

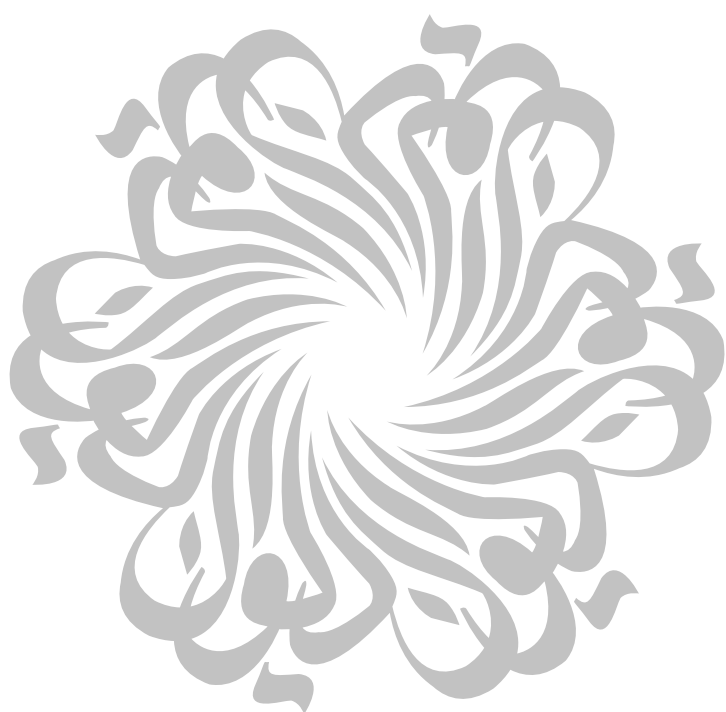
ANNUAL REPORT

2023



DEWAN KHALID TEXTILE MILLS LIMITED

 YD | A YOUSUF DEWAN COMPANY





Vision Statement

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

Mission Statement

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

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

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

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

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

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	:	Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Directors	:	Syed Asim Abid Ali - Chairman, Board of Directors Mr. Abdul Basit Syed Maqbool Ali Mr. Ghazanfar Baber Siddiqi Mrs. Nida Jamil
Independent Director	:	Mr. Aziz-ul-Haque
Audit Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Abdul Basit (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz-ul-Haque (Chairman) Mr. Abdul Basit (Member) Mr. Ishtiaq Ahmed (Member)
Auditor	:	Feroze Sharif Tariq & Company Chartered Accountants 4/N/4 Block-6, P.E.C.H.S., Karachi
Company Secretary	:	Mr. Muhammad Hanif German
Chief Financial Officer	:	Mr. Muhammad Irfan Ali
Tax Advisor	:	Sharif & Co. Advocates
Legal Advisor	:	Abbas & Atif Law Associates
Bankers	:	Habib Bank Limited Bank Islami Pakistan Limited MCB Bank Limited Silk Bank Limited Bank Al Falah Limited Askari Bank Limited
Registered Office	:	Dewan Centre, 3-A Lalazar Beach Hotel Road, Karachi
Shares Registrar & Transfer Agent	:	BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan
Factory Office	:	G/11, S.I.T.E., Kotri, Sindh, Pakistan.
Website	:	www.yousufdewan.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 46th Annual General Meeting of **Dewan Khalid Textile Mills Limited** will be held at Dewan Cement Limited Factory Site, at Deh Dhand, Dhabeji, District Malir, Karachi, Pakistan on Monday, April 14, 2025 at 11:00 a.m. to transact the following businesses;

1. To confirm the minutes of the preceding Extra Ordinary General Meeting of the Company held on Monday, January 27, 2025;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2023, together with the Directors' and Auditors' Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2024, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By order of the Board

Karachi

March 21, 2025



Muhammad Hanif German
(Company Secretary)

Notes:

- a. The share transfer books of the company will remain closed from April 07, 2025 to April 14, 2025 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting.
CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26,2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.
- c. members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.

d. Electronic Transmission of Financial Statements Etc.:

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

e. Video Conference Facility:

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

f. Attendance through Zoom:

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

- (i) The member shall get himself/herself registered by sending his/her request to the Company at e-mail ID dktml.corp@yousufdewan.com as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DKTML/index.html>) or can send his/her request to the Company Secretary at Dewan Centre, 3-A Lalazar Beach Hotel Road Karachi along with a legible copy of CNIC not later than April 12, 2025.
- (ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

g. Deposit of physical Shares into CDC Account;

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

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

h. E-Voting Procedure

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

- (b) The web address, login details, will be communicated to members via email.
- (c) Identity of the members indenting to cast vote through E-voting shall be authenticated through authenticated login.
- (d) E-Voting lines will start from April 07, 2025 at 10 am and shall close on April 13, 2025 at 5 p.m. Members can cast their votes any time in the period.

i) Postal Ballot

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

The members shall ensure that duly filled and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's Registered office or email at dktml.corp@yousufdewan.com one day before the Annual General Meeting i.e. April 13, 2025 during the working hours. The signature on the ballot paper shall match with the signature on CNIC or Company records.

j) Particulars of Physical Shareholders:

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

CHAIRMAN'S REVIEW

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

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

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

During financial year ended June 30, 2023, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the board and its committee meetings. All Directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.



Syed Asim Abid Ali
Chairman Board of Directors

Date: March 11, 2025
Place: Karachi.

DIRECTORS' REPORT

**IN THE NAME OF ALLAH;
THE MOST GRACIOUS AND THE MERCIFUL**

IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

Dear Shareholder(s),

Assalam-o-Alykum!

The Board of Directors of your Company are pleased to present the Annual Audited Financial Statements of the Company for the year ended June 30, 2023 together with the Auditors' Report thereon.

Overview

Financial year (FY) 2023 has presented severe economic challenges for Pakistan reflecting long standing structural weaknesses and political uncertainty. The geopolitical situation, difficult financial environment, and high inflationary pressures have all had a substantial impact on the prospects for global growth. All these factors posed significant economic risks for Pakistan's economy as well. Devastating floods and political unrest further aggravated the situation. Thus, FY2023 has been a challenging year for Pakistan's economy by facing tremendous challenges of macroeconomic imbalances, flood damages, supply shocks, and international economic slowdown which has dampened the economic growth to just 0.29 % in FY2023 (6.1% in FY22). The policy rate has historically gone up from 13.75% to 22.0% with an approximate increase of more than 8%. Import compression policy had a detrimental effect on the Country's exports which witnessed a decline of 12.7%. Similarly, the remittances also plunged by 13.74% to USD 27 billion as compared to last year. During the year, Pakistan has posted its highest ever inflation of 37.97% from a year earlier along with destructive Pak Rupee devaluation by approximately 40% against the US Dollar.

Industrial Overview

Textile, being a major sector of Pakistan's economy contributes around 60% to the country's exports and provides employment to 40% of the country's total labor force. Textile sector has recorded negative growth by 16.03% and its exports experienced a significant decline of 14.6% during the FY 2023. The spinning industry at the start of cotton year was very optimistic that the price for cotton would be reduced due to anticipated growth in cotton crop but in contrary to this, during FY 2023, flash floods 2022 hit hard agriculture sector's performance by severely damaging the cotton & other crops. Moreover, higher international cotton prices and overall challenging supply chain, fraught with shortage of gas, unprecedented inflation, increased political instability and overburdening of taxes and levies have resulted in the non-competitiveness of the textile industry in the international market.

Operating results and performance (Factory shutdown):

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

	"Rupees"
SALES (NET)	-
COST OF SALES	(49,146,118)
GROSS LOSS	(49,146,118)
OPERATING EXPENSES	(9,957,231)
OPERATING LOSS	(59,103,349)
FINANCE COST	(6,321)
LOSS BEFORE TAXATION	(59,109,670)
TAXATION	4,586,079
LOSS AFTER TAXATION	(54,523,591)

Company's operational sales for the year remained nil due to closure of operations. The Company, for the time being, has suspended its manufacturing operations since August 2016 which could not be resumed due to liquidity crunch and working capital constraints.

In financial year ended 2012, Company had settled with its lenders through Compromise Agreement against which consent decrees had been passed by the Honorable High Court of Sindh, Karachi. Company's short term and long term loans had been rescheduled in the form of long term loans, however certain banks having suits of Rs.275.008 million, did not accept the restructuring proposal. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

The Auditors of the company have expressed adverse opinion in their report, on going concern assumption, default in repayment of installments of restructured liabilities and related non-provisioning of mark-up.

The financial statements have been prepared on going concern assumption as the company approached its lenders for further restructuring of its liabilities, which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirements of the Company which will ultimately help the management to resume the operation with optimum utilization of production capacity. Therefore, the preparation of financial statements using going concern assumption is justified, as explained in note, 2 to the financial statements.

As certain banks covering suits amounting to Rs 275.008 million has not yet accepted the restructuring proposal and one of the banks had filed a winding up petition under section 305 of the Companies Ordinance, 1984. The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favorable outcome. The management of the Company is quite hopeful that these banks will also



accept restructuring proposal in near future. Accordingly, no provision of the said mark-up has been made in these financial statements.

The company has approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon as fully explained in note 7.1.2 to the financial statements. Moreover, the markup outstanding up to the date of restructuring is Rs.85.516 million which the company would be liable to pay in the event of default of terms of agreement. The management is confident that upon finalization of restructuring this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

Future Outlook

For the globally competitiveness in the wake of prevalent economic crunch, we expect the government will focus on structural reforms, addressing the fundamental flaws those lead to recurring economic crises. To boost exports and foreign exchange, and to enable the exporters to compete internationally, the government should prioritize export-oriented sectors, including the textile industry. This involves facilitating the import of raw materials, parts, and accessories, decrease in current interest rate presently too exorbitant for any business to sustain and also ensuring the availability of utilities at rationalized power tariff. Further, Taxation structure is expected to create ease of doing business and with a focus on expanding the tax-base rather than over burdening existing payers.

