



NO. ACCTTS/16

19<sup>th</sup> October, 2023

The General Manager,  
Pakistan Stock Exchange  
Stock Exchange Building  
Stock Exchange Road,  
Karachi.

**SUBJECT:-CORPORATE BRIEFING SESSION**

Dear Sir,

We are pleased to inform that Corporate Briefing Session (CBS) of Shahtaj Textile Limited will be held on Friday, October 27, 2023 at 02:30 PM at our Registered office 27-C, Abdalian Cooperative Housing Society, Lahore, to give an overview of the Company's financial performance.

Further, the investors and analysts who are interested in attending the CBS virtually are requested to register themselves by sending the following details via email at [jamilbutt@shahtaj.com](mailto:jamilbutt@shahtaj.com) with the subject line 'Registration for CBS 2023' by 25<sup>th</sup> October, 2023.

1. Name of Shareholder /Analyst
2. Folio / CDC Number / Name of Organization
3. CNIC Number
4. Cell Number

The presentation for the Corporate Briefing Session (CBS) of Shahtaj Textile Limited to be held on Friday 27<sup>th</sup> October, 2023 has been uploaded on the Company's website [www.shahtaj.com](http://www.shahtaj.com) and also enclosed herewith for your reference and record.

You may please inform the members of the Exchange accordingly.

Thanking you,

Yours faithfully,  
for SHAHTAJA TEXTILE LIMITED

(JAMIL AHMAD BUTT)  
Company Secretary

Enclose as above.

W h e r e   q u a l i t y   &   t e a m w o r k   a r e   a   m i n d   s e t

**Shahtaj Textile Limited**

**Head Office:** 19 Dockyard Road, West Wharf, P.O. Box 4766, Karachi-74000, Pakistan.  
Tel: (92-21) 32313934-8, 32312834, 32310973, 32205723, 32314468

**Registered Office:** 27-C, Abdalian Cooperative Housing Society, Lahore-54570, Pakistan.  
Tel: (92-42) 35301596-97, 35313891-92, Fax: (92-42) 35301594 E-mail: [jamilbutt@shahtaj.com](mailto:jamilbutt@shahtaj.com)

**Factory:** 46 K.M. Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru.  
Tel:(92-49) 4540429-32, 4540133, 4540232, 4540234 Fax:(92-49) 4540031

**Marketing Office:** 27-C, Abdalian Cooperative Housing Society, Lahore-54570, Pakistan.  
Tel: (92-42) 35301596-97, 35313891-92, Fax: (92-42) 35301594  
E-mail: [marketing@shahtaj.com](mailto:marketing@shahtaj.com) Website: [www.shahtaj.com](http://www.shahtaj.com)

# SHAHTAJ TEXTILE LIMITED

ALL THE PARTICIPANTS ARE WARMLY WELCOME IN THE  
CORPORATE BRIEFING SESSION FOR THE YEAR 2023

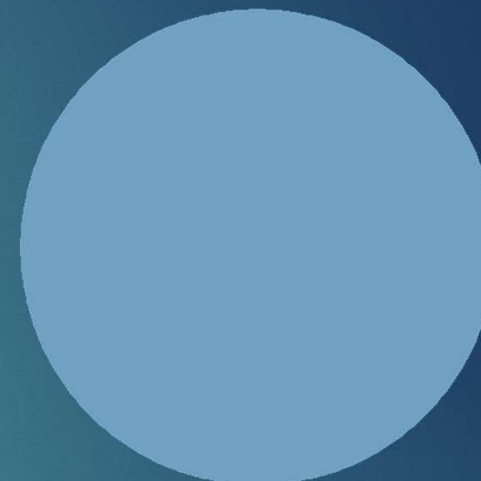
## Disclaimer

The Corporate Briefing Session presentation is prepared by Shahtaj Textile Ltd is exclusively for the discussion purpose with the participants only. Any expression, information, statement or representation made during the discussion shall not be infer by any investor or potential investor as an advice or recommendation in relation to holding , purchasing or selling securities without proper consideration .

