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.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS		
Executive Director	:	Mr. Ishtiaq Ahmed - Chief Executive Officer
Non-Executive Directors	:	Dewan Muhammad Yousuf Farooqui Chairman, Board of Directors Mr. Haroon Iqbal Mr. Imran Ahmed Javed Syed Muhammad Anwar Mr. Muhammad Baqar Jafferi
Independent Director	:	Mr. Aziz-ul-Haque
Audit Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Muhammad Anwar (Member) Mr. Haroon Iqbal (Member)
Human Resources & Remuneration Committee	:	Dewan Muhammad Yousuf Farooqui (Chairman) Mr. Haroon Iqbal (Member) Mr. Ishtiaq Ahmed (Member)
Auditors	:	Feroze Sharif Tariq & Co. Chartered Accountants 4/N/4 Block-6, P.E.C.H.S., Karachi 75400, Pakistan.
Company Secretary	:	Mr. Muhammad Hanif German
Chief Financial Officer	:	Mr. S.M. Raza
Tax Advisor	:	Sharif & Co. Advocates
Legal Advisor	:	A. K. Brohi & Co. Advocates
Bankers	:	Habib Bank Limited Bank Islami Pakistan Limited MCB Bank Limited
Registered Office	:	Finance & Trade Centre Block-A, 8th Floor, Shahrah-e-Faisal, 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	:	A-30, S.I.T.E., Hyderabad, Sindh, Pakistan.
Website	:	www.yousufdewan.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty Sixth Annual General Meeting of **Dewan Mushtaq Textile Mills Limited ("DMTML"** or **"the Company"**) will be held on **Monday, October 30, 2017, at 12:00 noon.** at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan; to transact the following businesses upon recitation from Holy Qur'aan and other religious recitals:

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Thursday, October 27, 2016;

2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2017, together with the Directors' and Auditors' Reports thereon;

3. To appoint the Statutory Auditors' of the Company for the ensuing year, and to fix their remuneration;

4. To consider any other business with the permission of the Chair.

SPECIAL BUSINESS:

1. To consider and if deemed fit, approve the amendments / addition in Articles of Association of the Company as mentioned in detail in the Statement under Section 134(3).

2. In connection with consent from shareholders for the transmission of the annual audited accounts in any approved transmission medium; and provision for appointment of a non-members as proxy in case of e-voting; and pass the following resolutions, with or without modifications, as Special Resolutions;

3. To obtain consent of the shareholders in terms of S.R.O. 470(I)/2016 dated May 31, 2016 issued by Securities and Exchange Commission of Pakistan, for the transmission of the annual audited accounts, notices of general meetings and other information contained therein of the Company either through CD or DVD or USB and to pass the following resolution with or without modification:

   "RESOLVED THAT consent & approval of the members of Dewan Mushtaq Textile Mills Limited (the "Company") be and is hereby accorded for transmission of annual audited accounts, notices of general meetings and other information contained therein of the Company to the members for future years commencing from the year ending on June 30, 2018 through CD or DVD or USB instead of transmitting the same in hard copies.

   "FURTHER RESOLVED THAT appointment of non-members as proxy in case of e-voting be and is hereby approved".

   "FURTHER RESOLVED THAT in connection with the resolution passed above and subject to the necessary approvals to be obtained from regulators and any consequent modifications thereon, the amendments / addition in Articles of Association of the Company which is laid before the members in the Statement under Section 134(3) and forms an integral part of this resolution be and are hereby approved".

   "FURTHER RESOLVED THAT Mr. Ishtiaq Ahmed, Chief Executive Officer & Director or Mr. Muhammad Hanif German, Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and file necessary documents as may be necessary or incidental for the purpose of implementing this resolution."

"Statement under Section 134(3) of the Companies Act. 2017, concerning the Special Business, is attached along with the Notice circulated to the members of the Company, and is deemed an integral part hereof"

By Order of the Board

Muhammad Hanif German
Company Secretary

Date : October 02, 2017
Place : Karachi

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 23, 2017 to October 30, 2017 (both days inclusive).

2. Members are requested to immediately notify change in their addresses, if any, at our Shares Registrar Transfer Agent BMF Consultants Pakistan (Private) Limited, located at Annum Estate Building, Room No. 310 & 311, 3rd Floor, 49 Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi, Pakistan.

3. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company at the above-said address, not less than 48 hours before the meeting.

4. CDC Account holders will further have to observe the following guidelines, as laid down in Circular 01 dated January 20, 2000, issued by the Securities and Exchange Commission of Pakistan:

a) For Attending Meeting:

i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original National Identity Card (CNIC), or original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) at the time of meeting.

b) For Appointing Proxies:

i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.

ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.

iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.

iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.

v) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the **specimen** signature of the nominee, shall be produced (unless it has been provided earlier) along with the proxy form to the Company.

5. **Notice to Shareholders who have not provided CNIC:**
CNIC of the shareholders is mandatory in terms of directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(1)/2012 dated July 05, 2012 for the issuance of future dividend warrants etc. and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar without any further delay.

6. **Mandate for E-DIVIDENDS for shareholders:**
In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no chances of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 5, 2013 had advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

7. **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/DMTML/index.html

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT. 2017

This statement is annexed as an integral part of the Notice of the Annual General Meeting of Dewan Mushtaq Textile Mills Limited ("the Company" or "DMTML") to be held on Monday, October 30, 2017, at 12:00 noon., at Dewan Cement Limited, Plant Site, Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan; and sets out the material facts concerning the Special Business to be transacted at the Meeting.

Special Business

1. **Circulation of Annual Reports through CD/DVD/USB:-**
Securities and Exchange Commission of Pakistan has vide S.R.O. 470(I)/2016 dated May 31, 2016 allowed the companies to circulate the annual audited accounts, notices of general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting. This will save time and expenses incurred on printing of the annual reports.

   The Company shall supply the hard copies of the aforesaid documents to the shareholders on demand, free of cost within one week of such demand. After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with the postal and email address of the Company Secretary/Share Registrar to whom such requests shall be made.

   Accordingly, the Directors of the Company have no interest in the Special Business except in their capacity as shareholders and Directors of the Company.

   "RESOLVED THAT consent & approval of the members of Dewan Mushtaq Textile Mills Limited (the "Company") be and is hereby accorded for transmission of annual audited accounts, notices of general meetings and other information contained therein of the Company to the members for future years commencing from the year ending on June 30, 2018 through CD or DVD or USB instead of transmitting the same in hard copies.

2. **To consider, and if thought appropriate, approve and resolve the passing of the following proposed special resolutions in respect of alterations to the Articles of Association of the Company.**

   i). **Addition of Clause 49-A of the Articles of Associations of the Company.**
   The provisions and requirements for e-voting including instrument for appointing proxy as prescribed by regulatory authority from time to time shall be deemed to be incorporated in these Articles, irrespective of the other provisions of these Articles of Association and notwithstanding anything contradictory therein.

"RESOLVED THAT appointment of non-members as proxy in case of e-voting be and is hereby approved".

"FURTHER RESOLVED THAT in connection with the resolution passed above and subject to the necessary approvals to be obtained from regulators and any consequent modifications thereon, the amendments / addition in Articles of Association of the Company which is laid before the members in the Statement under Section 134(3) and forms an integral part of this resolution be and are hereby approved".

The Directors of the Company are not directly or indirectly interested with the affairs of the Special Business, which nevertheless is intended to streamline the above-said provision of the Articles of Association of the Company with the like provision of the Companies Act, 2017, and also acts and benefits to the business convenience of the Company, and its Board of Directors taken as a whole.

   ii). **Amendment in Clause 51 of the Articles of Association of the Company.**

The following is the special resolution proposed in this regard:

"RESOLVED THAT the provisions of Clause 51 of the Articles of Association of the Company be and are hereby substituted with the following: "The remuneration of the Directors / Chief Executive Officer of the Company shall from time to time be determined by the Board of Directors of the Company in the Board Meeting."

Further, for the sake of convenient reference, the following is the Present Vs the Proposed Substitution of Clause 51 of the Articles of Association of the Company:

Present Clause 51 of the Articles of Association of the Company	Proposed substitution of Clause 51 of the Articles of Association of the Company
"The remuneration of the Directors shall from time to time be determined by the Company in General Meeting subject to the provisions of the Ordinance".	**"The remuneration of the Directors / Chief Executive Officer of the Company shall be fixed from time to time be determined by the Board of Directors of the Company in the Board Meeting."**

DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND 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, 2017 together with the Auditors' Report thereon.

Overview
The Textile industry in Pakistan is the largest manufacturing sector and the second largest employment generating sector and has contributed around 60% in Foreign Exchange earnings. However due to ongoing adverse scenario and Government's apathy thereto, the Textile Mills are closing and textile exports are continuosly showing declining trend. During the year under review, textile spinning industry continued to face distressed and adverse set of circumstances which hampered the operations of several units, accordingly the company has also suspended its operations during the year consideration:

Operating results and performance (Factory shutdown):
The operating results for the year under review are as follows:

	"Rupees"
SALES (NET)	14,010,476
COST OF SALES	(113,537,535)
GROSS LOSS	**(99,527,059)**
OPERATING EXPENSES	(34,666,406)
OPERATING LOSS	**(134,193,465)**
FINANCE COST	(29,120,100)
LOSS BEFORE TAXATION	**(163,313,565)**
TAXATION	6,910,010
LOSS AFTER TAXATION	**(156,403,555)**

Company net sale for the year were Rs.14.010 million as compared to Rs. 737.421 million of last year. Company has suffered gross loss of Rs. 99.527 million as compared to the gross loss of Rs. 74.856 million of previous year, whereas operating expenses of the company have reduced by Rs. 45.475 million due to closure of operations. The Company, for the time being, has suspended its manufacturing operations since July 2016 which could not be resumed due to adverse scenario faced by the industry, lesser market demand and working capital constraints.

