ANNUAL REPORT 2023

HAMID TEXTILE MILLS LIMITED

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

UKAS QUALITY MANAGEMENT
Registration Number 005

SYSTEM CERTIFICATION ISO 9001:2000 SGS

Certificate No. SG05/0299

CONTENTS

COMPANY INFORMATION

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

Certificate No. SG05/0299

VISION

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

MISSION

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of **Hamid Textile Mills Limited** will be held on Thursday, October 26, 2023 at 11:30 A.M at Registered Office, 142-, Block-D, Model Town Lahore, to transact the following business:-

ORDINARY BUSINESS:

1. To confirm the Minutes of 35th Annual General Meeting of the shareholders held on Tuesday, October 25, 2022.

2. To receive, consider, and adopt the company's Audited financial statements for the year ended June 30, 2023, together with Chairman Review, Directors, and Auditor's report thereon.

3. To appoint auditors and fix their remuneration, M/S HLB Ijaz Tabussum & Co, Chartered Accountants, Lahore, retired and being eligible, offer themselves for reappointment as auditors for the next financial year ending June 30, 2024.

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

By Order of the Board

Ralph Nazir Ullah
Company Secretary

Lahore
October 03, 2023

Notes:

1. The share transfer books of the Company will remain closed from October 21, 2023 to October 27, 2023 (both days inclusive).

2. All shareholder eligible to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak, and votes instead of him/her. In case of corporate entity, votes may be given through attorney or proxy. In both cases, the instrument of proxy duly completed, must reach to the Registered Office of the Company or at the office of our Share Registrar M/S Corplink Pvt Ltd. Lahore, not later than 48 hours before the time of holding Annual General Meeting. Proxy form is attached in the last portion of this report.

3. The original Computerized Identity Card of the Shareholder/Proxy is required to prove his/her identity along with account details etc. at the time of meeting, in case of corporate entity the Board of Directors resolution/power of Attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form.

4. As per section 132(2) of the Companies Act, 2017, The company will provide the video link facility to those member(s) who hold minimum 10% of shareholding of the total paid-up capital and resident of city other than city, where company's Annual General Meeting is to be placed, upon request, such member(s) should submit request in writing to the company at least seven days before the date of meeting.

5. Pursuant to circular 4 of 2021 issued by SECP, shareholders who wish to participate virtually in the AGM are requested to share information through courier at company's registered office address at least seven days prior to the date of the meeting.

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

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

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

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

8. As earlier requested, Members are again advised:

   a) To provide copies of their valid CNICs if not provided earlier to update the member's register.
   b) To notify the change of address immediately, if any

Chairman's Review

Review Report by Chairman u/s 192 of the Companies Act 2017

It is my humble honor to present the annual report for the year ended June 30, 2023, of Hamid Textile Mills Limited along with audited financial statements and auditors' report thereon.

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

The Board devises all major policies and strategies to efficiently and effectively manage the company. The governance of the Board is in accordance with relevant laws and regulations, and its obligations, rights, responsibilities, and duties are as specified and prescribed therein. During the financial year 2022-2023,six Board meetings and four audit committee meetings were conducted. The Board as per its practice strictly monitored its own performance along with the performance of its sub-committees.

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

Mrs. Khushbu Ammad
Chairman

Dated September 27, 2023

DIRECTORS' REPORT TO THE MEMBERS

The board of directors of your company takes pleasure in presenting before you the performance review together with 36th Annual Report and Audited Financial Statements of the Company for the year ended on June 30, 2023 along with the auditors' report thereon.

PERFORMANCE OF THE COMPANY

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

	2023 Rupees	2022 Rupees
Sales	563,533,352	551,810,523
Gross Profit	10,395,351	15,755,544
Operating Loss	(17,389,764)	(8,401,703)
Finance Cost	(2,362)	(7,817)
Loss before taxation	(17,392,126)	(8,409,517)
Taxation	24,782,355	16,870,239
Profit (Loss) after taxation	7,390,229	8,460,722
Profit (Loss) per share-basic	0.56	0.64

The company has achieved an increase in turnover of 2.12% in current financial year as compared with previous year. However, input cost has been increased specially the energy cost has been increased unprecedent resulted in decrease in gross profit to 1.84 as compared with last year of 2.86%. The administrative and operating cost has been increased from 4.08% to 4.59% of sales which resulted in operating loss of Rs. 17.389 million as compared with last year's of Rs. 8.401 million. The operating loss includes depreciation expenses of Rs. 25.301 million for this year which means that the company's operational results are positive with no cash loss and profit after taxation is Rs. 7.390 million as compared with last year of Rs. 8.461 million.

Financial year 2023 started off with state of uncertainty in the global economy and particularly Pakistan economy remain uncertain due to political instability, due to the post covid-19 pandemic and Russia's war with Ukraine. The unfolding effects of such events left catastrophic repercussion on global trade, severely disrupting the supply chain, and causing shortage of commodities and increased energy prices. Inflation soared to multidecade high owing to dwindling demand supply chain disruptions and spikes in commodity prices in many economies, including Pakistan. The prospects of economic decline were quite visible, and all the macroeconomic indicators were posing a negative image. Significant increase in the cost of local raw material and imported raw material owing to devaluation of the rupee during the financial year. Moreover, higher international cotton prices and challenging supply chain, high energy costs, and increased political instabilities have made it difficult for the industry to take a long-term view of its operations. Despite the above-mentioned impediments, due to the consistent efforts of the management and better product mix, your company has managed to generate gross profit margin of Rs. 10.395 million and able to avoid cash losses, as the profit after taxation includes depreciation charge of Rs. 25.301 million (June 30, 2022: Rs. 27.198 million).

During the year, the overall performance of the company remains satisfactory, as the company revenue mix consist of sale of own production and working of the mill on conversion basis. The company sale of fabric decreased by Rs.17.531 million, whereas, the conversion income has witnessed increase of Rs. 28.481 million. As the company had been facing liquidity problem over the last decade due to litigation with the banks for settlement of loans and therefore, company cannot raise the working capital to increase the production level. However, the management making all efforts to keep alive the company and has strategically adopted policy to generate mix revenue stream of self-production as well as to operate on conversion basis to generate sufficient funds to avoid cash losses to meet its financial commitments.

FUTURE PROSPECTS:

Although presently the economic and political situation in Pakistan isn't stable yet, however as our concern is with the export market, therefore our main priority is availability of energy, its cost and other cost pushups taken place, which will make us globally uncompetitive. The situation has been further aggravated by a steep depreciation of the currency. All these factors are putting huge pressure on the disposable income of the consumer and might have an adverse impact on the consumption.

The economic stability would largely depend on political firmness, a proactive and prudent monetary policy and access to external financing.

A predictable and stable energy policy is required for improving business confidence levels and increase in investment in industry. The industrial electricity tariff of other textile exporting countries is lower than Pakistan making us uncompetitive in the international market. The objective of the Pakistani textile industry to become an export "powerhouse" cannot be achieved until power tariff are revised to a competitive and stable level.

It is projected that the profitability in the coming months will be impacted due to increase in commodity prices, power cost, rupee devaluation, minimum wage increases, markup rates, etc., resulting in escalation in cost of doing business.

To counter this challenging economic situation; the Pakistani textile sector shall have to be a cost effective niche marketing, product and customer development are the essential tools to remain competitive domestically and internationally. The efforts on marketing side especially focused on international brands and technical textiles, will ensure increased revenue and better margin. On the cost side, better supply-chain management for raw materials and innovation in production processes shall remain pivotal parts of the strategy. The management is confident that the company shall be able to improve its operational performance and going forward.

Further, the management has been continuously contributing funds for working capital through its own sources because the settlement efforts with National Bank of Pakistan remain unsuccessful which is main hurdle in arranging the required working capital limit. The management has submitted proposal for settlement but the lender National Bank of Pakistan has not accepted our proposal and due to non-settlement, the company cannot arrange the working capital financial limits from any other bank. The management is confident and hopeful that the efforts for restructuring and renewal of the financial limits would be succeeded or otherwise, the settlement with bank may be achieved in next foreseeable future and then, the operation of the mill shall be run on optimum production capacity level.

The management of the company is determined to turn the unit as viable, operative and profitable by improving cost effective measures and cost saving efforts in future.

AUDITORS' REPORT QUALIFICATIONS: -

1. Going Concern Assumption

The auditors had been persistently issuing adverse audit opinion since financial year 2013 (Eleven years) on the issue of going concern relating to the sole factor of non-settlement with National Bank of Pakistan (NBP) which is pending litigation till to-date. The management has fully disclosed the matter of pending litigation with the bank in note No.1.2 of the financial statement along with other implications and in the presence of fully disclosed facts by the management, the adverse opinion given by the auditor is not justified because the company is continuously operative since last eleven years without any stoppage in any year within the last decade. Although, due to working capital constraints faced by the company, the optimum production capacity was not attained but the management efforts were successful to the extent that unit is alive and the financial results shows improvement as the current year turnover increased to Rs. 563.533 million as compared with corresponding last year of Rs. 551.810 million.

The management feels that external auditor's issuance of adverse opinion with an over conscious approach by ignoring the facts that property, plant and equipment of the company carrying amount is Rs. 596.999 million, whereas, the bank liability in aggregate Rs. 110 million which is 18.42% of the carrying amount of the fixed assets which suggests that company shall be able to meets its obligation in normal course of business. The management is contesting the case in court of law and expects that settlement with NBP will also be settled in the company's favor in foreseeable future.

The matter of going concern assumption used for the preparation of the financial statement is fully justified because unit is operative, alive with all odd factors facing the economy in overall, textile sector in particular and the company is continuously facing liquidity constraint due to litigation with NBP. The management believes as and when the circumstances become favorable for textile sector and once settlement achieved with NBP, the company future prospects would be to achieve its operational production capacity at optimum level, revival of equity and turn the company's operation profitable.

CODE OF CORPORATE GOVERNANCE

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

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

b) Proper books of accounts have been maintained.

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

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

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

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

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

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

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

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

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

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

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

n) Two casual vacancies occurred on the board of directors of the company during the financial year ended on June 30, 2023.

