



**COLONY**  
**TEXTILE MILLS**

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L I M I T E D

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE FIRST QUARTER ENDED  
SEPTEMBER 30, 2024  
(UN-AUDITED)**



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## COMPANY INFORMATION

### Board Of Directors

Mr. M. Atta Ullah Khan	(Chairman)
Mr. Fareed Mughis Sheikh	(Chief Executive Officer)
Mr. Muhammad Tariq	
Mr. Muhammad Shahzad Jamil	
Syed Aftab Hussain Naqvi	
Mr. Abdul Hakeem Khan Qasuria	
Mrs. Amna Anwar	

### Board Committees

#### Audit Committee

Mr. Abdul Hakeem Khan Qasuria	(Chairman)
Mrs. Amna Anwar	
Mr. Muhammad Shahzad Jamil	

#### HR & Remuneration Committee

Syed Aftab Hussain Naqvi	(Chairman)
Mr. Abdul Hamkeem Khan Qasuria	
Mr. Muhammad Shahzad Jamil	

### Other Management Committees

#### Executive Committee

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Muhammad Tariq	
Mr. Muhammad Shahzad Jamil	

#### Technical Committee

Mr. Fareed Mughis Sheikh	(Chairman)
Mr. Muhammad Tariq	
Mr. Noor Khan	

### Social Compliance & Human Resource Committees

Mr. Fareed Mughis Sheikh	(Chairman)
Syed Aftab Hussain Naqvi	
Mr. Atta Mohyuddin Khan	

**Chief Financial Officer**

Mr. Atta Mohyuddin Khan

**Company Secretary**

Mr. Muhammad Abid

**Auditors**

Ilyas Saeed & Co.  
Chartered Accountants

**Legal Advisor**

BNR  
Advocates and Corporate Counsel

**Tax Advisor**

Riaz Ahmad & Company  
Chartered Accountants

**Registered Address**

Ismail Aiwan-e-Science Building  
205 Ferozpur Road, Lahore-54600  
Phone : 042-35758970-2  
Fax : 042-35763247  
Email : corporate@colonytextiles.com  
Website: www.colonytextiles.com

**Share Registrar**

Hameed Majeed Associates (Pvt.) Limited  
HM House, 7 Bank Square Lahore.  
Phone: (042) 37235081-2, Fax: 042-37358817  
Email : shares@hmaconsultants.com

**Bankers**

Bank Islami Pakistan Limited  
Meezan Bank Limited  
Faysal Bank Limited  
Habib Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Silk Bank Limited  
The Bank of Punjab  
United Bank Limited  
Bank Makramah Limited

## DIRECTORS' REVIEW

**Dear Members,**

It is our pleasure to present here our interim condensed financial statements for the three months ended September 30, 2024.

The turnover of the first quarter is Rs. 3,185 million ( 2023: Rs. 6,352 million )with a gross loss of the quarter is Rs. 97 million as compared with the gross profit 163 million of the corresponding period of the last year. The net loss of the quarter is Rs. 616 million (2023: Rs. 496 million). Loss per share of the first quarter is Rs. 1.24 as compared to the loss per share of Rs. 1.00 of the corresponding quarter of the last year.

Textile industry in Pakistan is continuously facing multidimensional challenges in recent few years which are causing problems to compete both locally and internationally. These problems encompass reduction of demand locally as well as globally, high rate of inflation, high rate of raw materials, high cost of energy and labor, volatility of exchange rates and escalation of government taxes.

Textile sector is further under pressure due to international recession. Additionally due to high cost of production in Pakistan our products are facing severe competition in international market and the availability of cheaper imported yarns and fabrics is posing a significant challenge for domestic sales. Recent budgetary measures such as withdrawal of zero rating on local supplies under Export Facilitation Scheme (EFS), enhanced income tax withholding against exports and change in taxation regime from final tax to normal tax will further impacts competitiveness of the industry.

Even though the environment is extremely tough but we are very certain that with our untiring efforts and the dedication of our team we would be able to face the worst challenges and thrive.