Pakistan is fourth largest cotton prouducing country, however the demand of Cotton is more than the production, due to which textile units have to rely on imported cotton. Thus rendering the Cotton more expensive and making the exportable goods costlier. Although the cotton observed increased production of 10.7 million bales as compared to 9.9 million bales of last year, which was still lower than the target of 14.1 million bales. Effective from July 2017 Government has reimposed custom duty and sales tax on imported cotton which will ultimately increase cost of doing business.

As compared to the regional countries, i.e. Vietnam, Sri Lanka, Bangladesh and India, Pakistan is the most expensive country in terms of labor and utilities, as the minimum wage per month and cost of utilities is much higher than the regional market players, and due to high cost of production it is difficult for the industry to compete in local as well as international market.

In 2011-12, 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.

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

The financial statements has been prepared on going concern assumption as the company approached its lender for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will streamline the funding requirements of the company witch will ultimately help the management to resume the operations with optimum utilization of production capacity. As the conditions mentioned in the report are justified, as explained in note, 1.1 to the financial statements.

The company has approached its lenders for further restructuring of its liabilities, which is in process. Management is hopeful that such revision will be finalized soon as explained in note 6.1.2 to the financial statements. Moreover, the markup outstanding up to the date of restructuring is Rs.248.831 million, which the company would be liable to pay in the event of default of terms of agreement. Since the revision in restructuring is in process therefore management is confident that this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

Future Outlook
The key challenges facing Pakistan's economy have continued to suppress economic activity and growth of the country. The textile industry has been hit hard due to the high cost of energy and high tariffs of both gas and electricity are making Pakistan's exports uncompetitive in the global market. However, some initiatives from the government are direly needed in order to make the textile industry sustainable, especially smooth supply of gas at affordable tarrif and implementation of the package of Rs180 billion announced by the government for increasing exports. Management is endeavoring to resume the production of the company as soon as the situation in near future improves.

Corporate Social Responsibilities
We are also committed to Corporate Social Responsibility (CSR) and integrating sound social practices in our day to day business activities. CSR is an important part of who we are and how we operate. 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.

Compliance with Code of Corporate
Governance Security and Exchange Commission of Pakistan framed a code of corporate governance, which was incorporated through the listing regulations of all stock exchanges of the country. The directors of your Company have ensured implementation of all provisions of code of corporate governance applicable for the period ended June 30, 2017.

Review report on statement of Compliance with code of corporate governance of Auditors is annexed with this report.

Directors of the Company are pleased to confirm that there is no material departure from the best practices as detailed in the listing regulations.

1. The financial Statements presented by the management of the Company give, subject to Auditors' Report, a fair account of the state of affairs, the results of its operations, cash flow and changes in equity.

2. Proper books of accounts have been maintained as required under the Companies Ordinance, 1984.

3. Accounting policies have been consistently applied in the preparation of 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 1.1 to the financial statements.

10. Information regarding the outstanding taxes and levies is given in the notes to the financial statements.

11. The value of investment made by the Provident fund as per its respective accounts is Rs. 23.377 million (2016: 20.603 Million)

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

Names	No. of Meetings attended
Dewan Muhammad Yousuf Farooqui	3
Mr. Haroon Iqbal	4
Mr. Aziz-ul-Haq	4
Mr.Ishtiaq Ahmed	4
Syed Muhammad Anwar	4
Mr.Mehmood-ul-Hassan Asghar	3
Mr.Muhammad Baqir Jafferi	4

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

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

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

Names	No. of Meetings attended
Mr. Aziz-Ul Haque	4
Mr. Haroon Iqbal	4
Syed Muhammad Anwar	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
Dewan Mouhammad Yousuf Farooqui	1
Mr. Ishtiaq Ahmed	1
Mr. Haroon Iqbal	1

Earnings per Share

Loss per share during the period under report worked out to Rs. (23.84) [2016: Rs.(28.61)]

Appointment of Auditors

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

Pattern of Shareholding

The prescribed shareholding information, both under the Companies Ordinance, 1984, 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.

Vote of Thanks & Conclusion

On the behalf of the Board, I 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-Ar-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

Dewan M. Yousuf Farooqui

Dewan Muhammad Yousuf Farooqui
Chairman Board of Directors

Date: September 29, 2017
Place: Karachi.

FINANCIAL HIGHLIGHTS

(Rupees in Million)

	2012	2013	2014	2015	2016	**2017**
PROFIT & LOSS ACCOUNT						
Sales (Net)	1,402	1,591	1,571	959	737	14
Gross Profit	49	69	88	(67)	(75)	(100)
Operating Expenses	(40)	(50)	(60)	(53)	(80)	(35)
Operating Profit / (Loss)	8	19	28	(119)	(155)	(134)
Finance Cost	(11)	(23)	(33)	(37)	(28)	(29)
Profit / (Loss) Before Tax	(2)	(4)	(5)	(103)	(183)	(163)
Taxation	20	(10)	(19)	16	(4.58)	7
Profit / (Loss) After Tax	18	(14)	(24)	(87)	(188)	(156)
BALANCE SHEET						
Assets Employed	1,373	1,402	1,329	1,084	898	1,262
Current Assets	619	685	654	437	307	265
Shareholder's Equity	183	212	199	174	(9)	(112)
Deferred Liabilities	121	125	131	109	122	166
Current Liabilities	214	331	384	286	330	424
Gross Profit Ratio (%)	3.49%	4.34%	5.62%	-6.95%	-10.15%	-710%
Net Profit / (Loss) Ratio	1.30%	-0.85%	-1.52%	-9.06%	-25.46%	-1116%
Earning / (Loss) per Share	5.29	(3.95)	(6.98)	(24.17)	(28.61)	(23.84)
Dividend (%)						
Cash	-	-	-	-	-	-
Stock	-	-	-	-	-	-
Production						
Actual Production at Actual Average Count (kg)	6,308,888	6,266,577	5,960,528	4,542,370	3,925,801	17,010
Actual Production Converted to 20 Count (kg)	10,034,950	9,951,917	9,291,811	7,367,438	6,919,196	25,539

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2017

The statement is being presented to comply with the Code of Corporate Governance ("CCG") contained in the Listing Regulation No 5.19.23 of the Rule Book of Pakistan Stock Exchange Limited ("PSX") for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. As of June 30, 2017 the board included:

Category	Names
Independent Directors	Mr. Aziz-ul-Haque
Executive Directors	Mr. Ishtiaq Ahmed
Non-Executive Directors	Dewan Muhammad Yousuf Farooqui Mr. Haroon Iqbal Syed Muhammad Anwar Muhammad BaqarJafferi Imran Ahmed Javed

2. 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.

3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. A casual vacancy occurring on the board on June 12, 2017 was filled up on June 14, 2017 by the Board of Directors of the Company.

5. 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.

6. 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.

7. All the powers of the board have been duly exercised and decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors have been taken by the board/shareholders.

8. The meetings of the board were presided over by the Chairman and, in his absence, by the director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. In accordance with the criteria specified on clause 5.19.7 of CCG, One director is exempted from the requirement of directors' training program and five Directors are qualified under the Directors Training Program.

10. The Board has approved appointments of CFO, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment.

11. The Directors report for this has prepared in compliance with the requirement of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.

13. The director, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.

14. The company has complied with all the corporate and financial reporting requirements of CCG.

15. The board has formed an Audit Committee. It comprises of three members of whom one is an independent director, who is also the chairman and other two are non-executive directors.

16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

17. The board has formed Human Resource and Remuneration Committee. It comprises of three members, of whom one is executive, two are non-executive director, and the chairman of the committee is non-executive director.

18. 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.

19. 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, 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 Accountants (IFAC) guidelines on code of ethics are adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The closed period, prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).

22. Material / price sensitive information has been disseminated among all market participants at once through stock exchange(s).

23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.

24. We confirm that all the other material principles enshrined in the CCG have been complied with.

Dewan M. Yousuf Farooqui

Date : September 29, 2017
Place : Karachi

Dewan Muhammad Yousuf Farooqui
Chairman Board of Directors

FEROZE SHARIF TARIQ & CO.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
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REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Dewan Mushtaq Textile Mills Limited ("the Company") for the year ended June 30, 2017 to comply with the requirements of Listing Regulation of Pakistan Stock Exchange Limited.

The responsibility for compliance with the 'Code of Corporate Governance' is that of the Board of Directors of the company. Our responsibility is to review, to the extent, where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not and to highlight any non-compliance with the requirements of the code. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the Company to comply with the Code.

As 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 Director's Statement on internal Control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the company's corporate governance procedures and risks.

The code requires the Company to place before the Audit Committee, and upon recommendation of the Audit committee, place before the Board of Directors for their consideration and approval its related party transactions distinguishing between transactions carried out on term equivalent to those that prevail in arm's length transactions and transaction which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

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

a) The board has includes one independent director, whereas in our opinion he does not meet the criteria of independence due to his cross director ship in other group companies.

b) The chairman of Audit committee is not an independent director due to the reason reflect in para (a) above.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention that causes us to believe, that the 'Statement of Compliance' does not appropriately reflect the company's compliance in all material respects, with the best practices contained in the Code of Corporate Governance, for the year June 30, 2017.

