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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the board have been duly exercised and decision 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 and, in his absence, by a director elected by the board for this purpose. The board has compiled with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.

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

9. Three Directors are qualified under the Directors training program. During the year the board did not arrange training program for its directors. However, we will arrange the same in the next coming session.

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

a)	Audit Committee	:	Mr. Aziz-ul-Haque	Chairman
			Mr. Abdul Basit	Member
			Mr. Ghazanfar Baber Siddiqi	Member
b)	HR and Remuneration Committee	:	Mr. Aziz-ul-Haque	Chairman
			Mr. Mehmood-ul-Hassan Asghar	Member
			Syed Maqbool Ali	Member

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

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

a)	Audit Committee	:	4 meetings during the financial year ended June 30, 2024
b)	HR and Remuneration Committee	:	1 annual meeting held during the financial year ended June 30, 2024

15. The board has set up an effective internal audit function. The staffs 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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with; and

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

S.No.	Non-Mandatory Requirement	Reg No.	Explanation
1	Directors' Training.- It is encouraged that by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19	Currently, three Directors are qualified under the directors training program. The Company is encouraging and planning to arrange DTP certification for the remaining Directors.

Syed Maqbool Ali
Chief Executive Officer & Director

Mehmood-ul-Hassan Asghar
Chairman Board of Directors

Date : November 04, 2024
Place : Karachi

FEROZE SHARIF TARIQ & CO.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
4-N/4, BLOCK 6, P.E.C.H.S.,
KARACHI 75400

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(+9221) 4522734
Facimile: (+9221) 4540891
Email : fstc.ca@gmail.com

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF DEWAN FAROOQUE SPINNING MILLS LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Dewan Farooque Spinning Mills Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Following instances of Non-compliances with the requirements of the Code were observed which are not stated in the Statement of Compliance.

a) The composition of board has includes one independent director Mr. Aziz ul Haque, whereas in our opinion he does not meet the criteria of independence due to his cross director ship in associated Companies.

b) The chairman of Audit committee and Human Resource and Remuneration Committee shall be an independent director, whereas in our view Mr. Aziz ul Haque does not Complied with the criteria of independence as the reason reflects in para (a) above.

c) The Company is required at least two or one third members of the Board, whichever is higher, as independent directors on its board. However, the Company includes only one independent director as disclosed in Paragraph 2 of Statement of Compliance.

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

Further, we highlight below instances of non compliances with the requirements of the Code as reflected in the Paragraph reference where these are stated in the Statement of Compliance:

1. one of the Director of the company is serving as directors in more than seven listed Companies as reflected in Paragraph 3 of statement of Compliance

2. Three of the directors are qualified under the Directors' Training Program as reflect in Paragraph 9 of statement of Compliance as on June 30, 2024 as required by the Code all the directors are required to acquire Prescribed Certification.

Feroze Sharif Tariq & Co.

Dated: November 06, 2024
UDIN: CR202410161Mirltyv29
Place: Karachi

CHARTERED ACCOUNTANTS

FEROZE SHARIF TARIQ & CO.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DEWAN FAROOQUE SPINNING MILLS LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion
We have audited the annexed financial statements of Dewan Farooque Spinning Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies 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, because of the significance of the matters described in Basis for Qualified opinion Paragraph of our report and its effects, the statement of financial position, the statement of profit or loss, 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, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Qualified 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 qualified opinion.

a) The company defaulted in repayment of installments of restructured liabilities of Financial institutions, hence as per clause 10.2 of the Compromise Agreement of the company, the entire outstanding restructured liabilities of Rs. 393.602 (June 30, 2023: Rs.398.067) million as disclosed in note 8.1 to the financial Statements along with markup of Rs. 208.513 (June 30, 2023:Rs.210.713) million (eligible for waiver outstanding as of date of restructuring) become immediately payable, therefore provision for markup should be made in these financial statements. The Company has defaulted in restructured liabilities as per compromise agreement, the lenders filed suits for execution of consent decrees therefore, and the Balance Confirmations from Financial Institutions/Banks have not been received. Further, the short term finance facilities have expired and not been renewed by banks amounting to Rs. 267.10 (June 30, 2023:Rs. 267.10) million. The company is also facing litigation from its lenders; aggregate suit amount is Rs. 37.405 (June 30, 2023: Rs. 37.405) million the company has also not provided markup on the same amount as disclosed in Para (b) of this report and the execution has been filed by the lenders of the Company amounting to Rs. Rs.549.874 million and markup thereon of Rs.210.713 million (eligible for waiver outstanding as of date of Restructuring) as disclosed in note 15.1 and 15.2 to the financial Statements.

b) Had the provisions for the mark up, as discussed in preceding paragraph (a), and along with markup not booked in these financial statements as per note 15.1,15.2 and 29.1 to the financial Statements, the loss after taxation would have been higher by Rs. 452.030 (2023: Rs 345.086) million and markup payable would have been higher and shareholders' equity would have been lower by Rs. 452.030 (2023: Rs 345.086) million.

Material Uncertainty Relating to Going Concern

We draw attention of the members to note 2 to the financial Statements for the year ended June 30, 2024 which indicates loss after taxation of Rs. 383.059 (2023: Rs. 286.601) million and as of that date it has accumulated losses of Rs. 1,994.917 (2023: Rs. 1,679.053) million and its current liabilities exceeded its current assets by Rs. 1,612.657 (2023: Rs. 1,268.400) million (excluding the effect of non-provided markup as disclosed in para (b) above). Furthermore, the company defaulted in repayments of installments of restructured long term liabilities and short term finance facilities which has been expired and not renewed by banks amounting to Rs. 267.10 million as discussed in Para (a) above. The Company is in litigation with its lenders as disclosed in Para (a) above and note 15.1 ans 15.2 to the financial Statements. Following Course, the company has temporarily suspended its own production to manufacture yarn and started manufacturing of yarn on Contract basis due to working Capital constraints as disclosed in note 1 and 36 to the financial statements. These conditions, along with other matters as set forth in note 2 indicates the existence of material uncertainty which may cast significant doubt about Company's ability to Continue as going concern therefore the company may be unable to realize its assets and discharge its liabilities in normal Course of Business. The amounts of the current liabilities and Loss reported in said note do not include the effect of matters discussed in Basis for Qualified opinion. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to the key audit matters to be communicated in our report

S.No.	Key Audit Matters	How the matter was addressed in our audit
1.	**Contingencies**	
	The Company is subject to material litigations involving different courts pertaining to GID Cess and Recovery of Loans by Financial Institutions, which requires management to make assessment and judgments with respect to likelihood and impact of such litigations. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, contingencies is complex and is a matter of most significance in our audit because of the judgments required to determine the level of certainty on these matters. The details of contingencies along with management's assessment and the related provisions are disclosed in note 15 to the financial statements. There is an inherent risk that legal exposures are not identified and considered for financial reporting purposes on a timely basis, therefore, considered to be a key audit matter. Importantly, the decision to recognize a provision and the basis of measurement are judgmental.	In response to this matter, our audit procedures included: Discussing legal cases with the legal department to understand the management's view point and obtaining and reviewing the litigation documents in order to assess the facts and circumstances. Obtaining independent opinion of legal advisors dealing with such cases in the form confirmations. We also evaluated the legal cases in line with the requirements of IAS 37: Provisions, contingent liabilities and contingent assets. The disclosures of legal exposures and provisions were assessed for completeness and accuracy In view of the significant judgements required, we evaluated the Company's assessment of the nature and status of litigation, claims and provision assessments, if any, and discussed with management to understand the legal position and the basis of material risk positions. We received legal letters from the Company's external counsel setting out their views in major cases.

		Specifically, we challenged the timing of recognition for cases where there was potential exposure but it was not clear that a provision should be raised e.g. where obtaining reliable estimates are not considered possible. As set out in the financial statements, the outcome of litigation and regulatory claims are dependent on the future outcome of continuing legal and regulatory processes and consequently the calculations of the provisions are subject to inherent uncertainty.

Information Other than the Financial Statements and Auditor's Report Thereon
Management is responsible for the other information. The other information comprises the information in the Annual Report, but does not include the financial statements and our auditor's reports 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 concluded that the other information is materially misstated for the same reason with respect to the matters described in the basis for Qualified Opinion section and in the Material Uncertainty Related to Going Concern section.

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 Accounting and Reporting Standards as applicable in Pakistan and 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.

The Board of Directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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.

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 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 except for the matter discussed in basis for qualified opinion section and Material Uncertainty Relating to Going Concern Section and its effects, 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, 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) however, the same 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 auditor's report is Mohammad Ghalib.

Dated: November 06, 2024
UDIN: AR202410161AdBQajtvf
Place: Karachi

Feroze Sharif Tariq & Co.

CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION
As at 30th June, 2024

	Notes	June 30, 2024	June 30, 2023
		(Rupees)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (2023: 100,000,000) Ordinary shares of Rs.10/- each	5	**1,000,000,000**	1,000,000,000
Issued, subscribed and paid-up capital	6	**977,507,260**	977,507,260
Revenue reserve - accumulated loss		**(1,994,916,593)**	(1,679,052,587)
Capital reserve - revaluation surplus on property, plant and equipment	7	**2,164,136,379**	2,225,864,355
		1,146,727,046	1,524,319,028
NON-CURRENT LIABILITIES			
Long term loan	8	**7,968,750**	13,515,625
Deferred taxation	9	**232,916,919**	258,129,754
Deferred liability for staff gratuity	10	**29,718,553**	24,821,967
CURRENT LIABILITIES			
Trade and other payables	11	**547,702,240**	142,577,929
Accrued mark-up		**390,303,597**	390,303,597
Short term borrowings	12	**412,864,355**	412,864,355
Current & overdue portion of long term liabilities	13	**445,994,050**	448,271,977
Provision for taxation	14	**-**	-
		1,796,864,242	1,394,017,858
CONTINGENCIES AND COMMITMENTS	15	**-**	-
		3,214,195,510	3,214,804,232
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	16	**2,991,200,860**	3,050,959,357
Long term deposits	17	**38,787,516**	38,226,745
CURRENT ASSETS			
Stores & spares	18	**25,328,156**	28,155,525
Stock in trade	19	**15,516,540**	-
Trade debts- unsecured, considered good	20	**33,111,105**	43,384,112
Loans and advances - unsecured, considered good	21	**5,374,903**	10,773,089
Trade deposits and other receivables - considered good	22	**49,547,677**	7,342,103
Taxes recoverable		**39,662,554**	33,464,562
Cash and bank balances	23	**15,666,199**	2,498,739
		184,207,134	125,618,130
		3,214,195,510	**3,214,804,232**

The annexed notes form an integral part of these financial statements.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

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

	Notes	2024	2023
		(Rupees)	
Sales / Revenue - Net	24	**446,380,125**	488,343,690
Cost of sales / revenue	25	**(887,457,918)**	(716,320,054)
Gross (loss)		**(441,077,793)**	(227,976,364)
Operating expenses			
Administrative expenses	26	**(29,669,018)**	(33,649,878)
Selling and distribution expenses	27	**(11,826,299)**	(10,985,842)
		(41,495,317)	(44,635,720)
Operating (loss)		**(482,573,110)**	(272,612,084)
Other income	28	**79,848,618**	35,160,804
		(402,724,492)	(237,451,280)
Finance cost	29	**(267,486)**	(71,024,481)
(Loss) before income tax and levies		**(402,991,978)**	(308,475,761)
Levies	30	**(5,279,752)**	(6,104,296)
Loss before income tax		**(408,271,730)**	(314,580,057)
Taxation - Net	31	**25,212,835**	27,979,165
(Loss) after taxation		**(383,058,895)**	(286,600,892)
(Loss) per share - basic and diluted	32	**(3.92)**	(2.93)

The annexed notes form an integral part of these financial statements.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

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

	2024	2023
	(Rupees)	
(Loss) after taxation	**(383,058,895)**	(286,600,892)
Other Comprehensive Income		
Items that will not be subsequently reclassified to profit or loss		
Remeasurement of defined benefit liability	**(5,466,913)**	(2,068,674)
Total comprehensive income / (loss) for the year	**(388,525,808)**	**(288,669,566)**