Corporate Social Responsibilities

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

Health, Safety and Environment

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

Human Resource

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

Corporate and Financial Reporting

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

1. The financial Statements presented by the management of the Company give, subject to auditor's report, a fair account of the state of affairs, the results of its operations, cash flow and changes in equity.
2. Proper books of accounts have been maintained.
3. Accounting policies have been consistently applied in the preparation of financial statements, except for certain changes whose impact have been appropriately disclosed in the financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure there from, if any, has been adequately disclosed.
5. The system of internal controls, which is in place, is sound in design and has been effectively implemented and monitored.
6. There has been no material departure from the best practices of the corporate governance
7. The Company has constituted an Audit Committee from amongst the non-executive members of its Board.
8. The Board has prepared and circulated a Statement of Ethics and Business Practices amongst its members and the company's employees.
9. There are no doubts upon the company's Going Concern except as disclosed in note 2 to the financial statements.
10. Information regarding the outstanding taxes and levies is given in the notes to the financial statements.
11. As required under the Code of Corporate Governance, the following information has been presented in this report:
 - i) Pattern of Shareholding;
 - ii) Shares held by associated undertaking and related persons;

Board

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

The Board of Directors as of June 30, 2023 consisted of the following:

Directors			Numbers
a)	Male	:	6
b)	Female	:	1

Composition			Numbers
a)	Independent Director	:	1
b)	Other Non-executive Directors	:	5
c)	Executive Directors	:	1

During the year four meetings of the Board were held. The attendance of directors was as follows:

Names	No. of Meetings attended
Mr. Aziz-ul-Haque	4
Mr. Ishtiaq Ahmed	4
Mr. Ghazanfar Baber Siddiqi	4
Mr. Imran Ahmed Javed	1
Syed Maqbool Ali	4
Mr. Abdul Basit	4
Mr. Mehmood-ul-Hassan	3
Mrs. Nida Jamil	4

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

Audit Committee

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

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

Names	No. of Meetings attended
Mr. Aziz-UI Haque – Chairman	4
Syed Maqbool Ali	4
Mr. Abdul Basit	4

Human Resource and Remuneration Committee

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

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

Names	No. of Meetings attended
Mr. Aziz-UI Haque – Chairman	1
Mr. Ishtiaq Ahmed	1
Mr. Abdul Basit	1

Basic (Loss) per share during the period under report worked out to Rs (5.67) [2022: Rs. (5.89)]

Appointment of Auditors

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

Pattern of Shareholding

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

Key operating and financial data

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

Subsequent Events

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

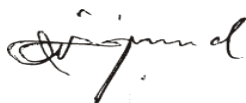
Vote of Thanks & Conclusion

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

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

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

By and under Authority of the Board of Directors



Ishtiaq Ahmed
CEO & Director



Syed Asim Abid Ali
Chairman Board of Directors

Karachi, March 11, 2025

FINANCIAL HIGHLIGHTS

	2018	2019	2020	2021	2022	2023
Sale (Net)	-	-	-	-	65.28	-
Gross Profit / (Loss)	(93.68)	(81.50)	(69.68)	(61.21)	(42.59)	(49.15)
(Loss) / Profit before Tax	(211.35)	(92.24)	(88.35)	(58.21)	(65.22)	(59.11)
(Loss) / Profit after Tax	(185.05)	(76.15)	(74.29)	(45.84)	(56.57)	(54.52)
Current Assets	124.73	116.17	108.24	86.71	36.27	18.07
Shareholder's Equity	14.45	(56.73)	(131.02)	(176.89)	95.19	40.66
Current Liabilities	657.47	644.82	732.43	710.85	679.57	691.74
Current ratio (Times)	0.19	0.18	0.15	0.12	0.05	0.02
(Loss) / Earning per Share (Rs)	(19.25)	(7.92)	(7.73)	(4.77)	(5.89)	(5.67)
Breakup value per share (Rs.)	1.50	(5.90)	(13.63)	(18.41)	9.90	4.23
Gross (Loss) / Profit Ratio (%)	0.00%	0.00%	0.00%	0.00%	-65.24%	0.00%
Net (Loss)/ profit Ratio (%)	0.00%	0.00%	0.00%	0.00%	-86.68%	0.00%

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

For the 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 as per the following:
 - a) Male : 6
 - b) Female : 1
2. The composition of board is as follows:
 - a) Independent Director : Mr. Aziz-ul-Haque
 - b) Other Non-executive Directors : Syed Maqbool Ali
Mr. Mehmood-ul-Hassan
Mr. Abdul Basit
Mr. Ghazanfar Baber Siddiqi
Mrs. Nida Jamil
 - c) Executive Director : Mr. Ishtiaq Ahmed
3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decision on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Four Directors are qualified under the directors training program. During the year the board did not arrange training program. However, we will arrange the same in the next coming session.

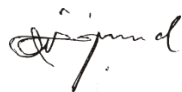


10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:

a)	Audit Committee	:	Mr. Aziz-ul-Haque Syed Maqbool Ali Mr. Abdul Basit	Chairman Member Member
b)	HR and Remuneration Committee	:	Mr. Aziz-ul-Haque Mr. Abdul Basit Mr. Ishtiaq Ahmed	Chairman Member Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a)	Audit Committee	:	4 meetings during the financial year ended June 30, 2023
b)	HR and Remuneration Committee	:	1 annual meeting held during the financial year ended June 30, 2023
15. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with: and
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33, and 36 are below:

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



Ishtiaq Ahmed
CEO & Director

Dated: March 11, 2025
Karachi:



Syed Asim Abid Ali
Chairman Board of Directors

FEROZE SHARIF TARIQ & CO.

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

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

AUDITOR'S REVIEW REPORT TO THE MEMBERS OF DEWAN KHALID 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 Dewan Khalid Textile Mills Limited (the Company) 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. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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

- a) The composition of board has included one independent director Mr. Aziz ul Haque, whereas in our opinion he does not meet the criteria of independence due to his cross-director ship in associated Companies.
- b) The chairman of Audit committee and Human Resource and Remuneration Committee shall be an independent director, whereas in our view Mr. Aziz ul Haque does not Complied with the criteria of independence as the reason reflects in para (a) above.
- c) The Company is required at least two or one third members of the Board, whichever is higher, as independent directors on its board. However, the Company includes only one independent director as disclosed in Paragraph 2 of Statement of Compliance.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

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

1. One of the Director of the company is serving as directors in more than seven listed Companies as reflected in Paragraph 3 of statement of Compliance
2. Four of the directors are qualified under the Directors' Training Program as reflect in Paragraph 9 of statement of Compliance as on June 30, 2023 as required by the Code all the directors are required to acquire Prescribed Certification.

Place :Karachi
UDIN: CR202310129QE3GNesqT
Dated: March 12, 2025


Chartered Accountants

FEROZE SHARIF TARIQ & CO.

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

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

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF DEWAN KHALID TEXTILE MILLS LIMITED**

Report on the Audit of the Financial Statements

Adverse Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse opinion Section, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof 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, 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

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.

- a) The financial statements of the company for the year ended June 30, 2023 as disclosed in note 2 to the financial Statements reflect loss after taxation of Rs. 54.563 (2022: Rs. 56.574) million and as of that date it has accumulated losses of Rs 865.839 (2022: Rs. 822.543) million and its current liabilities exceeded its current assets by Rs. 673.667(2022: Rs. 643.366) million without providing markups of Restructured and other liabilities and as refer in below para (b). The operations of the company were closed from August 2016 due to working capital constraints. Furthermore, the company defaulted in repayments of installments of restructured long-term liabilities and short-term finance facilities have expired and not been renewed by banks amounting to Rs. 403.90 million, hence as per the terms of the restructuring under clause 10.2 of the compromise agreement the entire restructured debt amounting to Rs. 104.008 million along with mark up of Rs. 85.516 million (eligible for waiver outstanding as of date of restructuring) have immediately become payable therefore provision for markup should be made in these financial statements. Further the Lenders filled suit for execution of the decree therefore, the balance confirmations from the financial institutions /Banks have not been received as disclosed in note 13.1and 13.2. to the financial Statements. Moreover, certain lenders are in litigation with the company, the aggregate suit amount is Rs.275.008 million (the company have also not provided markup on the same Loan). Further, one of the lender have also filed winding up petition also These conditions lead us to believe that the going concern assumption used in preparation of these financial Statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.
- b) In addition to above, since the proposal, has not been accepted so far and the lenders, instead of the accepting the restructuring Proposal, have preferred to filed suit against the company, therefore the provision of mark up should be made in the financial statements as disclosed in note 12.1 and 23.1 to the financial statements. The Company has not made provision of markup for the year amounting to Rs.90.106 million (up to year ended 30 June 2022: Rs.612.374 million) (refer note 23.1) on account of restructuring proposal offered to the lenders. Had the provisions for the mark up, as discussed in preceding paragraphs, been made in these financial statements, the loss after taxation would have been higher by Rs 90.106 million and markup payable would have been higher and shareholders' equity would have been lower by Rs. 702.480 (2022: Rs. 612.374) million.

Matter of Emphasis

We draw attention to Note 1.1 to the Financial Statements, which explains that the Financial Statements were approved by management on March 11, 2025, later than usual. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report other than the matters described in the basis for adverse opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. As described in the basis for adverse opinion section of our report, we have concluded that the other information is materially misstated for the same reason.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, Future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, except for the possible effects of matters discussed in basis for adverse opinion section of our reports, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) because of the significance of matters described in Basis for Adverse Opinion section, the statement of financial position, the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) however, the same are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mohammad **Tariq**.



Chartered Accountants

UDIN: AR202310129nOQ81hqS2

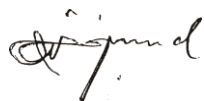
Dated: March 12, 2025

Place: Karachi

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

		June 30, 2023	June 30, 2022
	Notes	----- (Rupees) -----	
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorized share capital			
15,000,000 (June 30, 2022: 15,000,000) Ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up capital	5	96,107,590	96,107,590
Revenue reserves			
General reserve		135,000,000	135,000,000
Accumulated Losses		(865,838,678)	(822,543,073)
Capital reserve			
Surplus on revaluation of property, plant and equipment	6	675,393,976	686,621,962
		40,662,888	95,186,479
NON CURRENT LIABILITIES			
Provision for staff gratuity	8	12,409,623	17,287,399
Deferred taxation	9	37,358,651	41,944,730
		49,768,274	59,232,129
CURRENT LIABILITIES			
Trade and other payables	10	137,863,002	145,700,076
Mark-up accrued on loans		109,430,547	109,430,547
Short term borrowings	12	340,100,117	320,100,117
Unclaimed dividend		334,741	334,741
Over due portion of syndicated long term loan		104,007,672	104,007,672
		691,736,079	679,573,153
CONTINGENCIES AND COMMITMENTS			
	13	-	-
		782,167,241	833,991,761
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipments	14	764,098,673	797,784,047
CURRENT ASSETS			
Stores and spares	15	5,863,062	11,726,124
Trade debts - unsecured	16	58,997	2,104,349
Short term deposit & other receivable	17	1,313,046	6,094,056
Taxes recoverable - net		10,041,981	10,083,927
Cash and bank balances	18	791,482	6,199,258
		18,068,568	36,207,714
		782,167,241	833,991,761