We would like to place on record our deep appreciation for the cooperation of our banks, efforts of our executives and employees for the betterment of the company.

**For and on behalf of the Board**



**Abdul Hakeem Khan Qasuria**  
Director



**Fareed Mughis Sheikh**  
Chief Executive Officer

Lahore  
October 30, 2024

## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT SEPTEMBER 30, 2024

	Note	(Un-Audited) September 30, 2024 Rupees "000"	(Audited) June 30, 2024 Rupees "000"
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Issued, subscribed and paid up capital	4	4,980,100	4,980,100
Reserve arising on amalgamation		3,156,388	3,156,388
Revaluation surplus on property, plant and equipment		19,594	19,594
Directors' Subordinated loan		120,000	120,000
General Reserves		4,702	4,702
Unappropriated Profit / (Loss)		(1,547,383)	(931,689)
Surplus on remeasurement of investments		819	819
		6,734,220	7,349,914
<b>NON CURRENT LIABILITIES</b>			
Long term finances	5	6,140,475	6,351,780
Liabilities against assets subject to finance lease		-	-
Deferred liabilities		4,919,163	4,583,756
		11,059,638	10,935,536
<b>CURRENT LIABILITIES</b>			
Trade and other payables		7,368,795	6,998,396
Short term borrowings		1,565,392	1,572,646
Accrued mark up		587,247	516,138
Unclaimed dividend		94	94
Current portion of long term liabilities		1,499,031	1,296,174
Provision for taxation		314,199	278,338
		11,334,758	10,661,786
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	-	-
		29,128,616	28,947,236
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	18,457,021	18,671,967
Right of use assets		76,693	77,665
Investment property		1,542,569	1,542,570
Long term investments		223,374	223,374
Long term deposits		54,465	54,465
		20,354,122	20,570,041
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		300,261	382,198
Stock in trade		4,004,178	4,203,953
Trade debts		321,030	201,306
Loans and advances		374,253	301,291
Trade deposits and short term prepayments		145,941	102,363
Other financial assets		22	22
Tax refund due from government		3,556,544	3,098,184
Cash and bank balances		72,265	87,878
		8,774,494	8,377,195
		29,128,616	28,947,236

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

## INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	(Un-Audited) September 30, 2024 Rupees "000"	(Un-Audited) September 30, 2023 Rupees "000"
Sales-net		3,185,148	6,351,810
Cost of sales		3,282,351	6,189,310
Gross (Loss) / Profit		(97,203)	162,500
Operating expenses:			
Distribution cost		41,402	61,795
Administrative expenses		65,490	158,495
		106,892	220,290
Operating (Loss) / Profit		(204,095)	(57,790)
Finance cost		391,659	410,768
		(595,754)	(468,558)
Other Income	8	15,921	48,560
(Loss) / Profit before tax		(579,833)	(419,998)
Taxation	9	35,861	75,642
(Loss) / Profit after tax		(615,694)	(495,640)
(Loss)/Earnings per share-basic and diluted		(1.24)	(1.00)
<b>Other Comprehensive Income</b>			
		-	-
Total Comprehensive (Loss) / Income		(615,694)	(495,640)