The annexed notes form an integral part of these financial statements.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

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

	Note	2024	2023
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) before taxation		**(402,991,978)**	(308,475,761)
Adjustments for non cash and other items:			
Depreciation		**132,762,177**	147,249,108
Financial charges		**267,486**	71,024,481
(Reversal) / Provision for doubtful debts		**(70,429,000)**	(35,160,804)
(Reversal) / Provision for doubtful advances		**(9,419,600)**	-
Provision for gratuity		**13,808,446**	11,482,931
Cash flow before working capital changes		**(336,002,469)**	(113,880,045)
Working Capital changes			
(Increase) / Decrease in current assets:			
Stores & spares		**2,827,369**	(2,804,884)
Trade debts		**80,702,007**	61,760,194
Stock in trade		**(15,516,540)**	-
Loans & advances		**14,817,786**	8,942,425
Trade deposits & other receivables		**(42,205,574)**	33,362,542
Increase / (Decrease) in current liabilities:			
Trade and other payables		**405,124,311**	24,686,060
Cash generated from / (used in) operations		**109,746,890**	12,066,292
Payments for:			
Taxes paid		**(11,477,744)**	(11,495,313)
Gratuity paid		**(3,444,947)**	(5,646,384)
Financial charges paid		**(267,486)**	(195,572)
		94,556,713	(5,270,977)
CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure incurred		**(73,003,680)**	(1,296,700)
Long term deposits		**(560,771)**	-
Net cash outflow from investing activities		**(73,564,451)**	(1,296,700)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term loan		**(7,824,802)**	(1,171,875)
Net cash inflow / (out flow) from financing activities		**(7,824,802)**	(1,171,875)
Net increase / (decrease) in cash and cash equivalents		**13,167,460**	(7,739,552)
Cash and Cash equivalents at the beginning of the year		**2,498,739**	10,238,291
Cash and Cash equivalents at the end of the year	**33**	**15,666,199**	**2,498,739**

The annexed notes form an integral part of these financial statements.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

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

	Issued subscribed and paid-up capital	Revenue reserve	Capital Reserve	Total
		Accumulated loss	Revaluation surplus on property, plant & equipment	
	(Rupees)			
Balance as at July 01, 2022	**977,507,260**	**(1,463,021,085)**	**2,294,365,071**	**1,808,851,246**
Total comprehensive loss for the year				
(Loss) for the year	--	(286,600,892)	--	(286,600,892)
Other comprehensive income	--	2,068,674	--	2,068,674
	--	(284,532,218)	--	(284,532,218)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	68,500,716	(68,500,716)	--
Balance as at June 30, 2023	**977,507,260**	**(1,679,052,587)**	**2,225,864,355**	**1,524,319,028**
Balance as at July 01, 2023	**977,507,260**	**(1,679,052,587)**	**2,225,864,355**	**1,524,319,028**
Total comprehensive loss for the year				
(Loss) for the year	--	(383,058,895)	--	(383,058,895)
Other comprehensive income	--	5,466,913	--	5,466,913
	--	(377,591,982)	--	(377,591,982)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	--	61,727,976	(61,727,976)	--
Balance as at June 30, 2024	**977,507,260**	**(1,994,916,593)**	**2,164,136,379**	**1,146,727,046**

The annexed notes form an integral part of these financial statements.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

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

1 THE COMPANY AND ITS OPERATIONS

Dewan Farooque Spinning Mills Limited was incorporated in Pakistan on December 22, 2003 as public limited company, under the Companies Ordinance, 1984 (now Companies Act 2017). The shares of the company are listed on Pakistan Stock Exchange Limited. The principal activity of the company is manufacturing and sale of fine quality yarn. The Company also manufactures yarn on contract basis. The company has installed capacity of 28,800 spindles.

The geographical Location and address of the company's business units, including mill/plant are as under:

- The registered office of the company is located at Dewan Centre, 3-A, Lalazar Beach Hotel, Road, Karachi, Pakistan;
- while its manufacturing facilities are located at 54 km Multan Road, Phool Nagar By-pass, District Kasur, Pakistan.

1.1 Summary of significant events and transactions in the current reporting period

All significant transactions and events that have affected the Company’s statement of financial position and performance during the year have been adequately disclosed either in the notes to these financial statements or in the Directors’ report.

2 GOING CONCERN ASSUMPTION

The financial statements for the year ended June 30, 2024 reflect that company sustained net loss after taxation of Rs. 383.059 million (2023: Rs. 286.601 million) and as of that date its negative reserves of Rs. 1,994.917 (2023: Rs. 1,679.053) million and its current liabilities exceeded its current assets by Rs. 1,612.657 million (2023: 1,268.400). Furthermore the short term facilities of the company have expired and not been renewed by banks and it has defaulted in repayment of restructured liabilities. Following course, the company is facing litigations with its lenders as more fully explained in note 15 to the financial statements. These conditions indicate the existence of material uncertainty, which may cast significant doubt about Company's ability to continue as going concern.

These financial statements have been prepared using going concern assumption as these conditions are temporary and would reverse in foreseeable future. Further, sponsors also provide the support as and when required to meet the working capital requirements of the company and accordingly, the preparation of these financial statements using going concern assumption is justified

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 29.1 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. 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.

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention except certain items of property, plant and equipment which are carried at revalued amounts.

3.3 Standards, amendments, interpretation and improvements applicable to the financial statements

Adoption of amendments to approved accounting standards effective during the year

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

	Effective Date (Period beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	1 January 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	1 January 2023
Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendments to IAS 12 'Income Taxes' - International Tax Reform — Pillar Two Model Rules	1 January 2023

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

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

Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	1 January 2024
Amendments to IFRS 16 ' Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	1 January 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 'The effects of changes in foreign exchange rates' - Lack of exchange ability	1 January 2024
Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 ' Financial Instruments' - classification and measurement of financial instruments	1 January 2026
Standard IFRS 17 'Insurance Contract'	1 January 2026
Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid standards, interpretations and amendments, the IASB has also issued the following standards which have not been adopted locally by the SECP:

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

3.4 Adoption of new accounting policy

Accounting for minimum taxes and final taxes

The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

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

The guide issued by ICAP provides two (2) approaches to account for minimum and final regime taxes, which is a choice of accounting policy of which the Company has chosen the following:

Designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Therefore, the effective rate of income tax is equal to the enacted rate of income tax.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy'. If super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37.

Advance taxes paid under any section of the Income Tax Ordinance, 2001 have been netted off with the levy amount and the net position is shown in the statement of financial position.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) - 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

	For the year June 30, 2024			For the year June 30, 2023		
	Had there been no change in Accounting Policy	Impact of change in Accounting Policy	After Incorporating effects of change in Accounting Policy	Had there been no change in Accounting Policy	Impact of change in Accounting Policy	After Incorporating effects of change in Accounting Policy
Levies	-	(5,279,752)	(5,279,752)	-	(6,104,296)	(6,104,296)
Profit before income tax	(402,991,978)	(5,279,752)	(408,271,730)	(308,475,761)	(6,104,296)	(314,580,057)
Income tax expense	21,518,488	5,279,752	26,798,240	21,874,869	6,104,296	27,979,165

3.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency and have been rounded off to the nearest rupee.

3.6 Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

3.6.1 Operating fixed assets, revaluation and depreciation

The Company reviews appropriateness of the rate of depreciation, useful lives and residual values used in the calculation of depreciation. The estimates of revalued amounts of revalued assets are based on valuations carried out by a professional valuer. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation charge and impairment.

3.6.2 Trade debts

The Company reviews its doubtful debts at each reporting dates to access whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

3.6.3 Income tax

In making the estimates for income tax currently payable by the Company, the management considers the current income tax laws and the decisions of appellate authorities on certain issues in the past.

3.6.4 Stock in trade

The Company reviews the net realizable value (NRV) of stock in trade to assess any diminution in the respective carrying values. Any change in the estimates in future years might affect the carrying amounts of stock in trade and corresponding effect in profit and loss account of those future years. Net realisable value is determined with respect to estimated selling price less estimated expenditures to make the sales.

3.6.5 Stores and spares

The Company reviews the net realizable value (NRV) and impairment of stores and spare parts to assess any diminution in the respective carrying values and wherever required provision for NRV / impairment is made. The calculation of provision involves the use of estimates with regards to future estimated use and past consumption along with stores and spares holding period.

3.6.6 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the out come of the future events cannot be predicted with certainty. The company, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from April 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Property, plant and equipment

Owned

Item of property, plant and equipment is recognized as asset when it is probable that future economic benefits associated with the asset will flow to the company and its cost to the company can be measured reliably.

An item of property, plant and equipment, which qualifies for recognition as an asset, is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the item. Subsequent to initial recognition items of property, plant and equipment are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using the fair value at the balance sheet date.

Land (free hold and lease hold), Building and Plant and Machinery are recognized at revalued amounts based on valuation by external independent valuer. Long term leases of land in which the Company obtains control of the land are accounted for as property, plant and equipment and presented as ‘leasehold land’ and building . Revaluation surplus on property, plant and equipment is credited to shareholders’ equity and presented as a separate line item in statement of financial position. Increases in the carrying amounts arising on revaluation of land are recognized, in other comprehensive income and accumulated in revaluation surplus in shareholders’ equity. To the extent that increase reverses a decrease previously recognized in profit or loss, the increase is first recognized in profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Any revaluation increase arising on the revaluation of assets is recognised in other comprehensive income and presented as a separate component of equity as “Revaluation surplus on property, plant and equipment”, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revalued assets to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

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

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold land and capital work-in-process, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in note 16 to the financial statements. The depreciation for assets acquired or disposed of during the year is charged from the month of acquisition or up to the month of disposal of such assets respectively.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

Intangible assets

Computer software acquired by the Company are stated at cost less accumulated amortisation. Cost represents the expense incurred to acquire the software license and bring them to use. The cost of computer software is amortised over the estimated useful life i.e. 4 years.

Cost associated with maintaining computer software is charged to the profit and loss account.

4.2 Capital work-in-progress

All expenditure connected with specific assets incurred during development, installation and construction period are carried as capital work-in-progress. These are transferred to specific assets as and when these assets are available for use.

4.3 Lease

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

4.3.1 Right of use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right of use asset is subsequently depreciated using the diminishing balance method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

4.3.2 Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

fixed payments (including in-substance fixed payments), less any lease incentives receivable;
variable lease payment that are based on an index or a rate;
amounts expected to be payable by the lessee under residual value guarantees;
the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments.

4.3.3 Short term leases and low-value assets

The Company has elected not to recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and the leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.4 Stores and spares

These are valued at average cost except for those in transit, which are valued at cost.

4.5 Stock in trade

These are valued at lower of average cost and net realizable values, the cost is determined as follows:

Raw material	-	Average cost
Packing material	-	Average cost
Work in process	-	Cost of direct materials plus conversion cost valued on the basis of equivalent production units.
Waste	-	Selling price
Finished goods	-	Average cost or net realisable value which ever is the less

Cost of finished goods comprise of prime cost and appropriate portion of production overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make the sale.

Goods-in-transit are valued at purchase price, freight value and other charges incurred thereon upto the reporting date.

Stock-in-trade is regularly reviewed by the management and obsolete items, if any, are brought down to their NRV. NRV 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.

4.6 Staff retirement benefits

Defined benefit plan

The company has established a recognized provident fund for its permanent employees at head office. Equal contributions are being made in respect thereof by company and employees in accordance with the terms of the fund.

Defined benefit plan

The Company's operating an unfunded Gratuity Scheme for its permanent factory staff. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method, as required by International Accounting Standards (IAS 19). Remeasurements which comprise actuarial gains and losses are recognized immediately in other comprehensive income.

The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. Interest expense and current service cost are recognized in Statement of profit or loss.

4.7 Taxation

Current

Provision for current taxation is based on current rates of tax after taking into account available tax credits and rebates available, if any.

Deferred

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.8 Provision

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

4.9 Financial instruments

4.9.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortised 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.

Subsequent measurement

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

Equity Investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss account unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss account.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / mark-up or dividend income, are recognised in the statement of profit or loss account.
Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss account.

4.9.2 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.9.2.1 Trade debts, advances and other receivables

These are classified at amortised 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.