The annexed notes form an integral part of these financial statements



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer

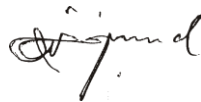


Syed Asim Abid Ali
Chairman Board of Directors

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

		June 30, 2023	June 30, 2022
	Notes	----- (Rupees) -----	
Sales - net	19	-	65,280,976
Cost of sales	20	(49,146,118)	(107,871,270)
Gross (loss)		(49,146,118)	(42,590,294)
Operating Expenses			
Administrative and general expenses	21	(13,983,631)	(11,466,021)
Selling & distribution expenses	22	-	(125,689)
Reversal of provision against doubtful debts		4,026,400	--
		(9,957,231)	(11,591,710)
Operating (loss)		(59,103,349)	(54,182,004)
Finance cost	23	(6,321)	(11,041,648)
(Loss) before taxation		(59,109,670)	(65,223,652)
Taxation			
- Current	24	-	(816,012)
- Deferred		4,586,079	9,465,890
		4,586,079	8,649,878
(Loss) after taxation		(54,523,591)	(56,573,774)
(Loss) per share - basic and diluted	25	(5.67)	(5.89)

The annexed notes form an integral part of these financial statements



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

**YD**

A YOUSUF DEWAN COMPANY

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

	Notes	June 30, 2023	June 30, 2022
		----- (Rupees) -----	
(Loss) for the year		(54,523,591)	(56,573,774)
Items that will not be subsequently reclassified to profit or loss :			
Other comprehensive income:			
Transfer from surplus on revaluation of fixed assets in respect of			
Revaluation during the year	6	-	278,563,814
Related deferred tax		-	50,089,419
		-	328,653,233
Total comprehensive income / (loss) for the year		<u>(54,523,591)</u>	<u>272,079,459</u>

The annexed notes form an integral part of these financial statements

Ishtiaq Ahmed
CEO & Director

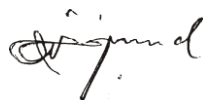
Muhammad Irfan Ali
Chief Financial Officer

Syed Asim Abid Ali
Chairman Board of Directors

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

	Note	June 30. 2023	June 30. 2022
		----- (Rupees) -----	
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) before taxation		(59,109,670)	(65,223,652)
<i>Adjustment for Non-Cash and Other Items:</i>			
Depreciation		33,685,374	46,828,119
Reversal of provision for doubtful debts		(4,026,400)	--
Provision for slow moving stores & spares		5,863,062	2,345,224
Advance - deposits & other a/c written off		41,946	2,031,352
Finance cost		6,321	11,041,648
		<u>35,570,303</u>	<u>62,246,343</u>
		(23,539,367)	(2,977,309)
<i>Working capital charges</i>			
(Increase) / decrease in current assets			
Stock-in-Trade		-	49,078,145
Trade debts		6,071,752	12,512
Advances		-	70,000
Short term deposits and other receivables		4,781,010	2,060,114
Increase / (decrease) in current liabilities			
Trade and other payables		(7,837,074)	(5,801,134)
Short term borrowings		20,000,000	(35,483,023)
		<u>23,015,688</u>	<u>9,936,614</u>
Taxes - net of refund		-	(710,994)
Gratuirty paid		(4,877,776)	(7,664)
Net cash inflow / (outflow) from operating activities		(5,401,455)	6,240,647
CASH FLOW FROM INVESTING ACTIVITIES		-	-
CASH FLOW FROM FINANCING ACTIVITIES		-	-
Finance cost paid		(6,321)	(1,036,648)
Net cash inflow / (outflow) from financing activities		(6,321)	(1,036,648)
Net increase / (decrease) in cash and cash equivalents		(5,407,776)	5,203,999
Cash and cash equivalents at the beginning of the year		6,199,258	995,259
Cash and cash equivalents at the end of the year	18	791,482	6,199,258

The annexed notes form an integral part of these financial statements



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

**YD**

A YOUSUF DEWAN COMPANY

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

Issued, subscribed and paid-up capital	Revenue Reserves		Capital Reserves	Total
	General Reserve	Accumulated Losses	Revaluation Surplus on property, plant & equipment	
----- (Rupees) -----				
96,107,590	135,000,000	(789,144,410)	381,143,840	(176,892,980)
-	-	(56,573,774)	-	(56,573,774)
-	-	-	328,653,233	328,653,233
-	-	(56,573,774)	328,653,233	272,079,459
-	-	23,175,111	(23,175,111)	-
96,107,590	135,000,000	(822,543,073)	686,621,962	95,186,479
96,107,590	135,000,000	(822,543,073)	686,621,962	95,186,479
-	-	(54,523,591)	-	(54,523,591)
-	-	-	-	-
-	-	(54,523,591)	-	(54,523,591)
-	-	11,227,986	(11,227,986)	-
96,107,590	135,000,000	(865,838,678)	675,393,976	40,662,888

The annexed notes form an integral part of these financial statements

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

Syed Asim Abid Ali
Chairman Board of Directors

DEWAN KHALID TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1 CORPORATE INFORMATION

Dewan Khalid Textile Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on April 03, 1978, under the Companies Act, 1913 (Now the Companies Act, 2017) and its shares are listed in Pakistan Stock Exchange Limited. The Principal activity of the Company is trading, manufacturing and sale of yarn. However, the Operations of the company are suspended since August 2016.

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

- Company's registered office is located at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi.
- Company's production plant is situated at G-11, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan.

1.1 The preparation and presentation of these Financial Statements has suffered delay due to the time taken for resolving the issues faced by the Management in respect of retrieving accounting data from the old and fire-stricken IT servers. However, the said data has been duly verified and reconciled before preparation of these Financial Statements.

1.2 Summary of significant events and transactions in the current reporting period:

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

2 GOING CONCERN ASSUMPTION

The financial statements of the company for the year ended 30 June, 2023 reflect that company has sustained a net loss after taxation of Rs.54.524 million (2022: Rs.56.574 million) and as of that date company has negative reserves of Rs. 730.839 (2022: Rs. 687.543) million which have eroded its equity. Further the company's short term borrowing facilities have expired and not been renewed. Company defaulted in repayment of its restructured liabilities due to liquidity crunch and working Capital Constraints as a result the Company, for the time being, has suspended its manufacturing operations since August 2016. Accordingly, the entire restructured liabilities along with markup eligible for waiver (as disclosed in note 13.1 to the financial statements) have become immediately repayable. These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, therefore the company may not be able to realize its assets and discharge its liabilities during the normal course of business.

The financial statements have been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will further streamline the funding requirements of the Company which will ultimately help the management to resume the operations with optimum utilization of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse therefore the preparation of financial statements using going concern assumption is justified.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 23.1 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

3.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date:

Item	Measurement basis
Land	Revaluation model
Building	Revaluation model
Plant and Machinery	Revaluation model

The method used to measure fair values are disclosed in respective policy notes.

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

Adoption of amendments to approved accounting standards effective during the year

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these financial statements.

Amendments to approved accounting standards

IFRS 3 Reference to the Conceptual Framework (Amendments)

IAS 16 Reference to the Conceptual Framework (Amendments)

IAS 37 Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

The adoption of the above amendments to the accounting standards did not have any material effect on the Company's financial statements.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9 Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities

IAS 41 Agriculture – Taxation in fair value measurements

IFRS 16 Leases – Lease incentives

The adoption of the above amendments to the approved accounting standards did not have any material effect on the Company's financial statements.

Standards and amendments to IFRSs that are not yet effective

The following amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective amendment or improvements:

Amendment or improvement		IASB effective date (annual periods beginning on or after)
IFRS 17	Insurance Contracts (Amendments)	January 01, 2023
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 01, 2023
IAS 12	International Tax Reform – Pillar Two Model Rules (Amendments)	January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-current	January 01, 2024
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments)	January 01, 2024
IAS 7 / IFRS 7	Disclosures: Supplier Finance Arrangements (Amendments)	January 01, 2024
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet finalised

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Amendment or improvement

- IFRS 1 First-time Adoption of International Financial Reporting Standards
- IFRS 17 Insurance Contracts

3.4 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates. The financial statements are presented in Pakistani rupees, which is the Company's functional and presentational currency.

3.5 Use of estimates and judgements

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

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

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

3.5.1 Operating fixed assets, revaluation and depreciation

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

3.5.2 Trade debts

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

3.5.3 Income tax

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

3.5.4 Stock in trade

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

3.5.5 Stores and spares

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

3.5.6 Contingencies

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

4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these unconsolidated financial statements are set out below:

**4.1 Property, plant and equipment*****Owned***

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

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

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

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

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

Depreciation is charged so as to write off the cost or revaluation of assets, other than leasehold land and capital work-in-process, over their estimated useful lives, using the reducing balance method, on the basis of rates specified in note 14 to the financial statements. The depreciation for assets acquired or disposed of during the year is charged from the month of acquisition or up to the month of disposal of such assets respectively.

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

Intangible assets

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

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

4.2 Capital work-in-progress

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

4.3 Lease

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

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

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

4.3.1 Right of use asset

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

4.3.2 Lease liabilities

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

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

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

4.3.3 Short term leases and low-value assets

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

4.4 Stores and spares

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

4.5 Stock in trade

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

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

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

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

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

Stock-in-trade is regularly reviewed by the management and obsolete items, if any, are brought down to their NRV. NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



4.6 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 Company's profit and loss account. 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 profit or loss. The Company's share of those changes is recognized in other 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 profit or loss. If the Company's share of losses of an associate equals or exceeds its interest in the associate, the Company discontinues recognizing its share of further losses. If the associate subsequently reports profits, the investor or joint venture resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

4.7 Staff retirement benefits

Defined Benefit Plan

The Company operates an unfunded gratuity scheme for its non-management staff. Provisions are made, based on actuarial recommendations. Actuarial valuation is carried out using the 'Projected Unit Credit' method, as required by International Accounting Standard 19 "Employee Benefits". However, at present company has no employees who are eligible for gratuity, hence no provision for the same has been made.

During the year and subsequent to the year company paid gratuity to most of the employees, therefore the provision of gratuity made in the financial statement on actual liability basis which is last drawn on gross salary multiplied by number of years served till 2016.

Defined Contribution Plan

Effective from July 01, 2010, the company has, in place of gratuity scheme, established a recognized provident fund for its permanent management staff for which equal contributions are being made in respect thereof by company and employees in accordance with the terms of the fund.

4.8 Taxation

Current

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

Deferred

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

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

4.9 Provision

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

4.9 Financial instruments

4.9.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

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

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

Subsequent measurement**Debt Investments at FVOCI**

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

Equity Investments at FVOCI

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

Financial assets at FVTPL

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

Financial assets measured at amortised cost

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

4.9.2 Non-derivative financial assets

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

4.9.2.1 Trade debts, advances and other receivables

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

4.9.2.2 Cash and cash equivalents

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

4.9.3 Financial liabilities

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

4.9.3.1 Mark-up bearing borrowings and borrowing costs

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost, while

the difference between the cost (reduced for periodic payments) and redemption value is recognised in the statement of profit or loss account over the period of the borrowings using the effective interest method.