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

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

Name of Director	Number of Meetings Attended
1. Mr. Khawar Almas Khawaja	06
2. Mrs. Khushbu Ammad	06
3. Mrs. Nighat Khawar	05
4. Mrs. Momina Khawar Ali	02
5. Mr. Muhammad Alamgir	06
6. Mr. Abid Hussain	04
7. Mr. Muhammad Amin	06

AUDIT COMMITTEE

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

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

HR AND REMUNERATION COMMITTEE

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

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

INTERNAL FINANCIAL CONTROLS

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

PRINCIPAL RISK AND UNCERTAINTY

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

- Technological advancement making it more challenging for the company to compete on the national International level.
- Non-renewal of financial facilities.
- Increasing KIBOR resulting in increased finance cost.
- Currency volatility and abrupt Rupee devaluation, resulting in an increased cost of imported raw material.

PERSONNEL AND WORKING ENVIRONMENT

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

AUDITORS

The present auditors, M/S HLB Ijaz Tabussum & Co, Chartered Accountants, Lahore, retired and being eligible, offer themselves for re-appointment as auditors for the next financial year ending June 30, 2024.

PATTERN OF SHAREHOLDING

The pattern of shareholding for the year ended June 30, 2023 is annexed to this report.

VOTE OF THANKS

The directors wish to place on record their appreciation of the hard work and efforts made by the workers and staff and look forward that they will continue to make their best contribution in the future of the company.

On behalf of Board

Khawar Almas Khawaja
(Chief Executive)

M. Alamgir
(Director)

Date: September 27, 2023

ڈائریکٹرز رپورٹ برائے ممبرز

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز 30 جون 2023 کو ختم ہونے والے مالی سال کی رپورٹ بمعہ آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی کی کارکردگی:

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

	2023 (روپے)	2022 (روپے)
فروختگی	563,533,352	551,810,523
خام / منافع (نقصان)	10,395,351	15,755,544
انتظامی امور منافع (نقصان)	(17,389,764)	(8,401,703)
فنانشل چارجز	(2,362)	(7,817)
نفع (نقصان) قبل از ٹیکس	(17,392,126)	(8,409,517)
ٹیکس	24,782,355	16,870,239
نفع (نقصان) بعد از ٹیکس	7,390,229	8,460,722
بنیادی حصص کے مطابق آمدنی (نقصان)	0.56	0.64

کمپنی نے گزشتہ سال کے مقابلے میں موجودہ مالی سال میں 2.12 فیصد کے کاروبار میں اضافہ حاصل کیا ہے۔ تاہم، ان پٹ لاگت میں اضافہ کیا گیا ہے خاص طور پر توانائی کی لاگت میں غیر معمولی اضافہ ہوا ہے جس کے نتیجے میں مجموعی منافع میں 1.84 فیصد کمی واقع ہوئی ہے جو کہ گزشتہ سال 2.86 فیصد تھی۔ انتظامی اور آپریٹنگ لاگت فروخت کا 4.08 فیصد سے 4.59 فیصد سے بڑھی ہے جس کے نتیجہ میں آپریٹنگ نقصان 17.389 ملین روپے ہے جبکہ گزشتہ مالی سال میں 8.401 ملین روپے تھا۔ آپریٹنگ نقصان میں اس سال کے لیے (Depreciation) افسردگی بطور خرچہ 25.301 ملین روپے شامل ہے جس کا مطلب ہے کہ کمپنی کے آپریٹنگ نتائج میں نقدی نقصان نہیں ہے اور ٹیکس کے بعد منافع 7.390 ملین روپے ہے جبکہ پچھلے سال 8.461 ملین روپے تھا۔

مالی سال 2023 کا آغاز عالمی معیشت میں غیر یقینی صورتحال کے ساتھ شروع ہوا جس میں روس کے یوکرین پر حملے، کوویڈ 19 کی وبائی مرض کے مجموعی اثرات اور بالخصوص پاکستان میں سیاسی عدم استحکام کی وجہ سے غیر یقینی صورت حال کا سامنا رہا۔ ان منفی واقعات نے عالمی تجارت پر تباہ کن اثرات مرتب کیے، سلسلہ ترسیل کو بری طرح متاثر کیا جس سے نا صرف اجناس کی قلت واقع ہوئی بلکہ توانائی کی قیمتوں میں اضافہ ہوا۔ طلب میں کمی، رسد میں تاخیر اور اشیاء کی قیمتوں میں ہوش ربا اضافے کے باعث پاکستان سمیت بہت سی معیشتوں میں افراط زر بلند ترین سطح پر پہنچ چکا ہے۔ مجموعی اقتصادی نمو میں کمی کے امکانات واضح دکھائی دے رہے تھے۔ میکرو اکنامک کے تمام اعشاریئے منفی اعکاسی کر رہے تھے۔ رواں مالی سال کے دوران روپے کی قدر میں کمی کی بنا پر مقامی اور درآمدی خام مال کی لاگت میں اضافہ ہوا۔ مزید برآں کپاس کی بڑھتی ہوئی قیمتوں اور سلسلہ ترسیل میں حائل دشواریوں کے ساتھ ساتھ توانائی کی بڑھتی ہوئی قیمتوں اور سیاسی عدم استحکام جیسے عوامل نے صنعتوں کے لیے اپنے کاروباری افعال کا طویل مدتی نقطہ نظر سے جائزہ لینا دشوار کر دیا ہے۔ تاہم باوجود مذکورہ رکاوٹوں کے کمپنی کی انتظامیہ کی متواتر کاوشوں اور اسکے ساتھ ساتھ مصنوعات کے بہترین امتزاج کی بدولت آپ کی کمپنی نے 10.395 ملین خام منافع (Gross Profit) بنایا/ حاصل کیا اور نقد نقصان سے بچنے میں کامیاب رہی۔ منافع بعد از ٹیکس میں (Depreciation) افسردگی 25.301 ملین روپے شامل ہے۔ (30 جون 2022:27.198 ملین روپے)۔

کمپنی کی مجموعی کارکردگی تسلی بخش ہے کیونکہ کمپنی کی آمدنی (Revenue) اپنی مکس پیداوار کی فروخت اور مل کے کنورشن بنیاد پر مشتمل ہے۔ رواں سال کے دوران کمپنی کے کپڑے کی فروخت میں 17.531 ملین روپے کی کمی واقع ہوئی ہے اور اس کے ساتھ کنورشن کی انکم میں 28.481 ملین روپے اضافہ ہوا۔ جیسا کہ آپ جانتے ہیں کہ ادارے کو پچھلے دس سالوں سے مالی دشواری کا سامنا ہے جس کی بنیادی وجہ بینکوں کے ساتھ قانونی مقدمہ جات ہیں۔ اس کے باوجود کمپنی کی انتظامیہ کی بہترین حکمت عملی کی وجہ سے آمدنی میں خاطر خواہ اضافہ ہوا، اور مالی وعدوں کو پورا کرنے اور نقدی نقصان سے بچنے کے لیے کافی فنڈ حاصل کرنے میں کامیاب رہی۔

مستقبل کی حکمت عملی

اگرچہ پاکستان کی معاشی، سیاسی صورتحال مستحکم نہیں ہے تاہم ہماری توجہ بالخصوص برآمدات کی بڑھوتری کے حصول پر ہے چنانچہ ہماری خاص توجہ توانائی کی طلب و لاگت اور دیگر عوامل جو کہ پیداواری لاگت کی بڑھوتری کا باعث بنتے ہیں جن کی وجہ سے ہم بین الاقوامی سطح پر غیر مسابقتی صورتحال سے دوچار ہیں، گزشتہ چند مہینوں میں کرنسی کی قدر میں زبردست مندی کے باعث صورتحال مزید خراب ہوگئی ہے۔ یہ تمام عوامل صارفین کی ڈسپوزیبل آمدنی پر بہت زیادہ دباؤ ڈال رہے ہیں اور ان کی آمدنی پر منفی اثر پڑ رہا ہے۔

معاشی استحکام کا زیادہ انحصار سیاسی استحکام، ایک فعال اور سمجھدار مالیاتی پالیسی اور بیرونی فنڈز کی رسائی پر ہوگا۔

کاروباری اعتماد کی سطح کو بہتر بنانے اور صنعت میں سرمایہ کاری میں اضافے کیلئے ایک متوقع اور مستحکم توانائی کی پالیسی کی ضرورت ہے۔ ٹیکسٹائل برآمد کنندہ دیگر ممالک کی صنعتی توانائی ٹیرف پاکستان سے کم ہے۔ جس کی وجہ سے ہم بین الاقوامی سطح پر غیر مسابقتی ہیں اور پاکستان ٹیکسٹائل انڈسٹری کا برآمدی پاور ہاؤس بننے کا مقصد اس وقت تک حاصل نہیں ہوسکتا جب تک کہ بجلی کے نرخوں میں مسابقتی اور مستحکم سطح پر نظر ثانی نہیں کی جاتی۔

یہ اندازہ لگایا جاسکتا ہے کہ مستقبل قریب میں روزمرہ اشیاء کی قیمتوں میں اضافہ، توانائی کی قیمت، روپے کی قدر میں کمی، کم از کم اجرت اور شرح سود میں اضافہ اور دیگر پیداواری لاگتوں کا اثر کے باعث منافع پر منفی اثر آئے گا۔