4.9.2.2 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities of less than three months or less from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

4.9.3 Financial liabilities

Financial liabilities are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Financial liabilities include mark-up bearing borrowings and trade and other payables. The Company derecognises the financial liabilities when contractual obligations are discharged or cancelled or expire. Financial liability other than at fair value through profit or loss are initially measured at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest rate method.

4.9.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss account over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the relevant asset.

4.9.3.2 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

4.9.4 Derivative financial instruments - other than hedging

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

4.9.5 Derivative financial instruments - cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in hedging reserve. Any ineffective portion of changes in fair value of derivative is recognised immediately in the statement of profit or loss account. The amount accumulated in equity is removed therefrom and included in the initial carrying amount of non-financial asset upon recognition of non-financial asset.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

4.9.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

4.10 Impairment

4.10.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and

- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

4.10.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

4.11 Foreign currency translation

Transactions in foreign currencies are recorded using the rates of exchange ruling at the date of transaction. Assets and liabilities in foreign currencies, if any, are translated into rupees at the exchange rates prevailing on the balance sheet date except where forward exchange contracts have been entered into in which case the rates contracted for are used.

4.12 Transactions with related parties

All dealings with associated companies are carried out at arm's length using the Comparable Uncontrolled Price method except interest free loan given by the Sponsors of the Company

4.13 Revenue recognition

Sale of goods

Revenue from contracts with customers is recognised when the control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods according to the negotiated contractual terms. The Company has generally concluded that it acts as a principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Revenue from Contract basis on performance of Services is recognised upon passing of title of goods manufactured under contract basis manufactured goods, which is generally coincides with physical delivery.

Return on bank deposits / saving accounts is recognised on accrual basis.
Other income, if any, is recognised on accrual basis.

4.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.15 Dividends and appropriation to reserve

Dividend and appropriation to reserve are recognised in the unconsolidated financial statements in the period in which these are approved.

4.16 Earnings per share

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

4.17 Contingent Liability

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

4.18 Operating segments

For management purposes, the activities of the Company are organised into one reportable operating segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure, and internal ?nancial reporting systems. Accordingly, the figures reported in these unconsolidated financial statements are related to the Company's only reportable segment.

		2024	2023
		Rupees	
5	**AUTHORIZED SHARE CAPITAL**		
	100,000,000 (2023: 100,000,000) Ordinary shares of Rs.10/- each	**1,000,000,000**	1,000,000,000
6	**ISSUED, SUBSCRIBED AND PAID UP-CAPITAL**		
	97,750,726 (2023: 97,750,726) Ordinary shares of Rs.10/- each fully paid in cash	**977,507,260**	977,507,260

6.1 The pattern of shareholding, as required under the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan, is attached at the end of this report.

6.2 Dewan Motors (Private) Limited, an associated company held 37,750,726 ordinary shares of Rs.10 each.

6.3 All ordinary shares rank equally with regard to the Company's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

6.4 As of the reporting date 37,750,726 & 3,000 (2023: 37,750,726) & 3,000 ordinary shares of Rs. 10 each were held by associated companies and directors of the Company respectively.

7	**REVALUATION SURPLUS ON PROPERTY PLANT AND EQUIPMENT**		
	Opening Balance	**2,225,864,355**	2,294,365,071
	Transferred to accumulated loss in respect of incremental depreciation for the year	**(61,727,976)**	(68,500,716)
		2,164,136,379	2,225,864,355

The assets of the Company have been revalued as on June 30, 2021. The revaluation is carried out by an independent valuer, M/s Anderson Consulting (Private) Limited on the basis of professional assessment of present market values or depreciated replacement values and resulted in a surplus on Revaluation of Property Plant and Equipment over the written down value as follows:

Land
Valuation of land is based on assessment of present market values from the information of current matured transactions in recent past, pertaining to immediate neighborhood and surrounding areas.

Building
Valuation of building has been determined by assessment of type of construction, current condition of construction and by applying current construction rates for current replacement value and taking into account depreciation involving the year of construction, physical condition, usage and maintenance.

Plant and Machinery
Plant and machinery valuation has been determined after making enquiries from agents, local dealers, fabricators, suppliers and manufacturers of comparable plants. Current prices of used and reconditioned plants in the local markets have also been considered. Based on above, market values have been determined and depreciation has been applied as per their condition, usage, and maintenance

The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

The latest revaluation has resulted in increase in surplus by Rs.1,536.837 million, and forced sale value of revalued assets is Rs.2,365.970 million.

	Notes	2024	2023
		Rupees	
8 LONG TERM LOANS			
Syndicated long term loans - Secured	**8.1**	**-**	-
Restructured long term loan - Secured	**8.2**	**7,968,750**	13,515,625
		7,968,750	13,515,625
8.1 SYNDICATED LONG TERM LOANS - SECURED			
Syndicated Long Term Loan - Secured	**8.1.1, 2&3**	**398,066,977**	398,066,977
Less: Paid during the year		**(4,465,427)**	-
		393,601,550	398,066,977
Less: Transferred to overdue portion	**13**	**393,601,550**	398,066,977
		-	-

8.1.1 The Compromise Agreement dated December 23, 2011 had been executed between the banks and the company against which consent decrees had been granted by the Honorable High Court of Sindh, Karachi. As per the terms, Company's short term and long term loans had been rescheduled in the form of long term loans of Rs.875.13 million which was to be repaid in six and half years from the date of restructuring with progressive mark up ranging from 6% to 14% over the period on outstanding principal. This loan is secured by way of mortgage charge over immovable properties and hypothecation of movable assets of the company. Moreover banks/financial institution also approved further working capital limit to the Company amounting to Rs. 192.10 million by providing syndicated cash finance against pledge of stocks in proportion to their loan amounts which has been expired on December 31, 2015 and not been renewed. In case of default by the company the entire outstanding mark up as disclosed in the agreement will remain outstanding liability of the company and all amounts in respect of its liabilities shall become payable with immediate effect as disclosed in clause 10.2 of the Compromise Agreement of the company.

8.1.2 During the year the company has settled the borrowing of the one of the Bank which is part of the compromise decree and discussed in above note and settlemnet letter Recived.

8.1.3 The company approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon.

	Notes	2024	2023
		Rupees	
8.2 RESTRUCTURED LONG TERM LOAN - SECURED			
Restructured long term loan - Secured	**8.2.1**	**16,640,625**	17,812,500
Less: Paid during the year		**(3,359,375)**	(1,171,875)
		13,281,250	16,640,625
Less: Transferred to Current Maturity	**13**	**(5,312,500)**	(3,125,000)
		7,968,750	13,515,625

8.2.1 Suit # 210 filed by M/s Pak Libya Holding was decreed on 23/12/19 by the Banking Court No. IV at Karachi and thereafter M/s Pak Libya Holding preferred an execution application No. 28/2020 at Banking Court No. IV at Karachi and later the same was transferred to Banking Court Lahore. Subsequently both the parties arrived at settlement outside the court vide settlement agreement dated March 21, 2022 for repayment of loan in 20 quarterly installments starting from March 31, 2022.

9 DEFERRED TAXATION

	Notes	2024	2023 Restated
Credit balance arising due to:			
- accelerated tax depreciation		**73,716,934**	79,394,631
- revaluation - Net of related depreciation		**232,916,919**	258,129,754
Debit balance arising due to			
- finance lease transactions		**269,425**	1,252,494
- staff gratuity		**(8,618,380)**	(7,198,370)
- provision and others		**-**	(33,608,351)
- carried over losses		**(430,141,277)**	(372,006,039)
		(131,856,379)	(74,035,881)
Deferred tax asset not recognized		**364,773,298**	332,165,635
		232,916,919	258,129,754

9.1 Movement of deferred tax liabilities

	Notes	2024	2023
Balance as at beginning of the year		**258,129,754**	286,108,919
Tax charge recognized in statement of profit or loss		**(25,212,835)**	(27,979,165)
Tax charge recognized in other comprehensive income		**-**	-
Balance as at end of the year		**232,916,919**	258,129,754

10 DEFERRED LIABILITY FOR STAFF GRATUITY

	Notes	2024	2023
Opening balance		**24,821,967**	21,054,094
Provision for the year	**10.1**	**13,808,446**	11,482,931
Payments during the year		**(3,444,947)**	(5,646,384)
Actuarial gain		**(5,466,913)**	(2,068,674)
	10.2	**29,718,553**	24,821,967

10.1 Provision for the year

	Notes	2024	2023
Current service cost		**10,812,647**	9,475,836
Interest cost on defined benefit obligation		**2,995,799**	2,007,095
		13,808,446	11,482,931

10.2 Balance sheet liability

	Notes	2024	2023
Present value of defined benefit obligation		**29,718,553**	24,821,967

10.3 Changes in Net Liability

	Notes	2024	2023
Balance sheet liability/(Asset)		**24,821,967**	21,054,094
Exepnse chargeable to P&L		**13,808,446**	11,482,931
Remeasurements chargeable in other comprehensive income		**(5,466,913)**	(2,068,674)
Benefits paid		**(3,444,947)**	(5,646,384)
		29,718,553	24,821,967

		Notes	2024	2023
			Rupees	
10.4	**Significant Actuarial Assumptions**			
	Discount rate used for interest cost in P&L charge		16.25%	13.25%
	Discount rate used for year end obligation		14.75%	16.25%
	Salary increase used for year end obligation		N/A	15.25%
	Next salary increased at		July 01, 2024	July 01, 2023
	Mortality Rates		SLIC 2001 - 2005 Setback 1 Year	SLIC 2001 - 2005 Setback 1 Year
	Withdrawal Rates		Age based	Age based
	Retirement Assumption Age		60 Years	60 Years
10.5	**Year End Sensitivity Analysis on Defined Benefit Obligation**			
	Discount Rate + 100 bps		**22,824,601**	20,443,824
	Discount Rate - 100 bps		**23,697,602**	22,971,936
	Salary Increase + 100 bps		**23,791,489**	23,032,929
	Salary Increase - 100 bps		**22,726,308**	20,367,391

11 TRADE AND OTHER PAYABLES

	Notes	2024	2023
Creditors		**222,887,542**	89,500,057
Accrued expenses		**255,687,206**	52,920,366
Advance from Customers		**68,428,220**	-
Employees provident fund	**11.1**	**140,892**	157,506
Sales tax payable		**558,380**	-
		547,702,240	142,577,929

11.1 Investments of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

12 SHORT TERM BORROWING

	Notes	2024	2023
Short term finances from banks	**12.1 & 12.2**	**75,000,000**	75,000,000
Sponsors loan	**12.3**	**337,864,355**	337,864,355
		412,864,355	412,864,355

12.1 The running finance of Rs 30 million obtained from Bank .The facility is secured by way hypothecation charge on the current assets of the company. The markup rate for this facility is 03 Months KIBOR plus 2%.

12.2 The short term finance of Rs 150 million obtained from Bank. The facility is secured by way hypothecation charge & mortgages against assets of the company. The markup rate for this facility is 03 Months KIBOR plus 3%.

12.3 SPONSORS LOAN

	Notes	2024	2023
Opening Balance	**12.3.1**	**337,864,355**	337,864,355
		337,864,355	337,864,355

12.3.1 This represents unsecured interest free loan for the purpose of working capital requirements and is payable on demand. The interest free and unsecured loan has been provided by sponsor considering financial crunch being faced by the company.

13 OVERDUE PORTION OF LONG TERM LIABILITIES

	Notes	2024	2023
Liabilities against assets subject to finance lease	**13.1**	**29,580,000**	29,580,000
Redeemable capital - PPTFCs	**13.2**	**17,500,000**	17,500,000
Over due portion of syndicated long term loans	**8.1**	**393,601,550**	398,066,977
Current portion of restructured long term loan	**8.2**	**5,312,500**	3,125,000
		445,994,050	448,271,977

13.1 The above represents finance leases for Plant and Machinery of the Company shown under Right of use of Assets, the Company defaulted in repayment of Lease Liability therefore, the Bank filled litigation to recover the remaining amount as disclosed in note 15.2 to the financial Statements

13.2 This represents remaining amount payable in respect of 14,000 PPTFCs which were not converted into long term loan. Total number of PPTFCs were 130,000 out of which 116,000 were converted into long term loan in accordance with the consent decrees passed by Honorable High Court of Sindh as detailed in notes 8.1.1 & 8.2.1. After obtaining decree one of the Bank restructured its PPTFC Loan as disclosed in note 8.2 to the financial statements and further the Company has settled one of the bank.