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

## INTERIM CONDENSED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Note	(Un-Audited) September 30, 2024 Rupees "000"	(Un-Audited) September 30, 2023 Rupees "000"
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) before taxation</b>	(579,833)	(419,998)
<b>Adjustments for:</b>		
Provision for gratuity	54,004	34,259
Depreciation	217,957	222,188
(Profit)/Loss on disposal of PPE	-	(905)
Finance cost	391,659	410,768
<b>Operating cash flows before working capital changes</b>	<b>83,787</b>	<b>246,312</b>
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	81,937	(32,541)
Stock in trade	199,775	792,510
Trade debts	(119,724)	(102,981)
Loans and advances	(72,962)	(27,616)
Trade deposits and short term prepayments	(43,578)	(58,788)
Tax refund due from government	(443,006)	(344,064)
<b>Increase / (decrease) in current liabilities</b>	<b>370,398</b>	<b>(120,209)</b>
Trade and other payables	(27,160)	106,311
<b>Cash generated from operating activities</b>	<b>56,627</b>	<b>352,623</b>
Finance cost paid	(13,244)	(29,257)
Gratuity paid	(25,902)	(5,712)
Income tax paid	(15,354)	(39,443)
<b>Net cash generated from operating activities</b>	<b>(54,500)</b>	<b>(74,412)</b>
	2,127	278,211
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(2,039)	(181,802)
Proceeds from disposal of PPE	-	2,500
<b>Net cash used in investing activities</b>	<b>(2,039)</b>	<b>(179,302)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances obtained / (repaid)	(8,447)	36,207
Lease rentals-Net	-	(1,592)
Short term borrowings-net	(7,254)	(150,122)
<b>Net cash generated / (used) in financing activities</b>	<b>(15,701)</b>	<b>(115,507)</b>
Net cash (decrease) / increase in cash and cash equivalents during the period	(15,613)	(16,597)
Cash and cash equivalents at the beginning of the period	87,878	90,916
Cash and cash equivalents at the end of the period	<b>72,265</b>	<b>74,319</b>

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Share capital	Reserve arising on amalgamation	Revaluation surplus on property, plant and equipment	Directors' loan	REVENUE RESERVES			Total
					General reserves	Unappropriated profit/(loss)	Surplus / (Deficit) on Re-measurement of investments	
.....Rupees "000".....								
Balance as on July 01, 2023	4,980,100	3,156,388	19,594	120,000	4,702	2,708,963	694	10,990,441
(Loss) / Profit for the period	-	-	-	-	-	(495,640)	-	(495,640)
Balance as at September 30, 2023	<u>4,980,100</u>	<u>3,156,388</u>	<u>19,594</u>	<u>120,000</u>	<u>4,702</u>	<u>2,213,323</u>	<u>694</u>	<u>10,494,801</u>
Balance as on July 01, 2024	4,980,100	3,156,388	19,594	120,000	4,702	(931,689)	819	7,349,914
(Loss) / Profit for the period	-	-	-	-	-	(615,694)	-	(615,694)
Balance as at September 30, 2024	<u>4,980,100</u>	<u>3,156,388</u>	<u>19,594</u>	<u>120,000</u>	<u>4,702</u>	<u>(1,547,383)</u>	<u>819</u>	<u>6,734,220</u>

The annexed notes from 1 to 12 form an integral part of these financial statements.



Chief Financial Officer



Director



Chief Executive Officer

## SELECTED EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

### 1 THE COMPANY AND ITS OPERATIONS

Colony Textile Mills Limited is a public company limited by shares incorporated in Pakistan on January 12, 2011 under the provisions of the Companies Ordinance, 1984 (Now The Companies Act 2017). The company is listed on Pakistan Stock Exchange Limited. The company's registered office is located at M. Ismail Aiwani-Science, Ferozpur Road, Lahore, Pakistan. The principal activity of the company is manufacturing and sale of yarn, fabrics, garments made ups and trading in real estate.

### 2 BASIS OF PREPARATION OF ACCOUNTS

These financial statements are unaudited and are being submitted to members as required under section 237 of the Companies Act, 2017. These have been prepared in accordance with the International Accounting Standard 34 (Interim Financial Reporting) as applicable in Pakistan and notified by Securities and Exchange Commission of Pakistan (SECP).

### 3 ACCOUNTING POLICIES AND SEASONALITY OF OPERATIONS

- 3.1 The accounting policies and methods of computations adopted for the preparation of these accounts are the same as applied in the preparation of preceding annual published accounts of the company.
- 3.2 Some operations of the Company are very much seasonal in nature such as cotton purchase which depends upon the crop season. Effect of such operations are also reflected in these financial statements

September 30, 2024 Rupees "000"	June 30, 2024 Rupees "000"
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### 4 SHARE CAPITAL