اخراجات میں کمی، مطلوبہ مارکیٹنگ، مصنوعات اور کسٹمر کے حصول میں ترقی جیسے عناصر اور ان کے مالی مسائل کو حل کرنے اور دوسروں سے مقابلہ کرنے کیلئے ضروری ہے کہ مارکیٹنگ کے شعبے میں کوشش خاص طور پر غیر ملکی برانڈ اور ٹیکنیکل ٹیکسٹائل پر زور دینا آمدن میں اضافہ اور زیادہ منافع کو یقینی بناتا ہے۔ اخراجات کے معاملے کو دیکھا جائے تو خام مال کیلئے بہتر ترسیل کے انتظامات اور پیداواری عوامل میں جدید حکمت عملی کے اہم حصے ہونے چاہئیں۔ علاوہ ازیں انتظامیہ مسلسل اپنے ذرائع سے فنڈز فراہم کررہی ہے کیونکہ نیشنل بینک آف پاکستان کے ساتھ ڈیل کی کوششیں ناکام رہیں ہیں جو کہ درکار مالی وسائل کی فراہمی میں بڑی رکاوٹ ہے۔ انتظامیہ نے ڈیل کے لیے پیشکش دی ہے لیکن قرض دینے والے نیشنل بینک آف پاکستان نے قبول نہیں کی۔ اس کی وجہ سے کمپنی کسی اور بینک سے مالی وسائل حاصل نہیں کرسکتی۔ انتظامیہ پرامید ہے کہ اپنی کاوشوں سے قرضہ جات کی ریسٹرکچرنگ اور مالی وسائل حدود کی رینیول میں کامیاب ہوجائے گی بصورت دیگر بینک کے ساتھ مستقبل قریب میں معاملات تہہ کرنے میں کامیاب ہوجائے گی اور مل کے آپریشن اپنی انتہائی نتائج کی سطح پر چلائے گی۔

کمپنی کی مینجمنٹ اخرجات میں کمی لاتے ہوئے ادارے کو عملی صورت میں چلانے اور منافع بخش بنانے کیلئے پرعزم ہے۔

آڈیٹرز کی رپورٹ میں اعتراضات

گوئنگ کنسرن تصور

پچھلے گیارہ سالوں (2013) سے آڈیٹرز مسلسل اپنی رپورٹ میں گوئنگ کنسرن (Going Concern) کو بنیاد بنا کر مالیاتی گوشواروں پر منفی رائے دے رہے ہیں۔ جس کی واحد بنیادی وجہ نیشنل بینک آف پاکستان کے ساتھ قانونی مقدمات اور قرضوں کی عدم ادائیگی ہے جو کہ معزز عدالت میں تاحال زیر سماعت ہے تاہم زیر سماعت مقدمات اور اس کے دیگر اثرات کو انتظامیہ نے اس مالیاتی گوشواروں کے نوٹ نمبر 1.2 میں بخوبی واضح کیا ہے۔ انتظامیہ کے واضح کردہ حقائق کے پیش نظر آڈیٹرز کی منفی رائے غیر منصفانہ ہے کیونکہ ادارہ گزشتہ دس سالوں سے بغیر کسی رکاوٹ کے کام کررہا ہے۔ البتہ محدود کاروباری وسائل کی وجہ سے ادارہ اپنے پیداواری ہدف کو پورا کرنے سے قاصر رہا ہے لیکن انتظامیہ کی مستقل جدوجہد اور لگن کی وجہ سے ادارہ رواں دواں ہے اور ہر سال بہتری کی طرف گامزن ہے جیسا کہ اس سال ادارے کی فروختگی 563.533 ملین روپے ہوئی ہے جو کہ پچھلے سال 551.810 ملین روپے تھی۔

انتظامیہ سمجھتی ہے کہ پچھلے گیارہ سالوں سے بیرونی آڈیٹرز مالیاتی گوشواروں پر منفی رائے کا اظہار کررہے ہیں بلاتاک اس عنصر کے، کہ کمپنی کے کل اثاثہ جات جو کہ 596.999 ملین روپے ہیں جبکہ بینک کے کل قرضہ جات 110 ملین روپے ہیں جو کہ کل اثاثہ جات کا 18.42 فیصد ہے جو کہ ظاہر کرتا ہے کہ ادارہ اپنی ادائیگیاں احسن طریقے سے ادا کرنے کے قابل ہے۔ انتظامیہ معزز عدالت میں مقدمہ بخوبی لڑ رہی ہے اور امید کرتی ہے کہ مستقبل قریب میں نیشنل بینک آف پاکستان کے ساتھ تصفیہ ہوجائے گا۔

مالیاتی گوشواروں کی تیاری کے لیے استعمال کیے جانے والے گوئنگ کنسرن کے مفروضے کا معاملہ مکمل طور پر درست ہے کیونکہ ادارہ عملی طور پر کام کررہا ہے، معیشت اور ٹیکسٹائل سیکٹر

کو درپیش تمام مسائل کے باوجود کام کررہا ہے۔ اور خاص طور پر نیشنل بینک آف پاکستان انتظامیہ کے ساتھ قانونی مقدمات کے پیش نظر لیکویڈیٹی کی مشکلات کا سامنا ہے۔ انتظامیہ یہ یقین رکھتی ہے کہ جب حالات ٹیکسٹائل سیکٹر کے لیے سازگار ہوجائیں گے اور نیشنل بینک آف پاکستان کے ساتھ ایک بار تصفیہ ہوجائے گا، کمپنی کا مستقبل میں اپنی آپریشنل پیداواری صلاحیت کو بہترین سطح پر لانا ہے، ایکویٹی کی بحالی اور کمپنی کے آپریشن کو منافع بخش بنانا ہے۔

سند برائے ڈائریکٹرز ٹریننگ پروگرام

زیر غور رواں مالی سال کمپنی کی انتظامیہ ڈائریکٹرز ٹریننگ پروگرام میں شرکت کرنے سے قاصر رہی جو کہ کوڈ آف کارپوریٹ گورننس کے ضابطہ اخلاق کے منافی ہے۔ انتظامیہ عظم کرتی ہے کہ اگلے مالیاتی سال میں اس ضابطہ اخلاق کی تکمیل ہو جائے گی۔

کوڈ آف کارپوریٹ گورننس

کمپنی کی طرف سے 30 جون 2023 مختتمہ سال کے لیے پاکستان سٹاک ایکسچینج کی فہرست کے ضابطہ کار کی طرف سے مقرر کردہ کوڈ آف کارپوریٹ گورننس کی ضروریات کو اپنایا گیا ہے اور ان پر باضابطہ عمل کیا گیا اس سلسلے میں ایک بیان ساتھ لف ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس

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

ڈائریکٹر کا نام	اجلاس میں شرکت کی تعداد
1۔ خاور الماس خواجہ	06
2۔ مس خوشبو عماد	06
3۔ مس نگہت خاور	05
4۔ مس مومنہ خاور	02
5۔ محمد عالمگیر	06
6۔ عابد حسین	04
7۔ محمد امین	06

آڈٹ کمیٹی کے اجلاس:

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

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

انسانی وسائل اور معاوضہ کمیٹی کے اجلاس:

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

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

اندرونی مالیاتی کنٹرول:

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

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اہم خدشات اور غیر یقینی صورتحال

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

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

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

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

4۔ کرنسی میں اتار چڑھاؤ اور روپے کی قدر میں اچانک کمی جس کے نتیجے میں درآمد شدہ خام مال کی قیمت میں اضافہ ہوا۔

ورکرز اور کام کرنے کا ماحول:

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

آڈیٹرز:

موجودہ آڈیٹرز میسرز ایچ ایل بی اعجاز تبسم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس لاہور، ریٹائرڈ ہوئے ہیں اور اپنی خدمات برائے مالیاتی سال 2024 عہدہ پیش کرنے کے اہل ہیں۔

شیئر ہولڈنگ کا نمونہ:

30 جون 2023 کے حصص کی تفصیل سالانہ رپورٹ کا حصہ ہے۔

اعتراف:

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

بحکم بورڈ

Khawar Almas	
خاور الماس خواجہ	محمد عالمگیر
چیف ایگزیکٹو	ڈائریکٹر

تاریخ: 27 ستمبر 2023

Certificate No. SG05/0299

KEY OPERATING AND FINANCIAL DATA OF LAST SIX YEARS

Profit and Loss account	2023	2022	2021	2020	2019	2018
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales	563,533,352	551,810,523	313,982,107	259,440,185	218,663,246	163,849,894
Cost of sales	(553,138,001)	(536,054,979)	(309,389,927)	(255,249,639)	(216,778,340)	(163,150,188)
Gross Profit/(Loss)	10,395,351	15,755,544	4,592,180	4,190,546	1,884,906	699,706
Operating Expenses						
- Distribution cost	(1,945,883)	(1,624,577)	(984,777)	(426,640)	(273,008)	(425,550)
- Administrative expenses	(25,839,232)	(22,532,670)	(19,081,397)	(16,217,387)	(18,726,205)	(15,014,826)
- Other operating expenses	-	-			-	-
	(27,785,115)	(24,157,247)	(20,066,174)	(16,644,027)	(18,999,213)	(15,440,376)
		-				
Operating Profit/ (Loss)	(17,389,764)	(8,401,703)	(15,473,994)	(12,453,481)	(17,114,307)	(14,740,670)
Other operating income/(Expenses)	-	-	631,489	(2,716,940)	4,349,932	8,882,350
Finance cost	(2,362)	(7,814)	(534,936)	(86,947)	(234,765)	(267,295)
Profit/(Loss) before derecognition of financial liabilities	(17,392,126)	(8,409,517)	(15,377,441)	(15,257,368)	(12,999,140)	(6,125,615)
Derecognition of financial liabilities	-	-	-	-		-
Profit/(Loss) before taxation	(17,392,126)	(8,409,517)	(15,377,441)	(15,257,368)	(12,999,140)	(6,125,615)
Taxation	24,782,355	16,870,239	(7,718,931)	735,238	(14,923,201)	(3,442,503)
Profit/(Loss) after taxation	7,390,229	8,460,722	(23,096,372)	(14,522,130)	(27,922,341)	(9,568,118)
Balance Sheet						
Share Capital	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000	132,716,000
Accumulated loss	(240,637,117)	(264,091,913)	(288,976,596)	(283,835,661)	(289,563,256)	(231,922,347)
Net worth	(107,921,117)	(131,375,913)	(156,260,596)	(151,119,661)	(156,847,256)	(99,206,347)
Long term liabilities	102,702,037	74,007,818	99,508,434	96,091,259	100,159,410	1,146,776
Current liabilities	196,300,137	169,191,112	160,048,547	160,668,652	175,952,023	194,886,221
	299,002,173	243,198,929	259,556,981	256,759,911	276,111,433	196,032,997
Property, plant and equipment	596,999,533	403,280,039	418,478,355	447,558,576	479,552,534	514,691,918
Long term deposits	-	-	-	-	-	-
Current assets	102,257,185	75,354,309	68,647,540	60,037,980	61,503,618	59,365,168
	699,256,718	478,634,347	487,125,895	507,596,556	541,056,152	574,057,086
Key Financial Ratios						
Gross profit ratio (%)	1.84	2.86	1.46	1.62	0.86	0.43
Operating profit ratio (%)	(3.09)	(1.5)	(4.9)	(4.8)	(7.8)	(9.0)
Net profit ratio (%)	1.31	1.53	(7.36)	(5.60)	(12.77)	(5.84)
Current ratio	0.52	0.45	0.43	0.37	0.35	0.30
Leverage (Total liabilities/Net worth)	(2.77)	(1.85)	(1.66)	(1.70)	(1.76)	(1.98)
Earning per share (Rs./share)	0.56	0.64	(1.74)	(1.09)	(2.10)	(0.72)