14 PROVISION FOR TAXATION

	Notes	2024	2023
		Rupees	
Balance at the beginning of the year		**6,104,296**	8,677,877
Provision made during the year		**5,279,752**	6,104,296
		11,384,048	14,782,173
Payment / Adjusted during the year		**(6,104,296)**	(8,677,877)
Adjusted with advance tax		**(5,279,752)**	(6,104,296)
		-	-

Income tax returns of the company have been filed up to tax year 2023 which are deemed to be assessed u/s 120 of the Income Tax Ordinance 2001.

14.1 **Relationship between income tax expense and accounting profit**

	2024	2023
Accounting (loss) as per profit and loss account	**(402,991,978)**	(308,475,761)
Applicable tax rate	**29%**	29%
Tax on accounting (loss)	**(116,867,674)**	(89,457,971)
Tax effect of timing difference on depreciation	**31,833,670**	35,194,307
Tax effect of expenses / provisions that are not deductible in determining taxable loss charged to profit and loss account	**3,005,415**	1,692,599
Effect of Loss carried / (brought) forward	**82,028,589**	52,571,065
	-	-
Minimum tax payable under Income Tax Ordinance, 2001	**5,279,752**	6,104,296

15 CONTINGENCIES AND COMMITMENTS

15.1 In respect of liabilities towards banks / financial institutions disclosed in note 8 to the financial statements, during the year ended 2012, certain lenders have entered into a compromise agreement with the Company for outstanding debt sought by lenders in the suits filed by them and it was agreed that the Company would settle all the liabilities at principle amount of Rs.555.411 million and markup thereon of Rs.208.531 million (eligible for waiver if the Company repays the entire outstanding principal as per term of agreement), consequent to which consent decrees were granted by the Honorable High Court of Sindh, Karachi. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

15.2 Company has been facing litigation with one of its lenders who had filed suit for recovery of Rs. 37.40 million which is pending in Honorable High Court of Sindh, Karachi. The Company strongly contested the case as bank has filed wrong claim. The management of the Company expects favorable outcome.

15.3 The Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance, 2014 to circumvent the earlier decision of Honorable Supreme Court wherein GIDC Act of 2011 was declared unconstitutional and ultra vires. The Government enacted GIDC Act, 2015 which has also been challenged by the Company through writ petition before the Honorable Lahore High Court, which granted the stay against collection of GIDC arrears. Later on in Jul-2020, The Supreme Court of Pakistan has decided the case in favor of SNGPL with directions to recover the arrears under GIDC Act 2015 from the consumers in 24 equal installments from the applicability of GIDC Act 2015 onwards. Further Company has also filed writ petition before the Honorable Lahore High Court for suspension of the bills issued for collection of GIDC Arrears by applying the Captive Power GIDC Rate or without excluding the GIDC amount not collected as required under GIDC Act 2015, stay for the same has been granted by Lahore High Court. In accordance with the stay order granted provision amounting to Rs.12.308 million has been made in financial statements June 30, 2020 against subjected liability and Paid. Furthermore, the SNGPL on the bill shown Charges in respect of Late Payment surcharge, GIDC and Rate Diffrance as on June 30, 2024 amounting to Rs. 302.985 million which company feel unjustfied and as disclosed in note 15.4 Stay has been taken in this regard.

15.4 The company alongwith other textile mills has filed writ petition in Honorable Lahore High Court against Sui Northern Gas Pipelines Limited (SNGPL) and others against purported gas charges. The Honorable court has granted stay against said gas charges and company expects favorable outcome hence no provision has been made in these financial statements.

15.5 There are no commitments as of balance sheet date which need to be disclosed in the financial statements.

16 PROPERTY, PLANT AND EQUIPMENT

	Notes	2024	2023
		Rupees	
Operating fixed assets	16.1	2,920,320,860	3,050,959,357
Capital work in progress		70,880,000	-
		2,991,200,860	3,050,959,357

16.1 Operating Fixed Assets

The following is a statement of operating fixed assets:

	2024											
	Owned									Right of Assets use	Intangible Assets	
	Freehold Land	Factory Building	Non Factory Building	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Computer Equipment	Office Equipment	Plant and Machinery (Leased)	Software Development	Total
Cost / Revalued Amount												
Cost As at 01 July 2023	1,682,000,000	372,853,584	168,850,967	2,740,029,789	65,076,005	8,795,459	31,120,567	6,247,906	1,211,944	200,449,275	3,000,000	5,279,635,496
Addition/ Transfer from CWIP	-	-	-	2,037,180	-	-	-	86,500	-	-	-	2,123,680
Transfers/ Deletion	-	-	-	-	-	-	-	-	-	-	-	-
Surplus on Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
As at June 30, 2024	**1,682,000,000**	**372,853,584**	**168,850,967**	**2,742,066,969**	**65,076,005**	**8,795,459**	**31,120,567**	**6,334,406**	**1,211,944**	**200,449,275**	**3,000,000**	**5,281,759,176**
Accumulated Depreciation												
As at 01 July 2023	-	220,994,792	69,324,955	1,666,707,659	60,531,609	7,378,734	27,347,628	5,937,283	903,149	166,550,330	3,000,000	2,228,676,139
Charge for the year	-	15,185,879	4,976,301	107,501,627	681,659	141,673	754,588	99,675	30,880	3,389,895	-	132,762,177
Adjustments	-	-	-	-	-	-	-	-	-	-		-
As at June 30, 2024	**-**	**236,180,671**	**74,301,256**	**1,774,209,286**	**61,213,268**	**7,520,407**	**28,102,216**	**6,036,958**	**934,029**	**169,940,225**	**3,000,000**	**2,361,438,316**
Net book value												
As at June 30, 2024	**1,682,000,000**	**136,672,913**	**94,549,711**	**967,857,683**	**3,862,737**	**1,275,052**	**3,018,351**	**297,448**	**277,915**	**30,509,050**	**-**	**2,920,320,860**
Depreciation rate % per annum	-	10	5	10	15	10	20	30	10	10	25	

	2023											
	Owned									Right of Assets use	Intangible Assets	
	Freehold Land	Factory Building	Non Factory Building	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Computer Equipment	Office Equipment	Plant and Machinery (Leased)	Software Development	Total
Cost / Revalued Amount												
Cost As at 01 July 2022	1,682,000,000	372,853,584	168,850,967	2,738,828,089	65,076,005	8,795,459	31,025,567	6,247,906	1,211,944	200,449,275	3,000,000	5,278,338,796
Addition/ Transfer from CWIP	-	-	-	1,201,700	-	-	95,000	-	-	-	-	1,296,700
Transfers/ Deletion	-	-	-	-	-	-	-	-	-	-	-	-
Surplus on Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
As at June 30, 2023	**1,682,000,000**	**372,853,584**	**168,850,967**	**2,740,029,789**	**65,076,005**	**8,795,459**	**31,120,567**	**6,247,906**	**1,211,944**	**200,449,275**	**3,000,000**	**5,279,635,496**
Accumulated Depreciation												
As at 01 July 2022	-	204,121,593	64,086,744	1,547,396,650	59,729,657	7,221,320	26,414,290	5,804,159	868,838	162,783,780	3,000,000	2,081,427,031
Charge for the year	-	16,873,199	5,238,211	119,311,009	801,952	157,414	933,338	133,124	34,311	3,766,550	-	147,249,108
Adjustments	-	-	-		-	-	-	-	-	-		-
As at June 30, 2023	**-**	**220,994,792**	**69,324,955**	**1,666,707,659**	**60,531,609**	**7,378,734**	**27,347,628**	**5,937,283**	**903,149**	**166,550,330**	**3,000,000**	**2,228,676,139**
Net book value												
As at June 30, 2023	**1,682,000,000**	**151,858,792**	**99,526,012**	**1,073,322,130**	**4,544,396**	**1,416,725**	**3,772,939**	**310,623**	**308,795**	**33,898,945**	**-**	**3,050,959,357**
Depreciation rate % per annum	-	10	5	10	15	10	20	30	10	10	25	

16.2 Had there been no revaluation the related figures of land, building and plant & machinery at June 30 would have been as follows:

	Notes	2024	2023
		Rupees	
Free hold land		**88,108,490**	88,108,490
Factory building on free hold land		**76,146,334**	84,607,038
Non factory building		**55,230,185**	58,137,037
Plant and machinery		**264,542,000**	291,860,260
		484,027,009	522,712,825

16.3 Allocation of Depreciation

Depreciation / amortization for the year has been allocated as follows :

		2024	2023
Cost of goods manufactured		**131,568,941**	145,925,667
Administrative expenses		**1,193,236**	1,323,441
		132,762,177	147,249,108

16.4 The company's freehold land is located in 54-Km, Multan Road, Phool Nagar By Pass District Kasur, Punjab, area of land is 73.18 Acres.

		2024	2023
16.5 Capital Work in progress- Plant and Machinery		**70,880,000**	-
		70,880,000	-
Capital Work in progress - movement			
Opening		-	-
Additions during the year		**70,880,000**	-
Less: Capitalized during the year		**-**	-
		70,880,000	-

17 LONG TERM DEPOSITS

		2024	2023
Sui Northern Gas Pipelines		**36,057,516**	35,496,745
Lahore Electric Supply Corporation		**2,730,000**	2,730,000
		38,787,516	38,226,745

18 STORES & SPARES

		2024	2023
Packing material		**3,710,320**	3,366,198
Stores & spares		**21,617,836**	24,789,327
		25,328,156	28,155,525

19 STOCK IN TRADE

		2024	2023
Raw material		**15,516,540**	-
Work-in-process		**-**	-
Stock in Transit		**-**	-
Yarn		**-**	-
		15,516,540	-

20 TRADE DEBTORS - UNSECURED

		2024	2023
Trade debts - local - considered good		**33,111,105**	43,384,112
- considered doubtful		**30,811,486**	101,240,486
		63,922,591	144,624,598
Provision for doubtful debts	**20.1**	**(30,811,486)**	(101,240,486)
		33,111,105	43,384,112

		Notes	2024	2023
			Rupees	
20.1	**Provision for doubtful debts**			
	Opening balance		**101,240,486**	136,401,290
	Provision during the year		**-**	-
	Doubtful debts recovered during the year		**(70,429,000)**	(35,160,804)
			30,811,486	101,240,486
20.2	**The aging of debtors at the reporting date:**			
	Up to one month		**-**	-
	1 to 6 months		**37,198,344**	40,695,308
	More than 6 months		**(4,087,239)**	2,688,805
			33,111,105	43,384,113
21	**LOANS AND ADVANCES - UNSECURED, CONSIDERED GOOD**			
	Advances to suppliers of goods & services		**5,379,556**	14,799,156
	Advances to employees	**21.1**	**5,033,472**	10,431,658
	Others		**192,655**	192,655
	Provision for doubtful advances		**(5,230,780)**	(14,650,380)
			5,374,903	10,773,089

21.1 Advance to employees includes Rs. 4.700 million (2023: Rs. 3.754) due from the executive of the company.

		Notes	2024	2023
22	**TRADE DEPOSITS AND OTHER RECEIVABLES - CONSIDERED GOOD**			
	Trade deposits		**325,846**	325,846
	Sales tax receivable		**49,221,831**	7,016,257
			49,547,677	7,342,103
23	**CASH AND BANK BALANCES**			
	In hand - Cash		**2,153,880**	431,848
	At banks - Current accounts		**12,060,435**	615,016
	At banks - Saving account		**1,451,884**	1,451,875
			15,666,199	2,498,739
24	**SALES / REVENUE - NET**			
	Spinning charges		**526,728,548**	572,257,420
	Sales Tax		**(80,348,423)**	(83,913,730)
			446,380,125	488,343,690
25	**COST OF SALES / REVENUE**			
	Opening stock of finished goods		**-**	-
	Cost of goods manufactured	**25.1**	**887,457,918**	716,320,054
			887,457,918	716,320,054
	Less: closing stock of finished goods		**-**	-
			887,457,918	716,320,054

		Notes	2024	2023
			Rupees	
25.1	**Cost of goods manufactured**			
	Raw material consumed / sold		**-**	-
	Stores and spares consumed		**38,651,713**	39,524,730
	Packing material consumed		**19,143,667**	21,097,813
	Salaries, wages & other benefits	**25.1.1**	**161,926,922**	170,693,370
	Insurance		**3,575,663**	3,561,644
	Repair & maintenance		**1,413,512**	1,708,238
	Fuel & power		**525,436,786**	325,880,642
	Vehicle running & maintenance		**3,151,815**	2,780,899
	Communication		**773,698**	881,749
	Rent, rates & taxes		**1,141,194**	1,130,580
	Entertainment		**389,584**	845,821
	Travelling & conveyance		**97,715**	290,906
	Other manufacturing expenses		**186,708**	1,997,995
	Depreciation	**16.3**	**131,568,941**	145,925,667
			887,457,918	716,320,054
	Work-in-process - Opening		**-**	-
	Work-in-process - Closing		**-**	-
	Cost of Goods Manufactured		**887,457,918**	716,320,054

		2024	2023
25.1.1	Opening Stock	**-**	-
	Add: Purchases inclusive of direct expenses	**15,516,540**	-
		15,516,540	-
	Less: Closing Stock	**15,516,540**	-
		-	-

25.1.2 Salaries and benefits include Rs. 13.808 million (2023: Rs. 11.483 million) in respect of post employment benefits.

