

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.

**YD****A YOUSUF DEWAN COMPANY**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	:	Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Directors	:	Syed Maqbool Ali - Chairman, Board of Directors Mr. Abdul Basit Mr. Ghazanfar Baber Siddiqi Mr. Mehmood-ul-Hassan Asghar Mrs. Nida Jamil
Independent Director	:	Mr. Aziz-ul-Haque
Audit Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Mehmood-ul-Hassan Asghar (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz-ul-Haque Chairman Syed Maqbool Ali (Member) Mr. Ishtiaq Ahmad (Member)
Auditor	:	Faruq Ali & Co. C-88, Ground Floor, KDA Scheme No. 1, Main Karsaz Road, Opp. Maritime Museum 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 Standard Chartered Bank Pakistan Limited Meezan Bank Limited United Bank Limited Bank Al-Falah Ltd Silk Bank Limited Summit Bank Limited Faysal Bank Limited MCB 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	:	H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh, Pakistan
Website	:	www.yousufdewan.com

**YD****A YOUSUF DEWAN COMPANY**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that 55th Annual General Meeting of **Dewan Textile Mills Limited** will be held at Dewan Cement Limited Factory Site, at DehDhando, Dhabeji, District Malir, Karachi, Pakistan on **Thursday, October 24, 2024 at 12:00 noon**, to transact the following businesses;

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Thursday, October 26, 2023;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2025, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By Order of the Board

Muhammad Hanif German
Company Secretary

Date : October 02, 2024
Place : Karachi

NOTES:

- a. The share transfer books of the company will remain closed from October 17, 2024 to October 24, 2024 (both days inclusive). Transfers received in order at the share registrar office M/s. BMF Consultants Pakistan (Private) Limited, Located at Anum Estate Building, Room No.310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi, Pakistan.
- b. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. proxies in order to be effective must be received at the Shares Registrar Office duly stamped and signed not less than 48 hours (Working days only) before the time of holding of the meeting. CDC Account Holder will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by Securities and Exchange commission of Pakistan for attending the meeting and appointment of proxies.
- c. Members are requested to promptly communicate the change in their addresses, if any, to the Company's share registrar.
- d. **Electronic Transmission of Financial Statements Etc.:**
SECP through its notification No. SRO 787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility? The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to provide their written consent on the Standard Request Form available on the Company's website: <http://www.yousufdewan.com/Dtml/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 dtml.corp@yousufdewan.com as per Standard Request Form available on the Company's website (<http://www.yousufdewan.com/DTML/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 October 22, 2024.
- (ii) Zoom link shall be sent by the Company only on email ID or Mobile/WhatsApp Number mentioned in Standard request Form.

g. Deposit of physical Shares into CDC Account;

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

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

h. E-Voting Procedure

- (a) Details of the e-voting facility will be shared through an email with those members of the Company who have their valid CNIC numbers, cell numbers, and email addresses available in the register of members of the Company within due course.
- (b) The web address, login details, will be communicated to members via email.
- (c) Identity of the members indenting to cast vote through E-voting shall be authenticated through authenticated login.
- (d) E-Voting lines will start from October 17, 2024 at 10 am and shall close on October 23, 2024 at 5 p.m. Members can cast their votes any time in the period.

i) Postal Ballot

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

The members shall ensure that duly filed and signed ballot paper along with copy of CNIC should reach the Chairman of the meeting through post on the Company's Registered office or email at dtml.corp@yousufdewan.com one day before the Annual General Meeting i.e. October 23, 2024 during the working hours. The signature on the ballot paper shall match with the signature on CNIC or Company records.

j) Particulars of Physical Shareholders:

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



Chairman's Review

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

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

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

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

Syed Maqbool Ali
Chairman Board of Directors

Date : October 01, 2024
Place : Karachi

DIRECTORS' REPORT

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

Dear Shareholder(s),

Assalam-o-Alykum!

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

Overview

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

Industrial Overview

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

Operating results and performance: (Factory Shutdown)

The principal business activity of your Company is the manufacturing and sale of yarn. The operating results for the year under review are as follows:

	"Rupees"
SALES - NET	--
COST OF SALES	(149,322,241)
GROSS LOSS	(149,322,241)
ADMINISTRATIVE EXPENSES	(5,500,963)
OPERATING LOSS	(154,823,204)
FINANCE COST	(26,133,268)
OTHER CHARGES	(3,651,434)
OTHER INCOME	23,279,000
LOSS BEFORE TAXATION	(161,328,906)
TAXATION	26,077,414
LOSS AFTER TAXATION	(135,251,492)



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 December 2015 which could not be resumed due to adverse scenario faced by the industry 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. 419.065 million, did not accept the restructuring proposal at that time. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for 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 due to closure of operations, default in repayment of installments of restructured liabilities along with 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. Management is hopeful that such revision will be finalized soon. Moreover, the markup outstanding up to the date of restructuring is Rs. 1.452 billion, which the company would be liable to pay in the event of default of terms of agreement. Since 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.

Certain lenders did not become signatory of the compromise agreement and continued to pursue their suits filed in Honorable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate suits amount in respect of these is Rs. 419.065 million, out of total suits amount a bank having suit amount of Rs. 193.266 million has also filed winding up petition u/s 305 of the repealed Companies Ordinance, 1984 (now 301 of the Companies Act, 2017). The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favorable outcome.

Company has not made the provision of markup for the year amounting to Rs. 428.480 million (upto June 30, 2024: Rs. 1,150.485 million) in respect of borrowings from banks who have not yet accepted the restructuring proposal. The Management of the company is quite hopeful that banks will accept restructuring proposal in near future. Accordingly, no provision of the said mark-up has been made in these financial statements.

Future Outlook

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

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

Corporate Social Responsibilities

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

Health, Safety and Environment

The management of the company is aware of its responsibility to provide a safe and healthy working environment to our associates and give highest priority to it. Our safety culture is founded on the premise that all injuries are preventable if due care is taken. Continual efforts for provision of safe, healthy and comfortable working conditions for the employees are made. We follow up and investigate on all incidents and injuries to address their root causes. We believe that safety and health is a journey of continuous improvement and eternal diligence. We will continue to take steps to improve the safety and health of 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 a fair account of the state of affairs, the results of its operations, cash flow and changes in equity.
2. Proper books of accounts have been maintained.
3. Accounting policies have been consistently applied in the preparation of financial statements, except for certain changes whose impact have been appropriately disclosed in the financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure there from, if any, has been adequately disclosed.
5. The system of internal controls, which is in place, is sound in design and has been effectively implemented and monitored.
6. There has been no material departure from the best practices of the corporate governance, except as disclosed in auditors review report.
7. The Company has constituted an Audit Committee from amongst the non-executive members of its Board.
8. The Board has prepared and circulated a Statement of Ethics and Business Practices amongst its members and the company's employees.
9. There are no doubts upon the company's Going Concern except as disclosed in Note no 2 to the financial statements.
10. Information regarding the outstanding taxes and Levis is given in the notes to the financial statements.
11. As required under the Code of Corporate Governance, the following information has been presented in this report:
 - i) Pattern of Shareholding;
 - ii) Shares held by associated undertaking and related persons;

Board

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities. Complete details of remuneration of CEO and directors are given in note 27 to the financial statements.



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

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

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

Names	Attendance in Four (4) Meetings held
Mr. Aziz-ul-Haq	4
Mr. Ishtiaq Ahmed	4
Mr. Ghazanfar Babar Siddiqi	4
Mr. Mehmood-ul-Hassan Asghar	4
Syed Maqbool Ali	4
Mr. Abdul Basit	4
Mrs. Nida Jamil	3

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 / Eligibility to attend meeting
Mr. Aziz-ul-Haque - Chairman	4
Syed Maqbool Ali	4
Mr. Mehmood-ul-Hassan Asghar	4

Human Resource and Remuneration Committee

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

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

Names	No. of Meetings attended
Mr. Aziz-ul-Haque - Chairman	1
Syed Maqbool Ali	1
Mr. Ishtiaq Ahmad	1

Earnings per Share

Loss per share during the period under report worked out to Rs. (2.94) [2023: Rs. (11.80)]

Appointment of Auditors

The present auditors, M/s. Faruq Ali & 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. Faruq Ali & 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 have been no material changes and commitment affecting financial position of the Company, that have occurred between end of the financial year to which the financial statements relate and the date of this report.

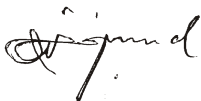
Vote of Thanks & Conclusion

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

Date: October 01, 2024
Place: Karachi.