Furthermore, we highlight that one director of the company is serving as director in more than seven listed Companies as reflected in the note 2 in the statement of compliance.

Feroze Sharif Tariq & Co.

Audit Engagement Partner: Mohammad Tariq
Date : September 29, 2017
Place : Karachi

Feroze Sharif Tariq & Company
Chartered Accountants

FEROZE SHARIF TARIQ & CO.

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of Dewan Mushtaq Textile Mills Limited, as at June 30, 2017, and related Profit and Loss account, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof, for the year then ended, 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 purpose of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) The financial statements of the company for the year ended June 30, 2017 as disclosed in note 1.1 to the financial Statements reflect loss after taxation of Rs. 156.404 (2016: Rs. 187.735) million and as of that date it has accumulated losses of Rs 222.417 (2016: Rs. 119.846) million which resulted in net capital deficiency of Rs. 111.806 (2016: Rs. 9.236) million and its current liabilities exceeded its current assets by Rs. 158.986 (2016: Rs. 22.825) million without providing the markup of Restructured liabilities and as refer in below para (b). The operations of the company were closed from August 2016 due to working capital constraints. Furthermore, the company defaulted in repayments of installments of restructured liabilities and short term finance facilities have expired and not been renewed by banks amounting to Rs. 100.00 million, hence as per the terms of the restructuring as per clause 10.2 of the compromise agreement the entire restructured debt amounting to Rs. 176.359 million along with mark up of Rs. 248.831 million (eligible for waiver outstanding as of date of restructuring) have immediately become payable therefore provision for markup should be made in these financial statements. These conditions lead us to believe that the going concern assumption used in preparation of these financial Statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

b) In our opinion, since the proposal for restructuring has not been accepted by the lenders, the company should made the provision of mark up in the financial statements. Had the provisions for the mark up, as discussed in preceding paragraphs, been made in these financial statements, the markup payable would have been higher and shareholders' equity would have been lower by Rs. 248.831 million.

c) The company has disclosed Investment in related party Dewan Salman Fibre Limited as Available for sales investment in note 14 to the financial Statements. In our opinion, the same is associated Company therefore this investment has to be shown and valued at equity method in accordance with International Accounting standard 28" Investment in associates". Had the investment been carried at equity method, the carrying amount of investment would have been nil and shareholders' equity would have been lower and the accumulated loss would have been higher by Rs. 80.849 (2016: Rs. 42.709) million.

d) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;

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e) in our opinion:

   i) except for the effects of matters referred in paragraphs (a) to (c) above the Balance Sheet and Profit & Loss Account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;

   ii) the expenditure incurred during the year was for the purpose of the Company's business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

f) in our opinion, and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in para (a) further coupled with the effects of the matter discussed in para (b) and (c) above, the Balance Sheet, Profit & Loss Account, statement of Comprehensive income, Cash Flow Statement and Statement of Changes in Equity together with the notes forming part thereof do not conform with approved accounting standards as applicable in Pakistan, and, do not give the information required by the Companies Ordinance, 1984, in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2017 and of the loss its Comprehensive income, Cash flows and Changes in Equity for the year then ended; and

g) In our opinion "no Zakat was deductible at source under the Zakat and Ushr ordinance 1980".

Feroze Sharif Tariq & Co.

Audit Engagement Partner: Mohammad Tariq
Date : September 29, 2017
Place : Karachi

Feroze Sharif Tariq & Company
Chartered Accountants

BALANCE SHEET
AS AT JUNE 30, 2017

	Notes	June 30, 2017	June 30, 2016
		(Rupees)	
EQUITY AND LIABILITIES			
CAPITAL & RESERVES			
Authorized			
10,000,000 (June 30, 2016: 10,000,000) Ordinary Shares of Rs. 10/- each		100,000,000	100,000,000
Issued, Subscribed and Paid-up Capital	4	65,610,280	65,610,280
General Reserve - (a Revenue Reserve)		45,000,000	45,000,000
Accumulated Loss		(222,416,474)	(119,846,266)
		(111,806,194)	(9,235,986)
Surplus on revaluation of property plant and equipment	5	657,610,601	289,842,447
NON-CURRENT LIABILITIES			
Long term loans	6	125,685,676	166,051,216
Deferred Liabilities			
Provision for Staff Gratuity	7	43,580,407	43,511,414
Deferred taxation	8	122,484,287	78,320,933
		166,064,694	121,832,347
CURRENT LIABILITIES			
Trade and Other Payables	9	102,345,487	102,729,633
Mark-up accrued on loans		45,527,562	28,667,978
Current and over due portion of Syndicated long term loans	6	176,358,892	125,970,637
Short Term Borrowings	10	84,904,984	57,168,213
Provision for Taxation	11	15,201,119	15,060,438
		424,338,044	329,596,899
Contingencies and Commitments	12	–	--
		1,261,892,821	898,086,923
ASSETS			
NON-CURRENT ASSETS			
Property Plant and Equipment	13	913,362,762	520,988,232
Available for Sale Investment - at fair value	14	80,848,588	42,708,714
Long Term Deposits		2,329,728	27,617,794
CURRENT ASSETS			
Stores, Spares and Loose Tools	15	16,683,420	16,661,371
Stock-in-Trade	16	39,619,543	55,569,790
Trade Debts - Considered Good	17	157,178,255	180,679,784
Loans and Advances - Unsecured, Considered good	18	3,264,950	3,845,136
Trade Deposits, Prepayments and Statutory Balances - Considered good	19	15,814,943	15,349,360
Other Receivables - Unsecured, Considered good		12,225,000	12,232,444
Income Tax Refunds and Advances		17,018,110	16,953,894
Cash and Bank Balances	20	3,547,522	5,480,404
		265,351,743	306,772,183
		1,261,892,821	898,086,923

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2017

	Notes	June 30, 2017	June 30, 2016
		(Rupees)	
Sales - Net	21	**14,010,476**	737,421,314
Cost of Sales	22	**(113,537,535)**	(812,277,390)
Gross Loss		**(99,527,059)**	(74,856,076)
Operating expenses			
Administrative and General Expenses	23	**(31,225,858)**	(63,720,363)
Distribution Costs and Selling Expenses	24	**(3,440,548)**	(16,421,031)
		(34,666,406)	(80,141,394)
Operating (Loss)		**(134,193,465)**	(154,997,470)
Finance Cost	25	**(29,120,100)**	(28,160,297)
Loss before taxation		**(163,313,565)**	(183,157,767)
Taxation			
Current	11	**(140,681)**	--
Prior year		**–**	(392,043)
Deferred		**7,050,691**	(4,185,442)
		6,910,010	(4,577,485)
Loss after taxation		**(156,403,555)**	(187,735,252)
Loss Per Share - Basic and diluted	26	**(23.84)**	(28.61)

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2017

	June 30, 2017	June 30, 2016
	(Rupees)	
Loss for the year	**(156,403,555)**	(187,735,252)
Other comprehensive Income:		
Revaluation during the year	**434,675,672**	--
Related deferred tax	**(61,678,030)**	--
	372,997,642	–
Transfer from surplus on revaluation of property plant and equipment in respect of:		
Incremental depreciation	**22,744,164**	25,825,162
Related deferred tax	**(7,050,691)**	(8,264,052)
	15,693,473	17,561,110
Remesurement chargable on account of gratuity	**-**	(5,234,688)
Related deferred tax	**-**	1,675,100
	-	(3,559,588)
Changes in fair value of available for sale investment	**38,139,874**	(9,534,969)
Component of comprehensive income not reflected in equity	**(372,997,642)**	-
Total comprehensive Loss for the year	**(102,570,208)**	(183,268,699)

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017

	Notes	June 30, 2017	June 30, 2016
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before Taxation		(163,313,565)	(183,157,767)
Adjustment for Non-Cash and Other Items:			
Depreciation		42,301,141	46,142,078
Provision for Gratuity		1,057,449	9,439,147
Provision for doubtful debts		10,523,526	24,203,114
Finance Cost		29,120,100	28,160,297
		83,002,216	107,944,636
		(80,311,349)	(75,213,131)
Working Capital Changes			
(Increase) / Decrease in Current Assets			
Stores, Spares and Loose Tools		(22,049)	235,495
Stock-in-Trade		15,950,247	30,966,063
Trade Debts		12,978,003	42,815,309
Loans and Advances		580,186	1,255,465
Trade deposits, Prepayments & Statutory balances		(465,583)	(1,394,536)
Other Receivables		7,444	(7,444)
Increase / (Decrease) in Current Liabilities			
Trade Creditors, Payable & others borrowings		(384,146)	9,175,155
		28,644,102	83,045,507
Taxes Paid		(64,216)	(17,007,195)
Gratuity Paid		(988,456)	(3,912,500)
		(1,052,672)	(20,919,695)
Net Cash Inflow/ (Outflow) from Operating Activities		(52,719,919)	(13,087,319)
CASH FLOW FROM INVESTING ACTIVITIES			
Long term deposits		25,288,066	(65,384)
Net Cash Inflow / (Outflow) from Investing Activities		25,288,066	(65,384)
CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost Paid		(2,237,800)	(7,293,842)
Net Cash Inflow/ (Outflow) from Financing Activities		(2,237,800)	(7,293,842)
Net (decrease) / Increase in Cash and Cash Equivalents		(29,669,653)	(20,446,545)
Cash and Cash Equivalents at the Beginning		(51,687,809)	(31,241,264)
Cash and Cash Equivalents at the End	30	(81,357,462)	(51,687,809)