26 ADMINISTRATIVE EXPENSES

	Notes	2024	2023
Salaries and benefits	**26.1**	**20,066,718**	20,499,002
Travelling & conveyance		**149,766**	158,268
Printing & stationary		**692,488**	749,422
Legal & professional		**1,730,000**	281,000
Auditor's remuneration	**26.2**	**850,000**	700,000
Vehicle running expenses		**1,161,364**	1,427,218
Communication		**147,293**	147,978
Fees & subscription		**1,878,901**	1,933,347
Rent, rates & taxes		**693,156**	674,758
Donations	**26.3**	**15,000**	316,472
Depreciation / Amortization	**16.3**	**1,193,236**	1,323,441
Miscellaneous expenses		**472,443**	2,213,778
Other expenses		**618,653**	3,225,194
		29,669,018	33,649,878

26.1 Salaries and benefits include Rs.0.448 million (2023: Rs.0.484 million) in respect of post employment benefits.

		2024	2023
26.2	Audit Fee	**650,000**	550,000
	Half yearly review	**125,000**	75,000
	Code of Corporate Governance	**50,000**	50,000
	Out of pocket	**25,000**	25,000
		850,000	700,000

26.3 **(i)** None of the directors had any interest in the donee's fund.
(ii) Donation Rs. 0.015 million (2023: Rs.0.316)

	Notes	2024	2023
		Rupees	
27 SELLING AND DISTRIBUTION EXPENSES			
Salaries and benefits	**27.1**	**8,388,515**	8,201,765
Travelling & conveyance		**896,591**	974,660
Vehicle running expenses		**2,353,528**	1,619,433
Communication		**187,665**	189,984
		11,826,299	10,985,842

27.1 Salaries and benefits include Rs.0.426 million (2023: Rs.0.494 million) in respect of post employment benefits.

		2024	2023
28 OTHER INCOME			
Reversal of provision for doubtful debts		**70,429,000**	35,160,804
Reversal of provision for doubtful advances		**9,419,600**	-
Profit on Saving accounts		**18**	-
		79,848,618	35,160,804
29 FINANCE COST			
Markup on :		**-**	55,709,377
Syndicate long term loans		**-**	15,119,531
Short term loan		**267,486**	195,573
Bank & other charges		**267,486**	71,024,481

29.1 The Company has not made the provision of markup for the year amounting to Rs. 109.126 million on all of its lenders which filed the Excution on the Company from June 30, 2024 upto the last year the company not provided the mark up in respect of borrowings of certain banks who have not yet accepted the restructuring proposal till June 30, 2023 amounting to Rs. 134.373 million. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the year would have been higher by Rs. 109.126 million and accrued markup would have been higher and shareholders' equity would have been lower by Rs.243.499 million.

		2024	2023
30 LEVIES			
Minimum tax		**5,279,752**	6,104,296
31 TAXATION-NET			
- for Current tax		-	-
- for Prior years tax		-	-
		-	-
Deferred tax		**25,212,835**	27,979,165
		25,212,835	27,979,165
32 (LOSS) PER SHARE - Basic and diluted			
(Loss) after taxation		**(383,058,895)**	**(286,600,892)**
Weighted average number of ordinary shares		**97,750,726**	**97,750,726**
(Loss) per share - Basic and diluted		**(3.92)**	**(2.93)**

No figure for diluted earning per share has been presented as the company has not yet issued any instruments which would have an impact on basic earning per share when exercised.

		2024	2023
33 CASH AND CASH EQUIVALENTS			
Cash and Bank balances		**15,666,199**	2,799,314
		15,666,199	2,799,314

34 REMUNERATION OF DIRECTORS & EXECUTIVES

	2024			2023		
	CHIEF EXECUTIVE	DIRECTOR	EXECUTIVES	CHIEF EXECUTIVE	DIRECTOR	EXECUTIVES
Managerial remuneration	-	-	12,996,279	-	-	13,570,929
Staff retirement gratuity	-	-	647,438	-	-	1,215,450
Provident fund	-	-	666,734	-	-	773,127
House rent allowance	-	-	2,999,141	-	-	3,131,753
Utilities allowance	-	-	1,599,542	-	-	1,207,134
Conveyance	-	-	406,826	-	-	264,912
Others	-	-	678,315	-	-	715,048
	-	-	19,994,275	-	-	20,878,353
Number of persons	-	-	6	-	-	7

Executives are also provided with Company manitained car.

35 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, directors, executives and key management personnel. The remuneration paid to executives has been mentioned in Note 34. During the year aggregate transactions undertaken by the company with the related parties contribution of provident fund amounting to Rs.1.748 million (2023: Rs. 1.956 million).

36 PLANT CAPACITY AND PRODUCTION

	2024	2023
Installed capacity after conversion into 20's (Kgs)	11,130,330	11,130,330
Actual production after conversion into 20's (Kgs)	5,374,539	7,470,925
Total number of spindles installed	28,800	28,800
Average number of spindles worked	15,463	18,709
Number of shifts worked per day	3	3
Total days worked	196	237

The production of the Company represents manufacturing of yarn on contract basis.

37 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees as at end of the year	220	61
Average number of employees during the year	185	281

38 FINANCIAL INSTRUMENTS AND RELATED DISCLOSORES

38.1 Financial risk management

Overview

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

- Credit risk
- Liquidity risk
- Market risk

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

38.2 Credit risk

The maximum exposure to credit risk at the reporting date is:

	2024	2023
	Rupees	
Trade Debts - Considered Good	33,111,105	43,384,112
Loans and Advances - Unsecured - Considered Good	5,226,127	10,624,313
Trade deposits & other receivable - Considered Good.	325,846	325,846
Cash and bank balances	15,666,199	2,498,739
	54,329,277	56,833,010

Based on past experience the management believes that no further impairment allowance is necessary in respect of trade debts due to subsequent recoveries and for the rest of the receivables management believes that the same will be recovered / adjusted in short course of time. The credit quality of the company's receivable can be measured with their past performance of no default. The dealing banks possess good credit ratings.

38.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liability when due.

The company is exposed to liquidity risk in respect of non current interest bearing liabilities, short term borrowings, trade and other payable and mark-up accrued.

The following are the contractual maturities of the financial liabilities, including estimated interest payments:

	2024				
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One year onward
Financial liabilities	Rupees				
Long term loan	445,994,050	697,571,978	684,240,728	5,312,500	7,968,750
Trade and other payables	547,702,240	547,702,240	547,702,240	-	-
Short term Borrowings	412,864,355	445,593,877	445,593,877	-	-
Mark-up payable	390,303,597	390,303,597	390,303,597	-	-
	1,796,864,242	**2,081,121,692**	**2,067,840,442**	**5,312,500**	**7,968,750**

	2023				
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One year onward
Financial liabilities	Rupees				
Long term loan	448,271,977	804,722,616	788,316,366	3,125,000	13,281,250
Trade and other payables	142,878,504	142,878,504	142,878,504	-	-
Short term borrowings	412,864,355	437,028,877	437,028,877	-	-
Mark-up payable	390,303,597	390,303,597	390,303,597	-	-
	1,394,318,433	**1,774,933,594**	**1,758,527,344**	**3,125,000**	**13,281,250**

The contractual cash flows relating to the above financial liabilities have been determined on the basis of markup rates effective as at June 30, 2024. The rates of markup have been disclosed in relevant notes to the financial statements.

38.4 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate resulting in as a result of changes in market prices or the market prices due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

38.5 Currency risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

38.6 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates, majority of the interest rate exposure arises from short and long term borrowings from bank and term deposits and deposits in profit and loss sharing accounts with banks. At the balance sheet date the interest rate profile of the company's interest-bearing financial instruments are:

	2024	2023
	Carrying amounts	
Fixed rate instruments	**-**	-
Variable rate instruments	**533,428,227**	536,787,602
Financial liabilities	**533,428,227**	536,787,602

38.7 Risk management policies

Risk management is carried out by the management under policies approved by board of directors. The board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

38.8 Capital risk management

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

Consistent with others in the industry, the company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowings ('long term loan' and short term borrowings' as shown in the balance sheet). Total capital comprises shareholders' equity as shown in the balance sheet under 'share capital and reserves'.

	2024	2023
Total borrowings	**533,428,227**	536,787,602
Less cash and bank balances	**15,666,199**	2,799,314
Net debt	**517,762,028**	533,988,288
Total equity	**1,146,727,046**	1,524,319,028
Total capital	**1,664,489,074**	2,058,307,316
Gearing ratio	**0.31**	0.26

38.9 Fair value of financial instruments

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

As at the reporting date the fair value of all financial assets and liabilities are estimated to approximate their carrying values.

39 DATE OF AUTHORIZATION

These financial statements have been authorized for issue on November 4, 2024 by the Board of Directors of the company.

40 GENERAL

40.1 Comparative figures has been rearranged and re-classified wherever necessary for the purpose of better presentation and comparison.

40.2 Figures have been rounded off to the nearest rupees.

Syed Maqbool Ali	**Muhammad Irfan Ali**	**Mehmood-ul-Hassan Asghar**
Chief Executive Officer & Director	Chief Financial Officer	Chairman Board of Directors

PATTERN OF SHAREHOLDING UNDER REGULATION 37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE

AS AT JUNE 30, 2024

Categories	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Directors, CEO, their Spouses & Minor Children			
Mr. Abdul Basit	1	500	0.00%
Mr. Aziz ul Haque	1	500	0.00%
Mr. Ghazanfar Baber Siddiqui	1	500	0.00%
Mr. Syed Maqbool Ali	1	500	0.00%
Mrs. Nida Jamil	1	500	0.00%
Mr. Mehmood-ul-Hassan Asghar	1	500	0.00%
Mr. Muhammad Hanif German **(Nominee Director of DMPL)**	-	-	0.00%
Associated Companies			
Dewan Motors (Pvt.) Limited	1	37,750,726	38.62%
NIT and ICP	-	-	0.00%
Executives	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Finance Companies	-	-	0.00%
Insurance Companies	-	-	0.00%
Modarabas and Mutual Funds	-	-	0.00%
General Public			
a. Local	2,132	59,286,020	60.65%
b. Foreign	1	139,000	0.14%
Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	12	571,980	0.59%
TOTAL	**2,152**	**97,750,726**	**100.00%**

SHAREHOLDERS HOLDING FIVE PERCENT OT MORE VOTING RIGHTS

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Motors (Pvt.) Limited	1	37,750,726	38.62%
Dewan Zia-ur-Rehman Farooqui	2	8,622,727	8.82%
Dewan Muhammad Yousuf Farooqui	2	7,052,951	7.22%

DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN

During the year under review, none of the CEO, CFO, Directors, Company Secretary, their spouses and minor children have traded in the shares of the Company.