Syed Maqbool Ali
Chairman Board of Directors

**FINANCIAL HIGHLIGHTS**

	2019	2020	2021	2022	2023	2024
	<i>(Rupees in Million)</i>					
Sales (Net)	132	-	77	323	-	-
Gross (Loss) /profit	(437)	(152)	(114)	(23)	(189)	(149)
(Loss) /profit before Tax	(894)	(626)	(521)	(353)	(573)	(161)
(Loss) / profit after Tax	(874)	(607)	(505)	(341)	(543)	(135)
Current Assets	630	480	263	80	11	6
Shareholder's Equity	(2,795)	(3,401)	(3,906)	(2,060)	(2,604)	(2,739)
Current Liabilities	4,778	5,120	5,288	5,332	5,647	5,639
Current ratio (Times)	0.13	0.09	0.05	0.01	0.00	0.00
(Loss) / Earning Per Share (Rs.)	(18.98)	(13.17)	(10.96)	(7.40)	(11.80)	(2.94)
Breakup Value per Share (Rs.)	(60.67)	(73.84)	(84.80)	(44.73)	(56.53)	(59.47)
Gross (Loss) / Profit Ratio (%)	-330%	0.00%	-149.00%	-7.00%	0.00%	0.00%
Net (Loss) / Profit Ratio (%)	-659%	0.00%	-657.00%	106%	0%	0%

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

For the Year Ended June 30, 2024

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

1. The total number of directors are seven as per the following:
 - a) Male : 6
 - b) Female : 1
2. The composition of board is as follows:
 - a) Independent Director : Mr. Aziz-ul-Haque
 - b) Other Non-executive Directors : Syed Maqbool Ali
Mr. Ghazanfar Baber Siddiqi
Mr. Mehmood-ul-Hassan Asghar
Mr. Abdul Basit
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 Chairman
Syed Maqbool Ali Member
Mr. Mehmood-ul-Hassan Asghar Member
 - b) HR and Remuneration Committee : Mr. Aziz-ul-Haque Chairman
Syed Maqbool Ali Member
Mr. Ishtiaq Ahmed Member



13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
- a) Audit Committee : 4 meetings during the financial year ended June 30, 2024
- b) HR and Remuneration Committee : 1 annual meeting held during the financial year ended June 30, 2024
15. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3,6,7,8,27,32,33 and 36 of the Regulations have been complied with: and
19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33, and 36 are below:

S.No.	Non-Mandatory Requirement	Reg No.	Explanation
1	Directors' Training.- It is encouraged that by June, 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 land approved it.	19	Currently, three Directors are qualified under the directors training program, The Company is encouraging and planning to arrange DTP certification for the remaining Directors.

Ishtiaq Ahmed
CEO & Director

Syed Maqbool Ali
Chairman Board of Directors

Date : October 1, 2024
Place : Karachi



C-88, Ground Floor, KDA Scheme No. 1, Telephone : (021) 34301966
 Main Karsaz Road, Opp. Maritime : (021) 34301967
 Museum, Karachi-75350 : (021) 34301968
 E-mail: info@fac.com.pk : (021) 34301969
 Fax : (021) 34301965

Independent Auditors' Modified Review Report to the Members of Dewan 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 ('the Board') of Dewan Textile Mills Limited ('the Company') for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. Our view 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 procedure 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 there lated party transactions by the Board of Directors upon recommendation of the Audit Committee.

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

The independent directors shall not be less than two or one third of total members of the board, whichever is higher, whereas board includes one independent director, who in our view does not meet the criteria of independence on account of his cross directorship in associated companies; accordingly, due to the foregoing reasons, requirements of chairman of audit and HR Remuneration Committee to be an independent director has also not been complied with.

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 30 June 2024.

Further, we highlight below instances of non-compliance with the requirements of the Codes as reflected in the paragraph reference where these are stated in the Statement of Compliance:

S.No	Reference	Description
(1)	Paragraph 2	The board of the directors includes only one independent director, which is below the limit of one third of the board, as required by regulations.
(2)	Paragraph 3	One of the directors of the Company is serving as a director in more than seven listed companies.
(3)	Paragraph 9 & 19	Three directors are qualified under the directors' training program which is less than the prescribed criteria of the directors' training program as by 30 June 2024 all the directors are required to acquire prescribed certification.

Date : October 03, 2024
 UDIN: CR202410179YzD346TAc
 Place : Karachi

Chartered Accountants

Fasih Uz Zaman

**YD****A YOUSUF DEWAN COMPANY****FARUQ ALI & CO**
CHARTERED ACCOUNTANTS

C-88, Ground Floor, KDA Scheme No. 1, Telephone : (021) 34301966
Main Karsaz Road, Opp. Maritime : (021) 34301967
Museum, Karachi-75350 : (021) 34301968
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INDEPENDENT AUDITORS' REPORT

To the members of Dewan Textile Mills Limited

Report on the audit of the financial statements

Adverse Opinion

We have audited the annexed financial statements of Dewan Textile Mills Limited ('the Company'), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information 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, because of the significance of the matters discussed in the basis for adverse opinion section of our report, the statement of financial position, statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the loss, comprehensive loss, 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.

The financial statements for the year ended 30 June 2024 have been prepared on going concern assumption despite of the fact that the Company incurred loss after taxation of Rs. 135.251 million and as of that date it has negative revenue reserves of Rs.5,915.315 million which resulted in negative equity of Rs.2,739.291 million and its current liabilities exceeded its current assets by Rs.5,632.574 million and total assets by Rs.2,297.689 million (excluding the effect of non-provided markup as disclosed in note 22.1). The Company defaulted in repayment of installments of restructured liabilities, hence as per terms of restructuring, the entire restructured liabilities of Rs. 2,925.634 million along with markup of Rs.1,452.610 million (eligible for waiver outstanding as of date of restructuring) have become immediately payable, therefore provision for markup should be made in these financial statements. Further, the Company's manufacturing operations have been suspended since December 2015 and could not be resumed till the date of this report. These conditions lead us to believe that going concern assumption used in preparation of these financial statements is inappropriate; consequently, the assets and liabilities should have been stated at their realisable and settlement amounts respectively.

- a) The Company has not made provision of markup for the year amounting to Rs.428.480 million (up to year ended 30 June 2024: Rs.1,150.485 million) (refer note 22.1) on account of restructuring proposal offered to the lenders. In our opinion, since the proposal has not been accepted by the lenders so far and the lenders, instead of accepting the restructuring proposal, have preferred filing suits against the Company, therefore the provision of markup should be made in these financial statements. Had the provisions of markups been made in these financial statements, the loss before taxation would have been higher by Rs.428.480 million and markup payable would have been higher and shareholders' equity would have been lower by Rs. 1,150.485 million.

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 section.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) Because of the 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 Fasih uz Zaman.

Date : October 03, 2024
UDIN: AR202410179NTMBtCvPU
Place : Karachi

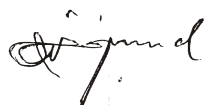
Chartered Accountants
Fasih uz Zaman

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

<u>EQUITY AND LIABILITIES</u>	Notes	2024	2023
		----- (Rupees) -----	
SHARE CAPITAL AND RESERVES			
Authorised share capital 50,000,000 (2023: 50,000,000) Ordinary shares of Rs. 10/- each		500,000,000	500,000,000
Issued, subscribed and paid-up share capital	5	460,646,090	460,646,090
Revenue reserves			
General reserve		333,000,000	333,000,000
Accumulated losses		(6,248,315,316)	(6,176,908,526)
Capital reserves			
Surplus on revaluation of property, plant and equipment	6	2,715,378,092	2,779,222,794
		(2,739,291,134)	(2,604,039,642)
NON-CURRENT LIABILITIES			
Long term financing	7	226,897,833	201,360,300
Deferred taxation	8	214,704,600	240,782,014
		441,602,433	442,142,314
CURRENT LIABILITIES			
Trade and other payables	9	140,724,216	148,814,459
Mark-up accrued		2,276,503,741	2,276,503,741
Short term borrowings	10	293,897,780	293,897,780
Liability for staff gratuity	11	1,784,351	1,984,351
Unclaimed dividend		254,206	254,206
Overdue portion of long term financing	7	2,925,634,170	2,925,634,170
		5,638,798,464	5,647,088,707
CONTINGENCIES AND COMMITMENTS	12	--	--
		3,341,109,763	3,485,191,379
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	3,330,513,777	3,465,363,570
Long term investment	14	--	--
Long term deposits	15	4,371,174	8,721,608
		3,334,884,951	3,474,085,178
CURRENT ASSETS			
Stores and spares	16	--	--
Trade debts - Unsecured	17	2,446,146	7,084,978
Advances and receivable	18	509,648	556,248
Taxes recoverable - Net		180,739	151,160
Cash and bank balances	19	3,088,279	3,313,815
		6,224,812	11,106,201
		3,341,109,763	3,485,191,379

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Chairman Board of Directors

**YD**

A YOUSUF DEWAN COMPANY

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

	Notes	2024 ----- (Rupees) -----	2023 -----
Sales - Net		--	--
Cost of sales	20	(149,322,241)	(188,705,727)
Gross (loss)		(149,322,241)	(188,705,727)
Operating expenses			
Administrative and general expenses	21	(5,500,963)	(15,609,584)
Operating (loss)		(154,823,204)	(204,315,311)
Finance cost	22	(26,133,268)	(397,976,479)
Other charges	23	(3,651,434)	(11,439,780)
		(29,784,702)	(409,416,259)
Other income	24	23,279,000	40,544,036
(Loss) before taxation		(161,328,906)	(573,187,534)
Taxation			
- Current	25	--	--
- Deferred		26,077,414	29,715,353
		26,077,414	29,715,353
(Loss) for the year		(135,251,492)	(543,472,181)
(Loss) per share - Basic and diluted	26	(2.94)	(11.80)