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2017

	Share Capital	General Reserve	Unrealized gain / (loss) due to change in fair value of investment	Unappropriated Profit / Accumulated (Loss)	Total
			(Rupees)		
Balance as on July 01, 2015	65,610,280	45,000,000	22,049,616	41,372,817	174,032,713
Comprehensive income for the year	--	--	(9,534,969)	(173,733,730)	(183,268,699)
Balance as on June 30, 2016	65,610,280	45,000,000	12,514,647	(132,360,913)	(9,235,986)
Balance as on July 01, 2016	**65,610,280**	**45,000,000**	**12,514,647**	**(132,360,913)**	**(9,235,986)**
Comprehensive income for the year	**--**	**--**	**38,139,874**	**(140,710,082)**	**(102,570,208)**
Balance as on June 30, 2017	**65,610,280**	**45,000,000**	**50,654,521**	**(273,070,995)**	**(111,806,194)**

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

1. Corporate Information

Dewan Mushtaq Textile Mills Limited (the Company) was incorporated in Pakistan, as a public limited company on November 04, 1970, under the Companies Act, 1913 (Now the Companies Ordinance, 1984) and its shares are listed on Pakistan Stock Exchange Limited. The registered office of the company is located at Finance & Trade Centre, Block-A, 8th Floor, Shahrah-e-Faisal, Karachi, Pakistan; while its manufacturing facilities are located at A-30, S.I.T.E., Hyderabad, Sindh, Pakistan. The principal activity of the Company is trading, manufacturing and sale of yarn.

1.1 Going Concern Assumption

The financial statements of the company for the year ended June 30, 2017 reflect that company has sustained a net loss after taxation of Rs.156.403 million (2016: Rs.187.735 million) and as of that date company's negative reserves of Rs.177.417 million have resulted in negative equity of Rs.111.806 million. Further the company's short term borrowing facilities have expired and not been renewed. Company defaulted in repayment of its restructured liabilities due to liquidity crunch caused by the overall lesser market demand and adverse factors being faced by the textile industry in the country. Due to the aforementioned scenario, the Company, for the time being, has also suspended its manufacturing and other operations since July 2016 Accordingly, the entire restructured liabilities along with markup eligible for waiver (as disclosed in note 12.1 to the financial statements) have become immediately repayable. These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, therefore the company may not be able to realize its assets and discharge its liabilities during the normal course of business.

The financial statements has been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will further streamline the funding requirements of the Company which will ultimately help the management to run the operations smoothly 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.

2 Basis of Preparation

2.1 Statement of compliance

During the year, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular number 17 of 2017 dated 20 July 2017 communicated Commission's decision that the companies whose financial year closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, these financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

2.2 Standards, interpretations and amendments applicable to financial statements

2.2.1 New standards, interpretations and amendments

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except that the Company has adopted the following accounting standards and amendments which became effective for the current year:

IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 - Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 - Presentation of Financial Statements: Disclosure Initiative (Amendment)

IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 - Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 - Separate Financial Statements: Equity Method in Separate 'Financial Statements (Amendment)

The adoption of the above accounting standards did not have any effect on the financial statements.

2.3.2 Annual improvements

IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 - Financial Instruments: Disclosures - Servicing contracts

IFRS 7 - Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements

IAS 19 - Employee Benefits - Discount rate: regional market issue

IAS 34 - The adoption of the above amendments, improvements to accounting standards and interpretations does not have any material effect on the financial statements.

2.3.2.3Standards, interpretations and amendments to approved accounting standards that are not yet effective

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

Standard or interpretation	**Effective date (accounting periods Beginning on or after)**
IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IAS 7-Statement of Cash Flows	1 January 2017
IAS 12 - Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	1 January 2017
IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - (Amendments)	1 January 2018
IAS 40 - Investment Property: Transfers of Investment Property (Amendments)	1 January 2018
IFRIC 22 - Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRIC 23 - Uncertainty over Income Tax Treatments	1 January 2019

The Company expects that the adoption of the above amendments and interpretation of the standards will not affect the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

	Effective date (accounting periods Beginning on or after)
IFRS 9 - Financial Instruments: Classification and Measurement	1 January 2018
IFRS 14 - Regulatory Deferral Accounts	1 January 2018
IFRS 15 - Revenue from Contracts with Customers	1 January 2018
IFRS 16 - Leases	1 January 2018
IFRS 17 - Insurance Contracts	1 January 2018

2.3 Significant Accounting Judgements, Estimates and Assumption

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

2.4 Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the company. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying mounts of the respective items of Property Plant and Equipment with a corresponding affect on the depreciation charge and impairment.

2.5 Taxation

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

2.6 Stock-in-trade

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

2.7 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

2.8 Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in note 7 to the financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might affect unrecognized gains and losses in those years. The actuarial valuation involves making assumptions about discount rate, future salary increases and mortality rates.

3 Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year.

3.1 Basis of Measurement and Presentation

The financial statements have primarily been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the financial assets and liabilities which are carried at their fair values and revalued amounts and certain employee benefits are based on actuarial valuation and stock in trade which are valued at net realizable value, if it is less than the cost. Further, accrual basis of accounting is followed except for cash flow information.

3.2 Post Employment Benefits

Defined Benefit Plan

The Company operates an unfunded gratuity scheme for its non-mangement staff. Provisions are made, based on actuarial recommendations. Actuarial valuation is carried out using the 'Projected Unit Credit' method, as required by International Accounting Standard 19 "Employee Benefits". In line with the recognition of the resulting actuarial gain or loss over a period of three years, the frequency of carrying out an actuarial valuation is three years.

Defined Contribution Plan

The company upto June 30, 2010 was operating an un-funded gratuity scheme for its employees. Provision was made accordingly in the financial statements to cover obligations under the scheme and the Company had fully provided for the liability under the gratuity scheme for its staff as of June 30, 2010. Effective from July 01, 2010, the company has, in place of gratuity scheme, established a recognised provident fund for its permanent management staff whereas gratuity scheme has been continued for non-management employees of the Company. Equal contributions are being made in respect thereof by company and employees in accordance with the terms of of the fund.

3.3 Trade and Other Payables

Trade and other payables are stated at their cost.

3.4 Taxation

Current Year

Provision in respect of current year's taxation is based on the method of taxation prescribed under the Income Tax Ordinance, 2001, whereby taxable income is determined and tax charged at the current rates of taxation after taking into account tax credits and rebates available, if any, or the minimum tax liability determined under Section 113 of the Income Tax Ordinance, 2001, whichever is higher.

Deferred

Deferred tax is provided using the liability method on all temporary differences at the balance sheet date, between the tax bases of assets and liabilities and their carrying amount for financial statements reporting purposes. Deferred tax liabilities are generally recognized for all temporary taxable differences.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date

3.5 Property, Plant and Equipment -

Owned

Property, Plant and Equipment are stated at cost/revalued amounts less accumulated depreciation and impairment losses, if any; lease hold land is amortised over the period of lease except capital works in progress which is stated at cost accumulated up to the balance sheet date.

Any surplus arising on revaluation of property plant and equipment is credited to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred tax) is transferred to unappropriated profit through statement of comprehensive income.

- **Leased**
The company accounts for Property Plant and Equipment acquired under finance leases by recording the assets and the related liability. These amounts are determined as the fair values or discounted value of minimum lease payments; whichever is the lower, as at inception, less accumulated depreciation and impairment losses. Financial charges are allocated to the accounting period in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

- **Depreciation**
Depreciation is charged from the month of acquisition or transfer of assets from capital work in progress on proportionate basis and until disposal or retirement, using the reducing balance method whereby the cost/revalued amounts of an asset is written off over its estimated useful life and the rates applied are in no case less than the rates prescribed by the Federal Board of Revenue. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted, if appropriate, at each balance sheet date.

- **Repairs, renewals and maintenance**
Major repairs and renewals are capitalized . Normal repairs and maintenance are charged as expense when incurred. Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently.

3.6 Leases

Finance leases, which transfer to the company, substantially all the risks and benefits incidental to ownership, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

3.7 Investment in Related Parties (Available for sale)

Available for sale investments are initially recognized at cost being the fair value of the consideration given including acquisition charges associated therewith.

After initial recognition, investment which are classified as available for sale are remeasured at fair value. Unrealized gains and losses on available for sale investments are recognized in equity till the investment is sold or otherwise disposed off, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income.

3.8 Stores, Spares and Loose Tools

These are stated at the lower of cost and net realizable value. The cost of inventory is based on the weighted average cost. Items in transit are stated at cost accumulated up to the date of the balance sheet.

Provision is made for any slow moving and obsolete items.

3.9 Stock-in-Trade

These are valued as follows :

Raw Material	:	At lower of weighted average cost or net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	At lower of weighted average cost or net realizable value. Cost of finished goods comprises of prime cost and an appropriate portion of production overheads.

Waste	:	At net realizable value.
Work-in-Process	:	At weighted average cost. This comprises the direct cost of raw materials, wages, and appropriate manufacturing overheads.
Stock in Transit	:	At cost accumulated upto the balance sheet date.
Stock at fair price shop	:	At cost calculated on the First-in-first-out method of valuation.
Packing Material	:	At lower of weighted average cost or net realizable value.

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

3.10 Trade Debts & Other Receivables
Trade debts originated by the company are recognized and carried at the original invoice amount less an allowance for any uncollectible amounts. An estimate for a doubtful receivable is made when collection of the whole or part of the amount is no longer probable. Bad debts are written off as incurred.