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

4.9.3.2 Trade and other payables

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

4.9.4 Derivative financial instruments - other than hedging

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

4.9.5 Derivative financial instruments - cash flow hedges

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

4.9.6 Offsetting of financial assets and financial liabilities

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

4.10 Impairment

4.10.1 Financial assets

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

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

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

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

4.10.2 Non-financial assets

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

4.11 Foreign currency translation

Transactions in foreign currencies are translated in PKR (functional and presentation currency) at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into PKR at the rates of exchange approximating those prevalent at the date of statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

4.12 Transactions with related parties

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

4.13 Revenue recognition

Sale of goods

Revenue from sale of goods is recognized upon passing of title to the customers, which generally coincides with physical

4.14 Trade debts and other receivables

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method less an allowance for expected credit losses (ECL), if any. Allowance for expected credit losses is based on lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts, if any, are written off when considered irrecoverable.

4.15 Cash and cash equivalents

For the purpose of unconsolidated statement of cash flow, cash and cash equivalents comprise of cash in hand, bank balances and short term investments with a maturity of three months or less from the date of acquisition. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

4.16 Borrowing costs

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

4.17 Dividends and appropriation to reserve

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

**4.18 Earnings per share**

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

4.19 Contingent Liability

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

4.20 Operating segments

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

	June 30, 2023	June 30, 2022
	(Rupees)	
5 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
5,728,300 (2022: 5,728,300) Ordinary Shares of Rs. 10/- each fully paid in cash	57,283,000	57,283,000
3,882,459 (2022: 3,882,459) Ordinary Shares of Rs. 10/- each issued as fully paid bonus shares	38,824,590	38,824,590
9,610,759	96,107,590	96,107,590

5.1 Dewan Motors (Private) Limited, an associated company held 451,185 Ordinary shares of Rs.10 each.

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

5.3 As of the reporting date 451,185 (2022: 451,185) and 1500 (2022: 1500) ordinary shares of Rs. 10 each were held by associated companies and directors of the Company respectively.

	June 30, 2023	June 30, 2022
	(Rupees)	
6 SURPLUS ON REVALUATION OF PROPERTY PLANT AND EQUIPMENT		
Opening balance	728,566,692	482,643,879
Surplus arising on revaluation of property, plant & equipment's during the year-net	-	278,563,814
Transferred to accumulated losses in respect of incremental depreciation for the year	(15,814,065)	(32,641,001)
	712,752,627	728,566,692
Less: related deferred tax liability on:		
Opening balance	41,944,730	101,500,039
Revaluation / (impairment) adjustment in related deferred tax during the year	-	(50,089,419)
Incremental depreciation charge during the year	(4,586,079)	(9,465,890)
	37,358,651	41,944,730
	675,393,976	686,621,962

This represents net surplus over the book value resulting from the revaluation of land, Building, Plant and Machinery carried out on April 08, 2022 by independent professional valuers M/s Anderson Consulting (Pvt) Ltd., the basis of market value or depreciated replacement values as applicable. Basis of revaluation are as follows:

Land

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

Building

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

Plant and Machinery

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

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

The latest revaluation resulted in increase in surplus by Rs.241.141 million, forced sale value of revalued assets is Rs. 559.409 million.

	June 30, 2023	June 30, 2022
	(Rupees)	
7 LONG TERM LOANS		
7.1 Syndicated Long Term Loan - Secured		
Syndicated long term loan	104,007,672	104,007,672
Over due portion of syndicated long term loan	(104,007,672)	(104,007,672)
	<u>-</u>	<u>-</u>

7.1.1 The Compromise Agreement dated December 23, 2011 had been executed between the banks and the company against which consent decrees had been granted by the Honorable High Court of Sindh, Karachi. As per the terms, Company's short term and long term loans had been rescheduled in the form of long term loans of Rs. 282.496 million which was to be repaid in six and half years from the date of restructuring with progressive mark up ranging from 4% to 14% (or KIBOR whichever is lower) over the period on outstanding principal. This loan had been secured by way of mortgage charge over immovable properties and hypothecation of movable assets of the company. Moreover banks / financial institutions had allowed further working capital limit to the Company as fully explained in note 12 to these financial statements. However, in case of default by the company the entire outstanding mark up as disclosed in the agreement will remain outstanding liability of the company and all amounts in respect of its liabilities shall become payable with immediate effect as disclosed in clause 10.2 of the Compromise Agreement.

7.1.2 The company has approached its lenders for further restructuring of its liabilities, which is in advanced stage as the term sheet has been finalized and circulated by the agent to syndicate of banks for their internal approvals. Management is hopeful that such revision will be finalized soon. Accordingly the Banks' liability has been in accordance with previous repayment schedules.

	June 30, 2023	June 30, 2022
	(Rupees)	
8 PROVISION FOR STAFF GRATUITY		
Balance at beginning	17,287,399	17,295,063
Payments during the year	(4,877,776)	(7,664)
	<u>12,409,623</u>	<u>17,287,399</u>

8.1 Since the Company not in operations from August 2016 and all the employees resigned from the services, therefore the liability for gratuity has been booked on actual basis in the financial statements.

9 DEFERRED TAXATION

Credit balance arising due to:

- accelerated tax depreciation	9,504,576	11,679,572
- revaluation on property plant & equipment	37,358,651	41,944,730

Debit balance arising due to

- staff gratuity	(3,598,791)	(5,013,346)
- carried over losses and provisions	(206,255,626)	(197,862,168)

	<u>(162,991,190)</u>	<u>(149,251,212)</u>
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Deferred tax asset not recognized	<u>(200,349,841)</u>	<u>(191,195,942)</u>
	<u>37,358,651</u>	<u>41,944,730</u>

9.1 Movement of deferred tax liabilities



Balance as at beginning of the year	41,944,730	101,500,039
Tax charge recognized in statement of profit or loss	(4,586,079)	(9,465,890)
Accelerated tax depreciation effect of impairment on revaluation of assets	-	(50,089,419)
Balance as at end of the year	<u>37,358,651</u>	<u>41,944,730</u>

10 TRADE AND OTHER PAYABLES

Creditors	10.1	120,249,563	121,699,563
Accrued expenses		17,585,975	23,973,049
Provident fund	10.2	27,464	27,464
		<u>137,863,002</u>	<u>145,700,076</u>

10.1 This includes Rs. 115.600 million (2022: Rs. 117.050 million) payable to associated undertaking.

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

11 UNCLAIMED DIVIDEND

As per the provision of Section-242 of the Companies Act, 2017 and directives of the Securities and Exchange Commission of Pakistan vide circular no. 18 dated 01 August, 2017, cash dividend will only paid through electronic mode directly in the bank accounts of shareholders, accordingly this unpaid dividend pertains to those shareholders who did not provided their valid bank accounts details.

12 SHORT TERM BORROWINGS - SECURED

Short term running finance	12.1 & 12.2	257,162,900	257,162,900
Short term sponsor loan	12.4	82,937,217	62,937,217
		<u>340,100,117</u>	<u>320,100,117</u>

12.1 The company has facilities for short term running finances under mark-up arrangements amounting to Rs. 140 million (2022: Rs. 140 million) from banks. The facility carries mark-up at the rate of 1 month KIBOR + 2.5%p.a (2022: 1 month KIBOR + 2.5%p.a). These facilities are secured against hypothecation charge on stocks-in-trade and trade debts. These facilities are generally for twelve months renewable at the end of the period. The mark-up on running finance facilities is payable on a quarterly basis. This financing arrangement has expired and not been renewed by the bank.

12.2 The facility for short term loan under mark up arrangement obtained from bank against available limit of Rs.100 million (2022: Rs. 100 million) at markup rate of KIBOR + 3% (2022: KIBOR + 3%) payable quarterly in arrears. The facility is secured by way of hypothecation of stock in trade, book debts and other current assets of the company. This financing arrangement have expired and not been renewed by the bank for six years.

12.3 The banks/financial institutions amounting Rs. 236 million in note 12.1 and 12.2 are in litigation with the company as disclosed in note no 13.2 to the financial Statements.

12.4 Short Term Sponsor Loan

Balance at the beginning	12.4.1	62,937,217	62,937,217
Received during the year from sponsor		20,000,000	-
		<u>82,937,217</u>	<u>62,937,217</u>

12.4.1 This represents unsecured interest free loan payable to sponsor against liabilities of a bank assumed by the sponsor and is payable on demand. The interest free and unsecured loan has been provided by sponsor considering financial crunch being faced by the company.

13 CONTINGENCIES AND COMMITMENTS

13.1 In respect of liabilities towards banks / financial institutions disclosed in note 7 to the financial statements, during the year ended 2012, certain lenders have entered into a compromise agreement with the Company for outstanding debt sought by lenders in the suits filed by them and it was agreed that the Company would settle all the liabilities at principle amount of Rs.184.258 million and markup thereon of Rs.85.516 million (eligible for waiver if the Company repays the entire outstanding principal as per term of agreement), consequent to which consent decrees were granted by the Honorable High Court of Sindh, Karachi. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

13.2 Two of the lenders having suits amounting to Rs 275.008 million has not yet accepted the restructuring proposal, and out of these one lender had also filed a winding up petition under section 305 of the repealed Companies Ordinance, 1984. The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favorable outcome.

13.3 The Government of Pakistan has promulgated the Gas Infrastructure Development Cess Ordinance, 2014 (GIDC) against which the Company filed suit in the Honourable Sindh High Court challenging its legality and applicability on the Company and the Honourable Sindh High Court had issued stay against the recovery of GIDC. The Honourable Sindh High Court decided the case in favour of the Company and directed to refund / adjust in bills the amounts already collected, against which the Sui Southern Gas Company Limited (SSGC) has filed appeal in Honourable Sindh High Court, which was also rejected. The Government enacted GIDC Act, 2015 which had also been challenged by the Company through writ petition before the Honourable Sindh High Court, which granted the stay against collection of GIDC arrears. The SCP has decided the case in favour of government on 13 August 2020, with directions to recover the arrears under GIDC Act 2015 from the Companies who have passed their burden to the consumers. SSGC has not charged GIDC on its bills and also the Company has not passed on the same to the consumers. There is no need for any provision in these financial statements.