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

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

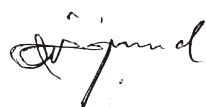
Syed Maqbool Ali
Chairman Board of Directors

DEWAN TEXTILE MILLS LIMITED

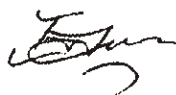
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Notes	2024 ----- (Rupees) -----	2023 -----
(Loss) for the year		(135,251,492)	(543,472,181)
<i>Other comprehensive income:</i>		--	--
Total comprehensive (loss) / income for the year		<u>(135,251,492)</u>	<u>(543,472,181)</u>

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Chairman Board of Directors

**YD**

A YOUSUF DEWAN COMPANY

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

	Notes	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) before taxation		(161,328,906)	(573,187,534)
Adjustment for non-cash and other items:			
Depreciation / amortisation expense	13.1	134,849,793	152,524,977
Bad debts recovered	17.1	(23,279,000)	(34,986,400)
Provision for slow moving stores	16.1	--	11,439,780
Unwinding of discount	22	25,537,533	15,453,656
Liability no longer payable written back	24	--	(5,557,636)
Long term deposits written off		3,651,434	--
Finance cost		595,735	382,522,823
Cash flows before working capital changes		(19,973,411)	(51,790,334)
Working capital changes			
<i>(Increase) / decrease in current assets</i>			
Trade debts		27,917,832	64,334,826
Advances and receivable		46,600	1,153,397
		27,964,432	65,488,223
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		(8,090,243)	(1,618,423)
Short term borrowings		--	12,000,000
		(8,090,243)	10,381,577
Cash (used) / generated from operations		(99,222)	24,079,466
Payments for:			
Taxes paid net of refund		(29,579)	22,986,250
Gratuity paid		(200,000)	(48,544,237)
Finance cost paid		(595,735)	(2,208,197)
Net cash (used in) / generated from operating activities		(924,536)	(3,686,718)
CASH FLOWS FROM INVESTING ACTIVITIES			
Long term deposit		699,000	--
Net cash inflow from investing activities		699,000	--
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		--	137,060
Net cash inflow/ (outflow) from financing activities		--	137,060
Net (decrease) / increase in cash and cash equivalents		(225,536)	(3,549,658)
Cash and cash equivalents at the beginning of the year		3,313,815	6,863,473
Cash and cash equivalents at the end of the year		3,088,279	3,313,815

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

Ishtiaq Ahmed
CEO & Director

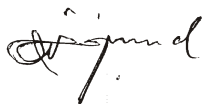
Muhammad Irfan Ali
Chief Financial Officer

Syed Maqbool Ali
Chairman Board of Directors

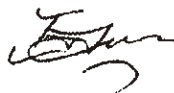
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed and paid-up share capital	Revenue Reserves			Capital Reserves	Total Equity
		General reserve	Accumulated losses	Total revenue reserves	Surplus on revaluation of property, plant and equipment	
----- (Rupees) -----						
Balance as on 1 July 2022	460,646,090	333,000,000	(5,706,187,727)	(5,373,187,727)	2,851,974,176	(2,060,567,461)
Total comprehensive Income / (loss) for the year						
(Loss) for the year	--	--	(543,472,181)	(543,472,181)	--	(543,472,181)
Other comprehensive income	--	--	--	--	--	--
	--	--	(543,472,181)	(543,472,181)	--	(543,472,181)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	72,751,382	72,751,382	(72,751,382)	--
Balance as at 30 June 2023	460,646,090	333,000,000	(6,176,908,526)	(5,843,908,526)	2,779,222,794	(2,604,039,642)
Total comprehensive Income / (loss) for the year						
(Loss) for the year	--	--	(135,251,492)	(135,251,492)	--	(135,251,492)
Other comprehensive income	--	--	--	--	--	--
	--	--	(135,251,492)	(135,251,492)	--	(135,251,492)
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax	--	--	63,844,702	63,844,702	(63,844,702)	--
Balance as at 30 June 2024	460,646,090	333,000,000	(6,248,315,316)	(5,915,315,316)	2,715,378,092	(2,739,291,134)

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Chairman Board of Directors



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

1 THE COMPANY AND ITS OPERATIONS

Dewan Textile Mills Limited ('the Company') was incorporated in Pakistan on 16 April 1970 as a public limited company and is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. However, the Company has suspended its manufacturing operations since December 2015.

The geographical location and address of Company's business units including plant is as under:

- Company's registered office is located at Dewan Centre, 3-A Lalazar, Beach Hotel Road, Karachi.
- Company's production plants are situated at H/20 & H/26, S.I.T.E., Kotri, District Jamshoro, Sindh Pakistan.

2 GOING CONCERN ASSUMPTION

These financial statements of the Company for the year ended 30 June 2024 reflect that the Company has sustained a net loss after taxation of Rs.135.251 million (2023: Rs.543.472 million) and as of that date the Company's negative revenue reserves of Rs.5,915.315 million (2023: Rs.5,843.909 million) have resulted in negative equity of Rs.2,739.291 million (2023: Rs.2,604.040 million) and its current liabilities exceeded its current assets by Rs.5,632.574 million (2023: Rs.5,635.983 million) and total assets by Rs.2,297.689 million (2023: Rs.2,161.897 million). Further the Company's short term borrowing facilities have expired and not been renewed and the Company has been unable to ensure scheduled payments of liabilities due to the liquidity problems. Following course, majority of the lenders had gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and one lender had also filed winding up petitions under section 301 of the Companies Act, 2017 as more fully explained in note 12.1 and note 12.2 to the financial statement. The Company has suspended its manufacturing operations since December 2015. 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.

These 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 requirement 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 22.1 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

3.2 Accounting convention

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

3.3 Changes in accounting standards, interpretations and pronouncements

Standards, interpretations and amendments to approved accounting standards which became effective during the year.

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

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

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

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

	Effective Date (Periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	1 January 2024
Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	1 January 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 'The effects of changes in foreign exchange rates' - Lack of exchangeability	1 January 2025

Amendments to IFRS 7 'Financial instruments - Disclosures' and IFRS 9 'Financial Instruments' - classification and measurement of financial instruments

1 January 2026

Standard IFRS 17 'Insurance Contract'

1 January 2026

Amendment to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Deferred indefinitely

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

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

3.4 Functional and presentation currency

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

3.5 Critical accounting 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 access whether provision should be recorded in the profit and loss account. In particular, judgment by management is required in the estimates of the amount and timing of future cash flows when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provisions.

3.5.3 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.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

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

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

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

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

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

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 13 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.

Leased

Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreement and the fair value of the assets. The related obligations under the lease are accounted for as liabilities. Assets acquired under finance lease are depreciated over the useful life of the assets and depreciation is computed commencing from the month in which the assets are first put to use.

Cost in relation to certain plant and machinery signifies historic cost, mark-up, interest, profit and other charges on counter liabilities up to the date of commissioning of the respective plant and machinery acquired against such liabilities. All other mark-up, interest, profit, and other charges are charged to income.

Major repairs and renewals are capitalised. Gains or losses on disposals of property, plant and equipment are included in income currently.

Intangible assets

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

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

4.2 Capital work-in-progress

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

4.3 Stores and spares

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

4.4 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	-	Average cost
Waste	-	Selling price
Finished goods	-	Average cost

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.

4.5 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 recognised at cost and the carrying amount is increased or decreased to recognise 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 recognised 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 recognised in the associate's profit or loss. The Company's share of those changes is recognised 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 recognised 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 recognising its share of further losses. If the associate subsequently reports profits, the investor or joint venture resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

4.6 Staff retirement benefits

Defined benefit plan

The Company up to 30 June 2010 was operating an unfunded gratuity scheme for its management employee. Provision was made accordingly in the financial statements to cover obligation under the scheme. The Company has fully provided for the liability under the gratuity scheme as of 30 June 2010. Effective from 01 July 2010, the Company has, in place of gratuity scheme, established a recognised provident fund for its permanent management staff. Equal contributions are being made in respect thereof by the Company and the employees in accordance with terms of the fund.

4.7 Taxation

Current

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

Deferred

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

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

4.8 Provision

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

4.9 Financial instruments

4.9.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

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

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

Subsequent measurement

Debt Investments at FVOCI

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

Equity Investments at FVOCI

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

**Financial assets at FVTPL**

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

Financial assets measured at amortised cost

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

4.9.2 Non-derivative financial assets

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

4.9.2.1 Trade debts, advances and other receivables

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

4.9.2.2 Cash and cash equivalents

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

4.9.3 Financial liabilities

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

4.9.3.1 Mark-up bearing borrowings and borrowing costs

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

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

4.9.3.2 Trade and other payables

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

4.9.4 Derivative financial instruments - other than hedging

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

4.9.5 Derivative financial instruments - cash flow hedges

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

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

4.9.6 Offsetting of financial assets and financial liabilities

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

4.10 Impairment**4.10.1 Financial assets**

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

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

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

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

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

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

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



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

4.10.2 Non-financial assets

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

4.11 Foreign currency translation

Transactions in foreign currencies are recorded using the rates of exchange ruling at the date of transaction.

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

4.12 Transactions with related parties

All dealings with associated companies are carried out at arm's length using the Comparable Uncontrolled Price method.

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 delivery.