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

Name of Company: **HAMID TEXTILE MILLS LIMITED**

Year ended: **June 30, 2023**

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

1. The total number of Directors are seven (7) as per the following
   a. Male 4
   b. Female 3
2. The Composition of the Board is as follows:

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

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy, and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this Purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. Some directors have more than 13 years of experience on the Board of listed Company and have relevant qualifications to claim the exemption of Director's training programme and other directors of the Company are planning to take training programme.
10. There was no new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, during the year. However all such appointment including their remuneration and terms and conditions of employment were duly approved by the Board and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

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

b) HR and remuneration Committee

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

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

14. The frequency of meetings of the committee were as per following:

a) Audit Committee

Four quarterly meetings were held during the financial year ended June 30, 2023.

b) HR and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2023

15. The Board has outsourcedan effective internal audit function that is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.

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

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

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

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

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the Board.	29
2	**Risk Management Committee** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and the functions are being performed by the Board.	30
3	**Responsibilities of the Board and its members** The Board is responsible for adoption of corporate governance practices by the Company.	Non-mandatory provisions of the Regulations are partially complied. The Company is deliberating on full compliance with all the provisions of the Regulations.	10 (1)

On behalf of the Board

Chief Executive **Chairman**

Dated: September 27, 2023

Certificate No. SG05/0299

To the Members of Hamid Textile Mills Limited.

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Hamid Textile Mills Limited for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, 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, 2023.

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

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

HLB IJAZ TABUSSUM & COMPANY
CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER: Mrs. Saira Mudassar
UDIN # CR202310189DPiSOTy3h

Dated: September 27, 2023
Place: Lahore

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

We have audited the annexed financial statements of Hamid Textile Mills Limited (the Company), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

Because of the significance of the matter discussed in the basis for adverse opinion section of our report, In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The financial statement of the company for the year ended June 30, 2023 reflected loss before taxation of Rs. 17.392 million (2022: Rs. 8.409) million, and as of that date it has accumulated losses of Rs. 240.637 million (2022: Rs. 264.091 million) which has resulted in net capital deficiency before revaluation surplus of Rs. 107.921 million (2022: Rs. 131.376 million). Its current liabilities exceed its current assets by Rs. 94.043 million (2022: 93.836 million). The company's financial facilities stand expired which are not renewed and the company is unable to ensure the timely repayments of the debts owing to squeezed working capital facilities. Unit is not running at its optimum production capacity. These conditions indicate the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern. Despite of above factors, financial statement is prepared on going concern basis. Under these circumstances we are constrained to give adverse report.

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

Key Audit Matter

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

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

Key Audit Matters	How our audit addressed the key audit matters
1. Stock in trade and stores and spares (Referred to note # 6 & 5 respectively) Stock in trade to the annexed financial statements includes: • Raw materials comprising raw Cotton and yarn. • Work-in-progress & Yarn mainly comprising un-dyed cloth. Further, stores and spares, as disclosed in note 5 to the annexed financial statements include chemical required in process of weaving. Stock in trade and store and spares balances constitute 62.31 % of current assets of the Company. We focus on stock in trade and store and spares as it constitute a significant portion of company's Current assets and it requires management judgment in determining an appropriate costing basis and assessing its valuation.	Our audit procedures, to assess the valuation of stock in trade, amongst others include the following: • Attending management's inventory count and observing the process at material inventory locations, including the process implemented by management to identify and monitor obsolete stock; • Assessing the NRV of stock in trade by comparing, on a sample basis, managements' estimation of future selling prices for the product with current selling prices; • Comparing NRV to the cost of a sample of stock in trade and assess whether stock in trade provision s are complete. • We also tested the calculation of per unit cost of finished goods and work in process and assessed the appropriateness of management's basis for the allocation of cost and production overheads • We also assessed the adequacy of the disclosures made in respect of the accounting policies and the details of inventory balances held by the Company at the year end.

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

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

4. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

IJAZ TABUSSUM & CO.
Chartered Accountants

Report on Other Legal and Regulatory Requirements

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

a) Proper books of account have not been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) but are in agreement with the books of account and returns;

c) Investments made, expenditure incurred and guarantees extended during the year were for the Purpose of the Company's business; and

d) No zakat is deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Mrs. Saira Mudassar (FCA).

HLB IJAZ TABUSSUM & COMPANY
CHARTERED ACCOUNTANTS
UDIN # AR202310189RUCzEIFrx

Dated: September 27, 2023
Place: Lahore

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	Note	JUNE 2023 Rupees	JUNE 2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	596,999,533	403,280,039
CURRENT ASSETS			
Stores, spares and loose tools	5	11,606,664	9,735,147
Stock in trade	6	52,115,185	31,013,508
Trade debts	7	28,480,612	21,597,805
Loans and advances	8	2,898,477	4,159,791
Trade deposits and short term prepayments	9	360,000	355,000
Tax refunds due from the Government	10	3,137,895	3,943,697
Cash and bank balances	11	3,658,352	4,549,361
		102,257,185	75,354,309
		699,256,718	**478,634,348**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
15,000,000 shares (2022: 15,000,000) of Rs. 10/= each		150,000,000	150,000,000
Issued, Subscribed and Paid Up Share Capital			
Issued, subscribed and paid up capital	12	132,716,000	132,716,000
Accumulated loss		(240,637,117)	(264,091,913)
		(107,921,117)	(131,375,913)
Surplus On Revaluation Of Property, Plant And Equipment	13	508,175,661	366,811,332
		400,254,544	235,435,419
NON-CURRENT LIABILITIES			
Long term loan from Banking Companies - secured	14	-	-
Deferred liabilities	15	102,702,037	74,007,818
		102,702,037	74,007,818
CURRENT LIABILITIES			
Trade and other payables	16	64,761,849	53,703,493
Accrued mark-up	17	32,676,328	32,676,328
Loan from Director	18	11,248,100	10,902,600
Short term borrowings	19	24,520,298	24,520,298
Current & overdue portion of long term liabilities	20	47,388,393	47,388,393
Provisions	21	15,705,169	-
		196,300,137	169,191,112
CONTINGENCIES AND COMMITMENTS	22	-	-
		699,256,718	**478,634,348**

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023

	Note	JUNE 2023 Rupees	JUNE 2022 Rupees
Sales - (Net)	**23**	563,533,352	551,810,523
Cost of sales	**24**	(553,138,001)	(536,054,979)
Gross Profit/ (Loss)		10,395,351	15,755,544
- Distribution Cost	**25**	1,945,883	1,624,577
- Administrative Expenses	**26**	25,839,232	22,532,670
		(27,785,115)	(24,157,247)
Operating loss		(17,389,764)	(8,401,703)
Finance Cost	**27**	(2,362)	(7,814)
(Loss)/ profit before taxation		(17,392,126)	(8,409,517)
Taxation	**28**	24,782,355	16,870,239
(Loss)/ profit after taxation carried to statement of comprehensive income		7,390,229	8,460,722
(Loss) / Earning Per Share - Basic	**29**	0.56	0.64

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023

	JUNE 2023 Rupees	JUNE 2022 Rupees
PROFIT / (LOSS) FOR THE PERIOD	7,390,229	8,460,722
Items that will not be reclassified to profit or loss		
Surplus on revaluation of Property, Plant and equipment (net of deferred tax)	219,020,800	-
Less: related defered tax liability	(61,674,532)	-
Gain / (Loss) on remeasurement of staff retirement benefit obligation	82,629	(594,217)
	157,428,897	(594,217)
Items that may be reclassified subsequently to profit or loss:		
	-	-
	-	-
TOTAL OF OTHER COMPREHENSIVE INCOME	**157,428,897**	**(594,217)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**164,819,126**	**7,866,505**

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive   Chief Financial Officer   Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

	Share Capital	Revenue Reserve Accumulated Loss	Surplus on Revaluation of Fixed Assets	Total
	(Amounts in Rupees)			
Balance as on June 30, 2021	132,716,000	(288,976,596)	383,829,510	227,568,914
Net Profit/ (Loss) for the year	-	8,460,722	-	8,460,722
Other Comprehensive income for the year	-	(594,217)	-	(594,217)
Incremental depreciation effect (net of deferred tax)	-	17,018,178	(17,018,178)	-
Balance as on June 30, 2022	132,716,000	(264,091,913)	366,811,332	235,435,419
Net Profit/ (Loss) for the year		7,390,229	-	7,390,229
Revaluation surplus (Net of Tax)	-	-	157,346,268	157,346,268
Other Comprehensive income for the year	-	82,629	-	82,629
Incremental depreciation effect (net of deferred tax)		15,981,939	(15,981,939)	-
Balance as on June 30, 2023	132,716,000	(240,637,117)	508,175,661	400,254,545

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive | Chief Financial Officer | Director