#### 4.1 Authorized capital

185,000,000 ( 2023: 185,000,000) ordinary shares of Rs. 10 each	1,850,000	1,850,000
Capital of merged companies		
345,000,000 (2023: 345,000,000) ordinary shares of Rs. 10	3,450,000	3,450,000
	<u>5,300,000</u>	<u>5,300,000</u>

Note	September 30, 2024	June 30, 2024
	Rupees "000"	Rupees "000"

#### 4.2 Issued, subscribed and paid up capital

20,000 (2023: 20,000) ordinary shares of Rs. 10 each issued as fully paid shares	200	200
497,989,959 (2023: 497,989,959) fully paid ordinary shares of Rs. 10 each issued to the shareholders of amalgamated entities	4,979,900	4,979,900
	<u>4,980,100</u>	<u>4,980,100</u>

#### 5 LONG TERM FINANCES-Secured

Long term loans	7,639,507	7,647,954
Less: Current portion shown under current liabilities	(1,499,032)	(1,296,174)
	<u>6,140,475</u>	<u>6,351,780</u>

#### 6 CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments are almost same as described in the recent annual accounts.

#### 7 PROPERTY , PLANT AND EQUIPMENT

Operating fixed assets	7.1	18,440,325	18,655,271
Capital work in progress		16,696	16,696
		<u>18,457,021</u>	<u>18,671,967</u>

	Note	September 30, 2024 Rupees "000"	June 30, 2024 Rupees "000"
<b>7.1 Operating fixed assets</b>			
Opening written down value		18,655,271	18,972,955
Add: Cost of additions during the period	7.2	2,039	578,797
		<u>18,657,310</u>	<u>19,551,752</u>
Less: Written down value of deletions during the period		-	1,595
		<u>18,657,310</u>	<u>19,550,157</u>
Less: Depreciation charged during the period		216,985	894,886
		<u>18,440,325</u>	<u>18,655,271</u>

**7.2 Cost of additions during the period**

Building on free hold land	350	21,647
Plant and machinery	610	455,451
Factory tools & equipment	-	444
Furniture & fixture	789	2,710
Office and other equipment	290	9,212
Vehicles	-	139
Transferred from CWIP	-	89,194
	<u>2,039</u>	<u>578,797</u>

	September 30, 2024	September 30, 2023
	Rupees "000"	Rupees "000"

**8 OTHER INCOME**

Other income includes profit on bank deposits, exchange gains and rental income.

**9 PROVISION FOR TAXATION**

Current-Minimum Taxation	35,861	75,642
	<u>35,861</u>	<u>75,642</u>

**10 RELATED PARTY TRANSACTIONS**

All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions.

Contribution to Provident Fund Trust	<u>7,783</u>	<u>8,349</u>
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**11 SEGMENT INFORMATION**

11.1 The company has two reportable business segments. The following summary describes the operation in each of the company's reportable segments:

Spinning: Production of different qualities of yarn using cotton and man-made fibers.

Weaving: Production of different qualities of greige fabric using cotton and man-made fibre yarn.

Transactions among the business segments are recorded at cost. Intersegment sales and purchases have been eliminated from the total.

## 11.2

Spinning		Weaving		Total-company	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
-----Rupees (000)-----		-----Rupees (000)-----		-----Rupees (000)-----	

## Sales:

Total Sales	2,696,670	5,665,140	495,608	741,083	3,192,278	6,406,223
Inter segment	(7,130)	(54,413)	-	-	(7,130)	(54,413)
External Sales	2,689,540	5,610,727	495,608	741,083	3,185,148	6,351,810
Cost of sales	2,747,022	5,508,486	535,329	680,824	3,282,351	6,189,310
Gross profit	(57,482)	102,241	(39,721)	60,259	(97,203)	162,500
Distribution cost	24,841	37,077	16,561	24,718	41,402	61,795
Administration cost	39,294	95,097	26,196	63,398	65,490	158,495
	64,135	132,174	42,757	88,116	106,892	220,290
	(121,617)	(29,933)	(82,478)	(27,857)	(204,095)	(57,790)
Finance cost	234,995	246,461	156,664	164,307	391,659	410,768
	(356,612)	(276,393)	(239,142)	(192,165)	(595,754)	(468,558)

## Unallocated income and expenses

Other income					15,921	48,560
(Loss) / Profit before tax					(579,833)	(419,998)
Taxation					35,861	75,642
(Loss) / Profit after tax					(615,694)	(495,640)
Other comprehensive income:					-	-
Total Comprehensive (Loss) / Income					(615,694)	(495,640)

## 12 AUTHORIZATION FOR ISSUE

These accounts have been approved and authorized for issue by the board of directors in its meeting held on October 30, 2024.