3.11 Foreign Currency Translation
Transactions in foreign currencies are initially recorded using the rates of exchange ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the exchange rates prevailing on the balance sheet date. In order to hedge its exposure to foreign exchange risks, the company enters into forward exchange contracts. Such transactions are translated at contracted rates. All exchange differences are included in the Profit and Loss Account.

3.12 Revenue Recognition
- Revenue from sales is recognized on dispatch of goods to customers.
- Dividend income is recognized on the basis of declaration by the Investee company.
- Return on bank deposits are on an accrual basis.
- Unrealized gains / loss arising on re-measurement of investments classified as "financial assets at fair value though "profit or loss" are included in the profit and loss account in the period in which these arise.
- Realised capital gains / loss on sale of investments are recognized in the profit and loss account at the time of sale.

3.13 Borrowing Cost
Borrowing Costs are recognized initially in fair value net of transaction costs incurred.
Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets until such time the assets are substantially ready for their intended use. All other borrowing costs are charged to income in the period in which they are incurred.

3.14 Provisions
A provision is recognized in the balance sheet when the company has a legal or constructive obligation, and, 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 that a reliable estimate can be made for the amount of this obligation.

3.15 Financial Instruments
Recognition
All financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. Any gain or loss on derecognition of the financial assets and financial liabilities are taken to profit and loss account to which it arises.

Off Setting
Financial asset and financial liability is set off and the net amount is reported in the balance sheet if the company has a legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Corresponding income on assets and charge on liability is also offset.

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

3.16 Cash and Cash Equivalents
Cash and Cash Equivalents for cash flow purposes include cash in hand, current and deposit accounts held with banks. Running finances facilities availed by the company which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

3.17 Impairment of Assets
The carrying amounts of the assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, whereby the asset is written down and that impairment losses are recognized in the profit and loss account.

3.18 Related Party Transactions
All transactions with related parties are carried out by the company at arm's length prices.

3.19 Loans, Advances and Other Receivables
Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

3.20 Short Term and Long Term Loans
Short Term and Long Term Loans are recognized initially at cost and subsequently measured at amortized cost.

3.21 Dividend and appropriation to reserves
Dividends and appropriation to reserves, subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends and appropriations are approved.

4 Issued, Subscribed and Paid-up Capital

No. of Ordinary Shares of Rs. 10/- each

June 30, 2017	June 30, 2016		**June 30, 2017**	June 30, 2016
(Numbers of shares)			**(Rupees)**	
3,817,000	3,817,000	Fully Paid in cash	**38,170,000**	38,170,000
2,744,028	2,744,028	Issued as fully paid bonus shares	**27,440,280**	27,440,280
6,561,028	6,561,028		**65,610,280**	65,610,280

4.1 The shareholders are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at the meetings of the company. All shares rank equally in respect to the company's residual assets.

4.2 The pattern of shareholding, as required under the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan, is attached at the end of this report.

		June 30, 2017	June 30, 2016
		(Rupees)	
5	**Surplus on Revaluation of Property Plant and Equipment**		
	Opening Balance	**368,163,379**	393,988,541
	Surplus arising on revaluation during the year	**434,675,672**	--
	Transferred to unappropriated profit:		
	- Surplus relating to incremental depreciation - net of deferred tax	**(15,693,473)**	(17,561,110)
	- Related Deferred Tax Liability	**(7,050,691)**	(8,264,052)
		(22,744,164)	(25,825,162)
		780,094,887	368,163,379
	Less: related deferred tax liability on:		
	Opening Balance	**78,320,932**	86,584,984
	- revaluation carried out during the year	**61,678,030**	--
	- effect of changes in tax rate	**(10,463,985)**	--
	- Incremental depreciation charged during the year	**(7,050,691)**	(8,264,052)
		122,484,286	78,320,932
		657,610,601	289,842,447

The assets of the Company have been further revalued as on June 30, 2017. The revaluation is carried out by an independent valuer, M/s Anderson Consulting (Pvt) Ltd on the basis of professional assessment of present market values or depreciated replacement values and resulted in a surplus on Revaluation of Property Plant and Equipment over the written down value as follows:

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

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

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

The closing balance of surplus on revaluation of property, plant and equipment is not available for distribution to shareholders.

The revaluation during the year has resulted in increase in surplus as follows

	W.D.V. Of Assets Before revaluation	Revalued Amounts	Surplus on Revaluation of Fixed Assets
Lease Hold Land	139,285,716	375,000,000	235,714,284
Factory Building	61,421,584	140,745,650	79,324,066
Non- Factorty Building	15,871,329	21,715,400	5,844,071
Labour Quarters	8,078,735	12,740,270	4,661,535
Plant and Machinery	247,080,784	356,212,500	109,131,716
Total	**471,738,148**	**906,413,820**	**434,675,672**

		Notes	June 30, 2017	June 30, 2016
			(Rupees)	
6	**Long term loans**			
	Syndicated Long Term Loans - Secured	6.1	**-**	50,388,260
	Sponsor Loan -Unsecured	6.2	**125,685,676**	115,662,956
			125,685,676	166,051,216

6.1	**Syndicated Long term Loan**	**176,358,892**	176,358,892
	Payment during the year	**--**	--
		176,358,892	176,358,892
	Less :	**--**	--
	Current portion of syndicated Long term loan	**(50,388,255)**	(50,388,255)
	Over due portion of syndicated Long term loan	**(125,970,637)**	(75,582,382)
		--	50,388,255

6.1.1 The Compromise Agreement dated December 23, 2011 had been executed between the banks and the company against which consent decrees had been granted by the Honorable High Court of Sindh, Karachi. As per the terms, Company's short term and long term loans had been rescheduled in the form of long term loans of Rs. 526.081 million which is to be repaid in six and half years from the date of restructuring with progressive mark up ranging from 4% to 14% over the period on outstanding principal. This loan is secured by way of mortgage charge over immovable properties and hypothecation of movable assets of the company. Moreover banks / financial institutions have also provided further working capital facility against pledge of stocks to the Company as fully explained in note 10 to these financial statements. However, in case of default by the company the entire outstanding mark up as disclosed in the agreement will remain outstanding liability of the company and all amounts in respect of its liabilities shall become payable with immediate effect as disclosed in clause 10.2 of the Compromise Agreement of the company.

6.1.2 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.

6.2	**Sponsor Loan -Unsecured**			
	Sponsor Loan- Unsecured	6.2.1	**159,698,189**	159,698,189
	Unwinding interest		**10,022,716**	8,525,095
	Present value adjustment		**(44,035,229)**	(52,560,328)
	Present Value of Sponsor loan		**125,685,676**	115,662,956

6.2.1 This represents unsecured interest free loan payable to sponsor director. This liability has arisen on account of settlement of liabilities of a bank, which were settled by the sponsor director. The Sponsor loan has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of 8.01% per annum. This interest free loan is payable in lumpsum on 30th June 2020.

7	**Provision for Staff Gratuity**		
	Opening Balance	**43,511,414**	32,750,079
	Payments during the year	**988,456**	3,912,500
		42,522,958	28,837,579
	Charge for the year	**1,057,449**	14,673,835
		43,580,407	43,511,414

	June 30, 2017	June 30, 2016
	(Rupees)	
a) The amounts recognized in the balance sheet:		
Present value of defined benefit obligations	-	27,182,861
Pluspayable and frozen liability	43,580,407	16,328,553
Net liability	43,580,407	43,511,414
b) The amounts recognized in the profit and loss account:		
Current service cost	1,057,449	7,353,433
Net interest cost	-	2,085,714
	1,057,449	9,439,147
c) Movement in the present value of defined benefit obligation:		
Present value of defined benefit obligation	27,182,861	18,973,456
Current service cost	1,057,449	7,353,433
Interest cost		2,085,714
Benefit due but not paid (payable)	(27,251,854)	(6,464,430)
Benefits paid	(988,456)	-
Experience Adjustment	-	5,234,688
Present value of defined benefit obligation as at June 30	-	27,182,861
d) Remeasurement recognized in OCI:		
Experience adjustment	-	5,234,688
	-	5,234,688
e) Principal actuarial assumptions used in the actuarial valuation are as follows:		
Discount rate	13.25%	13.25%
Discount rate used for year end obligation	7.25%	7.25%
Future salary increases	6.25%	6.25%
Retirement Assumptions	60 Years	60 Years
f) Change in Net Liability		
Balance sheet Liability	43,511,414	32,750,079
Expenses Charge to Profit and Loss Account	1,057,449	9,439,147
Remeasurement Chargeable in Other comprehensive income	-	5,234,688
Benefits paid	(988,456)	(3,912,500)
Balance sheet Liability	43,580,407	43,511,414
g) The charge for the year has been allocated as follows		
Cost of Sales	1,057,449	9,439,147
Other Comprehensive Income	--	5,234,688
	1,057,449	14,673,835
8 Deferred Taxation		
Credit balance arising due to:		
- accelerated tax depreciation	21,646,493	21,394,431
- revaluation on property plant & equipment	122,484,287	78,320,933
Debit balance arising due to		
- staff gratuity	(13,509,926)	(13,923,652)
- carried over losses	(114,253,230)	(51,821,870)
	16,367,624	33,969,842
Deferred tax asset not recognized	(106,116,663)	(44,351,091)
	122,484,287	78,320,933

		Notes	June 30, 2017		June 30, 2016
			(Rupees)		
9	**Trade and Other Payables**				
	Trade Creditors		**48,683,784**		48,666,861
	Accrued Expenses		**47,948,354**		49,496,132
	Unclaimed Dividend		**308,319**		308,319
	Employees Provident Fund		**1,413,208**		519,410
	Sales tax Payable		**3,991,822**		3,738,911
			102,345,487		102,729,633
9.1	**Provident Fund related Disclosures**				
	Size of the fund		**25,642,878**		24,460,855
	Cost of investments		**23,377,230**		20,603,366
	Percentage of investments		**91%**		84%
	Fair value of investments		**23,377,230**		20,904,366
	The breakup of of investments is as follows:				
	Term Deposit Receipts	0%	**--**	21%	4,300,000
	Bank balance	100%	**23,377,230**	79%	16,303,366

Investments of provident fund have been made in accordance with the provisions of Section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

		Notes	June 30, 2017	June 30, 2016
10	**Short Term Borrowings**			
	Short Term Finance from Banks	10.1	**45,639,984**	46,168,213
	Sponsor Loan	10.2	**39,265,000**	11,000,000
			84,904,984	57,168,213

10.1 As part of restructuring banks / financial institutions have approved as fully disclosed in note 6.1.1 to the financial Statements further working capital to the Company amounting to the limit of Rs. 100 million by providing syndicated cash finance against pledge of stocks in proportion to their loan amounts. The tenure of working capital facility is one year on rollover basis and this facility is secured by way of pledge of stocks of the company. The markup rate for this facility is one month KIBOR which is payable on quarterly basis. This financing arrangement have expired and not been renewed by the banks.