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 Rupees	2022 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/ profit before taxation		(17,392,126)	(8,409,517)
ADJUSTMENTS			
Depreciation	4	25,301,306	27,198,466
Provision/ (Reversal) for gratuity	15.4	1,600,432	1,782,941
Gain on disposal of fixed assets		-	-
Provision of Deferred liability	21	15,705,169	-
Finance cost		2,362	7,814
		42,609,269	28,989,221
Operating profit before adjustment of working capital		25,217,143	20,579,704
(Increase) / decrease in current assets:			
Stores, spares and loose tools		(1,871,517)	(1,847,575)
Stock in trade		(21,101,677)	5,589,660
Trade debts		(6,882,807)	(11,779,486)
Loans and advances		1,261,314	(1,219,360)
Trade deposits and short term prepayments		(5,000)	-
Tax refunds due from the Government		805,801	311,429
		(27,793,886)	(8,945,332)
Increase/(decrease) in current liabilities:			
Trade and other payables		11,058,356	7,189,967
Cash generated from operations		8,481,614	18,824,339
Gratuity paid		(2,671,594)	(4,109,906)
Finance Cost		(2,362)	(7,814)
Taxes paid		(7,044,167)	(6,897,632)
Net cash generated from operating activities		(1,236,509)	7,808,987
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Asset	4	-	(12,000,150)
Disposal proceeds of Fixed Asset		-	-
Net cash (outflow) from investing activities		-	(12,000,150)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Short term loan from related parties - unsecured	18	(2,354,500)	(4,047,400)
Short term loan from related parties - unsecured		2,700,000	6,000,000
Net cash outflow from financing activities		345,500	1,952,600
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(891,009)	(2,238,563)
Cash and cash equivalents at the beginning of the year		4,549,361	6,787,924
Cash and cash equivalents at the end of the year	**30**	**3,658,352**	**4,549,361**

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive | Chief Financial Officer | Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. THE COMPANY AND ITS ACTIVITIES

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

1.2 The financial statement of the company for the year ended June 30, 2023, reflected loss before taxation Rs.17.392 million (loss before taxation, 2022: Rs. (8.409) million), and as of that date it has accumulated losses of Rs. 240.637 million (2022: Rs. 264.092 million) which has resulted in net capital deficiency of Rs. 107.921 million (2022: Rs. 131.376 million), its current liabilities exceeds its current asset by Rs.94.043 million (2022: 93.837 million). The company financial facilities stand expired which are not renewed and the matter is pending litigation till to date. The company is unable to ensure the timely repayments of the debts owing to financial constraints due to the squeezed working capital facilities. These conditions indicates the existence of material uncertainty which may cast significant doubts about the Company's ability to continue as going concern.

However total assets exceeds its total liabilities by Rs. 502.406 million as on the balance sheet date, and therefore, the company is able to meet its liabilities in normal course of business. However, the management is making dedicated efforts to keep the unit viable and operational, for more than one decade unit is operational even in difficult economic conditions of the country.Management is trying to negotiate with the banks for the settlement/restructuring and renewal of the financial facilities. So, the Company will be operative and will revive the equity of the shareholders, therefore, these financial statements have been prepared under the going concern basis without any adjustment to assets and liabilities as the management expects that these factors are temporary, will be reversed in foreseeable future and the unit could be operative.

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

1.3.1 There are no significant matters during the year.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Accounting convention

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

a) Employee retirement benefits (Gratuity)

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

b) Certain property, plant and equipment -

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

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

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

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

2.3 Critical accounting estimates and judgements

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

2.4 Useful lives, patterns of economic benefits and impairments

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

2.5 Allowance for expected credit losses

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

2.6 Functional and presentation currency

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

2.7 Changes / Amendments in Accounting Standards

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

The following standards and amendments are either not relevant to the company's operations and are not expected to have significant impact on the company's financial statements other than certain additional disclosures.

		Effective from accounting period beginning on or after :
IFRS 3	Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework.	January 01,2022
IAS 16	Amendments to IAS 16 'Property Plant and Equipment' - Proceeds before intended use	January 01,2022
IAS 37	Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - cost of fulfilling a contract	January 01,2022
IFRS 9/IFRS 16/IAS 41	Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	

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

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

		Effective date(annual periods beginning on or after)
IAS 1	Presentation of financial Statements- Amendments regarding - Disclosure of accounting policies.	January 01,2023
IAS 1	Presentation of financial Statements- Amendments regarding the classification of liabilities as current or non-current.	January 01,2024
IAS 8	Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' The IASB clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications	January 01,2023
IAS 12	Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01,2023
IAS 12	Amendments to 'IAS 12 Income Taxes' - International Tax Reform - Pillar Two Model Rules.	January 01,2023
IFRS 16	Amendments to IFRS 16 - 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transaction.	January 01,2024
IFRS 10 & IAS 28	Amendments to IFRS 10 and IAS 28 - `Sale or Contribution of Assets between an investor and its associate or Joint Venture	Deferred Indefinitely

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

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

		IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of international financial reporting standards.	January 01,2018
IFRS 17	Insurance contracts.	January 01,2021

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at June 30, 2022.
Remeasurement changes which comprise actuarial gains and losses are recognized immediately in the statement of comprehensive income.

3.2 Taxation

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

3.2.1 Current

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

3.2.2 Deferred

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

3.3 Property, plant, equipment and depreciation

Owned

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

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

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

Upon disposal, any revaluation surplus to particular asset being sold is transferred to retained earnings.

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

Depreciation on additions during the year is charged on pro-rata basis when the asset is available for use.

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

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

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

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

3.3.1 Assets subject to Leases IFRS 16

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

Right-of-use assets

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

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

Lease Liabilities

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

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

3.4 Impairment of non-financial assets

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

3.5 Stores, spares and loose tools

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

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

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

3.6 Stock in trade

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

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

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

3.7 Revenue from contracts with customer

3.7.1 Revenue recognition

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

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

i) Customer acquisition costs

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

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

ii) Customer fulfilment costs

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

iii) Right of return assets

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

iv) Contract liabilities

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

v) Refund liabilities

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

vi) Contract balances

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

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

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

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

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

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

3.8 Provision

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

3.9 Deferred government grant

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

3.10 Dividend and appropriation to / from reserves

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

3.11 Earnings per share

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

3.12 Trade debts and other receivables

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

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

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

3.13 Financial instruments

3.13.1 Financial assets

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

i) Financial assets at amortized cost

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in the statement of profit or loss.

3.13.2 Impairment of financial assets

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

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

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

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

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

(i) Significant increase in credit risk

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

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

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

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

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

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

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

(ii) Definition of default

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

(iii) Credit-impaired financial assets

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

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

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

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

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

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

(iv) Write-off policy

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

(v) Measurement and recognition of ECL

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

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

Derivative financial instruments

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

3.13.3 Non-financial assets

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

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

3.13.4 Financial liabilities

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

Financial liabilities at FVTPL

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

Financial liabilities measured subsequently at amortized cost

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

Derecognition of financial liabilities

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

Offsetting of financial assets and financial liabilities

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

3.14 Investments

3.14.1 Investment in associates

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

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

3.15 Trade and other payables

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

3.16 Borrowing cost

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

3.17 Foreign currency transaction

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

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

3.18 Cash and cash equivalents

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

3.19 Related party transaction and transfer pricing

Transaction and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

Parties are said to be related if they able to influence the operating and financial decisions of the company and vice versa.

4 Property, plant and equipment

The following is a statement of Operating Fixed assets:

As at June 30, 2023

	Land	Building	Plant & Machinery	Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
NET CARRING VALUE BASIS									
Opening net book value (NBV)	81,250,000	138,189,130	182,692,808	68,137	134,664	282,131	585,595	77,573	403,280,039
Revaluation Surplus	6,350,000	61,819,327	150,851,473	-	-	-	-	-	219,020,800
Depreciation Charge	-	(6,909,457)	(18,269,281)	(6,814)	(13,466)	(28,213)	(58,560)	(15,515)	(25,301,305)
Closing net book value	87,600,000	193,099,001	315,275,000	61,323	121,197	253,918	527,036	62,058	596,999,533
GROSS CARRYING VALUE BASIS									
Cost/Revaluation	87,600,000	301,424,803	684,333,043	1,503,568	460,171	2,619,932	3,367,532	2,815,401	1,084,124,450
Accumulated Depreciation	-	(108,325,802)	(369,058,043)	(1,442,245)	(338,974)	(2,366,014)	(2,840,496)	(2,753,343)	(487,124,916)
Closing net book value	87,600,000	193,099,001	315,275,000	61,323	121,197	253,918	527,036	62,058	596,999,533
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	

As at June 30, 2022

	FreeHold Land	Building	Plant & Machinery	Tools & Equipments	Tube well & Pumps	Furniture & Fixture	Office Equipment	Vehicles	Total
NET CARRING VALUE BASIS									
Opening net book value (NBV)	81,250,000	145,462,243	190,817,245	75,708	13,022	222,610	540,561	96,967	418,478,356
Addition / Transfers	-	-	11,675,000	-	128,250	89,000	107,900	-	12,000,150
Revaluation Surplus	-	-	-	-	-	-	-	-	-
Depreciation Charge	-	(7,273,113)	(19,799,437)	(7,571)	(6,608)	(29,479)	(62,866)	(19,394)	(27,198,467)
	-	-	-	-	-	-	-	-	-
Closing net book value	81,250,000	138,189,130	182,692,808	68,137	134,664	282,131	585,595	77,573	403,280,039
GROSS CARRYING VALUE BASIS									
Cost/Revaluation	81,250,000	239,605,476	533,481,570	1,503,568	460,171	2,619,932	3,367,532	2,815,401	865,103,650
Accumulated Depreciation	-	(101,416,346)	(350,788,762)	(1,435,431)	(325,507)	(2,337,801)	(2,781,937)	(2,737,828)	(461,823,611)
Closing net book value	81,250,000	138,189,130	182,692,808	68,137	134,664	282,131	585,595	77,573	403,280,039
Depreciation rate % per annum		5%	10%	10%	10%	10%	10%	20%	

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

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

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

4.3 Depreciaiton charge for the year has been allocated as follows

	2023	2022
Cost of sales	23,738,157	25,548,980
Administrative	1,563,147	1,649,485
	25,301,305	**27,198,465**