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

	Notes	June 30, 2023	June 30, 2022
14 PROPERTY, PLANT AND EQUIPMENT			
Operating Assets	14.1	764,098,673	797,784,047
		764,098,673	797,784,047

14.1 Operating Assets

30 June, 2023									
Particulars	Cost / Revaluation			As at June 2023	Rate %	Depreciation			Written Down Value as at June 2023
	As at July 2022	Additions / (Deletions)	Surplus / (Impairment) in Revaluation			As at July 2022	Adjustments / Transfer	Charge for the period	
OWNED	RUPEES					RUPEES			
Lease Hold Land	585,581,503	--		585,581,503	0	17,895,148	--	9,294,944	558,391,411
Factory Building	178,538,720	--		178,538,720	10	130,462,217	--	4,807,650	43,268,853
Non Factory Building	36,070,031	--		36,070,031	10	24,848,814	--	1,122,122	10,099,095
Labour Quarters	111,376,491	--		111,376,491	25	102,554,054	--	2,205,609	6,616,828
Plant and Machinery	915,144,354	--		915,144,354	10	760,370,266	--	15,477,409	139,296,679
Electric Installation	5,760,815	--		5,760,815	15	5,745,865	--	2,243	12,707
Power House	31,037,292	--		31,037,292	10	26,061,166	--	497,613	4,478,513
Factory and Office Equipmts	6,241,146	--		6,241,146	10	5,117,010	--	112,414	1,011,722
Vehicles	30,198,120	--		30,198,120	20	29,632,654	--	113,093	452,373
Furniture and Fixture	6,284,082	--		6,284,082	10	5,761,313	--	52,277	470,492
June 30' 2023	1,906,232,554	--	--	1,906,232,554		1,108,448,507	--	33,685,374	764,098,673

June 30, 2022									
Particulars	Cost / Revaluation			As at June 2022	Rate %	Depreciation			Written Down Value as at June 2022
	As at July 2021	Additions / (Deletions)	Surplus / (Impairment) in Revaluation			As at July 2021	Adjustments / Transfer	Charge for the period	
OWNED	RUPEES					RUPEES			
Lease Hold Land	134,295,556	--	451,285,947	585,581,503	0	14,134,565	--	3,760,583	567,686,355
Factory Building	210,332,377	--	(31,793,657)	178,538,720	10	122,391,065	--	8,071,152	48,076,503
Non Factory Building	39,432,514	--	(3,362,483)	36,070,031	10	23,313,361	--	1,535,453	11,221,217
Labour Quarters	115,067,941	--	(3,691,450)	111,376,491	25	98,662,567	--	3,891,487	8,822,437
Plant and Machinery	1,049,018,897	--	(133,874,543)	915,144,354	10	731,680,719	--	28,689,547	154,774,088
Electric Installation	5,760,815	--		5,760,815	15	5,743,227	--	2,638	14,950
Power House	31,037,292	--		31,037,292	10	25,508,263	--	552,903	4,976,126
Factory and Office Equipmts	6,241,146	--		6,241,146	10	4,992,106	--	124,904	1,124,136
Vehicles	30,198,120	--		30,198,120	20	29,491,288	--	141,366	565,466
Furniture and Fixture	6,284,082	--		6,284,082	10	5,703,227	--	58,086	522,769
June 30' 2022	1,627,668,740	--	278,563,814	1,906,232,554		1,061,620,388	--	46,828,119	797,784,047

	June 30, 2023	June 30, 2022
	(Rupees)	
14.2 Allocation of Depreciation		
Cost of sales	33,520,004	46,628,667
Administrative and general expenses	165,370	199,452
	<u>33,685,374</u>	<u>46,828,119</u>
14.3 Immovable property (i.e. leasehold land and factory building, non-factory building and labour quarters thereon) is situated at S.I.T.E. Kotri, District Jamshoro having accumulated area of 16.2 acres.		
14.4 Had there been no revaluation the carrying amounts of revalued assets would have been as follows:		
Lease hold land	1,651,808	1,651,808
Factory building on lease hold land	14,447,247	16,052,496
Non - factory building	1,692,600	1,700,530
Labour quarters	138	141
Plant & machinery	54,453,675	60,504,083
	<u>72,245,468</u>	<u>79,909,058</u>
	June 30, 2023	June 30, 2022
15 STORES & SPARES		
Stores and spares	15,634,830	15,634,830
Provision for slow moving Stores & Spares	(9,771,768)	(3,908,706)
	<u>5,863,062</u>	<u>11,726,124</u>
15.1 Provision for slow moving stores & spares		
Opening balance	(3,908,706)	(1,563,482)
Provision during the year	(5,863,062)	(2,345,224)
	<u>(9,771,768)</u>	<u>(3,908,706)</u>
16 TRADE DEBTS - CONSIDERED GOOD		
Local receivables - unsecured	58,997	2,104,349
- considered doubtful	290,657	4,317,057
	<u>349,654</u>	<u>6,421,406</u>
Provision for doubtful debts	(290,657)	(4,317,057)
	<u>58,997</u>	<u>2,104,349</u>
16.1 Provision for doubtful debts		
Opening balance	4,317,057	4,317,057
Provision / (reversal) during the year	(4,026,400)	-
	<u>290,657</u>	<u>4,317,057</u>
17 STATUTORY BALANCES AND OTHER RECEIVABLES - CONSIDERED GOOD		
Sales tax receivable	3,344,398	8,125,408
Provision of sales tax	(2,031,352)	(2,031,352)
	<u>1,313,046</u>	<u>6,094,056</u>
18 CASH AND BANK BALANCES		
Cash in hand	46,137	49,353
Cash at banks - current accounts	745,345	6,149,905
	<u>791,482</u>	<u>6,199,258</u>
	2023	2022
	(Rupees)	
19 SALES - NET		
Local sales	-	33,638,202
Raw material sales	-	42,740,541
	<u>-</u>	<u>76,378,743</u>

Sales Tax	-	(11,097,767)
	-	65,280,976
20 COST OF SALES		
Raw material consumed/sales	-	17,416,232
Salaries, wages and other benefits	13,084,348	7,764,419
Fuel, power & water consumed	2,257,080	561,324
Insurance	-	586,388
Vehicle expenses	32,100	6,620
Repairs and maintenance	103,250	157,600
Rent, rates and taxes	149,336	649,336
Depreciation	14.2 33,520,004	46,628,667
	49,146,118	73,770,586
Work-in-process - opening	-	-
Work-in-process - closing	-	-
Cost of goods manufactured	49,146,118	73,770,586
Finished goods - opening	-	34,100,684
Finished goods - closing	-	-
	49,146,118	107,871,270

	2023	2022
21 ADMINISTRATIVE AND GENERAL EXPENSES		
	(Rupees)	
Salaries, allowances and other benefits	21.1 3,599,901	3,511,567
Travelling, conveyance and entertainment	401,576	101,408
Printing and stationery	219,060	130,400
Communication	124,610	126,646
Vehicles running & maintaince expenses	1,545,308	1,209,930
Legal and professional charges	641,580	642,970
Fees and subscription	180,068	173,005
Depreciation	14.2 165,370	199,452
Auditors remuneration	21.2 500,000	500,000
Others	701,150	494,067
Advances - deposits & other a/c written off	41,946	-
Provision for slow moving stores & spares	15.1 5,863,062	2,345,224
Provision for short term deposits & other receivables	-	2,031,352
	13,983,631	11,466,021

21.1 Salaries, allowances and other benefits include Rs. 0.165 million (2022: Rs. 0.157 million) relating to staff retirement benefits.

21.2 Represents Audit fee (Annual, Half year and Review of Code and Corporate Governance) for the year.

	2023	2022
22 SELLING & DISTRIBUTION CHARGES		
	(Rupees)	
Brokerage & commission	-	125,689
	-	125,689
23 FINANCE COST		
Mark-up on long term borrowings	-	9,778,855
Mark-up on short term borrowings	-	969,767
Bank charges	6,321	293,026
	6,321	11,041,648

23.1 The company has not provided the markup on long term and short term borrowings for the period amounting to Rs. 90.106 on (Up to June 30, 2022: Rs. 526.858 million) in respect of borrowings of certain banks who have not yet accepted the restructiong proposal. The Management of the company is quite hopeful that theses banks will also accept restructiong proposal in near future. Had the provision been made the loss for the period would have been higher by Rs.90.106 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs. 616.964 million. The said non provisioning is departure form the requirement of IAS 23- 'Borrowing Costs'.

24 TAXATION

24.1 Current



The Income tax assessment of the Company deemed to have been finalized up to and including tax year 2022.

24.2 Relationship between income tax expense and accounting profit

Numerical reconciliation between the average tax rate and the applicable tax rate has not been given as the Company is subject to the provisions of minimum tax under Section 113 of the Income Tax Ordinance, 2001.

25 (LOSS) PER SHARE - BASIC & DILUTED

(Loss) after taxation	Rupees	<u>(54,523,591)</u>	<u>56,573,774</u>
Weighted average number of ordinary shares	Nos	<u>9,610,759</u>	<u>9,610,759</u>
(Loss) per share - basic & diluted	Rupees	<u>(5.67)</u>	<u>5.89</u>

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

26 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

Remuneration of Chief Executive, Director and Executives

- 26.1 Chief executive and directors of the Company did not charge any fee or other remuneration.

- 26.2 No employee of the Company falls under the definition of "executive" as per the Companies Act, 2017. Hence no disclosure is given in the financial statements.

27 RELATED PARTIES TRANSACTIONS

Related parties include associated group companies, directors, executives, key management personals and staff retirement funds. The statement regarding remuneration of chief executive, directors, executive and key management personal is disclosed in note 26 to the financial statements.

During the year aggregate transactions made by the company with the related parties were provident fund contribution of Rs. 0.330 million (2022: Rs.0.314 million).

28 PLANT CAPACITY AND PRODUCTION

Particulars

Attainable capacity converted to 20 count (Kgs) (annual)	10,298,087	10,298,087
Number of spindles installed	25,536	25,536

- 28.1 The Company's operations remained suspended on account of working capital constraints.

		June 30, 2023	June 30, 2022
29 CASH AND CASH EQUIVALENTS	Notes	(Rupees)	
Cash and bank balances	18	<u>791,482</u>	<u>6,199,258</u>
		<u>791,482</u>	<u>6,199,258</u>

30 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

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

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls, and to

monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

30.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In summary, the maximum exposure to credit risk as at 30 June 2023 and 30 June 2022 was as follows:

	June 30, 2023	June 30, 2022
	(Rupees)	
Trade debts - considered good	58,997	-
Loans and advances - unsecured, considered good	-	2,104,349
Trade deposits, prepayments and statutory balances - considered good	1,313,046	6,094,056
Cash and bank balances	791,482	6,199,258
	2,163,525	14,397,663

30.2 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. During the year, the Company faced liquidity problems due to adverse conditions of overall textile industry, hence it was unable to make scheduled repayments of restructured long term financing. The management has actively taken measure to rectify the default by approaching its lenders for further restructuring of the liabilities. The further restructuring is in advanced stage and expected to be finalized soon.