5 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024	2023		2024	2023
--- (Number of shares) ---			(Rupees)	
34,060,000	34,060,000	Ordinary shares of Rs. 10/- each issued as fully paid in cash	340,600,000	340,600,000
225,000	225,000	Ordinary shares of Rs. 10/- each issued for consideration other than cash	2,250,000	2,250,000
11,779,609	11,779,609	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	117,796,090	117,796,090
46,064,609	46,064,609		460,646,090	460,646,090

DEWAN TEXTILE MILLS LIMITED

5.1 Dewan Motors (Private) Limited, an associated company hold 1,306,887 (2023: 1,306,887) ordinary shares of Rs.10/- each.

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	Notes	2024 ----- (Rupees) -----	2023
Balance as at 1 July		3,020,004,807	3,122,471,542
Transferred to accumulated losses in respect of incremental depreciation for the year		(89,922,116)	(102,466,735)
		<u>2,930,082,691</u>	<u>3,020,004,807</u>
<i>Deferred tax liability</i>			
Opening balance		240,782,013	270,497,366
Incremental depreciation		(26,077,414)	(29,715,353)
		<u>214,704,599</u>	<u>240,782,013</u>
Balance as at 30 June		<u>2,715,378,092</u>	<u>2,779,222,794</u>

6.1 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.

7 LONG TERM FINANCING

Banks and financial institutions - Secured

Restructured long term financing	7.1	2,925,634,170	2,925,634,170
Restructured lease liability	7.2	--	18,848,599
Payments during the year		--	(18,848,599)
		<u>2,925,634,170</u>	<u>2,925,634,170</u>

Sponsor - Unsecured

Sponsor loan	7.3	288,100,032	269,114,373
Received during the year		--	18,985,659
Present value adjustment		(203,604,341)	(203,604,341)
Unwinding of interest		142,402,142	116,864,609
		<u>226,897,833</u>	<u>201,360,300</u>
		<u>3,152,532,003</u>	<u>3,126,994,470</u>
		<u>(2,925,634,170)</u>	<u>(2,925,634,170)</u>
Overdue portion - Shown under current liabilities		<u>226,897,833</u>	<u>201,360,300</u>

7.1 A Compromise agreement dated 23 December 2011 was executed between the Company and majority of its lenders, consequent to which consent decrees were granted by the Honourable High Court of Sindh, Karachi. The Company's liabilities in respect of short term borrowings, long term loans, leases and overdue letters of credit were rescheduled in the form of a syndicated long term financing of Rs.3.930 billion repayable in nine and half years with progressive mark-up rates ranging from 2% to 13% over the period on outstanding principal. As per the agreement, mark-up outstanding as on 21 December 2011 was Rs.1.621 billion, which the Company would be liable to pay in the event of default of terms of agreement. Moreover, banks / financial institutions had also agreed to provide further working capital to the Company amounting to Rs.916.800 million. The Company has defaulted in payment of restructured liabilities as more fully explained in note 12.1 and 12.2 to the financial statement. The Company has approached the lenders for further restructuring of liabilities as more fully explained in note 2 which is expected to be finalised soon.

The loan is secured against first pari passu hypothecation charge over stock, book debts, present and future property, plant and equipment of the Company and personal guarantees of directors.



The Company has not made the provision of mark-up from 1st July 2023 on Restructured long term financing from banks and financial institutions outstanding of Rs.2,925.634 million.

- 7.2 Settlement agreement dated 21 January 2014 was executed between the Company and a leasing company, consequent to which consent decrees have been granted by the Honourable High Court of Sindh, Karachi. The Company's liabilities in respect of overdue lease liability has been rescheduled thereby the liability of Rs. 42.215 million is now repayable in 10 years with progressive mark-up rates ranging from 2% to 10.04% over the period on outstanding principal.

During the last year, restructured lease liability has been acknowledged by a sponsor through an agreement between the Company and the sponsor. The sponsor has successfully settled the loan of the vendor on behalf of the Company. The liability has been settled at principal amount of Rs.18.849 million which have been paid. The related suit has been withdrawn by the lender and the related accrued mark-up has been written back to other income. The charge of the vendor over the assets of the Company has been vacated and the vendor has issued a no claim certificate to the Company.

- 7.3 This represents unsecured interest free loan payable to a sponsor against liabilities of a bank assumed by the sponsor. The loan is repayable in lump sum on 30 June 2026. The loan has been measured at amortised cost in accordance with International Financial Reporting Standard 9, Financial Instruments, and has been discounted using the effective interest rate of 12% per annum.

8 DEFERRED TAXATION

Credit balance arising due to:

- Accelerated tax depreciation
- Revaluation - Net of related depreciation
- Long term financing

Debit balance arising due to:

- Staff gratuity
- Provision for doubtful debts and receivable
- Provision for slow-moving stores and spares
- Carried over losses

Deferred tax asset not recognised

8.1 Movement of deferred tax liabilities

- Balance as at beginning of the year
- Tax charge recognised in statement of profit or loss
- Balance as at end of the year

9 TRADE AND OTHER PAYABLES

- Creditors for goods and services
- Accrued expenses
- Workers' Welfare Fund
- Workers' Profit Participation Fund
- Provident fund payable

2024 2023

----- (Rupees) -----

23,824,015	43,199,495
214,704,600	240,782,014
17,748,638	19,648,681
(517,462)	(575,462)
(175,646,338)	(182,397,248)
(15,428,405)	(15,428,405)
(1,043,601,350)	(1,329,767,775)
(978,916,302)	(1,224,538,700)
1,193,620,902	1,465,320,714
214,704,600	240,782,014
240,782,014	270,497,367
(26,077,414)	(29,715,353)
214,704,600	240,782,014
111,028,773	116,384,341
6,902,838	10,233,634
15,536,001	15,536,001
7,249,488	6,654,553
7,116	5,930
140,724,216	148,814,459

DEWAN TEXTILE MILLS LIMITED

9.1 This includes amount of Rs.97.484 million (2023: Rs.97.484 million) being amount payable to the banks in respect of outstanding letter of credits.

9.2 Workers' Profit Participation Fund

Balance as at 1 July	6,654,553	5,948,684
Interest provided for the year	594,935	705,869
Balance as at 30 June	<u>7,249,488</u>	<u>6,654,553</u>

10 SHORT TERM BORROWINGS

Banks and financial institutions - Secured

Short term running finances	10.1 & 10.2	183,818,932	183,818,932
Short term loans	10.2	98,078,848	98,078,848
Loan from a sponsor	10.4	12,000,000	12,000,000
		<u>293,897,780</u>	<u>293,897,780</u>

10.1 The facilities for running finance under mark-up arrangement obtained from various commercial banks against available limits of Rs. 215 million at mark-up rate ranging from 2% to 3% per annum over three months KIBOR payable quarterly in arrears. The facilities are secured by way of hypothecation of stock in trade, book debts and other current assets of the Company and personal guarantees of directors. These facilities have expired and not been renewed by the banks.

10.2 Certain banks have filed recovery suits as more fully explained in note 12.1 and 12.2 to the financial statements.

10.3 The facilities for short term loans under mark-up arrangement obtained from various commercial banks against available limits of Rs. 916.800 million at mark-up rate ranging from 0% to 3.25% per annum over one / three months KIBOR payable quarterly in arrears. The facilities are secured by way of hypothecation of stock in trade, book debts, property, plant and equipment and other current assets and effective pledge on raw material and finished goods of the Company and personal guarantees of directors. These facilities have expired and not been renewed by the banks.

10.4 This represents unsecured interest free loan payable to a sponsor which is repayable on demand.

	Notes	2024 ----- (Rupees) -----	2023 -----
11 LIABILITY FOR STAFF GRATUITY			
Balance as at 1 July		1,984,351	50,528,588
Payments during the year		(200,000)	(48,544,237)
Balance as at 30 June		<u>1,784,351</u>	<u>1,984,351</u>

12 CONTINGENCIES AND COMMITMENTS

Contingencies

12.1 In respect of liabilities towards banks / financial institutions disclosed in note 7 and 10 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 principal amount of Rs.3,590.431 million and mark-up thereon of Rs.1,452.610 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 against the said executions in the 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 favourable outcome therefrom.

12.2 Out of the lenders as disclosed in note 9.1 and note 10 to the financial statements, some lenders did not become signatory of the compromise agreement and continued to pursue their suits filed in Honourable High Court of Sindh at Karachi for recovery of their liabilities through attachment and sale of Company's hypothecated / mortgaged properties. The aggregate suits amount in respect of these is Rs.419.065 million, out of total suits amount a bank having suit amount of Rs.193.266 million has also filed winding up petition u/s 305 of the repealed Companies Ordinance, 1984 (now 301 of the Companies Act, 2017). The Company strongly contested the cases as banks have filed wrong claims. The management of the Company expects favourable outcome.



12.3 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.