It is suggested before acting on any information's shared or and remarks made during the discussion process , one should seek appropriateness and accuracy of information.

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## Our Journey

Shahtaj Textile Limited is a Shahnawaz Group Company. It was incorporated as a public limited company in January 1990, with the sole purpose of manufacturing grey fabric and its marketing. The company is listed at Pakistan Stock Exchange Limited. The mills went into commercial production in January 1992.

Its production facilities are situated in the hub of Textile Industries near Lahore (Pakistan) and is equipped with the most advanced high speed Toyoda and Picanol Air Jet Looms of Japanese and Belgium origin. Starting with 72 looms now the number of installed looms is 179 with complete back up process and stand-by self power generation.

Its business philosophy has been to be the supplier of choice for leading processing and export houses in Pakistan. Over the last 30 years of operations Shahtaj Textile Limited, has established its reputation in Pakistan as a premier supplier of highest quality greige fabric to key exporters besides exports to many foreign buyers.

# Corporate Information

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## Incorporation

The company **Shahtaj Textile Limited** established in January 1990.

## Symbol

STJT

## Legal Status

Public Limited Company.

## Capital

Authorized Capital - 100,000,000 Issued Paid-up Capital - 96,600,000 (*Ordinary Shares of Rs. 10 each*)

## Associated Undertakings

Shahnawaz (Pvt.) Limited

Shezan International Ltd

Shahtaj Sugar Mills Limited.

Information System Associates Limited. (ISA)

Nawazabad Farm



**Registered & Marketing Office**

Registered office of the company is located 27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore, Pakistan.

**Head & Liaison Office**

Shahnawaz Building, 19 - Dockyard Road, West Wharf, Karachi, Sindh, Pakistan.

**Manufacturing Units**

46 KM, Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru, Distt. Kasur, Punjab, Pakistan.

**Credit Rating**

The entity ratings for the current year assigned on November 22, 2022 has been maintained at 'A-/A-2' (Single A Minus/A-Two). as per last year by the Messer's VIS Credit Rating Company Limited

## Governing Board

The governing board comprised of ten(10) members and all the appointments of independent, executive, non-executive and female directors are in line under the under Code of Corporate Governance Regulations, 2019.

Category	Names
Independent Directors	Mr. Farooq Hassan
	Mr. Aamir Amin (NIT)
	Mr. Syed Nadeem Ali Kazmi
Other Non-Executive Directors	Mr. Muneer Nawaz - <b>Chairman</b>
	Mr. Toqueer Nawaz
	Mr. Muhammad Usman Khalid
	Mr. Abid Nawaz
Female Non-Executive Director	Mrs. Sadia Muhammad
Executive Directors	Mr. Muhammad Naeem- <b>CEO</b>
	Lt. Col(Retd.) Rashiduddin Shams



**CATEGORIES OF SHAREHOLDERS  
AS AT JUNE 30, 2023**

SR #	CATEGORIES OF SHAREHOLDERS	SHARES HELD	PERCENTAGE %
1	Director's, CEO, Their Spouse and Minor Children	3,673,690	38.03
2	Associated Companies, Undertaking and Related Parties	1,500,000	15.53
3	NIT & ICP	475,726	4.92
4	Banks, Development Finance Institutions, Non Banking Financial Institution	15,342	0.16
5	General Public / Individuals	3,932,717	40.71
6	Others (Joint Stock Companies /Provident / Pension Funds and Miscellaneous)	62,525	0.65
		<b>9,660,000</b>	<b>100.00</b>