10.2 This represents unsecured interest free loan payable to sponsor director on demand.

		June 30, 2017	June 30, 2016
11	**Provision for Taxation**		
	Balance at the beginning	**15,060,438**	62,975,936
	Add: Provision for Taxation	**140,681**	-
		15,201,119	62,975,936
	Payments/ adjustment during the year	**-**	(47,915,498)
		15,201,119	15,060,438

The income tax returns of the company have been filed upto tax year 2016 which are deemed to be assessed u/s 120 of the Income Tax Ordinance, 2001. Tax year 2015 has been selected for audit u/s 177 of the Income Tax Ordinance, 2001, the proceedings of which are in process.

		Notes	June 30, 2017	June 30, 2016
			(Rupees)	
11.1	Relationship between income tax expense and accounting profit/(loss)			
	Accounting profit / (loss) as per accounts		**(163,313,565)**	(183,157,767)
	Applicable tax rate		**31%**	32%
	Tax payable / (refundable) on accounting profit / (loss)		**(50,627,205)**	(58,610,486)
	Tax effect of timing difference on depreciation		**10,043,225**	10,411,490
	Tax effect of expenses / provision that are not deductible in determining taxable loss charged to profit and loss account		**6,390,723**	3,542,099
	Effect of tax Loss carried / (brought) forward		**34,193,257**	44,656,897
	Tax payable under normal rules		**--**	-
11.2	Minimum tax payable under income tax ordinance 2001		**140,681**	-

12 Contingencies and Commitments

12.1 As per the terms of the restructuring (refer to note no. 6.1.1) the markup outstanding up to the date of restructuring is Rs.248.831million, which the company would be liable to pay in the event of default of the terms of agreement. The Company has defaulted in repayment of liability, however has approached the lenders for further restructuring as detailed in note 6.1.2 to the financial statements. Since the restructuring is in process therefore management is confident that this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

12.2 In 2014-15, the Government of Pakistan has promulgated the Gas Infrastructure Development Cess Ordinance 2014 against which the Company has filed suit in the Honorable Sindh High Court and the Honorable Sindh High Court had issued stay against the recovery of GIDC. During the year the Honorable Court decided the case in favor of company and directed to refund / adjust in bills the amounts already collected, against which the Sui Southern Gas Company Limited has filed appeal in Honorable Court. The management is confident that the case will be decided in favour of the Company hence no provision in this respect is made in these Financial Statements.

12.3 Commitments in respect of letter of credits for capital expenditure commitments and other then capital expenditures commitments outstanding amounts to Rs. Nil (2016: nil)

13 Property Plant and Equipment

	Notes	June 30, 2017	June 30, 2016
Operating assets	13.1	**913,362,762**	520,988,232
		913,362,762	520,988,232

13.1 Operating assets

	2017									
	Cost / Revaluation					Depreciation / Amortization				Written Down
Particulars	As at July 01, 2016	Additions / (Deletions)	Surplus on Revaluation	As at Jun 30 ,2017	Rate %	As at July 01, 2016	Adjust / Transfer	For the period	As at Jun 30, 2017	Value as at Jun 30, 2017
OWNED	RUPEES					RUPEES				
Lease Hold Land	150,000,000	–	235,714,284	385,714,284	--	8,035,713	--	2,678,571	10,714,284	375,000,000
Factory Building	177,062,964	–	79,324,066	256,387,030	10%	108,816,760	--	6,824,620	115,641,380	140,745,650
Non Factory Building	23,501,787	–	5,844,071	29,345,858	5%	6,795,125	--	835,333	7,630,458	21,715,400
Labour Quarters	48,719,048	–	4,661,535	53,380,583	25%	37,947,401	--	2,692,912	40,640,313	12,740,270
Plant and Machinery	847,734,199	–	109,131,716	956,865,915	10%	573,199,995	--	27,453,420	600,653,415	356,212,500
Factory and Office Equipmts	1,718,825	–	--	1,718,825	10%	1,576,702	--	14,212	1,590,914	127,911
Vehicles	27,117,401	–	--	27,117,401	20%	24,622,894	--	498,901	25,121,795	1,995,606
Furniture and Fixture	7,872,354	–	--	7,872,354	10%	6,345,840	--	152,651	6,498,491	1,373,863
Intangible									–	
Software Development	4,700,000	–	--	4,700,000	25%	97,917	--	1,150,521	1,248,438	3,451,562
June 30, 2017	**1,288,426,578**	**–**	**434,675,672**	**1,723,102,250**		**767,438,346**	**–**	**42,301,141**	**809,739,488**	**913,362,762**
June 30, 2016	**1,283,726,578**	**4,700,000**	**--**	**1,288,426,578**		**721,296,268**	**–**	**46,142,078**	**767,438,346**	**520,988,232**

13.1.1

Allocation of Depreciation / amortization	2017	2016
Cost of Sales	**40,499,068**	45,250,922
Administrative and General Expenses	**1,802,073**	891,156
	42,301,141	46,142,078

Particulars	Cost / Revaluation As at July 01, 2015	Additions	(Deletions)	As at June 30, 2016	Rate %	Depreciation As at July 01, 2015	Adjustment / Transfers	For the Year	As at June 30, 2016	Written Down Value As At June 30, 2016
	2016									
	Rupees					Rupees				
Owned										
Lease hold land	150,000,000	--	--	150,000,000	--	5,357,142	--	2,678,571	8,035,713	141,964,287
Factory Building on lease hold land	177,062,964	--	--	177,062,964	10%	101,233,848	--	7,582,912 --	108,816,760	68,246,204
Non Factory Building on lease hold land	23,501,787	--	--	23,501,787	5%	5,915,827	--	879,298 --	6,795,125	16,706,662
Labour Quarters	48,719,048	--	--	48,719,048	25%	34,356,852	--	3,590,549	37,947,401	10,771,647
Plant and Machinery	847,734,199	--	--	847,734,199	10%	542,696,195	--	30,503,800	573,199,995	274,534,204
Factory Equipments	1,718,825	--	--	1,718,825	10%	1,560,910	--	15,792	1,576,702	142,124
Vehicles	27,117,401	--	--	27,117,401	20%	23,999,267	--	623,627	24,622,894	2,494,507
Furniture and Fixture	7,872,354	--	--	7,872,354	10%	6,176,227	--	169,613	6,345,840	1,526,514
Intangible										
Software Development	--	4,700,000	--	4,700,000		--		97,917	97,917	4,602,083
June 30, 2016	**1,283,726,578**	**4,700,000**	**–**	**1,288,426,578**		**721,296,268**	**–**	**46,142,078**	**767,438,346**	**520,988,232**
June 30, 2015	1,283,726,578	--	--	1,283,726,578		669,600,614	--	51,695,654	721,296,268	562,430,310

13.2 Had there been no revaluation the carrying amount of revalued assets would have been as follows:

	June 30, 2017	June 30, 2016
	(Rupees)	
Lease hold land	**730,000**	730,000
Factory building on lease hold land	**27,042,461**	30,047,179
Non - factory building	**1,605,032**	1,689,508
Labour Quarters	**622,290**	829,719
Plant and machinery	**107,504,790**	119,449,766
	137,504,573	**152,746,172**

14 Available for Sale Investment-at Fair Value

	June 30, 2017	June 30, 2016
Shares in Dewan Salman Fibre Limited (A Listed Associated Company) 19,864,518 (2015: 19,864,518) fully paid up ordinary shares of Rs.10/- each. (including 15,864,518 bonus shares)	**40,000,000**	40,000,000
Unrealized gain due to change in the fair value of investments	**40,848,588**	2,708,714
	80,848,588	42,708,714
Percentage of Equity held	**5.42%**	5.42%
Market value (Rupees per share)	**4.07**	2.15

15 Stores, Spares & Loose Tools

	June 30, 2017	June 30, 2016
Stores and Spares	**15,046,851**	15,024,802
Packing Material	**1,636,569**	1,636,569
	16,683,420	16,661,371

16 Stock-in-Trade

	June 30, 2017	June 30, 2016
Raw Materials	**27,704,790**	27,762,455
Work-in-Process	**--**	5,304,692
Finished Goods	**10,774,746**	20,709,736
Waste	**1,140,007**	1,792,907
	39,619,543	55,569,790