PATTERN OF SHAREHOLDING
AS ON 30TH JUNE 2024

Number of Shareholders	Shareholding Slab From	Shareholding Slab To	Total Shares Held	Percebtage
104	1	100	2,111	0.00%
753	101	500	367,697	0.38%
270	501	1,000	265,158	0.27%
446	1,001	5,000	1,322,735	1.35%
193	5,001	10,000	1,685,800	1.72%
134	10,001	20,000	2,037,405	2.08%
66	20,001	30,000	1,694,042	1.73%
24	30,001	40,000	870,309	0.89%
36	40,001	50,000	1,711,387	1.75%
14	50,001	60,000	783,422	0.80%
13	60,001	70,000	850,534	0.87%
10	70,001	80,000	762,321	0.78%
4	80,001	90,000	343,810	0.35%
19	90,001	100,000	1,877,626	1.92%
20	100,001	150,000	2,503,000	2.56%
11	150,001	200,000	2,032,727	2.08%
5	200,001	250,000	1,102,202	1.13%
3	250,001	300,000	864,205	0.88%
2	300,001	350,000	664,000	0.68%
2	350,001	400,000	800,000	0.82%
2	400,001	450,000	882,000	0.90%
1	450,001	500,000	499,000	0.51%
2	500,001	550,000	1,016,000	2.69%
1	550,001	600,000	572,727	0.59%
2	600,001	650,000	1,243,940	3.30%
1	650,001	700,000	675,000	0.69%
1	700,001	900,000	846,437	2.24%
1	900,001	1,000,000	975,000	2.58%
4	1,000,001	1,100,000	4,200,000	4.30%
1	1,100,001	2,000,000	1,101,000	1.13%
1	2,000,001	2,500,000	2,200,000	2.25%
1	2,500,001	3,500,000	3,500,000	3.58%
1	3,500,001	4,000,000	3,552,951	3.63%
2	4,000,001	4,100,000	8,145,454	8.33%
1	4,100,001	8,100,000	8,050,000	8.24%
1	8,100,001	38,000,000	37,750,726	38.62%
2152	**TOTAL**		**97,750,726**	**106.64%**

یہ کمیٹی تین ممبران پر مشتمل ہے، دوران سال ہیومن ریسورس اوراجرتی کمیٹی کی ایک میٹنگ منعقد کی گئی تھی جس میں درج ذیل نے شرکت کی:

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیزالحق۔ چیئرمین	1
سید مقبول علی	1
جناب محمودالحسن اصغر	1

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران مبلغ (3.92) روپے (2023: مبلغ (2.93) روپے) فی شیئر خسارہ ہوا۔

آڈیٹرز کی تقرری:

موجودہ آڈیٹرز میسرز فیروزشریف طارق اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس ریٹائر ہورہے ہیں انہوں نے دوبارہ تقرری کیلئے اپنی خدمات پیش کی ہیں۔ آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی کی سفارشات کی بنیاد پر مجوزہ میسرز فیروزشریف طارق اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس کو کمپنی کی آڈیٹرز کے طور پر دوبارہ تقرری کی تجویز کی ہے۔

شیئر ہولڈنگ کا پیٹرن:

کمپنیز ایکٹ 2017ء کے تحت لسٹنگ ریگولیشن، کوڈ آف کارپوریٹ گورننس کے تحت مقررہ شیئر ہولڈنگ کی معلومات مرتب کی گئی ہیں جو کہ اس رپورٹ کے ساتھ منسلک ہیں۔

اہم آپریٹنگ اور مالیاتی تفصیل:

چھ سالہ اہم آپریٹنگ اور مالیاتی تفصیل منسلک ہے۔

بعدازواقعات:

دوسری جگہوں پر واضح طور پر بیان کئے جانے کے تابع، مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے مابین کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلیاں نہیں کی گئیں۔

اظہار تشکر اور نتیجہ:

بورڈ کی جانب سے میں تمام ایگزیکیٹو، اسٹاف ممبران اور ورکرز کا کمپنی کیلئے ان کی بہترین خدمات پر شکریہ ادا کرتا ہوں۔

نتیجہ کے حوالے سے میں اللہ تعالیٰ رحمٰن ورحیم سے دعا کرتا ہوں کہ وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل وکرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم امّہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثمہ آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے

سید مقبول علی	محمودالحسن اصغر
چیف ایگزیکیٹو آفیسر ڈائریکٹرز	چیئرمین بورڈ آف ڈائریکٹرز

کراچی:
مورخہ: 04 نومبر 2024ء

بورڈ:

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد اور ماہرین پر مشتمل ہے جو کہ اپنی بہترین مہارت کے تحت کمپنی کے مقاصد پر عملدرآمد کرتے ہیں۔ سی ای او اور ڈائریکٹرز کے معاوضے جات کی تفصیلات مالیاتی حسابات کے نوٹ نمبر 34 میں کیا گیا ہے۔

30 جون 2024ء تک بورڈ آف ڈائریکٹرز درج ذیل پر مشتمل تھے:

ڈائریکٹرز	ممبرز
☆ مرد	6
☆ عورت	1
تشکیل	**ممبرز**
☆ آزاد ڈائریکٹر	1
☆ دیگر غیر ایگزیکیٹیو ڈائریکٹرز	5
☆ ایگزیکیٹیو ڈائریکٹر	1

دوران سال بورڈ کی چار میٹنگز منعقد ہوئیں، ڈائریکٹرز کے نام جو رواں مالی سال کے دوران بورڈ ممبر رہے، انکی حاضری درج ذیل رہی:

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق	4
جناب غضنفر بابر صدیقی	4
جناب عبدالباسط	4
سید مقبول علی	4
جناب محمود الحسن اصغر	4
جناب محمد حنیف جرمن	4
محترمہ نادیہ جمیل	4

وہ ڈائریکٹرز جو میٹنگ میں شرکت نہیں کر سکے ان ڈائریکٹرز کو غیر حاضری پر چھٹی عنایت کر دی گئی تھی۔

آڈٹ کمیٹی:

بورڈ نے اپنے ڈائریکٹرز کو کارپوریٹ گورننس، مالیاتی رپورٹنگ اور کارپوریٹ کنٹرول کیلئے ان کی ذمہ داریوں کی تکمیل میں تعاون کیلئے آڈٹ کمیٹی تشکیل دی تھی۔ یہ کمیٹی تین ممبران پر مشتمل ہے، ممبران کی اکثریت بشمول کمیٹی کے چیئرمین اور غیر ایگزیکیٹیو ڈائریکٹر پر مشتمل ہے۔

سال کے دوران آڈٹ کمیٹی کی چار میٹنگوں کا انعقاد کیا گیا تھا جس میں درج ذیل نے شرکت کی تھی:

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق۔ چیئرمین	4
جناب عبدالباسط	4
جناب غضنفر بابر صدیقی	4

ہیومن ریسورس اور اجرتی کمیٹی:

ہیومن ریسورس اور اجرتی کمیٹی کی تشکیل بورڈ نے کی تھی تا کہ ہیومن ریسورس کی پالیسیوں پر میعادی جائزے سے متعلق ان کی ذمہ داریوں میں تعاون فراہم کر سکیں۔ اس کے علاوہ انتخاب، تخمینہ، معاوضہ اور انتظامیہ کی اہم کامیابی کی منصوبہ بندی بورڈ کے ساتھ تعاون کر سکے۔

صحت، حفاظت اور ماحول:

کمپنی کی انتظامیہ اپنی ذمہ داری سے آگاہ ہے، جس کے تحت ہمارے متعلقین کو محفوظ اور صحت مندانہ ماحول فراہم کرنا ہے۔ ہماری حفاظتی ثقافت کا مقصد یہ ہے کہ ہر طرح کے مسائل سے محفوظ رہا جائے۔ ملازمین کیلئے محفوظ، صحت مندانہ اور پرسکون کام کے حالات پیدا کرنے کیلئے مستقل جدوجہد کرتے ہیں۔ ہم تمام تر حادثات وغیرہ کی صورت میں مکمل تفتیش کرتے ہیں اور اس کا سبب معلوم کرتے ہیں۔ ہمیں یقین ہے کہ تحفظ اور صحت مندانہ عمل بہتری کیلئے مستقل اصلاح کا راستہ ہے۔ ہم اپنے اور اپنے متعلقین کیلئے مستقل بنیاد پر تحفظ اور صحت مندانہ امور کی اصلاح کیلئے اقدامات کرتے رہتے ہیں۔

انسانی ذرائع (ہیومن ریسورس):

کمپنی کی انتظامیہ اس بات پر واضح یقین رکھتی ہے کہ بہترین پیداواری صلاحیت کیلئے انسانی ذرائع اور مستحکم قیادت بے حد اہم ہے۔ لہٰذا کمپنی کی انتظامیہ انسانی ذرائع کے استعمال کو بے حد اہمیت دیتی ہے، اس سلسلے میں ملازمین کیلئے مناسب تربیت، ہدایات اور مراعاتی اسکیمیں فراہم کرتے ہیں۔

کوڈ آف کارپوریٹ گورننس پر عملدرآمد:

آپ کی کمپنی بہتر کارپوریٹ گورننس کیلئے پر عزم ہے۔ بورڈ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک کے سلسلے میں اپنی ذمہ داری بخوبی سمجھتا ہے اور ڈائریکٹرز اس بات کی تصدیق کرتے ہیں:

۱۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقد رقم کی ترسیل اور ایکوئٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔

۲۔ کھاتے مناسب طریقہ سے مرتب کئے جاتے ہیں۔

۳۔ اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ محاسبی کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔

۴۔ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات جیسے پاکستان میں نافذ العمل ہیں، اور باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے۔

۵۔ اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

۶۔ کارپوریٹ گورننس پر عملدرآمد کے حوالے سے کوئی بھی انحراف نہیں کیا گیا سوائے ان کے جن کا ذکر آڈیٹرز کی جائزہ رپورٹ میں ہے۔

۷۔ کمپنی نے اپنے بورڈ کے غیر ایگزیکیٹو ممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔

۸۔ بورڈ نے اپنے ممبران اور کمپنی کے ملازمین میں سے اسٹیٹمنٹ برائے اصول اور کاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔

۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات میں کیا گیا ہے۔

۱۰۔ ٹیکسز، ڈیوٹیز اور دیگر چارجز سے متعلق معلومات مالیاتی گوشواروں میں دی گئی ہیں۔

۱۱۔ کوڈ آف کارپوریٹ گورننس کے حوالے سے مندرجہ ذیل معلومات منسلک ہیں:

(۱) شیئر ہولڈنگ کا پیٹرن

(۲) متعلقین اور دیگر افراد کے شیئرز

جون 2024ء کوختم ہونے والے سال کے دوران کمپنی کمپنی کی خالص آمدنی گذشتہ سال کی آمدنی 488.344 ملین روپے کے مقابلے میں کم ہوکر 446.38 ملین روپے رہی۔ کمپنی کو مبلغ 441.078 ملین روپے کا مجموعی خسارہ ہوا جبکہ کمپنی کے آپریٹنگ اخراجات گذشتہ سال کے 44.636 ملین روپے کے مقابلے میں کم ہوکر 41.495 ملین روپے رہے۔ ورکنگ کیپیٹل کی رکاوٹوں کی وجہ سے کمپنی نے کمپنی کو آپریشنل رکھنے کے لیے کنٹریکٹ کی بنیاد پر یارن کی پیداوار جاری رکھی۔