# Historical Data

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	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
All figures are in Million Rupees other than where percentages and ratio sign appear.						
<b>Ratios</b>						
<b>PROFIT AND LOSS ACCOUNT</b>						
Net turnover	8085.182	7455.486	4937.494	4365.769	4787.646	3925.325
Gross Profit	640.937	732.981	550.265	421.282	448.758	295.817
Operating Profit	451.497	488.181	334.952	193.314	338.732	141.135
Profit before tax	237.155	401.726	287.541	113.095	251.391	84.598
Profit after tax	153.018	300.049	216.959	72.571	188.048	68.100
Earning per share (Rs.)	15.84	31.06	22.46	7.51	19.47	7.05
Cash dividend	65%	115%	115%	40%	100%	27.50%
Dividend payment ratio	41.03%	51.2%	51.2%	53.2%	51.4%	39%
Cash distribution per share in Rupees	6.50	11.50	11.50	4.00	10.00	2.75
<b>BALANCE SHEET</b>						
Shareholder funds	96.600	96.600	96.600	96.600	96.600	96.600
Reserves	1493.776	1449.659	1228.449	1037.349	1045.151	875.592
Surplus on revaluation of plant & machinery	197.980	220.081	258.368	63.066	75.983	86.947
Property plant and equipment	1632.173	1706.679	1409.436	1152.175	1080.826	1160.648
Long term finance	870.496	958.625	569.753	513.501	338.888	287.398
Net current assets / liabilities	1160.199	1117.642	868.866	636.015	541.391	252.585
<b>INVESTOR INFORMATION</b>						
Gross profit ratio	7.93%	9.83%	11.14%	9.65%	9.37%	7.54%
Profit before tax ratio	2.93%	5.39%	5.82%	2.59%	5.25%	2.16%
Return on equity	8.56%	16.99%	13.70%	6.06%	15.44%	6.42%
Debt equity ratio	33:67	35:65	26:74	30:70	22:78	21:79
Current ratio	1.61	1.55	1.83	1.63	1.44:1	1.20:1
Interest cover ratio	2.11	5.65	7.06	2.41	3.88	2.50
<b>STATEMENT OF VALUE ADDITION</b>						
Employees remuneration	422.211	371.495	335.083	317.886	309.365	276.102
Government as taxes	1215.611	1147.006	778.615	699.546	63.342	16.497
Shareholders as dividend	62.790	125.580	111.09	38.64	96.60	26.565
Retained with in business	90.228	174.469	105.87	33.93	91.448	41.535
Financial charges to providers of finance	214.342	86.455	47.411	80.219	87.341	56.537