16.1 Stocks valuing Rs. 37.721 million (2016: Rs 40.145 million) was pledged with the banks against the restructured finance facilities obtained by the Company

		Notes	June 30, 2017 (Rupees)	June 30, 2016
17	**Trade Debts - Considered Good**			
	Local Receivables - Considered Good		**157,178,255**	180,679,784
	Considered Doubtful		**34,726,640**	24,203,114
			191,904,895	204,882,898
	Provision for Doubtful debts		**(34,726,640)**	(24,203,114)
			157,178,255	180,679,784
	17.1 The aging of debtors at the reporting date was:			
	Up to one month		--	56,010,733
	1 to 6 months		--	65,044,722
	More than 6 months		**157,178,255**	59,624,329
			157,178,255	180,679,784
18	**Loans and Advances - Unsecured, Considered Good**			
	Advances for Expenses/suppliers		**2,542,581**	2,535,081
	Loans and Advances to employees	18.1	**722,369**	1,310,055
			3,264,950	3,845,136

18.1 Advance to Employees includes Rs. Nil (2015: Rs. Nil) due from the executives of the company.

		Notes	June 30, 2017	June 30, 2016
19	**Trade Deposits, Prepayments and Statutory Balances - Considered good**			
	Sales Tax Receivable		**15,814,943**	15,349,360
			15,814,943	15,349,360
20	**Cash and Bank Balances**			
	Cash in Hand		**507,803**	616,056
	Cash at Banks - Current Accounts		**3,039,719**	4,864,348
			3,547,522	5,480,404
21	**SALES - Net**			
	Yarn - Local		**13,547,388**	770,751,752
	Waste		**716,000**	1,733,500
	Gross Sales		**14,263,388**	772,485,252
	Sales Tax		**(252,912)**	(35,063,938)
			14,010,476	737,421,314
22	**Cost of Sales**			
	Raw Material Consumed	22.1	-	415,500,133
	Packing Material Consumed		**78,463**	18,108,987
	Stores and Spares Consumed		**58,833**	13,578,437
	Fuel, Power & Water Consumed		**13,127,077**	113,486,501
	Salaries, Wages and Other Benefits	22.2	**42,322,539**	152,671,051
	Insurance		**1,369,206**	1,729,828
	Repairs and Maintenance		**189,767**	809,558
	Depreciation	13.1.1	**40,499,068**	45,250,922
			97,644,953	761,135,417
	Work-in-Process - Opening		**5,304,692**	7,904,700
	Work-in-Process - Closing		--	(5,304,692)
	Cost of Goods Manufactured		**102,949,645**	763,735,425
	Finished Goods - Opening		**22,502,643**	71,044,608
	Finished Goods - Closing		**(11,914,753)**	(22,502,643)
			113,537,535	812,277,390

		Notes	June 30, 2017	June 30, 2016
			(Rupees)	
22.1	Raw Material Consumed			
	Opening Stock		**27,762,455**	4,811,461
	Purchases - net		**--**	438,451,127
			27,762,455	443,262,588
	Less: raw material sale		**(57,665)**	
	Closing Stock		**(27,704,790)**	(27,762,455)
	Raw Material Consumed		**-**	415,500,133

22.2 Salaries, wages and other benefits include Rs. 1.857 million (2016: Rs. 16.855 million) relating to staff retirement benefits.

		Notes	June 30, 2017	June 30, 2016
23	**Administrative and General Expenses**			
	Salaries, Allowances and Other Benefits	23.1	**15,388,421**	26,419,346
	Rent, Rates and Taxes		**25,776**	3,348,115
	Traveling, Conveyance and Entertainment		**141,796**	644,501
	Printing and Stationery		**371,684**	420,301
	Postage, Telephone and Telex		**342,244**	491,234
	Vehicles Expenses		**1,692,812**	2,468,039
	Legal and Professional Charges		**66,013**	378,657
	Fees and Subscription		**316,713**	737,006
	Depreciation	13.1.1	**651,552**	793,240
	Amortization of software	23.2	**1,150,521**	97,917
	Auditors Remuneration		**500,000**	500,000
	Repairs and Maintenance		**54,800**	2,911,170
	Donation		**--**	307,723
	Provision for Doubtful debts		**10,523,526**	24,203,114
			31,225,858	63,720,363

23.1 Salaries, allowances and other benefits include Rs. 0.554 million (2016: Rs. 0.738 million) relating to staff retirement benefits.

23.2 Represents Audit fee (Annual, Half year and Review of Code and corporate Governace) for the year.

		Notes	June 30, 2017	June 30, 2016
24	**Distribution Costs and Selling Expenses**			
	Salaries and other benefits	24.1	**2,680,000**	2,732,430
	Packing Expenses		**131,498**	843,001
	Cartage & freight		**591,000**	12,797,000
	Other Selling Expenses		**38,050**	48,600
			3,440,548	16,421,031

24.1 Salaries, wages and other benefits include Rs. 0.231 million (2016: Rs. 0.203 million) relating to staff retirement benefits.

		Notes	June 30, 2017	June 30, 2016
25	**Finance Cost**			
	Mark-up on Short Term Borrowings		**2,859,792**	3,859,540
	Mark up on Syndicated Long Term Loan		**15,828,933**	14,560,599
	Bank Charges and Commission		**408,659**	1,215,063
	Unwinding interest		**10,022,716**	8,525,095
			29,120,100	28,160,297
26	**Loss Per Share - Basic and diluted**			
	Loss after Taxation		**(156,403,555)**	(187,735,252)
	Weighted Average Number of Ordinary Shares		**6,561,028**	6,561,028
	Loss Per Share - Basic and diluted (Rupees)		**(23.84)**	(28.61)

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

27 Remuneration of Chief Executive, Director and Executives

The aggregate amount charged in the accounts for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company was as follows:

	2017			2016		
Particulars	**Chief Executive**	**Directors**	**Executives**	Chief Executive	Directors	Executives
		Rupees			*Rupees*	
Managerial Remuneration	--	**2,225,613**	**9,134,419**	--	1,390,160	10,085,482
House rent allowance	--	**1,001,526**	**4,110,489**	--	625,500	4,538,076
Utilities allowance	--	**222,561**	**913,442**	--	139,090	1,008,941
Conveyance		**300**	**3,000**		1,500	26,100
Total	**-**	**3,450,000**	**14,161,350**	-	2,156,250	15,658,599
Number of persons	**-**	**1**	**10**	-	1	8

27.1 The Executives of the company are provided, use of company maintained cars.

28 Related Party Transactions

During the year aggregate transactions made by the company with the associated companies were purchases of Rs.Nil (2016: Rs.2.259 million) , sales of Rs 0.057 (2016: Rs.Nil), provident fund contribution of Rs.3.169 million (2016: Rs.6.249 million), Short term director's loan Rs.28.265 million (2016: 11.00 million).

All transactions were carried out on commercial terms and conditions and were valued at arm's length price. Reimbursement of expenses were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment are given in Note 27 above.

29 Plant Capacity and Production

Particulars	**2017**	2016
Actual production at actual average count (Kgs)	**17,010**	3,925,801
Actual production converted to 20 count (Kgs)	**25,539**	6,919,196
Attainable capacity converted to 20 count (Kgs)	**12,077,988**	12,077,988
Number of spindles installed	**25,776**	25,776
Average Number of spindles worked	**53**	14,487
Number of shifts worked	**6**	617

The reason for reduced capacity utilization is liquidity crunch suffered by the Company due to adverse factors faced by overall textile industry and lesser market demand of textile products in the country.

	Notes	**June 30, 2017**	June 30, 2016
		(Rupees)	
30 Cash and Cash Equivalents			
Cash and Bank Balances	20	**3,547,522**	5,480,404
Short term Borrowings	10	**(84,904,984)**	(57,168,213)
		(81,357,462)	(51,687,809)

31 Financial Instruments

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

31.1 Credit risk

Credit risk is the risk that one party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Company believes that it is not exposed to major concentration of credit risk. However, to reduce exposure to credit risk, if any, the management monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

The maximum exposure to credit risk at the reporting date is:

	June 30, 2017	June 30, 2016
	(Rupees)	
Long Term Investment - Related Party	**80,848,588**	42,708,714
Trade Debts - Considered Good	**157,178,255**	180,679,784
Loans and Advances - Unsecured, Considered good	**3,264,950**	3,845,136
Other Receivables - Unsecured, Considered good	**12,225,000**	12,232,444
Cash and Bank Balances	**3,547,522**	5,480,404
	257,064,315	244,946,482

Investment has been carried at fair value. In respect of trade debts and other receivables the management, based on past experience, believes that no further impairment allowance is necessary as management believes that the same will be recovered in short course of time. The credit quality of the company's receivable can be measured with their past performance of minimum default, and dealing banks possess good credit ratings.