2012 کو اختتام پذیر ہونے والے مالیاتی سال میں، کمپنی نے اپنے قرض دہندگان کے ساتھ معاہدہ تصفیہ کیا جس کے خلاف سندھ ہائی کورٹ، کراچی نے رضامندی کے احکامات منظور کیئے۔ کمپنی کے قلیل مدتی اور طویل مدتی قرضہ جات کو طویل مدتی قرضہ جات کی شکل میں تبدیل کیا گیا، تاہم کچھ قرض دہندگان کے پاس 37.405 ملین روپے کے سوٹ ہیں، انہوں نے اس وقت تنظیم نو کی تجویز کو قبول نہیں کیا۔ تصفیہ معاہدے کے تحت تنظیم نو کی ذمہ داریوں کی ادائیگی میں ڈیفالٹ کے نتیجے میں، قرض دہندگان نے رضامندی کے احکامات پر عمل درآمد کے لیے ایگزیکیوشن دائر کی۔ کمپنی نے معزز عدالت عالیہ سندھ کراچی میں مقدمہ دائر کیا جس میں اس کا مقابلہ کیا گیا کہ ایگزیکیوشن دائر کرنا ناانصافی اور خلاف قانون ہے۔ کمپنی کی انتظامیہ اس سے بہتر نتائج کی توقع رکھتا ہے۔

کمپنی کے آڈیٹرز نے اپنی رپورٹ میں وضاحت کے ساتھ تنظیم نو کی ذمہ داریوں کی قسطوں کی ادائیگی اور مارک اپ کی عدم فراہمی میں ڈیفالٹ پر اپنی ماہرانہ رائے کا اظہار کیا ہے۔ انہوں نے اپنی رپورٹ میں اہم پیراگراف کے معاملات کو بھی شامل کیا ہے تاکہ آنے والے وقتوں میں کمپنی کی قابلیت کے بارے میں شکوک وشبہات نہ ہوں۔

کمپنی نے اپنے قرضہ جات کو دوبارہ مرتب کرنے کے لئے اپنے قرض خواہوں سے رابطہ کیا ہے جو کہ زیرغور ہے۔ انتظامیہ پُر امید ہے کہ جلد از جلد اسے مکمل کردیا جائے گا اس کے علاوہ دوبارہ ترتیب کردہ تاریخ تک مبلغ 210.713 ملین روپے واجب الادا مارک اپ پر لازم ہونگے اور کمپنی معاہدہ کی شرائط میں کوتاہی کی صورت میں یہ ادائیگی کرنے کی ذمہ دار ہوگی۔ چونکہ دوبارہ ترتیب کا عمل زیر غور ہے لہٰذا انتظامیہ کو یقین ہے کہ یہ رقم واجب الادا نہیں ہوگی۔ اسی لئے ان مالیاتی حسابات میں مذکورہ مارک اپ کو ریکارڈ نہیں کیا گیا ہے۔

یہ مالیاتی حسابات تشویش کے مفروضے کو استعمال کرتے ہوئے تیار کئے گئے ہیں کیونکہ نوٹ 2 میں مذکورہ شرائط عارضی ہیں اور مستقبل میں بھی مدنظر رکھی جائیں گی۔ اسپانسرز ضرورت کے وقت ورکنگ کیپیٹل کی ضروریات کو پورا کرنے میں مدد کرتے ہین۔ لہٰذا تشویش کے مفروضے کا استعال کرتے ہوئے مالیاتی حسابات کی تیاری جائز ہے۔

مستقبل کا نظریہ:

ملکی اقتصادی استحکام زیادہ تر سیاسی مضبوطی، پیشگیرانہ اور محتاط مالیاتی پالیسی پر منحصر ہوگا اور یہ آئی ایم ایف پروگرام کے تحت فراہم کردہ EFF پر بھی بڑی حد تک منحصر رہے گا۔ اقتصادی منظرنامہ زیادہ تر سیاسی استحکام اور آئی ایم ایف پروگرام کے تحت اصلاحات کے جاری نفاذ پر منحصر ہوگا۔ آنے والا راستہ معیشت اور صنعتوں کے لئے کئی چیلنجز بھی پیش کرتا ہے، کیونکہ تازہ EFF کی قیمت توانائی کی قیمتوں میں بڑے اضافے اور مختلف سبسڈیوں کے خاتمے کی صورت میں آئے گی، جو کہ افراط زر میں دوبارہ اضافے اور زرمبادلہ کی شرح میں ایڈجسٹمنٹ کا باعث بن سکتی ہے، جس سے پالیسی کی شرح متاثر ہوسکتی ہے۔ حالیہ بجٹ اقدامات کے اثرات، جیسے کہ برآمدی سہولت اسکیم (EFS) کے تحت مقامی سپلائی پر زیرو ریٹنگ کا خاتمہ، کچھ خام مال کی درآمد پر ڈیوٹی عائد کرنا، اور حتمی ٹیکس نظام (FTR) سے عام ٹیکس نظام (NTR) میں تبدیلی، کے سبب صورت حال مزید پیچیدہ ہوسکتی ہے۔ یہ اقدامات نہ صرف کیش فلو کے مسائل کو بڑھا سکتے ہیں اور غیر ضروری مشکلات پیدا کرسکتے ہیں بلکہ صنعتوں کی برآمدی مسابقت کو بھی متاثر کریں گے۔ لہذا، ہم پیش گوئی کرتے ہیں کہ اسپننگ کی صنعت ایک مشکل دور سے گزرے گی، جو صنعت کی منافع میں کمی کا سبب بن سکتی ہے۔

30 عالمی سطح پر مسابقت کے لیے موجودہ اقتصادی بحران کے پیش نظر، ہم توقع کرتے ہیں کہ حکومت بنیادی اصلاحات پر توجہ دے گی، جو بار بار اقتصادی بحرانوں کا سبب بنتی ہیں۔ برآمدات اور زرمبادلہ میں اضافہ اور برآمدکنندگان کو بین الاقوامی سطح پر مقابلہ کرنے کے قابل بنانے کے لیے، حکومت کو برآمداتی شعبوں، بشمول ٹیکسٹائل کی صنعت، کو ترجیح دینی چاہئے۔ اس میں خام مال، پرزے، اور لوازمات کی درآمد کو آسان بنانا، موجودہ شرح سود میں مزید کمی کرنا جو کسی بھی کاروبار کے لیے ناقابل برداشت ہے، اور یوٹیلٹی کی فراہمی کو معقول بجلی کے ٹیرف پر یقینی بنانا شامل ہے۔ اس کے علاوہ، ٹیکس اسٹرکچر کو کاروبار میں آسانی پیدا کرنے کے لیے ترتیب دیا جائے گا، جس کا مقصد موجودہ ٹیکس دہندگان پر اضافی بوجھ ڈالنے کے بجائے ٹیکس کی بنیاد کو بڑھانا ہے۔ آئندہ سال نہ صرف کمپنی کے لیے بلکہ پاکستان کی معیشت کے لیے بھی ایک مشکل سال ثابت ہوگا۔

کارپوریٹ معاشرتی ذمہ داریاں:

ہم کارپوریٹ معاشرتی ذمہ داریوں (CSR) کے حوالے سے اس بات کا بھی عہد کرتے ہیں کہ ہم اپنی معمول کے مطابق کاروباری سرگرمیوں کے عمل کو مضبوط کرنا چاہتے ہیں۔ کمپنی تمام اسٹیک ہولڈرز، خاص طور پر جس معاشرے میں ہم رہتے ہیں اور ایسے ورکرز جو ہمارے کاروبار کا محور ہیں، کے مفادات پر غور اور توازن پیدا کرنے کیلئے شعوری طور پر کوشش کرنے کیلئے پرعزم ہیں۔ ہم نے اپنی کامیابی کو نہ صرف مالیاتی سرگرمیوں کیلئے وقف کیا ہے بلکہ ہم اپنے صارفین کا اطمینان بھی چاہتے ہیں اور ان تمام برادریوں کو بھی سپورٹ کرنا چاہتے ہیں جن کی ہم خدمت کرتے ہیں۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 30 جون 2024ء کے لئے سالانہ آڈٹ شدہ مالیاتی حسابات بمع آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔

معاشی جائزہ:

معیاری اقتصادی استحکام کی بحالی ضروری ہے تاکہ ترقی کو فروغ دینے، روزگار بڑھانے اور عوام کے مجموعی معیار زندگی کو بہتر بنانے کے لیے ایک مضبوط بنیاد قائم کی جاسکے۔ یہ سال بے شمار مشکلات اور غیر یقینی صورتحال سے بھرا ہوا تھا، جن میں کم غیر ملکی زرمبادلہ کے ذخائر، عالمی اقتصادی سست روی، توانائی کی قیمتوں اور مالیاتی اخراجات میں بے پناہ اضافہ، اور سیاسی عدم استحکام شامل ہیں۔ آپریٹنگ ماحول مزید پیچیدہ ہوگیا تھا کیونکہ زیادہ پیداواری لاگتوں کے باعث معاشی سرگرمیوں میں سست روی آئی۔ تاہم، مالی سال 2024ء کے آخری حصے میں، ان مشکلات کے باوجود، پاکستان کی معیشت میں معتدل ترقی اور بیرونی دباؤ میں کمی دیکھنے میں آئی۔ اس میں حکومت کی منظم مالیاتی اور مانیٹری پالیسیوں نے اہم کردار ادا کیا، جس سے مارکیٹ کے اعتماد کی بحالی اور مختلف شعبوں میں ترقی کو فروغ دینے میں مدد ملی۔ مالی سال 2024ء میں، پاکستان کی جی ڈی پی میں 2.38 فیصد اضافہ ہوا، جس میں زراعت کے شعبے نے 6.25 فیصد کی مضبوط ترقی دکھائی (مالی سال 2023ء میں 2.27 فیصد)۔ صنعتی اور خدمات کے شعبے میں بھی 1.21 فیصد اضافہ ہوا (مالی سال 2023ء میں 2.94 فیصد کمی)۔ مرکزی بینک نے اپنی زری پالیسی کمیٹی کی آخری تین میٹنگ میں پالیسی ریٹ کو 22.0 فیصد سے کم کر کے 17.50 فیصد کیا ھے جبکہ افراط زر سال بہ سال 38.0 فیصد سے کم ہو کر 17.3 فیصد تک آ گیا۔ درآمدات کو محدود کرنے کی پالیسی کی وجہ سے درآمدی بل میں معمولی کمی ہوئی، جو 0.72 فیصد رہی (مالی سال 2023ء میں 12.7 فیصد)۔ اس کے برعکس، ملک کی برآمدات میں قابل ذکر 10.65 فیصد اضافہ ہوا، جو بڑھ کر 30.67 بلین امریکی ڈالر تک پہنچ گئی (مالی سال 2023ء میں 27.72 بلین امریکی ڈالر)۔ اسی طرح ترسیلات زر میں بھی 10.7 فیصد اضافہ ہوا، جس کی مالیت 31.25 بلین امریکی ڈالر رہی (مالی سال 2023ء میں 27.72 بلین امریکی ڈالر)۔ اس سے بیرونی ذخائر کو نمایاں مدد ملی۔ نتیجتاً، کرنٹ اکاؤنٹ خسارے میں تیزی سے 79 فیصد کمی واقع ہوئی، جو گھٹ کر 681 ملین امریکی ڈالر ہوگیا۔

صنعتی جائزہ:

ٹیکسٹائل، پاکستان کی معیشت کا ایک اہم شعبہ، ملک کی مجموعی برآمدات میں تقریباً 60 فیصد کا حصہ ڈالتا ہے اور مجموعی لیبر فورس کے 40 فیصد کو روزگار فراہم کرتا ہے۔ مالی سال 2024ء میں ٹیکسٹائل کے شعبے میں معمولی ترقی دیکھی گئی، اور اس کی برآمدات میں 0.93 فیصد اضافہ ہوا، جس کی کل مالیت 16.5 بلین امریکی ڈالر رہی (مالی سال 2023ء میں بھی 16.5 بلین امریکی ڈالر)۔ کپاس کے سال کے آغاز میں اسپننگ کی صنعت کو کافی امید تھی کہ کپاس کی قیمت میں کمی آئے گی کیونکہ کپاس کی فصل میں متوقع اضافہ تھا، لیکن اس کے برعکس، ملک میں کپاس کی پیداوار میں 63.55 فیصد کی نمایاں کمی دیکھنے میں آئی۔ پاکستان کاٹن جنرز ایسوسی ایشن (PCGA) کے 15 ستمبر 2024ء تک جاری کردہ تازہ ترین اعداد و شمار کے مطابق، کپاس کی مجموعی آمد 1.434 ملین بیلز تک پہنچ چکی ہے (مالی سال 2023ء میں 3.934 ملین)۔ ماہرین کے اندازے کے مطابق بارشوں کے باعث کپاس کی مجموعی فصل کا 25 فیصد حصہ خراب ہو چکا ہے، جس کی وجہ سے ٹیکسٹائل کی صنعت نے 1.6 ملین بیلز کی درآمدی آرڈرز دیے ہیں تاکہ ملکی طلب کو پورا کیا جاسکے، جو مزید بڑھنے کی توقع ہے، جس سے ملکی معیشت پر اربوں ڈالر کا بوجھ پڑے گا۔