# Key Performance Indicators

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Sales Growth  
YoY

8.45 %

Gross Profit

7.93. %

Profit Before  
Tax

2.93%

Profit After  
Tax

1.89 %

Breakup Value  
per Share

185.13

Market Value  
per Share

91.3

Dividend per  
Share

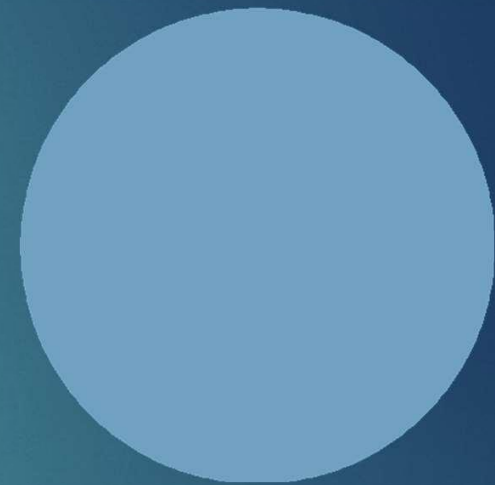
6.50

Earnings per  
Share

15.84

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

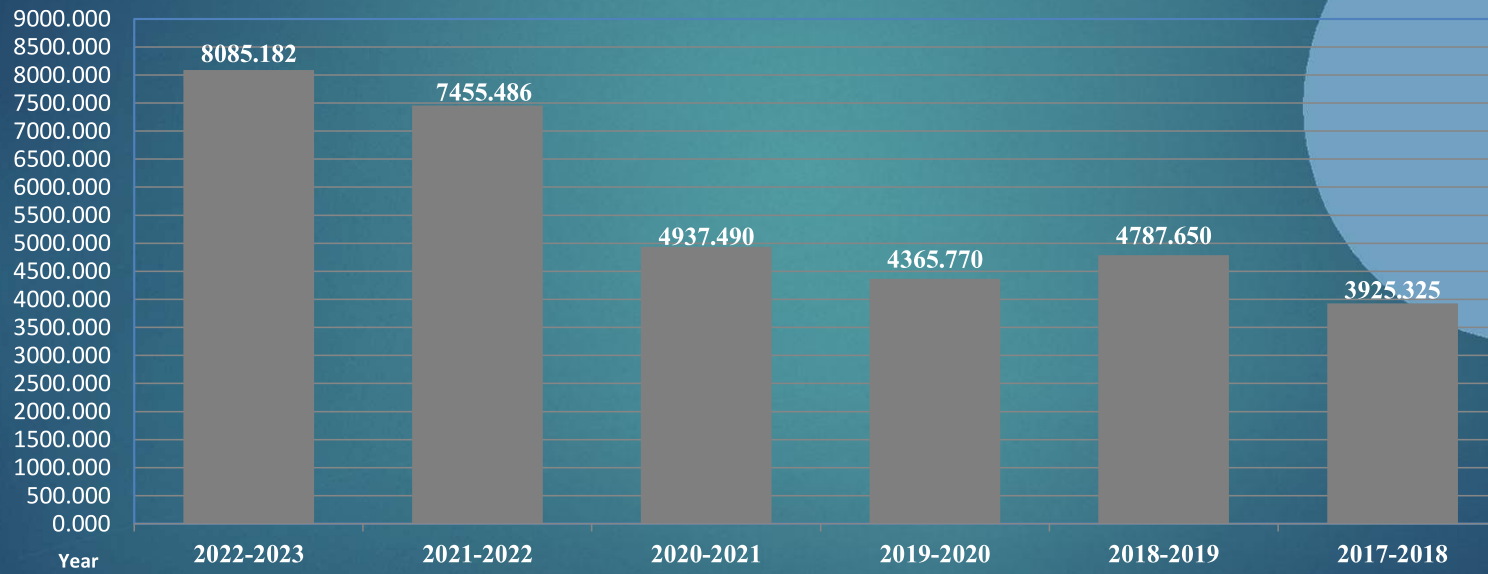
	2023	2022
	----- (Rupees in '000) -----	
Sales - net	8,085,182	7,455,486
Cost of goods sold	(7,444,245)	(6,722,505)
Gross profit	<u>640,937</u>	<u>732,981</u>
Distribution expenses	(102,928)	(112,256)
Administrative expenses	(142,133)	(125,687)
Other operating expenses	(20,102)	(30,657)
Finance cost	(214,342)	(86,455)
	<u>(479,505)</u>	<u>(355,055)</u>
	161,432	377,926
Other income	75,723	23,800
Profit before taxation	<u>237,155</u>	<u>401,726</u>
Taxation	(84,137)	(101,677)
Profit for the year	<u>153,018</u>	<u>300,049</u>
	----- Rupees -----	
Earnings per share - basic and diluted	15.84	31.06