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

		2023			
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to twelve Months	One year onward
(Rupees)					
Financial Liabilities					
Syndicated long term loans	104,007,672	342,162,761	342,162,761	--	--
Trade & other payables	137,863,002	137,863,002	137,863,002	--	--
Short term borrowings	340,100,117	802,993,337	802,993,337	--	--
Mark-up accrued on loans	109,430,547	109,430,547	109,430,547	--	--
Total	691,401,338	1,392,449,647	1,392,449,647	-	-
		2022			
	Carrying Amount	Contractual Cash Flow	Six Months or Less	Six to twelve Months	One year onward
(Rupees)					
Financial Liabilities					
Syndicated long term loans	104,007,672	134,735,297	329,681,844	--	--
Trade & other payables	145,599,998	145,599,998	145,599,998	--	--
Short term borrowings	320,100,117	752,133,789	752,133,789	--	--
Mark-up accrued on loans	109,430,547	109,430,547	109,430,547	--	--
Total	679,138,334	1,141,899,631	1,336,846,178	-	-

30.3 Market risk

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

30.4 Currency risk

Foreign currency risk arises mainly where receivables and payables exists due to transactions in foreign currencies. The financial instruments of the Company is not exposed to currency risk as there were no financial instruments in foreign currencies.

30.5 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the risk of changes in interest rates relates primarily to the following:

	<u>Carrying Amounts</u>	
	2023	2022
Fixed rate instruments		
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(361,170,572)	(361,170,572)
	<u>(361,170,572)</u>	<u>(361,170,572)</u>

30.6 Risk management policies

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

30.7 Capital risk management

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

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

	June 30, 2023	June 30, 2022
	(Rupees)	
Total borrowings	444,107,789	424,107,789
Less cash and bank balances	(791,482)	(6,199,258)
Net debt	<u>443,316,307</u>	<u>417,908,531</u>
Total equity	40,662,888	95,186,479
Total capital	<u>483,979,195</u>	<u>513,095,010</u>
Gearing ratio	<u>91.60%</u>	<u>81.45%</u>

30.8 Fair value of financial instruments

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

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

31 NUMBER OF EMPLOYEES

Total number of employees at the end of year

Average number of employees

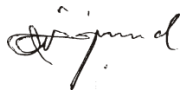
13	23
<u>14</u>	<u>23</u>

32 APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been authorized for issue on March 11, 2025 by the Board of Directors of the company.

33 GENERAL

- i) Figures have been rounded off to nearest rupee.
- ii) Comparative figures have been rearranged and reclassified wherever necessary for the purpose of better presentation and comparison. However, there were no significant reclassifications and restatements.



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Asim Abid Ali
Chairman Board of Directors

DEWAN KHALID TEXTILE MILLS LIMITED
PATTERN OF SHAREHOLDING UNDER REGULATION
37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE
AS AT JUNE 30, 2023

Categories	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Directors, CEO, their Spouses & Minor Children			
Mr. Aziz ul Haque	1	500	0.01%
Mr. Ishtiaq Ahmed	1	500	0.01%
Mr. Mehmood-ul-Hassan Asghar (Nominee Director DMPL)	-	-	0.00%
Mr. Abdul Basit (Nominee Director DMPL)	-	-	0.00%
Syed Maqbool Ali (Nominee Director DMPL)	-	-	0.00%
Mr. Ghazanfar Baber Siddiqi (Nominee Director DMPL)	-	-	0.00%
Mrs. Nida Jamli (Nominee Director DMPL)	-	-	0.00%
Associated Companies			
Dewan Motors (Pvt.) Limited	1	451,185	4.69%
NIT and ICP	5	251,891	2.62%
Executives	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Finance Companies	-	-	0.00%
Insurance Companies	-	-	0.00%
Modarabas and Mutual Funds	-	-	0.00%
General Public			
a. Local	682	8,904,247	92.65%
b. Foreign	-	-	0.00%
Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	6	2,436	0.03%
TOTAL	696	9,610,759	100.00%

SHAREHOLDERS HOLDING FIVE PERCENT OT MORE VOTING RIGHTS

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Muhammad Yousuf Farooqui	2	5,102,619	53.09%

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

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

DEWAN KHALID TEXTILE MILLS LIMITED
PATTERN OF SHAREHOLDING
AS AT 30TH JUNE 2023

Number of Shareholders	Shareholding Slab		Total Shares Held	Percebtage
	From	To		
320	1	100	7,359	0.08%
186	101	500	53,252	0.55%
50	501	1,000	41,491	0.43%
85	1,001	5,000	205,340	2.14%
11	5,001	10,000	79,019	0.82%
6	10,001	15,000	83,872	0.87%
9	15,001	20,000	159,565	1.66%
3	20,001	25,000	68,174	0.71%
2	25,001	30,000	55,552	0.58%
2	30,001	35,000	65,722	0.68%
2	35,001	45,000	84,500	0.88%
1	45,001	50,000	48,750	0.51%
3	50,001	70,000	199,532	2.08%
1	70,001	80,000	74,706	0.78%
1	80,001	100,000	81,587	0.85%
1	100,001	110,000	105,500	1.10%
1	110,001	160,000	116,631	1.21%
1	160,001	180,000	166,182	1.73%
1	180,001	200,000	200,000	2.08%
1	200,001	225,000	224,486	2.34%
1	225,001	280,000	272,868	2.84%
1	280,001	305,000	301,912	3.14%
2	305,001	325,000	643,236	6.69%
2	325,001	400,000	717,719	7.47%
1	400,001	500,000	451,185	4.69%
1	500,001	2,000,000	1,545,597	16.08%
1	2,000,001	4,000,000	3,557,022	37.01%
696	TOTAL		9,610,759	100.00%

**YD**

A YOUSUF DEWAN COMPANY

آڈیٹر کی تقریر:

موجودہ آڈیٹر میسرز فیروز شریف طارق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں انہوں نے دوبارہ تقرری کیلئے اپنی خدمات پیش کی ہیں۔ آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی کی سفارشات کی بنیاد پر مجوز میسرز فیروز شریف طارق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کی آڈیٹر کے طور پر دوبارہ تقرری کی تجویز کی ہے۔

شیر ہولڈنگ کا پٹرن:

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

اہم آپریٹنگ مالیاتی تحویل:

چھ سالہ اہم آپریٹنگ اور مالیاتی تفصیل منسلک ہے۔

بعد کے واقعات:

مالی سال ختم ہونے کے بعد سے اس رپورٹ کی تاریخ تک کوئی ایسے قابل ذکر واقعات نہیں ہیں جن سے کمپنی کی مالی حالت اثر انداز ہو۔

اگلا تشکر اور دعائے کلمات:

بورڈ کی جانب سے ہم تمام ایگزیکٹو، اسٹاف ممبران اور ورکرز کا کمپنی کیلئے ان کی خدمات پر شکریہ ادا کرتے ہیں۔

آخر میں ہم اللہ تعالیٰ رحمن و رحیم سے دعا کرتے ہیں کہ وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک و قوم پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثناء آمین۔

میرا پرو ردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)
بورڈ آف ڈائریکٹرز کی جانب سے

اشفاق احمد
چیف ایگزیکٹو اور ڈائریکٹر

سید عاصم عابد علی
چیرمین بورڈ آف ڈائریکٹرز

کراچی: مورخہ: 11 مارچ 2025

(ج) انتظامی ڈائریکٹر 1

اس سال کے دوران بورڈ کی چار میٹنگوں کا انعقاد ہوا جس میں شرکت کرنے والے ڈائریکٹرز کی تفصیل درج ذیل ہے:

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق	4
جناب اشتیاق احمد	4
جناب غنفر بابر صدیقی	4
جناب عمران احمد جاوید	1
جناب محمود الحسن اصغر	3
جناب عبدالباسط	4
سید مقبول علی	4
محترمہ مداح جیل	4

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

آڈٹ کمیٹی

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

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

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق - چیئرمین	4
سید مقبول علی	4
جناب عبدالباسط	4

ہیومن ریسورس اور اجرتی کمیٹی

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

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

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق - چیئرمین	1
جناب اشتیاق احمد	1
جناب عبدالباسط	1

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران مبلغ (5.67) روپے (2022: مبلغ (5.89) روپے) فی شیئر خسارہ پایا گیا۔



تفتیش کرتے ہیں اور اس کا سبب معلوم کرتے ہیں۔ ہمیں یقین ہے کہ تحفظ اور صحت مندانہ عمل بہتری کیلئے مستقل اصلاح کا راستہ ہے۔ ہم اپنے اور اپنے متعلقین کیلئے مستقل بنیاد پر تحفظ اور صحت مندانہ امور کی اصلاح کیلئے اقدامات کرتے رہتے ہیں۔

انسانی ذرائع (ہومن ریسورس)

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

کارپوریٹ اور مالی رپورٹنگ

آپ کی کمپنی کے ڈائریکٹرز بہترین کارپوریٹ گورننس کے لئے پرعزم ہیں۔ بورڈ کارپوریٹ اور فنانشل رپورٹنگ سے متعلق اپنی ذمہ داری سے بخوبی آگاہ ہے۔ ڈائریکٹرز تصدیق کرتے ہیں کہ:

- ۱۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقد رقم کی ترسیل اور حصص میں ردوبدل کی شفاف عکاسی کرتے ہیں۔
- ۲۔ کمپنی کے کھاتے مناسب طریقے سے مرتب کئے جاتے ہیں۔
- ۳۔ اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں یقینی بنایا گیا ہے، جن پالیسیوں میں تبدیلی کی گئی ہے ان کے مالی اثرات کو مناسب طریقے سے بتایا گیا ہے، جنہیں کما اندازے لگانے میں ماہرانا احتیاط برتی جاتی ہے۔
- ۴۔ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات جیسے پاکستان میں نافذ العمل ہیں، باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے اور اگر ان سے کوئی انحراف ہو تو اسے موثر طریقے سے بیان کیا گیا ہے۔
- ۵۔ اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ۶۔ کارپوریٹ گورننس پر عملدرآمد کے حوالے سے کوئی بھی انحراف نہیں کیا گیا سوائے ان کے جن کا ذکر آڈیٹرز کی جائزہ رپورٹ میں ہے۔
- ۷۔ کمپنی نے اپنے بورڈ کے غیر ایگزیکٹو ممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔
- ۸۔ بورڈ نے اپنے ممبران اور کمپنی کے ملازمین میں سے اسٹینڈنٹ برائے اصول اور کاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔
- ۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات کے نوٹ نمبر 2 میں کیا گیا ہے۔
- ۱۰۔ فیکسز، ڈیوٹیز اور دیگر چارجز سے متعلق معلومات مالیاتی گوشواروں میں دی گئی ہیں۔
- ۱۱۔ کارپوریٹ گورننس کے حوالے سے مندرجہ ذیل معلومات منسلک ہیں:
 - (۱) شیئر ہولڈنگ کی تفصیلات
 - (۲) متعلقین اور منسلک کمپنیز کے شیئرز کی تفصیلات