مالیاتی نتائج اور کارکردگی:

زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:

	(روپے)
آمدنی	446,380,125
آمدنی کی لاگت	(887,457,918)
کل خسارہ	**(441,077,793)**
آپریٹنگ اخراجات	(41,495,317)
آپریٹنگ خسارہ	**(482,573,110)**
دیگر آمدنی	79,848,618
مالیاتی لاگت	(267,486)
محصولات	(5,279,752)
قبل از ٹیکس خسارہ	**(408,271,730)**
ٹیکسیشن	25,212,835
بعد از ٹیکس خسارہ	**(383,058,895)**

(i) اراکین 26 نومبر، 2024 سے قبل کمپنی کی ویب سائٹ
http://www.yousufdewan.com/dfsml/index.html پر دستیاب معیاری درخواست فارم کے مطابق اپنی درخواست ای میل
dfsml.corp@yousufdewan.com پر یا دیوان سینٹر، A-3، لالہ زار بیچ ہوٹل روڈ کراچی میں کمپنی سیکرٹری کے نام پر اپنی درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

(ii) کمپنی کی طرف سے معیاری درخواست فارم پر درج ای میل آئی ڈی یا موبائل/واٹس ایپ نمبر پر زوم کا لنک بھیجا جائے گا۔

(جی) سی ڈی سی اکاؤنٹ میں فیزیکل شیئرز کی منتقلی

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت تمام ہر لسٹڈ کمپنی کیلئے ضروری ہے کہ وہ کمیشن کی طرف سے جاری کردہ نوٹیفکیشن کی تاریخ اور کمپنیز ایکٹ 2017 کے آغاز یعنی 30 مئی 2017 سے چار سال کے اندر فیزیکل سرٹیفکیٹس کو بک انٹری فارم میں منتقل کریں۔

فیزیکل حصص رکھنے والے حصص یافتگان اپنے فیزیکل سرٹیفکیٹس کو سکرپٹ لیس فارم میں منتقل کرنے کیلئے کسی بھی سی ڈی سی یا سی ڈی سی ذیلی اکاؤنٹ کے ساتھ سی ڈی سی انویسٹر اکاؤنٹ کھول سکتے ہیں۔

(ایچ) ای ووٹنگ کا طریقہ کار

(اے) ای ووٹنگ کی تفصیلات کمپنی کے ان اراکین کو ای میل کے ذریعے ارسال کی جائیں گی جن کے مستند شناختی کارڈ نمبرز، فون نمبرز اور ای میل ایڈریسز کمپنی کے اراکین کے رجسٹر ڈ میں دستیاب ہوں گے۔

(بی) اراکین کو ای میل کے ذریعے ویب ایڈریس، لاگ ان کی تفصیلات ارسال کی جائیں گی۔

(سی) ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت تصدیقی لاگ ان کے ذریعے کی جائے گی۔

(ڈی) ای ووٹنگ لائنز کا آغاز 22 نومبر، 2024 سے صبح دس بجے شروع ہوگی اور 27 نومبر، 2024 کی شام پانچ بجے بند ہوں گی۔ اراکین اس مدت کے دوران اپنا ووٹ ڈال سکتے ہیں۔

(آئی) پوسٹل بیلٹ

بذریعہ بیلٹ ووٹنگ کیلئے اراکین کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی دفعات کے مطابق اپنا حق رائے دہی استعمال کر سکتے ہیں جو کمپنیز ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط ہے۔ مذکورہ ریگولیشنز کے تحت متعین قانونی ٹائم فریم کے اندر اگر ضرورت محسوس ہوئی تو مزید تفصیلات اراکین کو ارسال کی جائیں گی۔

اراکین اس بات کو یقینی بنائیں گے کہ باضابطہ طور پر دستخط شدہ بیلٹ پیپر معہ شناختی کارڈ کی نقل چیئر مین کو کمپنی کے رجسٹرڈ پتہ یا dfsml.corp@yousufdewan.com پر ای میل کے ذریعے سالانہ اجلاس عام کے انعقاد کے دن سے ایک دن قبل یعنی 27 نومبر، 2024 کے کاروباری ایام کے دوران ارسال کیے جائیں گے۔ بیلٹ پیپر پر دستخط شناختی کارڈ یا کمپنی کے ریکارڈز پر موجود دستخط جیسے ہونے چاہیے۔

(جے) فیزیکل حصص یافتگان کے کوائف

کمپنیز ایکٹ 2017 کے سیکشن 119 اور کمپنیز (جنرل پروویژنز اینڈ فارمز) ریگولیشنز 2018 کے ضابطہ 19 کے مطابق تمام فیزیکل حصص یافتگان کو مشورہ دیا جاتا ہے کہ وہ مستقبل میں کسی بھی قانون کی عدم تعمیل یا کسی بھی پریشانی سے بچنے کیلئے اپنی لازمی معلومات جیسا کہ شناختی کارڈ نمبر، پتہ، ای میل ایڈریسز، رابطہ نمبر، انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) وغیرہ کمپنی کے شیئر رجسٹرار کو ان کے پتے میسرز بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ) لمیٹڈ واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، چوتھی منزل، 49، دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی ای میل (bmfconsultantspakistan@gmail.com) پر فوری طور پر ارسال کریں۔

دیوان فاروق اسپننگ ملز لمیٹڈ

سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان فاروق اسپننگ ملز لمیٹڈ کا 21 واں سالانہ اجلاس عام بروز جمعرات 28 نومبر، 2024 دوپہر 12:00 بجے دیوان سیمنٹ فیکٹری سائیٹ، دیہہ ڈھنڈو، دھابیجی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عمومی امور

1) منگل 27 اگست، 2024 کو منعقدہ کمپنی کے غیر معمولی اجلاس عام کی کارروائی کی توثیق۔

2) 30 جون، 2024ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں معہ ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور وخوض اور منظوری۔

3) 30 جون، 2025ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔

4) چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ

محمد حنیف جرمن
ڈائریکٹر اور کمپنی سیکریٹری

کراچی
04 نومبر، 2024

نوٹ:

(الف) کمپنی کی حصص منتقلی کی کتب 22 نومبر، 2024 سے 28 نومبر، 2024 تک (بشمول دونوں دن) بند رہیں گی۔ شیئر رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسلٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، تیسری منزل، 49 دارلامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی پاکستان میں موصول ہونیوالی منتقلیاں اجلاس میں شرکت اور رائے دہی کیلئے بروقت سمجھی جائیں گی۔

(بی) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کرسکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئر رجسٹرار آفس میں جمع کرانا ہوگا۔

سی ڈی سی حصص یافتگان کو اجلاس میں شرکت اور پراکسیوں کی تعیناتی کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مورخہ 26 جنوری، 2000 کو جاری کردہ سرکلر 1 میں دی گئیں مندرجہ ذیل ہدایات پرعمل درآمد کرنا ہوگا۔

(سی) اراکین سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع کریں۔

(ڈی) مالی گوشواروں کی الیکٹرانک ترسیل

ایس ای سی پی نے اپنے نوٹیفکیشن نمبر SRO 787(1)/2014 بتاریخ 8 ستمبر، 2014 کے ذریعے کمپنیوں کو اجازت دی ہے کہ سالانہ اجلاس عام کے نوٹس کے ہمراہ سالانہ آڈٹ شدہ مالی گوشوارے ڈاک کی بجائے ای میل کے ذریعے ان اراکین کو ارسال کیے جائیں۔ ای میل کے ذریعے مذکورہ بالا گوشوارے اور اے جی ایم کے نوٹسز وصول کرنے کے خواہشمند اراکین سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ http://www.yousufdewan.com/dfsml/index.html پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

(ای) ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی دفعات کی تعمیل میں اراکین سالانہ اجلاس عام میں ویڈیو کانفرنس کی سہولت کے ذریعے شرکت کر سکتے ہیں بشرطیکہ 10 فیصد یا زائد حصص رکھنے اور شہر میں رہنے والے اراکین اجلاس کی تاریخ سے کم سے کم 7 روز قبل اپنی رضامندی فراہم کریں گے۔ مذکورہ بالا شرائط کی تعمیل کی صورت میں تمام ضروری معلومات اور جگہ کے بارے میں آگاہ کیا جائے گا، درخواست کا فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

(ایف) زوم ایپلی کیشن کے ذریعے اجلاس میں شرکت

اراکین درج ذیل ہدایات پر عمل درآمد کرکے زوم کے ذریعے سالانہ اجلاس عام میں آن لائن شرکت کر سکتے ہیں۔

DEWAN FAROOQUE SPINNING MILLS LIMITED
21st ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT

This form of Proxy duly completed must be deposited at our Shares Registrar Transfer Agent **BMF Consultants Pakistan (Private) Ltd.** Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi-75350, Pakistan. Not later than 48 hours before the time of holding the meeting A Proxy should also be a member of the Company.

I/We______________________________________ of ______________________________________ being a member of **Dewan Farooque Spinning Mills Limited** and holder of______________________________________Ordinary shares as per Registered Folio No./CDC Participant’s ID and Account No ________________________ hereby appoint ______________________________________ of ______________________________________ who is also member of **Dewan Farooque Spinning Mills Limited** vide Registered Folio No./CDC Participant’s ID and Account No.________________ my/our proxy to vote for me/our behalf at the 20th Annual General Meeting of the Company to be held on **Thursday, November 28, 2024, at 12:00 noon.** And any adjournment thereof.

Signed this ________________________ day of ________________________2024.

Affix
Revenue
Stamp
Rs. 5/-

Signature________________________

Witness: ____________________	Witness: ____________________
Signature	**Signature**
Name: ____________________	Name: ____________________
Address: ____________________	Address: ____________________
____________________	____________________

پراکسی فارم

۲۱واں سالانہ اجلاس عام

اہم اعلان

یہ پراکسی فارم مکمل پر کر کے ہمارے رجسٹرار شیئر ٹرانسفر ایجنٹ، بی ایم ایف کنسلٹنٹ (پرائیوٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، روم نمبر 310 اور 311، تیسری منزل،49، دارالمان سوسائٹی، شاہراہ فیصل، ملحقہ بلوچ کالونی پل، کراچی۔75350، پاکستان۔ کے آفس میں، میٹنگ کے انعقاد سے اڑتالیس گھنٹے پہلے یہ فارم ضرور جمع کروادیں، کسی بھی پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

میں/ہم ______________________ کا (مکمل پتہ)

______________________ بحیثیت ممبر

دیوان فاروق اسپننگ ملز لمیٹڈ کے ______________________ حصص کے مالک، رجسٹرڈ فولیو نمبر/

سی ڈی سی آئی ڈی اور کھاتہ نمبر ______________________ میں

بطور پراکسی تقرر کرتا/ کرتی ہوں ______________________ کا (مکمل پتہ)

______________________ جو بذات خود بھی

دیوان فاروق اسپننگ ملز لمیٹڈ ______________________

سی ڈی سی آئی ڈی اور کھاتہ نمبر ______________________

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۲۱واں سالانہ اجلاس عام جو کہ بروز جمعرات، ۲۸ نومبر ۲۰۲۴ کو دوپہر ۱۲:۰۰ بجے ، ہے، میری/ ہماری جانب سے ووٹ دے۔

بطور گواہ میں/ہم نے بروز ______________ بتاریخ ______________ ۲۰۲۴ کو میرے/ہمارے ہاتھ سے مہر لگائی۔

Affix
Revenue
Stamp
Rs. 5/-

دستخط ______________________

گواہ: ______________________ گواہ: ______________________

نام: ______________________ نام: ______________________

مکمل پتہ: ______________________ مکمل پتہ: ______________________

______________________ ______________________