# TURNOVER (MILLIONS)

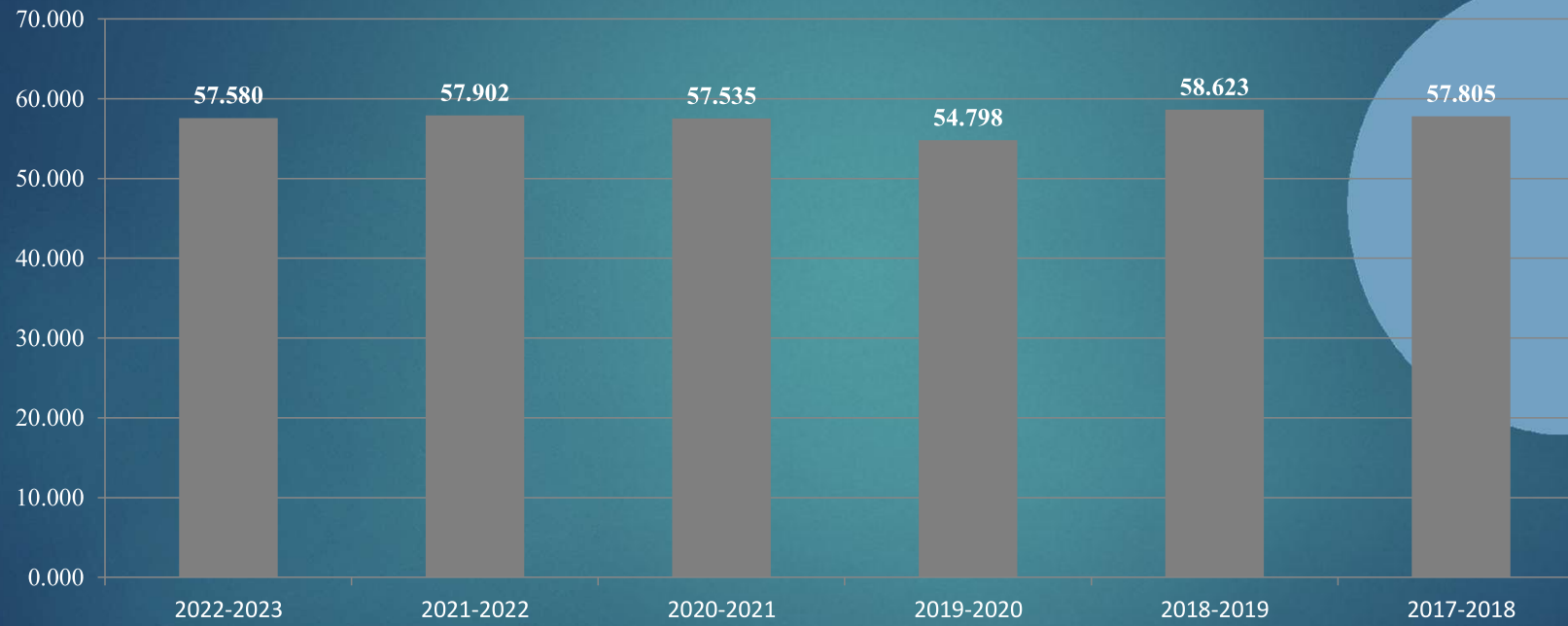
## Last Six Years

Rupees In Million



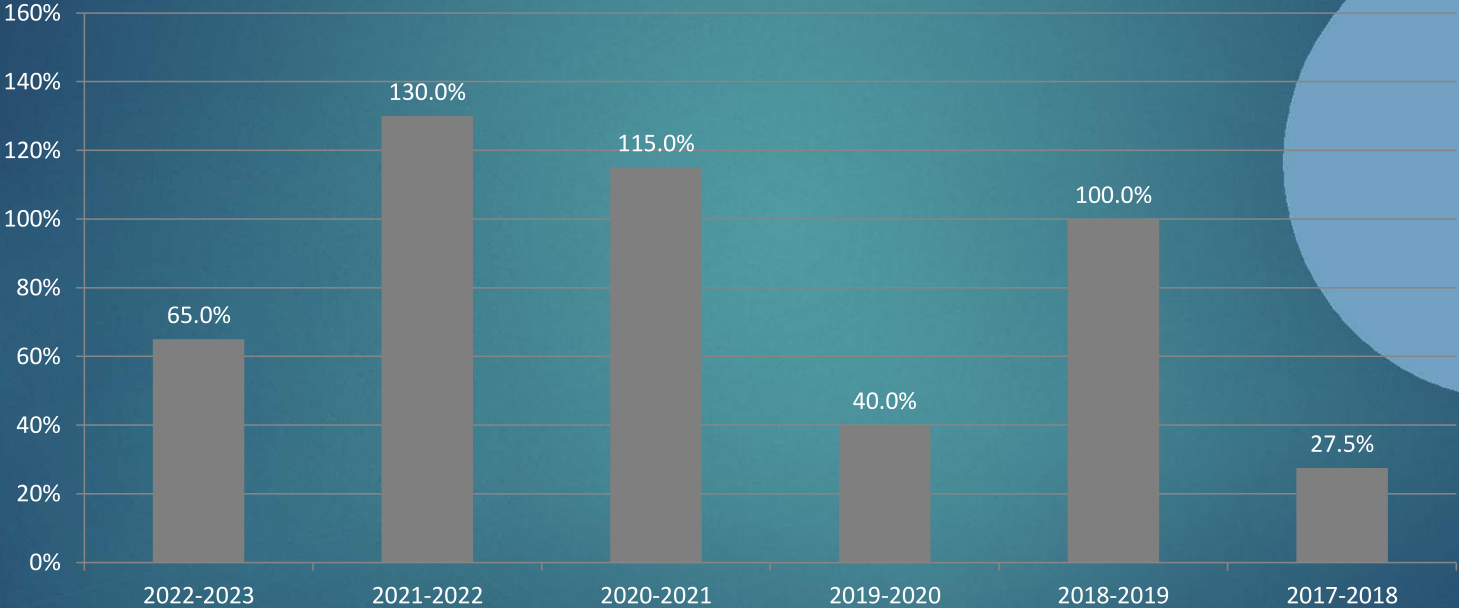
## Annual Production Last Six Years

Sq. Meters  
in Million



# Annual Dividend Last Six Years

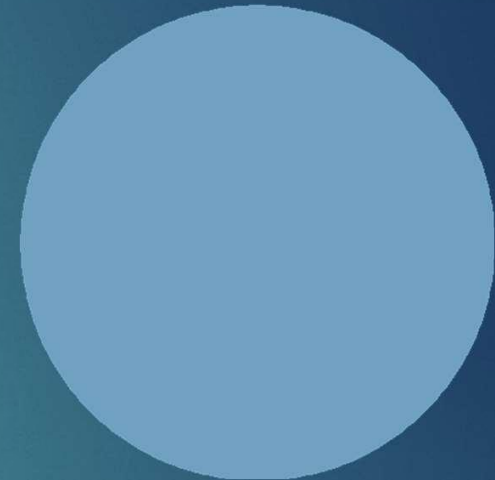
Percentage



## Financial Performance

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Fiscal Year 2022-23 brought extraordinary challenges such as natural disaster, unstable political conditions, deteriorating economic conditions, inflation and global recession. By the grace of Allah, despite these challenges, operating results of the Company have been positive and Company has earned after tax profit of Rs. 153.018 million with an EPS of Rs 15.84 in comparison to Rs 31.06 reported during last year. Net Sales revenue for the year is Rs. 8.085 billion compared to Rs. 7.456 billion showing increase of about 8.4% over the corresponding period of last year which is mainly due to increase in sales volume. Nevertheless, the increase in sales revenue were dampened by inflationary pressures affecting both raw material and conversion costs, coupled with a significant surge in finance costs. Due to increase in cost of sales, Gross Profit (GP) rate for the year came to 7.93% as compared to 9.83% reported last year.







The distribution costs decreased on account of reduction in shipping freight costs as compared to last year. Further, the inflationary pressure on the economy has resulted in an increase in the administrative expenses as compared to last year. During the year interest rates rose to historical high levels. High interest rates have raised bank financing costs to unbearable levels resulting in drastic increase in finance cost from Rs. 86.455 million last year to Rs. 214.342 million for the current year.

Other income increased significantly mainly because of exchange gain due to currency devaluation.

Company in its endeavors for technological upgradation is in the process of replacement of its old sizing machine. LC for new sizing machine has been established which is expected to arrive in the third quarter of current financial year. This BMR will help in achieving better efficiency and reduction in overhead cost.



Textile industry is already facing a crisis-like situation due to multiple factors including stagnant demand in the international market, low foreign exchange reserves, depreciating currency, mounting inflation, tightening monetary policy, surging commodity prices and domestic political uncertainty. Further, the Government has abolished concessional electricity tariff for exporters of Rs. 19.99 / KWH w.e.f. March 1, 2023. This has exposed the textile sector to very high power costs for manufacturing. Thus, textile industry is going through unprecedented challenging times due to a massive increase in manufacturing and operating costs which could not be fully translated into selling prices due to global decline in demand.

Company will continue to do its best to overcome these difficulties

## Question & Answers Session

The honorable guest and participants are requested to proceed for question and answer session with regard to the financial statements for the year ended June 30, 2023.

Thanks