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

Description	Cost as at 01-07-2022	Addition/ (Deletion)	Cost as at 30-06-2023	Accumulated Depreciation	BOOK VALUE AS 30-06-2023
Free Hold Land	5,373,978		5,373,978	-	5,373,978
Building	71,835,757	-	71,835,757	64,026,950	7,808,807
Plant & Machinery	362,128,738	-	362,128,738	329,851,134	32,277,605
	439,338,473	**-**	**439,338,473**	**393,878,083**	**45,460,390**

Description	Cost as at 01-07-2021	Addition/ (Deletion	Cost as at 30-06-2022	Accumulated Depreciation	BOOK VALUE AS 30-06-2022
Free Hold Land	5,373,978	-	5,373,978	-	5,373,978
Building	71,835,757	-	71,835,757	63,615,960	8,219,797
Plant & Machinery	350,453,738	11,675,000	362,128,738	326,264,733	35,864,005
		-	-		-
	427,663,473	**11,675,000**	**439,338,473**	**389,880,693**	**49,457,780**

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

		2023 Rupees	2022 Rupees
5. STORES, SPARES AND LOOSE TOOLS			
Stores and spares		11,606,664	9,735,147

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

		2023 Rupees	2022 Rupees
6. STOCK IN TRADE			
Raw material		39,738,892	28,384,677
Work-in-process		2,939,398	2,628,831
Finished goods		9,436,895	-
		52,115,185	31,013,508

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

		2023 Rupees	2022 Rupees
7. TRADE DEBTS - Unsecured			
Considered good-Unsecured.		28,480,612	21,597,805

7.1 Trade debts do not include amounts due from related party (2022: Rupees Nil)

7.2 As at 30 June 2023, trade debts of Rupees 0.741 million (2022: Rupees 0.181 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is given in Note # 35 of these financial statements.

		2023 Rupees	2022 Rupees
8. LOANS AND ADVANCES			
Advances - *considered good (Unsecured)*			
To employees	**8.1**	20,000	45,000
		20,000	45,000
To suppliers		2,878,477	4,114,791
		2,898,477	4,159,791

8.1 No amount was due from chief executive and director as at balance sheet date (2022 : Nil).

		2023 Rupees	2022 Rupees
9. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits:			
Security deposits		350,000	345,000
Advance against others		10,000	10,000
		360,000	355,000
10. TAX REFUNDS DUE FROM THE GOVERNMENT			
Sales tax refundable		2,311,952	3,183,678
Income tax refundable		825,943	760,019
		3,137,895	3,943,697
11. CASH AND BANK BALANCES			
Cash in hand		373,569	223,855
Cash at bank (Current accounts in Pak Rupees)		3,284,783	4,325,506
		3,658,352	4,549,361
12. SHARE CAPITAL			
Authorized:			
15,000,000 (2022:15,000,000) ordinary shares of Rs.10/= each		150,000,000	150,000,000
Issued, subscribed and paid-up:			
13,271,600 (2022: 13,271,600) ordinary shares of Rs.10/= each fully paid in cash		132,716,000	132,716,000

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

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

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

		2023 Rupees	2022 Rupees
13.	**SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**		
	Opening balance:		
	Land freehold	75,876,022	75,876,022
	Building on freehold land	131,675,148	136,521,667
	Plant and machinery	159,260,162	171,431,821
		366,811,332	383,829,510
	surplus on assets		
	Land freehold	6,350,000	-
	Building on freehold land	43,891,722	-
	Plant and machinery	107,104,546	-
		157,346,268	-
	Adjustments		
	Depreciation on the incremental value arising on Revaluation of property, plant and equipment:		
	Current year:		
	Building on freehold land	(6,583,757)	(6,826,083)
	Plant and machinery	(15,926,016)	(17,143,182)
		(22,509,773)	(23,969,265)
	Related Deferred tax liability	6,527,834	6,951,087
		508,175,661	366,811,332

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

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

		Note	2023 Rupees	2022 Rupees
14.	**LONG TERM LOANS FROM BANKING COMPANIES: (Secured)**			
	National Bank of Pakistan			
	Demand finance - I	**14.1**	17,857,143	17,857,143
	Demand finance - II	**14.2**	29,531,250	29,531,250
			47,388,393	47,388,393
			47,388,393	47,388,393
	Current portion			
	National Bank of Pakistan			
	Current portion	**20**	-	-
	Overdue portion	**20**	47,388,393	47,388,393
			47,388,393	47,388,393
			-	-

14.1 Demand Finance-I

The limit under this facility was Rs. 25.00 million (2022:25.00 million) and carry markup at SBP's discount rate with a floor of 7.5% p.a (2022: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. The repayment of terms of the facility was payable in 20 quarterly installments of Rs.892,857/- each within a period of 5-years starting from June 30, 2007 to March 31, 2012 and on the date of change of management i.e 06-02-2008, the installments for the quarters ended on 30-06-2007, 30-09-2007, 31-12-2007 and 31-03-2008 was to be paid on immediate basis by the company and its incoming directors.

14.2 Demand Finance-II

The limit under this facility was Rs. 35.00 million (2022:35.00 million) and carry markup at SBP's discount rate with a floor of 7.5% p.a (2022: SBP's discount rate with a floor of 7.5% p.a) payable quarterly. The repayment of terms of the facility was payable in 27 quarterly installments of Rs.1,093,750/- each within a period of 5-years starting from March 31, 2007 to September 30, 2013 and on the date of change of management i.e 06-02-2008, the installments for the quarters ended on 30-06-2007, 30-09-2007, 31-12-2007 and 31-03-2008 was to be paid on immediate basis by the company and its incoming directors.

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

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

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

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

		2023 Rupees	2022 Rupees
15 DEFERRED LIABILITIES			
Provision for Deferred Tax	**15.1**	102,152,407	72,304,397
Staff retirement benefits - Gratuity	**15.2**	549,630	1,703,421
		102,702,037	74,007,818

15.1 PROVISION FOR DEFERRED TAXATION	**2023 Rupees**	**2022 Rupees**
Taxable Temporary difference		
Accelerated Tax Depreciation Allowance	142,932,488	111,829,072
Deductable temporary difference		
Provision for gratuity	615,370	697,881
Provision for obsolete stock/stores and spares	-	-
Provision for doubtful receivables	-	-
Total Taxable/(Deductible) Difference	143,547,858	112,526,953
Effect of Accumulated Tax Losses	(41,395,451)	(40,222,555)
Deferred Tax Liability	**102,152,407**	**72,304,397**

15.2 Staff retirement benefits (defined benefit plans)

The amounts recognized in the balance sheet are as follows:

Present value of defined benefit obligation (Note 15.3)		549,630	1,154,331
Benefit Payable		-	549,090
Liability as at 30 June 2023		549,630	1,703,421
Net Liability as at 01 July 2022	**15.3**	1,703,421	3,436,169
Charge to profit and loss account (Note 15.4)		1,600,432	1,782,941
Benefit Payable		-	
Payments		(2,671,594)	(4,109,906)
Experience adjustment		(88,938)	577,782
Acturial (Gains)/Losses from change in financial assumption		6,309	16,435
Liability as at 30 June 2023		549,630	1,703,421

15.3 Present value of defined benefit obligation

Present value of defined benefit obligations	1,703,421	3,436,169
Current service cost	1,588,099	1,672,274
Interest cost	12,333	110,667
Benefit paid	(2,671,594)	(4,109,906)
Benefit due but not paid (payable)	-	(549,090)
Experience adjustment	(88,938)	577,782
Acturial (Gains)/Losses from change in financial assumption	6,309	16,435
(Gains)/losses arising on plan settlement		-
	549,630	1,154,331

15.4 Charge to profit and loss account:

Current service cost	1,588,099	1,672,274
Interest cost	12,333	110,667
	-	-
	1,600,432	1,782,941

15.5 Total Remeasurment Chargeable in other Comprehensive Income

Actuarial (gains)/losses from changes in demoghaphic assumptions	-	-
Actuarial (gains)/losses from changes in financial assumptions	6,309	16,435
Experience adjustments	(88,938)	577,782
Total remeasurements chargeable in OCI	(82,629)	594,217

The latest actuarial valuation for gratuity scheme was carried out on June 30, 2023 by M/s Nauman Associates under Projected Unit Credit Method, using the following significant assumptions for valuation of the scheme:

	2023 Rupees	2022 Rupees
Discount rate	16.25% p.a	13.25% p.a
Expected rate of salary increase in future years	15.25 % p.a	12.25 % p.a
Average duration of the defined benefits obligation	6 years	
Expected mortality rate of active employees	SLIC (2001-2005) Mortality Table	
Acturial Valuation Method	Projected Unit Credit Method	

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

	2023	2022	2021	2020	2019
Present value of defined benefit obligation	549,630	1,703,421	3,436,169	3,028,195	2,469,506
Fair value of plan asset	-	-	-	-	-
Net liability	549,630	1,703,421	3,436,169	3,028,195	2,469,506

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

Discount rate + 100bps	518,588
Discount rate - 100bps	585,260
Salary Icrease + 100bps	587,120
Salary Icrease - 100bps	516,341

16 TRADE AND OTHER PAYABLES

	2023 Rupees	2022 Rupees
Creditors	9,239,029	5,391,790
Accrued expenses	33,545,602	28,143,644
Advances from customers	19,482,274	18,087,320
Other payable	2,494,944	2,080,739
	64,761,849	53,703,493

17 ACCRUED MARK-UP

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

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

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

18 LOAN FROM RELATED PARTIES DIRECTOR (Unsecured)

Loan from Director	11,248,100	10,902,600

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

Loan from Chief Executive (Mr.Khawar Almas Khawaja)

Opening balance	10,902,600	8,950,000
Contribution during the year	2,700,000	6,000,000
Repayment during the year	(2,354,500)	(4,047,400)
Balance	11,248,100	10,902,600

			2023 Rupees	2022 Rupees
19	**SHORT TERM BORROWINGS**			
	From Banking Company: (SECURED)			
	National Bank of Pakistan			
	Trust receipt	**19.1**	19,848,336	19,848,336
	Cash finance (Pledge)	**19.2**	4,671,962	4,671,962
			24,520,298	24,520,298
			24,520,298	24,520,298

19.1 The trust receipt facility of Rs. 20.000 million (2022: Rs.20.000 million from National Bank of Pakistan (NBP) and it carries markup at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. and no cap, and is payable on quarterly basis. The facility is secured against the trust receipt executed by the company plus collateral and securities mentioned in 19.3

19.2 The cash finance facility of Rs.40.600 million (2022: Rs.40.600 million is availed from National Bank of Pakistan (NBP) to meet working capital requirements of the company and at the rate of 6 months Ask KIBOR + 2.00% p.a. with floor of 7.50% p.a. and no cap, and is payable on quarterly basis.The facility is secured pledge of cotton, yarn and cloth stocks plus collateral and securities mentioned in 19.3

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

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

			Rupees 2023	Rupees 2022
20	**CURRENT & OVERDUE PORTION OF LONG TERM LIABILITIES-(SECURED)**			
	Current:			
	Long term loans from banking companies			
	- National Bank of Pakistan	**14**	-	-
			-	-
	Overdue:			
	Long term loans from banking companies			
	- National Bank of Pakistan	**14**	47,388,393	47,388,393
			47,388,393	47,388,393
			47,388,393	47,388,393

21 PROVISIONS:

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

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

	2023	2022
Provision for Lesco Bill	15,705,169	-
	15,705,169	-

22 Contingencies:

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

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

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

Commitments:

There are no Commitments as at June 30, 2023 (2022: Nil).