12.4 As of reporting date no guarantees were outstanding.

	2024	2023
	----- (Rupees) -----	
13 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	13.1	3,330,513,777
		3,465,363,570

13.1 Operating fixed assets - At cost / revaluation less accumulated depreciation

The following is a statement of operating fixed assets:

2024								
PARTICULARS	COST / REVALUATION				DEPRECIATION			Rate %
	As at 1 July 2023	Additions	As at 30 June 2024	As at 1 July 2023	Transfer	Charge for the year	As at 30 June 2024	Written down value as at 30 June 2024
(Rupees)								
Tangible assets:								
<i>Owned assets:</i>								
Lease hold land	2,190,500,000	--	2,190,500,000	--	--	--	--	2,190,500,000
Factory building on lease hold land	1,064,589,863	--	1,064,589,863	653,879,932	--	41,070,993	694,950,925	369,638,938
Non - factory building	135,036,539	--	135,036,539	62,268,962	--	7,276,758	69,545,720	65,490,819
Labour quarters	241,844,061	--	241,844,061	194,499,852	--	11,836,052	206,335,904	35,508,157
Plant, machinery and equipment	3,143,551,904	--	3,143,551,904	2,404,781,825	--	73,877,008	2,478,658,833	664,893,071
Electric installation	20,782,880	--	20,782,880	19,363,717	--	212,874	19,576,591	1,206,289
Vehicles	61,656,753	--	61,656,753	60,395,225	--	252,306	60,647,531	1,009,222
Furniture and fixture	10,160,706	--	10,160,706	8,863,494	--	129,721	8,993,215	1,167,491
Office equipment	14,910,678	--	14,910,678	13,616,807	--	194,081	13,810,888	1,099,790
	6,883,033,384	--	6,883,033,384	3,417,669,814	--	134,849,793	3,552,519,607	3,330,513,777
Intangible assets:								
Software	3,632,900	--	3,632,900	3,632,900	--	--	3,632,900	--
TOTAL	6,886,666,284	--	6,886,666,284	3,421,302,714	--	134,849,793	3,556,152,507	3,330,513,777

2023								
PARTICULARS	COST / REVALUATION				DEPRECIATION			Rate %
	As at 1 July 2022	Transfer during the year	As at 30 June 2023	As at 1 July 2022	Transfer	Charge for the year	As at 30 June 2023	Written down value as at 30 June 2023
(Rupees)								
Tangible assets:								
<i>Owned assets:</i>								
Lease hold land	2,190,500,000	--	2,190,500,000	--	--	--	--	2,190,500,000
Factory building on lease hold land	1,064,589,863	--	1,064,589,863	608,245,495	--	45,634,437	653,879,932	410,709,931
Non - factory building	135,036,539	--	135,036,539	54,183,676	--	8,085,286	62,268,962	72,767,577
Labour quarters	241,844,061	--	241,844,061	178,718,449	--	15,781,403	194,499,852	47,344,209
Plant, machinery and equipment	3,014,846,173	128,705,731	3,143,551,904	2,225,927,655	96,768,606	82,085,564	2,404,781,825	738,770,079
Electric installation	20,782,880	--	20,782,880	19,113,277	--	250,440	19,363,717	1,419,163
Vehicles	61,656,753	--	61,656,753	60,079,843	--	315,382	60,395,225	1,261,528
Furniture and fixture	10,160,706	--	10,160,706	8,719,359	--	144,135	8,863,494	1,297,212
Office equipment	14,910,678	--	14,910,678	13,388,477	--	228,330	13,616,807	1,293,871
	6,754,327,653	128,705,731	6,883,033,384	3,168,376,231	96,768,606	152,524,977	3,417,669,814	3,465,363,570
<i>Leased assets:</i>								
Plant and machinery	128,705,731	(128,705,731)	--	96,768,606	(96,768,606)	--	--	--
	128,705,731	(128,705,731)	--	96,768,606	(96,768,606)	--	--	--
Intangible assets:								
Software	3,632,900	--	3,632,900	3,632,900	--	--	3,632,900	--
TOTAL	6,886,666,284	--	6,886,666,284	3,268,777,737	--	152,524,977	3,421,302,714	3,465,363,570

DEWAN TEXTILE MILLS LIMITED

		2024	2023
13.2	The depreciation charge for the year has been allocated as follows:	Notes ----- (Rupees) -----	
	Cost of sales	20 134,561,739	152,181,053
	Administrative and general expenses	21 288,054	343,924
		<u>134,849,793</u>	<u>152,524,977</u>

13.3 The Company commissioned independent valuation of leasehold land, factory building on leasehold land, non-factory building, labour quarters and plant, machinery and equipment during the year ended 21 December 2016. Subsequently, the Company has carried out further revaluation of leasehold land, factory building on leasehold land, non-factory building, labour quarters and plant, machinery and equipment as of 26 May 2022 by M/s. Anderson Consulting (Private) Limited (an independent valuer who is located in Karachi) on the basis of market value or depreciated replacement values as applicable. The revaluation resulted in increase in surplus amounting to Rs.2,332.215 million which was incorporated in the books of the Company as at 30 June 2022.

13.4 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. This comprises of two industrial plots of land bearing plot no. H-20 & H-26 with an accumulated area of 49.5 acres.

13.5 The forced sale value of the revalued property, plant and equipment owned by the Company had been assessed at Rs.2,514.500 million.

13.6 Had there been no revaluation the carrying amounts of revalued assets would have been as follows:

	2024	2023
	----- (Rupees) -----	
Leasehold land	778,000	778,000
Factory building on leasehold land	96,860,280	107,622,533
Non-factory building	17,853,563	19,837,293
Labour quarters	1,038,981	1,385,307
Plant, machinery and equipment	279,417,470	310,463,856
	<u>395,948,294</u>	<u>440,086,989</u>

14 LONG TERM INVESTMENT

Investment in associate

Dewan Salman Fibre Limited

	--	--
--	----	----

14.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship and its ownership interest of 28.47% in investee company.

14.2 Investment in Dewan Salman Fibre Limited - At equity method

Number of shares held	104,288,773	104,288,773
Cost of investment (Rupees)	210,000,000	210,000,000
Fair value of investment (Rupees)	91,774,120	91,774,120
Ownership interest	28.47%	28.47%



	2024	2023
14.3 Summarised financial information of associated company	(Rupees)	
Total assets	5,903,525,825	6,291,712,048
Total liabilities	22,714,273,870	23,232,625,760
Net assets	(16,810,748,045)	(16,940,913,712)
Company's share of net assets	(4,786,019,968)	(4,823,078,134)
Revenue	--	--
(Loss) for the year	(168,567,780)	(2,191,927,551)

14.4 Investment in associated company was made in accordance with the requirement of then effective Companies Ordinance, 1984 now companies Act 2017. As the Company's share of losses exceed its interest in the associate, the Company has discontinued recognising its share of further losses. Market value is based on last available quoted price as of 19 February 2018.

	Notes	2024	2023
15 LONG TERM DEPOSITS		(Rupees)	
Security deposits		4,371,174	8,721,608
16 STORES AND SPARES			
Stores and spares		45,675,669	45,675,669
Packing material		7,525,727	7,525,727
		53,201,396	53,201,396
Provision for slow-moving stores and spares	16.1	(53,201,396)	(53,201,396)
		--	--
16.1 Provision for slow-moving stores and spares			
Balance as at 1 July		53,201,396	41,761,616
Provision made during the year	23	--	11,439,780
Balance as at 30 June		53,201,396	53,201,396
17 TRADE DEBTS - Unsecured			
Considered good		2,446,146	7,084,978
Considered doubtful		591,939,456	615,218,456
		594,385,602	622,303,434
Provision for doubtful debts	17.1	(591,939,456)	(615,218,456)
		2,446,146	7,084,978
17.1 Provision for doubtful debts			
Balance as at 1 July		615,218,456	650,204,856
Bad debts recovered		(23,279,000)	(34,986,400)
Balance as at 30 June		591,939,456	615,218,456

DEWAN TEXTILE MILLS LIMITED

		2024	2023
	Notes	----- (Rupees) -----	
18 ADVANCES AND RECEIVABLE			
Advance to an employee - Interest free		--	46,600
Other advances		509,648	509,648
Sales tax receivable		13,737,571	13,737,571
Provision against sales tax receivable		(13,737,571)	(13,737,571)
		--	--
		509,648	556,248
19 CASH AND BANK BALANCES			
Cash in hand		30,086	26,796
Cash at banks - Current accounts		3,058,193	3,287,019
		3,088,279	3,313,815
20 COST OF SALES			
Depreciation	13.2	134,561,739	152,181,053
Salaries, wages and others benefits		7,551,037	32,718,111
Rent, rates and taxes		934,918	1,028,872
Fuel and power		6,063,350	966,538
Vehicle running and maintenance		168,397	453,617
Repairs and maintenance		42,800	300,658
Insurance		--	1,056,878
		149,322,241	188,705,727
21 ADMINISTRATIVE AND GENERAL EXPENSES			
Vehicle expenses		1,449,272	1,464,535
Salaries, allowances and others benefits	21.2	914,494	760,587
Auditor's remuneration	21.1	835,000	835,000
Fee and subscription		764,445	812,238
Legal and professional		583,183	10,586,437
Depreciation	13.2	288,054	343,924
Printing and stationery		276,480	362,335
Communication		246,025	246,229
Traveling and conveyance		142,610	189,833
Entertainment		1,400	8,466
		5,500,963	15,609,584

21.1 Salaries, allowances and others benefit includes amount of Rs. 0.042 million (2023: Rs.0.036 million) in respect of staff retirement benefits.