بورڈ

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد اور ماہرین پر مشتمل ہے جو کہ اپنی بہترین مہارت کے تحت کمپنی کے مقاصد پر عملدرآمد کرتے ہیں۔

30 جون 2023 تک بورڈ آف ڈائریکٹرز درج ذیل پر مشتمل تھے:

تعداد	ڈائریکٹرز
6	الف) مرد
1	ب) خواتین
تعداد	سمت
1	الف) آزاد ڈائریکٹر
5	ب) دیگر غیر انتظامی ڈائریکٹر

سال 2012 میں کمپنی نے اپنے قرض خواہوں کے ساتھ مصالحتی معاہدہ کے ذریعہ تصفیہ کر لیا تھا جس کے تحت محترم ہائی کورٹ آف سندھ کراچی نے ڈکری پاس کی تھی، کمپنی کے مختصر مدتی اور طویل مدتی قرضوں کو طویل مدتی قرضہ جات کی شکل میں دوبارہ مرتب کیا گیا۔ تاہم کچھ بینکوں نے جن کا مبلغ 275.008 ملین روپے کا کیس ہے، نے تنظیم نو کی تجویز کو قبول نہیں کیا۔ مصالحتی معاہدہ کے مطابق قرض دہندگان نے قرضہ جات کی دوبارہ تنظیم نو کی دوبارہ دائرگی میں کوتاہی کیلئے ایگزیکیشن ڈکری دائر کی۔ کمپنی نے محترم ہائی کورٹ آف سندھ کراچی میں مقدمہ دائر کیا جس میں اس کا سخت مقابلہ کیا گیا کہ ایگزیکیشن دائر کرنا غیر منصفانہ اور قانون کے منافی ہے۔ کمپنی کی انتظامیہ کو آنے والے دنوں میں اچھے نتائج کی توقع ہے۔

کمپنی کے آڈیٹر نے اپنی جاری کردہ رپورٹ میں تحفظات کا اظہار کیا ہے جن میں کمپنی کی مستقبل میں چلنے کی اہلیت، مارک اپ کوریٹا رڈ نہ کرنا، قرضہ جات کی اقساط میں واپسی کی کوتاہی شامل ہیں۔

مالیاتی حسابات چلتی ہوئی کمپنی کے جاری کردہ امور کے تحت مرتب کئے گئے ہیں کیونکہ کمپنی نے اپنے قرضہ جات کے حوالے سے دوبارہ ترتیب کیلئے رابطہ قائم کیا ہے جو کہ زیر غور ہے۔ انتظامیہ کو امید ہے کہ یہ نظر ثانی جلد موثر ہوگی اور کمپنی کی فنڈنگ کی ضروریات کو پورا کرے گی اس کے علاوہ انتظامیہ کو آپریشن کے حوالے سے بھی مدد فراہم کرے گی تاکہ پیداواری گنجائش کو بہتر طریقہ سے استعمال کیا جاسکے۔ لہذا مالیاتی حسابات کو چلتی ہوئی کمپنی کے طور پر مرتب کرنا جائز ہے جس کی وضاحت نوٹ 2 میں کی گئی ہے۔

کچھ بینکوں نے جن کے مقدمات کی رقم مبلغ 275.008 ملین روپے ہے، اپنے قرضہ جات کی وصولی کے مقدمات داخل کئے ہیں لیکن اب تک ری اسٹرکچرنگ کو قبول نہیں کیا ہے جبکہ ایک بینک نے اختتام کی درخواستیں زیر دفعہ 305 کمپنیز آرڈیننس 1984ء کے تحت بھی دائر کی ہے۔ کمپنی نے کلیمز کو متنازع قرار دیا ہے اور کیسز کی بھرپور پیروی کر رہی ہے۔ انتظامیہ پر امید ہے کہ ان کا فیصلہ کمپنی کے حق میں ہوگا اور یہ قرض خواہ بھی قرضوں کی تنظیم نو کر دیں گے اسی لئے ان مالیاتی حسابات میں مذکور مارک اپ کوریٹا رڈ نہیں کیا گیا ہے۔

کمپنی نے اپنے قرضہ جات کو دوبارہ مرتب کرنے کے لئے اپنے قرض خواہوں سے رابطہ کیا ہے جو کہ زیر غور ہے۔ انتظامیہ پر امید ہے کہ مالیاتی حسابات کے نوٹ 7.1.2 میں مکمل طور پر وضاحت کردہ طریقہ کار کے تحت جلد از جلد اسے مکمل کر دیا جائے گا۔ اس کے علاوہ تنظیم نو کی تاریخ تک مبلغ 85.516 ملین روپے کا مارک اپ ہے جو کہ معاہدہ کی شرائط میں لکھا ہی کی صورت میں واجب الادا ہوگا۔ چونکہ انتظامیہ کو یقین ہے قرضوں کی تنظیم نو کے بعد کہ یہ رقم واجب الادا نہیں ہوگی۔ اسی لئے ان مالیاتی حسابات میں مذکور مارک اپ کوریٹا رڈ نہیں کیا گیا ہے۔

مستقبل پر ایک نظر:

عالمی سطح پر مسابقتی ہونے اور اس معاشی بحران پر قابو پانے کے لیے، ہم توقع کرتے ہیں کہ نئی حکومت اسٹرکچرل اصلاحات پر توجہ دے گی، ان بنیادی خامیوں کو دور کرے گی جو بار بار آنے والے معاشی بحرانوں کا باعث بنتی ہیں۔ برآمدات اور زر مبادلہ کو فروغ دینے اور برآمد کنندگان کو بین الاقوامی سطح پر مقابلہ کرنے کے قابل بنانے کے لیے حکومت کو ٹیکسٹائل انڈسٹری سمیت برآمدات پر معنی شعبوں کو ترجیح دینی چاہیے اس میں خام مال، پرزہ جات اور لوازمات کی درآمد میں سہولت فراہم کرنا، موجودہ شرح سود میں کمی جو کسی بھی کاروبار کو برقرار رکھنے کے لیے بہت زیادہ ہے اور معقول نرخ پر ٹیلیٹیو کی دستیابی کو یقینی بنانا بھی شامل ہے۔ مزید یہ کہ ٹیکس کے اسٹرکچر سے کاروبار کرنے میں آسانی پیدا کرنے اور موجودہ ٹیکس دہندگان پر زیادہ دباؤ جھڈالنے کی بجائے ٹیکس کی بنیاد کو برہانے پر توجہ دینے کی توقع ہے۔ آئندہ سال نہ صرف کمپنی بلکہ پاکستان کی معیشت کے لیے بھی ایک چیلنجنگ سال ہے۔

کارپوریٹ معاشرتی ذمہ داریاں:

ہم کارپوریٹ معاشرتی ذمہ داریوں کے حوالے سے اس بات کا بھی عہد کرتے ہیں کہ ہم اپنی معمول کے مطابق کاروباری سرگرمیوں کے عمل کو مضبوط کرنا چاہتے ہیں۔ ہم کیا ہیں اور کیسے عوامل چاہتے ہیں، CSR اس چیز کا ایک اہم حصہ ہے۔ ہم نے اپنی کامیابی کو نہ صرف مالیاتی سرگرمیوں کیلئے وقف کیا ہے بلکہ ہم اپنے صارفین کا اطمینان بھی چاہتے ہیں اور ان تمام برادریوں کو بھی سپورٹ کرنا چاہتے ہیں جن کی ہم خدمت کرتے ہیں۔

صحت، حفاظت اور ماحول:

کمپنی کی انتظامیہ اپنی ذمہ داری سے آگاہ ہے جس کے تحت ہمیں ہمارے متعلقین کو محفوظ اور صحت مند ماحول فراہم کرنا ہے۔ ہماری حفاظتی ثقافت کا مقصد یہ ہے کہ ہر طرح کے مسائل سے محفوظ رہا جائے۔ ملازمین کیلئے محفوظ، صحت مند ماحول اور پرسکون امور کی حالات پیدا کرنے کیلئے مستقل جدوجہد کرتے ہیں۔ ہم تمام تر حادثات وغیرہ کی صورت میں مکمل



YD

A YOUSUF DEWAN COMPANY

دیوان خالد ٹیکسٹائل ملز لمیٹڈ ڈائریکٹر ز رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹر ز اختتامی مالیاتی سال 30 جون 2023ء کے لئے سالانہ آڈٹ شدہ مالیاتی حسابات بمع آڈیٹر ز رپورٹ پیش کر رہے ہیں۔

معاشی جائزہ

مالی سال 2023ء میں ساختی کمزوریوں اور سیاسی بے یقینی صورتحال کے باعث پاکستان شدید اقتصادی چیلنجز کا شکار رہا۔ جغرافیائی سیاسی صورتحال، مشکل مالیاتی ماحول، اور بڑھتے ہوئے افراط زر کے دباؤ نے عالمی ترقی کے امکانات پر کافی اثر ڈالا۔ ان تمام عوامل نے بھی پاکستان کی معیشت کے لیے اہم اقتصادی خطرات پیدا کیے۔ اس طرح، مالی سال 2023 پاکستان کی معیشت کے لیے معاشی عدم توازن، سیلاب سے ہونے والے نقصانات، سپلائی میں کمی، اور بین الاقوامی اقتصادی سست روی کے زیر دست چیلنجز کا سامنا کرتے ہوئے ایک مصائبی سال رہا ہے جس کے باعث مالی سال 2023 میں اقتصادی ترقی میں صرف 0.29 فیصد (مالی سال 2022 میں 6.1 فیصد) رہی۔ پالیسی شرح 13.75 فیصد سے بڑھ کر 22.0 ہو گئی جس میں تقریباً 8 فیصد سے زیادہ اضافہ ہوا۔ درآمدات کنٹرول پالیسی نے ملک کی برآمدات پر نقصان دہ حصہ ڈالا، جس میں 12.7 فیصد کی کمی ہوئی۔ اسی طرح ہز سلیٹ ز بھی SPLY کے مقابلے میں 13.74 فیصد کم ہو کر 27 بلین امریکی ڈالر پر رہ گئی۔ رواں سال، پاکستان نے گزشتہ سال کے مقابلے میں اب تک کی سب سے زیادہ افراط زر 37.97 فیصد پوسٹ کی ہے اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 40 فیصد کی تباہ کن کمی رہی۔