			2023 Rupees	2022 Rupees
23	**SALES -NET**			
	Fabric	**23.1**	319,856,919	337,387,977
	Yarn	**23.2**	-	-
	Conversion income	**23.3**	238,825,030	210,344,546
	Waste	**23.4**	4,851,403	4,078,000
			563,533,352	551,810,523

		2023 Rupees	2022 Rupees
23.1	Fabric Sale	374,133,662	394,743,933
	Sales Tax	54,276,743	57,355,956
	Discount	-	-
		319,856,919	337,387,977
23.3	Conversion Income	280,346,782	246,103,119
	Sales Tax	41,521,752	35,758,573
	Discount	-	-
		238,825,030	210,344,546
23.4	Waste Sale	5,714,938	4,771,260
	Sales Tax	863,535	693,260
	Discount	-	-
		4,851,403	4,078,000

			JUNE 2023 Rupees	JUNE 2022 Rupees
24	**COST OF SALES**			
	Raw material consumed	**24.1**	265,039,377	278,452,198
	Salaries, wages and other benefits	**24.2**	87,853,108	81,165,077
	Fuel and power		156,968,101	117,715,150
	Stores and spares consumed		23,557,194	23,658,048
	Doubling and sizing charges		2,284,526	-
	Repair and maintenance		453,630	671,343
	Travelling and Conveyance		152,760	-
	Other overheads		2,838,610	1,794,137
	Depreciation	**4.1.1**	23,738,157	25,548,980
			562,885,463	529,004,933
	Work-in-process			
	Opening stock		2,628,831	1,635,677
	Closing stock		(2,939,398)	(2,628,831)
			(310,567)	(993,154)
	Cost of goods manufactured		562,574,896	528,011,779
			2023 Rupees	**2022 Rupees**
	Finished goods			
	Opening stock		-	8,043,200
	Closing stock		(9,436,895)	-
			(9,436,895)	8,043,200
			553,138,001	536,054,979
24.1	**Raw material consumed**			
	Opening stock		28,384,677	26,924,291
	Add: Purchases including expenses		276,393,592	279,912,584
	Available for consumption		304,778,269	306,836,875
	Less: Closing stock		(39,738,892)	(28,384,677)
			265,039,377	278,452,198

24.2 Salaries, wages and benefits include Rs.1,216,328 /- (2022: Rs. 1,355,03/-) in respect of staff retirement benefits.

		2023 Rupees	2022 Rupees
25	**DISTRIBUTION COST**		
	Freight, clearing and forwarding	1,636,350	1,000,800
	Others	309,533	623,777
		1,945,883	1,624,577

25.1 Salaries and benefits include Rs. Nil (2022 Nil) in respect of staff retirement benefits.

			2023	2022
26	**ADMINISTRATIVE EXPENSES**		**Rupees**	**Rupees**
	Directors' remuneration		3,600,000	3,000,000
	Salaries and benefits	**26.1**	12,944,530	12,721,067
	Travelling and conveyance		338,017	313,455
	Entertainment		1,135,318	809,966
	Printing and stationery		295,820	312,683
	Communication		374,912	284,187
	Repairs and maintenance		433,869	387,108
	Rent, rates and taxes		1,062,404	889,000
	Electricity, sui gas and water		614,440	562,383
	Fee and subscription		710,224	197,234
	Legal and professional charges		1,756,933	659,400
	Advertisement		82,033	48,500
	Auditors' remuneration	**26.2**	525,000	472,500
	General		402,585	225,701
	Depreciation		1,563,147	1,649,486
			25,839,232	22,532,670

26.1 Salaries and benefits include Rs 384,104 /- (2022: 427,906/-) in respect of staff retirement benefits.

26.2 AUDITORS' REMUNERATION

Statutory audit	450,000	400,000
Half Year Review	50,000	50,000
Punjab Sales tax	25,000	22,500
	525,000	472,500

27 FINANCE COST

Bank charges	2,362	7,814
	2,362	7,814

28 TAXATION

Current	**28.1**	7,044,167	6,897,632
Provision for deferred tax	**15.1**	(31,826,522)	(23,767,871)
		(24,782,355)	(16,870,239)

28.1 Minimum tax liability has been provided for in these accounts based on liability worked out under section 113 of the Income Tax Ordinance, 2001 (2022: Provision of section 113 was applicable under the Income Tax Ordinance, 2001). The Income Tax Returns of the company have been filed upto Tax year 2022.

			2023	2022
29	**EARNING / (LOSS) PER SHARE**		**Rupees**	**Rupees**
29.1	**Earning / (loss) per share - Basic**			
	Net Profit / (loss) after taxation	(Rupees)	7,390,229	8,460,722
	Weighted average number of ordinary shares	(No. of shares)	13,271,600	13,271,600
		(Rupees)	0.56	0.64

29.2 Earning per share - Diluted

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

30 CASH AND CASH EQUIVALENTS

Cash and bank balances	11	3,658,352	4,549,361
		3,658,352	4,549,361

31 TRANSACTIONS WITH RELATED PARTIES

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

Short term loan from director - net (Note No.18)	11,248,100	10,902,600

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

32 PLANT CAPACITY AND PRODUCTION

		2023	2022
WEAVING			
Looms installed	Nos.	66	66
Looms worked	Nos.	40	55
Production at normal capacity converted to 50 picks - 3 shifts per day	Sq. Mtrs.	3,613,500	3,613,500
Actual production at normal capacity converted to 50 picks - 3 (2022: 3) shifts per day	Sq. Mtrs.	2,160,000	2,409,000
SPINNING			
Rotors installed	Nos.	1,416	1,416
Rotors worked for the year	Nos.	1,224	1,416
Rated capacity based on cotton converted to 10 count based on 3 shifts per day	Lbs.	9,593,640	9,593,640
Actual production converted to 10 count based on 3 (2022: 3) shifts per day	Lbs.	7,446,000	8,614,000

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

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

33 NUMBER OF EMPLOYEES

		2023	2022
Number of employees at June 30, 2023			
	Permanent	47	58
	Contractual	146	137
		193	195
Average number of employees		177	179

34 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

PARTICULARS	Remuneration		No of Persons	
	2023	2022	2023	2022
Chief Executive	3,600,000	3,000,000	1	1
Director	-	-	-	-
Executives	4,815,000	4,400,000	3	3
Defined benefit plan charged during the year	200,000	200,000	1	1

Remuneration is paid only to Chief Executive.

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

35. FINANCIAL RISK MANAGEMENT

35.1 Financial risk factors

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

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

(a) Market risk

(i) Currency risk

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

(ii) Other price risk

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

Sensitivity analysis

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

(iii) Interest rate risk

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

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

	2023	2022
Floating rate instruments	(Rupees)	(Rupees)
Financial liabilities:		
Long term loans	-	-
Short term borrowings	24,520,298	24,520,298
Loan from director	-	-
Financial assets	-	-

Cash flow sensitivity analysis for variable rate instruments

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

(b) Credit risk

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

	2023	2022
	(Rupees)	(Rupees)
Trade debts	28,480,612	21,597,805
Loans and advances	20,000	45,000.00
Trade deposits	350,000	345,000
Bank balances	3,284,783	4,325,506

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

	2023	2022
Upto 1 month	19,448,219	17,885,346
1 to 6 months	7,086,369	2,592,481
6 to 12months	1,204,754	938,672
More than 12 months	741,270	181,306
	28,480,612	21,597,805

There are no trade debts to be written off during the year (2022: nil/-), however efforts are made to recover the debts more than six/twelve months old.

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

	Rating			2023	2022
	Short Term	Long term	Agency	Rupees	Rupees
Banks					
National Bank of Pakistan	A1+	AAA	PACRA	-	-
Bank Alfalah Limited	A1+	AA+	PACRA	668,213	121,288
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	1,378,162	2,438,371
Meezan Bank Limited	A1+	AAA	JCR-VIS	1,238,408	1,765,846
				3,284,783	4,325,506

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

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

(c) Liquidity risk

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

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

	2022			
	Carrying amount	Contractual cash flows	Upto one year	After one year
	(Amount in rupees)			
FINANCIAL LIABILITIES				
Loan from Directors	10,902,600	10,902,600	10,902,600	-
Trade and other payables	53,703,493	53,703,493	53,703,493	-
Accrued markup	32,676,328	32,676,328	32,676,328	-
Current & overdue portion of long term liabilities	47,388,393	47,388,393	47,388,393	
Short term borrowings	24,520,298	24,520,298	24,520,298	-
	169,191,112	169,191,112	169,191,112	-

The contractual cash flows relating to above liabilities have been calculated on the basis of mark-up rates effective on June 30, 2023. The rates of interest/markup have been disclosed in Note No. 17 and 19, 20 to these financial statements.