	2024	2023
	----- (Rupees) -----	
21.2 Auditor's remuneration		
Audit of annual financial statements	550,000	550,000
Review of half-yearly financial statements	200,000	200,000
Review report on code of corporate governance	50,000	50,000
Out of pocket expenses	35,000	35,000
	835,000	835,000



21.3 The investments by the provident fund in collective investment schemes, listed equity and debts securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.

	Notes	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
22 FINANCE COST			
Mark-up on long term financing		--	380,314,626
Unwinding of discount - net		25,537,533	15,453,656
Interest on Workers' Profit Participation Fund		594,935	705,869
Bank charges		800	4,056
Bank balance written off		--	1,498,272
		<u>26,133,268</u>	<u>397,976,479</u>

22.1 In addition to the non-provisioning of mark-up eligible for waiver as disclosed in note 12.2, Company has not made the provision of mark-up for the year amounting to Rs.428.480 million (up to 30 June 2024: Rs.1,150.485 million) in respect of borrowings of certain banks who have not yet accepted the restructuring proposal. The management of the Company is quite hopeful that these banks will also accept restructuring proposal in near future. Had the provision been made the loss for the year would have been higher by Rs.428.480 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs.1,150.485 million. The said non-provisioning is departure from the requirements of IAS 23 - 'Borrowing Costs'.

23 OTHER CHARGES			
Provision for slow-moving stores and spares	16.1	--	11,439,780
Long term deposits written off		3,651,434	--
		<u>3,651,434</u>	<u>11,439,780</u>
24 OTHER INCOME			
Bad debts recovered	17.1	23,279,000	34,986,400
Liability no longer payable written back		--	5,557,636
		<u>23,279,000</u>	<u>40,544,036</u>

25 TAXATION

25.1 Current

The Income tax assessment of the Company deemed to have been finalised up to and including tax year 2023.

25.2 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.

26 (LOSS) PER SHARE - Basic and diluted

There is no dilutive effect on loss per share of the Company which is based on:

(Loss) after taxation	<u>(135,251,492)</u>	<u>(543,472,181)</u>
	----- (Number of shares) -----	
Weighted average number of shares	<u>46,064,609</u>	<u>46,064,609</u>
	----- (Rupees) -----	
(Loss) per share - Basic and diluted	<u>(2.94)</u>	<u>(11.80)</u>

27 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

27.2 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.

28 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated group companies, directors, executives, key management personnel and staff retirement funds. The remuneration paid to chief executive, directors, executive and key management personnel in terms of their employment is disclosed in note 27 to the financial statements. Material transactions and balances with related parties consisted of payment of contribution to Staff provident fund of the Company amounting to Rs.85,392 (2023: Rs.71,160).

29 NUMBER OF EMPLOYEES

Number of employees as at 30 June

Average number of employees during the year

2024	2023
----- (Rupees) -----	
18	28
20	30

30 PLANT CAPACITY AND PRODUCTION

Attainable capacity converted to 20 count (Kgs)

Number of spindles installed

2024	2023
19,510,682	19,510,682
65,544	65,544

30.1 The operations of the Company have been suspended since December 2015 consequently there have been no production ever since.

31 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

31.1 Financial risk management

Overview

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 analyse 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.

**31.2 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.

Exposure to credit risk

In summary, the maximum exposure to credit risk as at 30 June 2024 and 30 June 2023 was as follows:

	2024		2023	
	Financial assets	Maximum exposure	Financial assets	Maximum exposure
	(Rupees)		(Rupees)	
Trade debts	2,446,146	2,446,146	7,084,978	7,084,978
Advances and receivables	509,648	509,648	556,248	556,248
Bank balances (excluding cash in hand)	3,058,193	3,058,193	3,287,019	3,287,019
	6,013,987	6,013,987	10,928,245	10,928,245

Trade debts

The Company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers. The Company believes that it is not exposed to any major concentration of credit risk as the sufficient provision against doubtful debts has already been made in these financial statement.

Based on past experience the management believes that no impairment allowance is necessary in respect of trade debts except as provided in the financial statements.

Cash and cash equivalents

The cash and cash equivalents are held with banks with short term ratings from A1 to A+ and long term ratings from A+ to AAA.

None of the financial assets of the Company are secured.

31.3 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 finalised soon.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

DEWAN TEXTILE MILLS LIMITED

	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	Two to eight years
	----- (Rupees) -----				
2024					
<i>Non-derivative financial liabilities</i>					
Long term financing	3,152,532,003	3,213,734,202	2,925,634,170	--	288,100,032
Trade and other payables	125,188,215	125,188,215	125,188,215	--	--
Liability for staff gratuity	1,784,351	1,784,351	1,784,351	--	--
Unclaimed dividend	254,206	254,206	254,206	--	--
Mark-up accrued	2,276,503,741	2,276,503,741	2,276,503,741	--	--
Short term borrowings	293,897,780	293,897,780	293,897,780	--	--
	<u>5,850,160,296</u>	<u>5,911,362,495</u>	<u>5,623,262,463</u>	<u>--</u>	<u>288,100,032</u>
2023					
<i>Non-derivative financial liabilities</i>					
Long term financing	3,126,994,470	3,213,734,202	2,925,634,170	--	288,100,032
Trade and other payables	133,278,458	133,278,458	133,278,458	--	--
Liability for staff gratuity	1,984,351	1,984,351	1,984,351	--	--
Unclaimed dividend	254,206	254,206	254,206	--	--
Mark-up accrued	2,276,503,741	2,276,503,741	2,276,503,741	--	--
Short term borrowings	293,897,780	403,899,429	403,899,429	--	--
	<u>5,832,913,006</u>	<u>6,029,654,387</u>	<u>5,741,554,355</u>	<u>--</u>	<u>288,100,032</u>

31.4.1 Currency risk

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

31.4.2 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:

	2024	2023
	----- (Rupees) -----	
Variable rate instruments at carrying amounts:		
<i>Financial liabilities</i>		
Long term financing	<u>2,925,634,170</u>	<u>2,925,634,170</u>
Short term borrowings	<u>293,897,780</u>	<u>293,897,780</u>

Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial assets at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flows sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at the reporting date would have increased / decreased loss/profit for the year by the amounts shown below:

Effect on loss due to change of 100 bps		
Increase / decrease	<u>32,195,320</u>	<u>32,263,805</u>

The effective interest / mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

**31.5 Capital risk management**

The Company's prime objective when managing capital is to safe guard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

31.6 Fair values of financial instruments

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

32 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified for the purpose of comparison and better presentation, However, there were no significant restatements or reclassifications.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 1st October, 2024 by the Board of Directors of the Company.

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

Syed Maqbool Ali
Chairman Board of Directors

**PATTERN OF SHAREHOLDING UNDER REGULATION
37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE
AS AT JUNE 30, 2024**

Categories	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Directors, CEO, their Spouses & Minor Children			
Mr. Aziz-Ul-Haq	1	1,000	0.00%
Mr. Abdul Basit	1	500	0.00%
Mr. Gazanfar Babar Siddiqi	1	500	0.00%
Mr. Ishtiaq Ahmed	1	500	0.00%
Mr. Syed Maqbool Ali	1	500	0.00%
Mr. Mehmood-ul-Hassan Asghar	1	500	0.00%
Mrs. Nida Jamil	1	500	0.00%
Associated Companies			
Dewan Motors (Pvt.) Limited	1	1,306,887	2.84%
NIT and ICP	-	-	0.00%
Executives	-	-	0.00%
Banks, Development Financial Institutions, Non-Banking Finance Companies	-	-	0.00%
Insurance Companies	-	-	0.00%
Modarabas and Mutual Funds	-	-	0.00%
General Public			
a. Local	308	44,738,784	97.12%
b. Foreign	-	-	0.00%
Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	4	14,938	0.03%
TOTAL	320	46,064,609	100.00%

SHAREHOLDERS HOLDING FIVE PERCENT OF MORE VOTING RIGHTS

NAME OF SHAREHOLDER	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Dewan Muhammad Yousuf Farooqui	2	31,040,518	67.38%
Dewan Abdul Rehman Farooqui	2	6,299,053	13.67%

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 TEXTILE MILLS LIMITED
PATTERN OF SHAREHOLDING
AS ON 30TH JUNE 2024

Number of Shareholders	Shareholding Slab		Total Shares Held	Percentage
	From	To		
147	1	100	2,462	0.01%
49	101	500	17,244	0.04%
25	501	1,000	20,970	0.05%
51	1,001	5,000	125,911	0.27%
7	5,001	10,000	57,500	0.12%
8	10,001	15,000	101,094	0.22%
3	15,001	20,000	52,500	0.11%
5	20,001	25,000	113,848	0.25%
2	25,001	35,000	65,816	0.14%
1	35,001	40,000	40,000	0.09%
1	40,001	45,000	42,500	0.09%
2	45,001	50,000	99,106	0.22%
1	50,001	65,000	62,003	0.13%
1	65,001	70,000	67,621	0.15%
1	70,001	80,000	78,503	0.17%
1	80,001	100,000	93,500	0.20%
2	100,001	300,000	518,080	1.12%
1	300,001	400,000	333,965	0.72%
1	400,001	450,000	401,293	0.87%
1	450,001	500,000	500,000	1.09%
2	500,001	900,000	1,679,714	3.65%
2	900,001	1,000,000	1,883,521	4.09%
2	1,000,001	1,500,000	2,367,887	5.14%
1	1,500,001	2,000,000	1,669,053	3.62%
1	2,000,001	4,500,000	4,321,092	9.38%
1	4,500,001	5,000,000	4,630,000	10.05%
1	5,000,001	27,000,000	26,719,426	58.00%
320	TOTAL		46,064,609	100.00%