صنعتی جائزہ

پاکستان میں ٹیکسٹائل کی صنعت کا معیشت پر گہرا اثر ہے اور ملکی برآمدات میں تقریباً 60 فیصد حصہ ڈال رہا ہے۔ یہ کل مینوفیکچرنگ سیکٹر کا 46 فیصد پر مشتمل ہے اور دوسرا سب سے بڑا روزگار پیدا کرنے والا سیکٹر ہونے کی وجہ سے کل لیبر فورس کا 40 فیصد روزگار فراہم کرتا ہے۔ مالی سال 2022-23 کے دوران، ٹیکسٹائل سیکٹر کی شرح نمو منفی 16.03 فی صد اور برآمدات میں 14.06 فیصد کی کمی ریکارڈ ہوئی ہے۔ کپاس کے سال کے آغاز میں اسپننگ انڈسٹری بہت پر امید تھی کہ رواں سال کپاس کی فصل میں متوقع شرح نمو کی وجہ سے کپاس کی مانگ اور قیمت میں کمی آئے گی مگر اس کے برعکس مالی سال 2022-23 کے دوران، سیلاب کے نقصانات کے نتیجے میں سال 2022 کے سیلاب سے زرعی شعبے کی کارکردگی کو شدید نقصان پہنچا جس نے کپاس اور دیگر فصلوں کو بھی شدید نقصان پہنچایا۔ مزید برآں، بین الاقوامی سطح پر کپاس کی زائد قیمتوں اور مجموعی طور پر چیلنجنگ سپلائی چین، گیس کی قلت، افراط زر، بڑھتا ہوا سیاسی عدم استحکام اور غیر یقینی ٹیکسز اور محصولات نے صنعت کے لیے اپنے آپریشنز پر طویل مدتی نظریہ رکھنا مشکل بنا دیا ہے۔

مالیاتی نتائج و کارکردگی: (پیداوار معطل)

(روپے)	زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:
-	فروخت (صافی)
(49,146,118)	فروخت کی لاگت
(49,146,118)	خام خسارہ
(9,957,231)	آپریٹنگ اخراجات
(59,103,349)	آپریٹنگ خسارہ
(6,321)	مالیاتی لاگت
---	اضافی آمدنی
59,109,670	قبل از ٹیکس خسارہ
4,586,079	محصولات
(54,523,591)	بعد از ٹیکس خسارہ

دوران سال بھی کمپنی کی خالص فروخت پیداوار معطل ہونے کی وجہ سے صفر رہی۔ کمپنی نے وقتی طور پر اگست 2016ء سے اپنی پیداوار کے عمل کو معطل کر دیا ہے جو کہ صنعت میں نا مساعد صورتحال اور روکنیگ کیپٹل کی کمی کی وجہ سے ہے۔

**YD**

A YOUSUF DEWAN COMPANY

(ایف) زوم اپیلی کیشن کے ذریعے اجلاس میں شرکت

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

(i) اراکین 12 اپریل، 2025 سے قبل کمپنی کی ویب سائٹ

<http://www.yousufdewan.com/DKTM/ /index.html> پر دستیاب معیاری درخواست فارم کے مطابق اپنیدرخواست ای میل dktml.corp@yousufdewan.com پر یا دیوان سینٹر، 3-A، لالہ زار بیج ہوٹل روڈ کراچی میں کمپنی

سیکرٹری کے نام پر اپنی درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

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

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

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت تمام ہر لیسڈ کمپنی کیلئے ضروری ہے کہ وہ کمیشن کی طرف سے جاری کردہ نوٹیفیکیشن کی تاریخ اور کمپنیز ایکٹ

2017 کے آغاز یعنی 30 مئی 2017 سے چار سال کے اندر فیزیکل سرٹیفیکیٹس کو بک انٹری فارم میں منتقل کریں۔

فیزیکل حصص رکھنے والے حصص یافتگان اپنے فیزیکل سرٹیفیکیٹس کو سکرپٹ لیس فارم میں منتقل کرنے کیلئے کسی بھی سی ڈی سی یا سی ڈی سی ذیلی اکاؤنٹ

کے ساتھ سی ڈی سی انویسٹر اکاؤنٹ کھول سکتے ہیں۔

(ایچ) ای ووٹنگ کا طریقہ کار

(اے) ای ووٹنگ کی تفصیلات کمپنی کے ان اراکین کو ای میل کے ذریعے ارسال کی جائیں گی جن کے مستند شناختی کارڈ نمبرز، فون نمبرز اور ای

میل ایڈریسز کمپنی کے اراکین کے رجسٹرڈ میں دستیاب ہوں گے۔

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

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

(ڈی) ای ووٹنگ لائنز کا آغاز 07 اپریل، 2025 سے صبح دس بجے شروع ہوگی اور 13 اپریل، 2025 کی شام پانچ بجے بند ہوں

گی۔ اراکین اس مدت کے دوران اپنا ووٹ ڈال سکتے ہیں۔

(ی) پوسٹل بیلٹ

بذریعہ بیلٹ ووٹنگ کیلئے اراکین کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی دفعات کے مطابق اپنا حق رائے دہی استعمال کر سکتے ہیں جو کمپنیز

ایکٹ 2017 کے سیکشن 143 اور 144 کے تقاضوں سے مشروط ہے۔ مذکورہ ریگولیشنز کے تحت متعین قانونی ٹائم فریم کے اندر اگر ضرورت محسوس

ہوئی تو مزید تفصیلات اراکین کو ارسال کی جائیں گی۔

اراکین اس بات کو یقینی بنائیں گے کہ باضابطہ طور پر دستخط شدہ بیلٹ پیپر معہ شناختی کارڈ کی نقل چیئرمین کو کمپنی کے رجسٹرڈ پتہ

یا dktml.corp@yousufdewan.com پر ای میل کے ذریعے سالانہ اجلاس عام کے انعقاد کے دن سے ایک دن قبل یعنی 13 اپریل،

2025 کے کاروبار ایام کے دوران ارسال کیے جائیں گے۔ بیلٹ پیپر پر دستخط شناختی کارڈ یا کمپنی کے ریکارڈز پر موجود دستخط جیسے ہونے چاہئے۔

(جے) فیزیکل حصص یافتگان کے کوائف

کمپنیز ایکٹ 2017 کے سیکشن 119 اور کمپنیز (جنرل پروویژنز اینڈ فارمز) ریگولیشنز 2018 کے ضابطہ 19 کے مطابق تمام فیزیکل حصص یافتگان کو

مشورہ دیا جاتا ہے کہ وہ مستقبل میں کسی بھی قانون کی عدم تعمیل یا کسی بھی پریشانی سے بچنے کیلئے اپنی لازمی معلومات جیسا کہ شناختی کارڈ نمبر، پتہ، ای میل

ایڈریسز، رابطہ نمبر، انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) وغیرہ کمپنی کے شیئرز رجسٹر اکوان کے پتے میسرز بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ)

لمیٹڈ واقع انعام اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، چوتھی منزل، 49، دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی ای میل

bmfconsultantspakistan@gmail.com پر فوری طور پر ارسال کریں۔

دیوان خالد ٹیکسٹائل ملز لمیٹڈ

نوٹس برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان خالد ٹیکسٹائل ملز لمیٹڈ کا 46 واں سالانہ اجلاس عام بروز پیر 14 اپریل، 2025 صبح 11:00 بجے دیوان سینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھانیجی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1. پیر 27 جنوری، 2025 کو منعقدہ کمپنی کے غیر معمولی اجلاس عام کی کارروائی کی توثیق۔
2. 30 جون، 2023ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
3. 30 جون، 2024ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
4. چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔



محمد حنیف حسن
(کمپنی سیکریٹری)

کراچی

11 مارچ، 2025

نوٹس:

- (الف) کمپنی کی حصص منتقلی کی کتب 07 اپریل، 2025 سے 14 اپریل، 2025 تک (بشمول دونوں دن) بند رہیں گی۔ شیئر رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسلٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انعم اسٹیٹ بلڈنگ، کمرہ نمبر 310 اور 311، تیسری منزل، 49 دارالامان سوسائٹی، مرکزی شاہراہ فیصل، نزد بلوچ کالونی پل، کراچی پاکستان میں موصول ہونیوالی منتقلیاں اجلاس میں شرکت اور رائے دی کیلئے بروقت سمجھی جائیں گی۔
- (بی) اجلاس ہذا میں شرکت اور رائے دی کا اہل ممبر اپنی جانب سے شرکت اور رائے دی کیلئے دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ مکمل پراکسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئر رجسٹرار آفس میں جمع کرانا ہوگا۔
- سی ڈی سی حصص یافتگان کو اجلاس میں شرکت اور پراکسیوں کی تعیناتی کیلئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مورخہ 26 جنوری، 2000 کو جاری کردہ سرکلر 1 میں دی گئی مندرجہ ذیل ہدایات پر عمل درآمد کرنا ہوگا۔
- (سی) اراکین سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع کریں
- (ڈی) مالی گوشواروں کی الیکٹرانک ترسیل

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

(ای) ویڈیو کانفرنس کی سہولت

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

DEWAN KHALID TEXTILE MILLS LIMITED
46TH ANNUAL GENERAL MEETING
FORM OF PROXY

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

I/we _____
of _____ being a member (s) of
DEWAN KHALID TEXTILE MILLS LIMITED and holder of _____
Ordinary Shares as per Registered Folio No./CDC Participant's ID and Account No. _____
hereby appoint _____
of _____
or failing him _____
of _____
who is also member of DEWAN KHALID TEXTILE MILLS LIMITED vide Registered Folio
No./CDC Participant's ID and Account No. _____ as my/our proxy to vote for me/us and
on my/our behalf at the **46th** Annual General Meeting of the Company to be held on **Monday, April**
14th, 2025 at 11:00 a.m. and any adjournment thereof.

Signed this _____ day of _____ **2025**

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Revenue
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Signature _____

Witness: _____

Signature

Name: _____

Address: _____

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Signature

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پراکسی فارم
46 واں سالانہ اجلاس عام

اہم اعلان

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

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان خالد ٹیکسٹائل ملز لمیٹڈ کے _____ حصص کے مالک، رجسٹرڈ فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ میں

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

جو بذات خود بھی _____

_____ دیوان خالد ٹیکسٹائل ملز لمیٹڈ

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے 46 واں سالانہ اجلاس عام جو کہ بروز پیر 14 اپریل، 2025
دوپہر 11:00 بجے، ہے میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ 2025 کو میرے / ہمارے ہاتھ سے مہر لگائی۔

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Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____