35.2 Fair values of financial assets and liabilities

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

35.3 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

As at June 30, 2023

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

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

As at June 30, 2022

Assets as per statement of financial position	**Amortised Cost**	**FVTOCI**	**Total**
Trade debts	21,597,805	-	21,597,805
Loan and advances	4,159,791	-	4,159,791
Trade deposits	355,000	-	355,000
Cash and bank balances	4,549,361	-	4,549,361
	30,661,957	**-**	**30,661,957**

Liabilities as per statement of financial position	Financial liabilities at amortised
Loan from directors	10,902,600
Trade and other payables	53,703,493
Accrued mark-up	32,676,328
Current and overdue portion of long term liability	47,388,393
Short term borrowings	24,520,298
	169,191,112

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

(Amounts in rupees)

PARTICULARS	**2023**						
	INTEREST BEARING			**NON INTEREST BEARING**			**TOTAL**
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Financial Assets							
Trade debts	-	-	-	28,480,612	-	28,480,612	28,480,612
Loan and advances	-	-	-	2,898,477	-	2,898,477	2,898,477
Trade deposits	-	-	-	360,000	-	360,000	360,000
Cash and bank balances	-	-	-	3,658,352	-	3,658,352	3,658,352
	-	-	-	35,397,441	-	35,397,441	35,397,441
Financial Liabilities							
Loan from directors	-	-	-	11,248,100	-	11,248,100	11,248,100
Trade and other payables	-		-	64,761,849		64,761,849	64,761,849
Accrued mark-up	-		-	32,676,328		32,676,328	32,676,328
current and overdue portion of long term liability	47,388,393		47,388,393				47,388,393
Short term borrowings	24,520,298		24,520,298			-	24,520,298
	71,908,690	-	71,908,690	108,686,277	-	108,686,277	180,594,968
On balance sheet gap	(71,908,690)	-	(71,908,690)	(73,288,836)	-	(73,288,836)	(145,197,526)

PARTICULARS	**2022**						
	INTEREST BEARING			**NON INTEREST BEARING**			**TOTAL**
	Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Financial Assets							
Trade debts	-	-	-	21,597,805	-	21,597,805	21,597,805
Loan and advances	-	-	-	4,159,791	-	4,159,791	4,159,791
Trade deposits	-	-	-	355,000	-	355,000	355,000
Cash and bank balances	-	-	-	4,549,361	-	4,549,361	4,549,361
	-	-	-	30,661,957	-	30,661,957	30,661,957
Financial Liabilities							
Loan from directors	-	-	-	10,902,600	-	10,902,600	10,902,600
Trade and other payables	-	-	-	53,703,493	-	53,703,493	53,703,493
Accrued mark-up	-	-	-	32,676,328	-	32,676,328	32,676,328
current and overdue portion of long term liability	47,388,393	-	47,388,393	-	-	-	47,388,393
Short term borrowings	24,520,298	-	24,520,298	-	-	-	24,520,298
	71,908,691	-	71,908,691	97,282,421	-	97,282,421	169,191,112
On balance sheet gap	(71,908,691)	-	(71,908,691)	(66,620,464)	-	(66,620,464)	(138,529,155)

36 CAPITAL RISK MANAGEMENT

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

37 FAIR VALUE MEASUREMENTS-FINANCIAL INSTRUMENTS

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

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

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

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

38 DISCLOSURE BY COMPANY LISTED ON ISLAMIC INDEX

	2023	2022
Loan / advances obtained as per Islamic mode:		
Loan	-	-
Advances	-	-
Shariah compliant Bank deposit / Baank Balances		
Bank balances	1,238,408	1,765,846

Relationship with Shariah compliant Banks

Name	Relationship
Meezan Bank Limited	Bank balance

39 OPERATING SEGMENTS

These financial statements have been prepared on the basis of single reportable segment.
Sales of textile goods represent total sales of the Company.
100% (2022: 100%) of the sales of the Company relates to customers in Pakistan especially in Punjab.
All non-current assets of the Company at 30 June 2023 are located in Pakistan.
35% (2022: 17.8%) of the total sales of the Company are made to a single customer in Faisalabad Punjab.

40 DATE OF AUTHORISATION OF FINANCIAL STATEMENTS

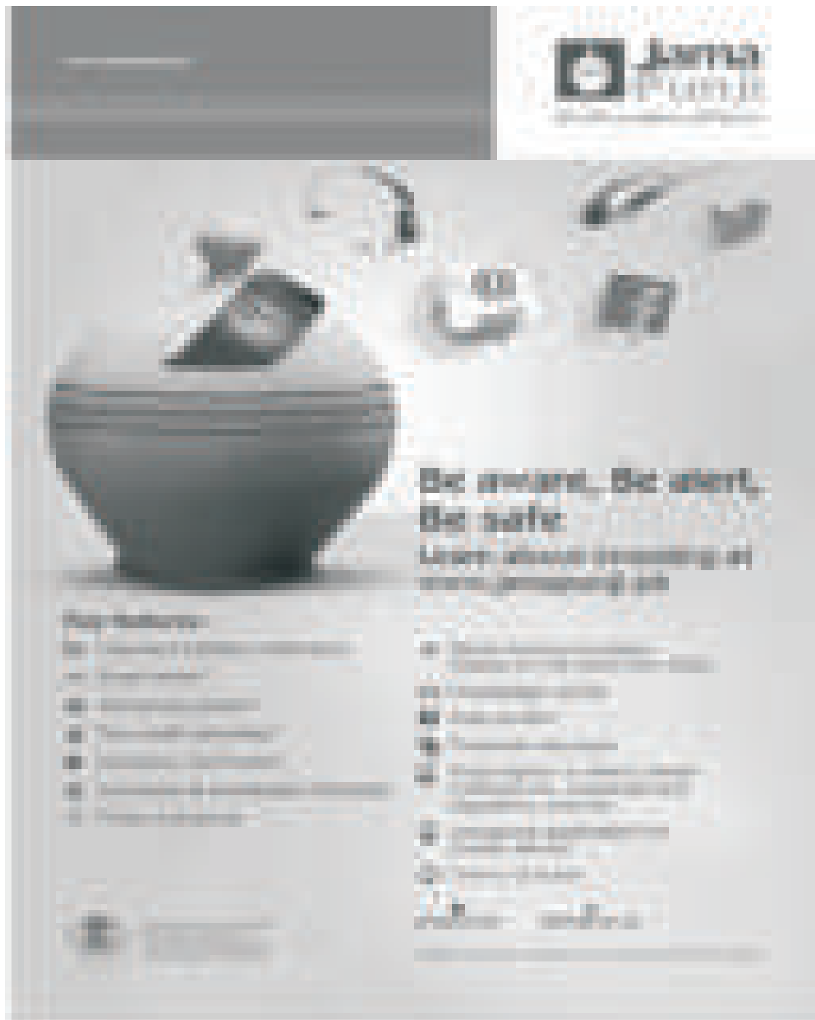
These financial statements are authorised for issue on 27th Septemberr, 2023 by the board of directors of the company.

41 GENERAL

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

Figures are rounded off to nearest Rupee.

Chief Executive | Chief Financial Officer | Director


Be aware, Be alert,
Be safe

FORM 34

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

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

2.1. Pattern of holding of the shares held by the shareholders as at **30-06-2023**

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

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

Categories of Shareholding under Code of Corporate Governance (CCG)
As on June 30, 2023

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

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

S.No	NAME	SALE	PURCHASE
	NIL		

FORM OF PROXY

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

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

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

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

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

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

___________________ of ___________________ as per Registered Folio No. ________________

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

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

Signed this ________________ day of October, 20___.

Member's Signature

Revenue Stamp

(Witness) ____________________

Folio Number

Signature

Notes:

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

تشکیل نیابت داری

عام حصص بمطابق شیئر رجسٹر / فلیو نمبر

تعداد حصص

میں ہم ....

ساکن ....

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

ساکن: .... یا بصورت دیگرے ....

ساکن: .... کو اپنی جگہ، بروز جمعرات 26 اکتوبر 2023 صبح 11:30 بجے آفس کے پتہ 142 بلاک D، ماڈل ٹاؤن، لاہور میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کیلئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

دستخط مورخہ .... اکتوبر 2023

دستخط

____

گواہی

1: دستخط ....

نام ....

قومی شناختی کارڈ ....

پتہ ....

1: دستخط ....

نام ....

قومی شناختی کارڈ ....

پتہ ....

ضروری:

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

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

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

حمید ٹیکسٹائل ملز لمیٹڈ
اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ حمید ٹیکسٹائل ملز لمیٹڈ کا چھتیسواں سالانہ اجلاس عام بروز جمعرات 26 اکتوبر 2023 کو 11:30 بجے صبح واقع رجسٹرڈ آفس 142 بلاک D، ماڈل ٹاؤن، لاہور درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ پچھلے پینتیسواں سالانہ اجلاس عام منعقدہ 25 اکتوبر 2022 بروز منگل کی کارروائی کی تصدیق۔

2۔ کمپنی کے 30 جون 2023 کو مختتمہ سال کیلئے آڈٹ شدہ اکاؤنٹس بمعہ ڈائریکٹران، چیئرمین اور آڈیٹروں کی رپورٹس کی وصولی غور وخوض اور منظوری۔

3۔ 30 جون 2024 کو ختم ہونے والے سال کیلئے آڈیٹران کا تقرر اور اُن کے مشاہرے کا تعین۔ موجودہ آڈیٹران میسرز HLB اعجاز تبسم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس جو کہ ریٹائر ہورہے ہیں دوبارہ انتخاب کیلئے اپنے آپ کو پیش کرتے ہیں۔

4۔ جناب چیئرپرسن کی اجازت سے دوسرے کاروباری معاملات زیرِغور لانا۔

بحکم بورڈ

رانا نذیر
اللہ کمپنی سیکرٹری

لاہور
13 اکتوبر، 2023

نوٹس:

1۔ کمپنی کے حصص منتقلی کی کتابیں 21 اکتوبر 2023 تا 27 اکتوبر 2023 (بشمول دونوں دن) بند رہیں گی۔

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

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

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

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

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

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

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

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

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