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران فی شیئر خسارہ مبلغ (2.94) روپے (2023: مبلغ (11.80)) روپے رہا۔

آڈیٹرز کی تقرری:

موجودہ آڈیٹرز میسرز فاروق علی 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 مجوزہ میسرز فاروق علی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کی آڈیٹرز کے طور پر دوبارہ تقرری کی تجویز کی ہے۔

شیئر ہولڈنگ کا پیٹرن:

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

اہم آپریٹنگ اور مالیاتی تفصیل:

چھ سالہ اہم آپریٹنگ اور مالیاتی تفصیل منسلک ہے۔

بعد از واقعات:

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی اہم مادی تبدیلیاں یا وعدے موجود نہیں ہیں۔

اظہار تشکر اور نتیجہ:

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

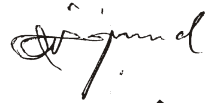
نتیجہ کے حوالے سے میں اللہ تعالیٰ رحمن و رحیم سے دعا کرتا ہوں کہ وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح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

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



سید مقبول علی

چیرمین بورڈ آف ڈائریکٹرز



اشتیاق احمد

چیف ایگزیکٹو آفیسر اور ڈائریکٹر

کراچی؛

تاریخ: یکم اکتوبر 2024ء

**YD****A YOUSUF DEWAN COMPANY**

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

نام	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق	4
جناب اشتیاق احمد	4
جناب حفصہ بابر صدیقی	4
جناب محمود الحسن اصغر	4
سید مقبول علی	4
جناب عبدالباسط	4
محترمہ ندا جمیل	3

آؤٹ کمیٹی:

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

سال کے دوران آؤٹ 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	4
سید مقبول علی	4
جناب محمود الحسن اصغر	4

ہیومن ریسورس اور اجرتی کمیٹی:

ہیومن ریسورس اور اجرتی کمیٹی کی تشکیل بورڈ نے کی تھی تاکہ ہیومن ریسورس کی پالیسیوں پر میعادہ جازے سے متعلق ان کی ذمہ داریوں میں تعاون فراہم کر سکیں۔ اس کے علاوہ انتخاب، تنجینہ، معاوضہ اور انتظامیہ 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
سید مقبول علی	1
جناب اشتیاق احمد	1

کارپوریٹ معاشرتی ذمہ داریاں:

ہم بھی کارپوریٹ معاشرتی ذمہ داریوں (CSR) کے اصولوں پر عمل پیرا ہیں اور اپنی روزمرہ کاروباری سرگرمیوں میں مستحکم سماجی طریقوں کو شامل کرنے کے لیے پرعزم ہیں۔ کمپنی تمام اسٹیک ہولڈرز کے مفادات، خاص طور پر اس کمیونٹی کے مفادات کو مد نظر رکھنے اور توازن قائم کرنے کی کوشش کرنے کا عہد کرتی ہے جس میں ہم رہتے ہیں اور ان ورکرز کے لیے جو ہمارے کاروبار کی بنیاد ہیں۔ ہم اپنی کامیابی کی پینکٹ صرف مالیاتی معیار کے لحاظ سے نہیں بلکہ اپنے صارفین کے اطمینان اور ان کمیونٹیوں کے تعاون کرنے کے لحاظ سے بھی کرتے ہیں جن کی خدمت ہم کرتے ہیں۔

صحت، حفاظت اور ماحول:

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

انسانی ذرائع (ہیومن ریسورس):

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

کارپوریٹ اور مالیاتی رپورٹنگ:

آپ کی کمپنی، بہترین کارپوریٹ گورننس کے اصولوں پر عمل پیرا ہیں۔ بورڈ اس بات کی ذمہ داری کو تسلیم کرتا ہے کہ وہ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک کے حوالے سے جوابدہ ہے۔ ڈائریکٹرز اس بات کی 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 طریقہ سے مرتب کئے گئے ہیں۔
- ۳۔ اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ محاسبی کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔
- ۴۔ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات جیسے پاکستان میں نافذ العمل ہیں، اور باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے۔
- ۵۔ اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ۶۔ کارپوریٹ گورننس پر عملدرآمد کے حوالے سے کوئی بھی انحراف نہیں کیا گیا سوائے ان کے جن کا ذکر آڈیٹرز کی جائزہ رپورٹ میں ہے۔
- ۷۔ کمپنی نے اپنے بورڈ کے غیر ایگزیکٹو ممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔
- ۸۔ بورڈ نے اپنے ممبران اور کمپنی کے ملازمین میں سے اسٹیٹمنٹ برائے اصول اور کاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔
- ۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات کے نوٹ نمبر 2 میں کیا گیا ہے۔
- ۱۰۔ مینیجر، ڈیپوٹیز 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 کا پتھر

(۲) متعلقین اور دیگر افراد کے شیئرز

بورڈ:

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد اور ماہرین پر مشتمل ہے جو کہ اپنی بہترین مہارت کے تحت کمپنی کے مقاصد پر عملدرآمد کرتے ہیں۔ سی ای او اور ڈائریکٹرز کے معاوضے جات کی تفصیلات مالیاتی حسابات کے نوٹ نمبر 27 میں کیا گیا ہے۔

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

ڈائریکٹرز	تعداد
(a) مرد	6
(b) عورت	1
تفصیل:	
(a) آزاد ڈائریکٹر	1
(b) دیگر نان ایگزیکٹو ڈائریکٹرز	5
(c) ایگزیکٹو ڈائریکٹرز	1

**YD**

A YOUSUF DEWAN COMPANY

آپریٹنگ بندش کے باعث کمپنی کی آپریٹنگ فروخت دوران سال صفر رہی۔ دسمبر 2015ء سے کمپنی نے اپنی پیداواری سرگرمیاں معطل کر رکھی ہیں، جسے صنعت کے خفی حالات اور ورکنگ کپٹل کی کمی کی وجہ سے دوبارہ شروع نہیں کیا جاسکا۔

مالی سال 2012ء میں، کمپنی نے اپنے قرض خواہوں کے ساتھ ایک معاہدے کے ذریعے تصفیہ کیا، جس کے تحت سندھ ہائی کورٹ، کراچی نے رضامندی کے فیصلے جاری کیے۔ کمپنی کے قلیل مدتی اور طویل مدتی قرضوں کو دوبارہ مرتب کیا گیا تھا، تاہم کچھ بینکوں نے جن کے خلاف 419.065 ملین روپے کے مقدمات ہیں، اس وقت کی تجویز کو قبول نہیں کیا۔ معاہدے کے مطابق دوبارہ مرتب کردہ قرضہ جات کی ادائیگی میں ناکامی کے نتیجے میں، قرض خواہوں نے رضامندی کے فیصلوں پر عمل درآمد کے لیے درخواست دی۔ کمپنی نے سندھ ہائی کورٹ، کراچی میں مقدمات دائر کیے، جہاں اس بات پر سختی سے بحث کی گئی ہے کہ عمل درآمد کی درخواست غیر منصفانہ اور قانون کے خلاف ہے۔ کمپنی کی انتظامیہ کو امید ہے کہ اس سے مثبت نتائج حاصل ہوں گے۔

کمپنی کے آڈیٹرز نے اپنی جاری کردہ رپورٹ میں منفی رائے کا اظہار کیا ہے جس کا تعلق آپریٹنگ بندش، دوبارہ مرتب کردہ قرضہ جات کی اقساط میں واپسی کی کوتاہی سے ہے۔

مالیاتی حسابات جاری کردہ امور کے تحت مرتب کئے گئے ہیں کیونکہ کمپنی نے اپنے قرض خواہوں سے اپنے قرضہ جات کی دوبارہ ترتیب کے لیے رابطہ قائم کیا ہے جو کہ زیر غور ہے۔ انتظامیہ کو امید ہے یہ نظر ثانی جلد مکمل ہو جائے گی۔ مزید برآں، دوبارہ ترتیب کی تاریخ تک زیر التواء مارک اپ کی رقم 1.452 ملین روپے ہے، جس کی ادائیگی کمپنی کو معاہدے کی شرائط کے خلاف ورزی کی صورت میں کرنا پڑے گی۔ چونکہ انتظامیہ کو یقین ہے کہ دوبارہ تجدید کے حوالے سے یہ رقم مستقل طور پر حذب کر دی جائے گی۔ لہذا ان مالیاتی حسابات میں اسے شامل کرنے کی ضرورت نہیں ہے۔