Chief Financial Officer



Director





Chief Executive Officer

اگرچہ ماحول انتہائی سخت ہے لیکن ہمیں یقین ہے کہ ہماری انتھک کوششوں اور اپنی ٹیم کی لگن سے ہم بدترین چیلنجز کا مقابلہ کرنے اور ترقی کی منازل طے کرنے کے قابل ہوں گے۔

ہم اپنے بینکوں کے تعاون، کمپنی کی بہتری کے لیے اپنے ایگزیکٹوز اور ملازمین کی کوششوں کو ریکارڈ پر رکھنا چاہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

  
عبدالحکیم خان قصوریہ  
ڈائریکٹر

  
فرید معیث شیخ  
چیف ایگزیکٹو آفیسر

30 اکتوبر 2024

## ڈائریکٹران کی جائزہ رپورٹ

30 ستمبر 2024 کو ختم ہونے والے تین مہینوں کے لیے اپنے عبوری مختصر مالیاتی گوشوارے یہاں پیش کرتے ہوئے ہمیں خوشی ہے۔

پہلی سہ ماہی کا مالیاتی حجم 3,185 ملین روپے ہے۔ (2023: 6,352 ملین روپے) سہ ماہی کا مجموعی نقصان 97 ملین روپے ہے۔ گزشتہ سال کی اسی مدت کا مجموعی منافع 163 ملین روپے ہے۔ سہ ماہی کا خالص نقصان 616 ملین روپے ہے (2023: 496 ملین روپے)۔ پہلی سہ ماہی کا فی حصص خسارہ 1.24 روپے ہے۔ گزشتہ سال کی اسی سہ ماہی کا خسارہ فی حصص 1.00 روپے ہے۔

پاکستان میں ٹیکسٹائل کی صنعت کو حالیہ چند سالوں میں مسلسل کثیر جہتی چیلنجز کا سامنا ہے جس کی وجہ سے مقامی اور بین الاقوامی سطح پر مقابلہ کرنے میں مسائل پیدا ہو رہے ہیں۔ ان مسائل میں مقامی اور عالمی سطح پر طلب میں کمی، افراط زر کی بلند شرح، خام مال کی بلند شرح، توانائی اور محنت کی بلند قیمت، شرح مبادلہ میں اتار چڑھاؤ اور حکومتی ٹیکسوں میں اضافہ شامل ہیں۔

بین الاقوامی کساد بازاری کی وجہ سے ٹیکسٹائل سیکٹر مزید دباؤ میں ہے۔ اس کے علاوہ پاکستان میں پیداواری لاگت زیادہ ہونے کی وجہ سے ہماری مصنوعات کو بین الاقوامی مارکیٹ میں سخت مقابلے کا سامنا ہے اور سستے درآمدی یارن اور فیبرکس کی دستیابی ملکی فروخت کے لیے ایک اہم چیلنج ہے۔ حالیہ بجٹ کے اقدامات جیسے ایکسپورٹ فیسیلیٹیشن اسکیم (EFS) کے تحت مقامی سپلائرز پر زیوریننگ کی واپسی، برآمدات کے خلاف انکم ٹیکس میں اضافہ اور ٹیکسیشن کے نظام میں حتمی ٹیکس سے نارمل ٹیکس میں تبدیلی صنعت کی مسابقت کو مزید متاثر کرے گی۔





**COLONY**  
TEXTILE MILLS  
LIMITED

## **Colony Textile Mills Limited**

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