کچھ قرض خواہوں نے معاہدے پر دستخط نہیں کیے اور اپنے قرضہ جات کی وصولی کے لیے ہائیکورٹ آف سندھ، کراچی میں دائر کیے گئے مقدمات کی پیروی جاری رکھی، جس میں کمپنی کی رہن کردہ جائیدادوں کی ضبطی اور فروخت شامل ہے۔ ان مقدمات کی مجموعی رقم 419.065 ملین روپے ہے، جن میں سے ایک بینک جس کے دعویٰ کی رقم 193.266 ملین روپے ہے، نے 1984 کے ختم شدہ کمپنیوں کے آرڈیننس کی دفعہ 305 (موجودہ 2017 کے کمپنی ایکٹ کی دفعہ 301) کے تحت کمپنی کی ختم ہونے کی درخواست بھی دائر کی ہے۔ کمپنی نے ان کیسز کی سختی سے مخالفت کی ہے کیونکہ بینکوں نے غلط دعوے دائر کیے ہیں۔ کمپنی کی انتظامیہ کو مثبت نتائج کی توقع ہے۔

کمپنی نے اس سال کے لئے مارک اپ کی پروویژن مبلغ 428.480 ملین روپے (30 جون 2024ء تک 1,150.485 ملین روپے) کی ری اسٹرکچرنگ کی جو کہ مختلف بینکوں سے قرضہ سے متعلق ہے جنہوں نے اب تک ری اسٹرکچرنگ نہیں کی ہے۔ کمپنی کی انتظامیہ پر امید ہے کہ یہ بینکس بھی مستقبل قریب میں اس دوبارہ ترتیب کو قبول کر لیں گے۔ لہذا ان مالیاتی حسابات میں مذکورہ مارک اپ پر کوئی پروویژن مرتب نہیں کی ہے۔

مستقبل کا نظریہ:

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

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

ڈائریکٹر رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

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

جائزہ:

معیاری اقتصادی استحکام کی بحالی ضروری ہے تاکہ ترقی کو فروغ دینے، روزگار بڑھانے اور عوام کے مجموعی معیار زندگی کو بہتر بنانے کے لیے ایک مضبوط بنیاد قائم کی جاسکے۔ یہ سال بے شمار مشکلات اور غیر یقینی صورتحال سے بھرا ہوا تھا، جن میں کم غیر ملکی زرمبادلہ کے ذخائر، عالمی اقتصادی سست روی، توانائی کی قیمتوں اور مالیاتی اخراجات میں بے پناہ اضافہ، اور سیاسی عدم استحکام شامل ہیں۔ آپریٹنگ ماحول مزید پیچیدہ ہو گیا تھا کیونکہ زیادہ پیداواری لاگتوں کے باعث معاشی سرگرمیوں میں سست روی آئی۔ تاہم، مالی سال 2024ء کے آخری حصے میں، ان مشکلات کے باوجود، پاکستان کی معیشت میں معتدل ترقی اور بیرونی دباؤ میں کمی دیکھنے میں آئی۔ اس میں حکومت کی منظم مالیاتی اور مانیٹری پالیسیوں نے اہم کردار ادا کیا، جس سے مارکیٹ کے اعتماد کی بحالی اور مختلف شعبوں میں ترقی کو فروغ دینے میں مدد ملی۔ مالی سال 2024ء میں، پاکستان کی جی ڈی پی میں 2.38 فیصد اضافہ ہوا، جس میں زراعت کے شعبے نے 2.25 فیصد کی مضبوط ترقی دکھائی (مالی سال 2023ء میں 2.27 فیصد)۔ صنعتی اور خدمات کے شعبے میں بھی 1.21 فیصد اضافہ ہوا (مالی سال 2023ء میں 2.94 فیصد کی)۔ مرکزی بینک نے اپنی زری پالیسی کمیٹی کی آخری تین میٹنگ میں پالیسی ریٹ کو 22.0 فیصد سے کم کر کے 17.50 فیصد کیا ہے جبکہ افراط زر سال بہ سال 38.0 فیصد سے کم ہو کر 17.3 فیصد آگیا۔ درآمدات کو محدود کرنے کی پالیسی کی وجہ سے درآمدی بل میں معمولی کمی ہوئی، جو 0.72 فیصد رہی (مالی سال 2023ء میں 12.7 فیصد)۔ اس کے برعکس، ملک کی برآمدات میں قابل ذکر 10.65 فیصد اضافہ ہوا، جو بڑھ کر 30.67 بلین امریکی ڈالر تک پہنچ گئی (مالی سال 2023ء میں 27.72 بلین امریکی ڈالر)۔ اسی طرح ترسیلات زر میں بھی 10.7 فیصد اضافہ ہوا، جس کی مالیت 31.25 بلین امریکی ڈالر رہی (مالی سال 2023ء میں 27.72 بلین امریکی ڈالر)۔ اس سے بیرونی ذخائر کو نمایاں مدد ملی۔ نتیجتاً، کرنٹ اکاؤنٹ خسارے میں تیزی سے 79 فیصد کمی واقع ہوئی، جو گھٹ کر 681 بلین امریکی ڈالر ہو گیا۔

صنعتی جائزہ:

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

مالیاتی نتائج اور کارکردگی (فیکٹری کی بندش):

آپ کی کمپنی کا بنیادی کاروباری سرگرمی یا رن کی تیاری اور فروخت ہے۔ زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:

(روپے)

فروخت (صافی)	-
فروخت کی لاگت	(149,322,241)
کل خسارہ	(149,322,241)
انتظامی اخراجات	(5,500,963)
آپریٹنگ خسارہ	(154,823,204)
مالیاتی لاگت	(26,133,268)
دیگر چارجز	(3,651,434)
دیگر آمدنی	23,279,000
قبل از ٹیکس خسارہ	(161,328,906)
ٹیکسیشن	26,077,414
بعد از ٹیکس خسارہ	(135,251,492)

**YD****A YOUSUF DEWAN COMPANY**

(i) اراکین 22 اکتوبر، 2024 سے قبل کمپنی کی ویب سائٹ

<http://www.yousufdewan.com/dtml/index.html> پر دستیاب معیاری درخواست فارم کے مطابق اپنی درخواست ای میل

dtml.corp@yousufdewan.com پر یا دیوان سینٹر، 3-A، لالہ زار بیچ ہوٹل روڈ کراچی میں کمپنی سیکرٹری کے نام پر اپنی درخواست ارسال کر کے خود رجسٹر کر سکتے ہیں۔

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

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

کمپنیز ایکٹ 2017 کی دفعہ 72 کے تحت تمام ہر لٹھ 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 سرٹیفیکٹس کو الیکٹرانک فارم میں منتقل کریں۔

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

دیوان ٹیکسٹائل ملز لمیٹڈ سالانہ اجلاس عام

بذریعہ نوٹس ہذا کو مطلع کیا جاتا ہے کہ دیوان ٹیکسٹائل ملز لمیٹڈ کا 55 واں سالانہ اجلاس عام بروز جمعرات 24 اکتوبر، 2024 دوپہر 12:00 بجے دیوان سینٹ فیکٹری سائٹ، دیہہ ڈھنڈو، دھابھتی، ضلع ملیر، کراچی میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

- (1) جمعرات 26 اکتوبر، 2023 کو منعقدہ کمپنی کے سالانہ اجلاس عام کی کارروائی کی توثیق۔
- (2) 30 جون، 2024ء 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، 2025ء کو مکمل ہونے والے سال کیلئے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کے مشاورہ کا تعین۔
- (4) چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ



محمد حنیف جومان
کمپنی سیکریٹری

102 اکتوبر، 2024

نوٹس:

(الف) کمپنی کی حصص منتقلی کی کتب 17 اکتوبر، 2024 سے 24 اکتوبر، 2024 تک (بشمول دونوں دن) بند رہیں گی۔ شیئرز رجسٹرار کے دفتر واقع میسرز بی ایم ایف کنسلٹنٹ پاکستان (پرائیویٹ) لمیٹڈ، واقع انجم 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 پراسی مقرر کر سکتا ہے۔ مکمل پراسی فارم اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی کے شیئرز رجسٹرار آفس میں جمع کرانا ہوگا۔

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

(سی) اراکین سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر کمپنی کے شیئرز 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 ای ایم کے نوٹس وصول کرنے کے خواہشمند اراکین سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ <http://www.yousufdewan.com/dtml/index.html> پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

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 فارم کمپنی کی ویب سائٹ پر دستیاب ہے۔

زوم ایپلی 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۔

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- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered

- Stock trading simulator
(based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

jamapunji.pk

@jamapunji_pk

*Mobile apps are also available for download for android and ios devices

DEWAN TEXTILE MILLS LIMITED
55th 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 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 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 55th Annual General Meeting of the Company to be held on **Thursday, October 24,**
2024, at 12:00 noon. And any adjournment thereof.
Signed this _____ day of _____ 2024.

Affix
Revenue
Stamp
Rs. 5/-

Signature _____

Witness: _____

Signature

Name: _____

Address: _____

Witness: _____

Signature

Name: _____

Address: _____

پراکسی فارم ۵۵ واں سالانہ اجلاس عام

اہم اعلان

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

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان 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 ٹیکسٹائل ملز لمیٹڈ

_____ سی ڈی سی آئی ڈی اور کھاتہ نمبر

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۵۵ واں سالانہ اجلاس عام جو کہ بروز جمعرات، ۲۴ اکتوبر ۲۰۲۴ کو دوپہر ۱۲:۰۰ بجے، ہے میری / ہماری جانب سے ووٹ دے۔

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

Affix
Revenue
Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____