31.2 Liquidity Risk

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

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

	2017					
	Carrying amount	**Contractual cash flows**	**Six month less**	**Six to twelve months**	**One year onward**	**Two to five years**
Financial liabilities	**Rupees**					
Long term loans	**302,044,568**	**350,606,690**	**95,454,250**	**95,454,250**	**–**	**159,698,189**
Trade and other payables	**102,345,487**	**102,345,487**	**102,345,487**	**--**	**–**	**–**
Short term Borrowings	**84,904,984**	**92,970,957**	**92,970,957**	**--**	**–**	**–**
Mark-up accrued on loans	**45,527,561**	**45,527,561**	**45,527,561**	**--**	**–**	**–**
	534,822,600	**591,450,695**	**336,298,256**	**95,454,250**	**-**	**159,698,189**

	2016					
	Carrying amount	Contractual cash flows	Six month less	Six to twelve months	One year onward	Two to five years
Financial liabilities	Rupees					
Long term loans	292,021,852	319,853,442	77,604,857	27,083,687	54,356,330	215,881,093
Trade and other payables	102,729,633	102,729,633	77,047,225	-	-	-
Short term Borrowings	57,168,213	61,455,829	61,455,829	-	-	-
Mark-up accrued on loans	28,667,979	28,667,979	28,667,979	-	-	-
	480,587,677	512,706,883	244,775,890	27,083,687	54,356,330	215,881,093

31.3 Market risk

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

31.4 Currency risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

31.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates, majority of the interest rate exposeure arises from short and long term borrowings from bank and term deposits and deposits in profit and loss sharing accounts with banks. At the balance sheet date the interest rate profile of the company's iterest-bearing financial instruments are:

	Carrying Amounts	
	June 30, 2017	June 30, 2016
	(Rupees)	
Fixed rate instruments		
Financial liabilities	**176,358,892**	176,358,892
Variable rate instruments		
Financial liabilities	**45,639,984**	46,168,213
	221,998,876	222,527,105

31.6 Risk management policies

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

31.7 Capital risk management

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

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

Total Borrowings	**386,949,552**	349,190,065
Less Cash and Bank Balances	**(3,547,522)**	(5,480,404)
Net debt	**383,402,030**	343,709,661
Total equity	**(111,806,194)**	(9,235,986)
Total Capital	**271,595,836**	334,473,675
Gearing ratio	**141.17%**	102.76%

31.8 Fair value of financial instruments

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

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

32 Number of Employees

Number of persons employed as at year end were Nos.58 (2015: 495) and the average number of persons employed during the year were Nos.64 (2016: 502).

33 Approval of financial Statements

These financial statements were approved by the Board of Directors and authorized for issue on 29th September 2017.

34 General

i) Comparative figures have been rearranged and reclassified wherever necessary for the purpose of better presentation and comparision. However, there was no material reclassification to report.

ii) Figures have been rounded off to nearest rupee

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

Ishtiaq Ahmed
Chief Executive Officer

Haroon Iqbal
Director

PATTERN OF SHAREHOLDING UNDER REGULATION 38(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE AS AT JUNE 30, 2017

Srl #	Categories of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
1.	**Associated Companies**	1	231,099	3.52%
2.	**NIT and ICP**	6	215,879	3.29%
3.	**Directors, CEO, their Spouses & Minor Children**	9	3,716,514	56.65%
4.	**Executives**	-	-	0.00%
5.	**Public Sector Companies & Corporations**	7	1,970	0.03%
6.	**Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Modarbas & Mutual Funds**	2	306	0.00%
7.	**Individuals**	617	2,395,260	36.51%
	TOTAL	**642**	**6,561,028**	**100.00%**

DETAILS OF CATAGORIES OF SHAREHOLDERS

Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1.	**Associated Companies**			
1.1	Dewan Motors (Pvt.) Limited	1	231,099	3.52%
2.	**NIT and ICP**			
2.1	Investment Corp. of Pakistan	1	68	0.00%
2.2	IDBP (ICP UNIT)	1	500	0.01%
2.3	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	192,424	2.93%
2.4	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	1	771	0.01%
2.5	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	1	21,981	0.34%
2.6	National Bank of Pakistan	1	135	0.00%
		6	**215,879**	**3.29%**
3.	**Directors, CEO, their Spouses & Minor Children**			
	Directors and CEO			
3.1	Dewan Muhammad Yousuf Farooqui	2	3,659,498	55.78%
3.2	Mr. Ishtiaq Ahmed	1	500	0.01%
3.3	Mr. Haroon Iqbal	1	500	0.01%
3.4	Mr. Aziz ul Haque	1	500	0.01%
3.5	Mr. Syed Muhammad Anwar	1	500	0.01%
3.6	Mr. Imran Ahmed Javed	1	500	0.01%
3.7	Mr. Muhammad Baqar Jafferi	1	500	0.01%
		8	**3,662,498**	**55.82%**
	Spouses of Directors and CEO			
3.8	Mrs. Hina Yousuf	1	54,016	0.82%
		1	**54,016**	**0.82%**
	Minor Children of Directors and CEO			

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/ INTERESTS IN THE COMPANY

Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1	Dewan Muhammad Yousuf Farooqui	2	3,659,498	55.78%

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

FORM 34

THE COMPANIES ORDINANCE, 1984
(Section 236(1) and 464)
PATTERN OF SHAREHOLDING

1. Incorporation Number **001561**
2. Name of the Company **DEWAN MUSHTAQ TEXTILE MILLS LIMITED**
3. Pattern of holding of the shares held by the Shareholders as at **30 06 2017**
4.

Number of Shareholders	Shareholdings				Total Shares held
326	1	-	100	Shares	6,461
188	101	-	500	Shares	45,720
46	501	-	1,000	Shares	37,228
37	1,001	-	5,000	Shares	88,226
8	5,001	-	10,000	Shares	57,794
8	10,001	-	15,000	Shares	99,413
2	15,001	-	20,000	Shares	39,500
4	20,001	-	25,000	Shares	91,173
2	25,001	-	30,000	Shares	54,008
1	30,001	-	35,000	Shares	31,000
1	35,001	-	40,000	Shares	38,707
2	40,001	-	50,000	Shares	94,647
3	50,001	-	55,000	Shares	161,901
1	55,001	-	60,000	Shares	56,401
1	60,001	-	70,000	Shares	65,500
1	70,001	-	90,000	Shares	80,770
1	90,001	-	100,000	Shares	100,000
1	100,001	-	150,000	Shares	144,974
2	150,001	-	200,000	Shares	392,424
1	200,001	-	225,000	Shares	224,217
2	225,001	-	235,000	Shares	465,494
1	235,001	-	250,000	Shares	236,973
1	250,001		300,000	Shares	288,999
1	300,001		800,000	Shares	725,553
1	800,001		3,000,000	Shares	2,933,945
642	**TOTAL**				**6,561,028**

5.

	Categories of Shareholders	Shares held	Percentage
5.1	Directors, Chief Executive Officer, their spouses and minor children	3,716,514	56.65%
5.2	Associated Companies, undertakings and related parties	231,099	3.52%
5.3	NIT and ICP	215,879	3.29%
5.4	Banks, Development Financial Institutions, Non-Banking Finance	-	0.00%
5.5	Insurance Companies	185	0.00%
5.6	Modarabas and Mutual Funds	121	0.00%
5.7	Shareholders holding 5%	3,659,498	55.78%
5.8	General Public		
	a. Local	2,395,260	36.51%
	b. Foreign	-	0.00%
5.9	Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	1,970	0.03%

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
دیوان محمد یوسف فاروقی	1
جناب اشتیاق احمد	1
جناب ہارون اقبال	1

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران مبلغ(23.84) (2016: مبلغ(28.61)) فی شیئر خسارہ پایا گیا۔

آڈیٹرز کی تقرری:

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

شیئر ہولڈنگ کا پیٹرن:

کمپنیز آرڈیننس 1984ء کے تحت 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۔

اظہار تشکر اور نتیجہ:

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

نتیجہ کے حوالے سے میں اللہ تعالیٰ رحمٰن 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 امۃ کے مابین صحیح اسلامی جذبہ، اخوت اور بھائی چارگی پیدا کرے۔ آمین ثمہ آمین۔

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

Dewan M. Yousuf Farooqui

دیوان محمد یوسف فاروقی
چیئرمین بورڈ آف ڈائریکٹرز

کراچی:
تاریخ: 29 ستمبر 2017ء

۵۔ اندرونی کنٹرول کے نظام منظم ہیں اوراس کی موثر طریقے سے عملدرآمد اورنگرانی کی جاتی ہے۔
۶۔ کارپوریٹ گورننس پرعملدرآمد 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 غیرا یگزیکیٹیوممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔
۸۔ بورڈ نے اپنے ممبران اورکمپنی کے ملازمین میں سے اسٹیٹمنٹ برائے اصول اورکاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔
۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پرکوئی قابل ذکرشکوک وشبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات کے نوٹ نمبر 1.1 میں کیا گیا ہے۔
۱۰۔ ٹیکسز، ڈیوٹیزاوردیگرچارجزسے متعلق معلومات مالیاتی گوشواروں میں دی گئی ہیں۔
۱۱۔ پرووڈینٹ فنڈ کی سرمایہ کاری کی ویلیوان کے متعلقہ اکاؤنٹس کے مطابق مبلغ 23.377 ملین ہے۔(2016: مبلغ 20.603 ملین روپے)۔
۱۲۔ کارپوریٹ گورننس کے حوالے سے مندرجہ ذیل معلومات منسلک ہیں:
(۱) شیئرہولڈنگ کا پیٹرن
(۲) متعلقین اوردیگرافراد کے شیئرز

بورڈ:

بورڈ آف ڈائریکٹرزمتنوع علم کے حامل افراداور ماہرین پرمشتمل ہے جوکہ اپنی بہترین مہارت کے تحت کمپنی کے مقاصد پرعملدرآمد کرتے ہیں، اس سال کے دوران بورڈ کی چار میٹنگوں کا انعقاد ہوا جس میں شرکت کرنے والے ڈائریکٹرز کی تفصیل درج ذیل ہے:

نام:	میٹنگ میں شرکت کنندہ کی تعداد
دیوان محمد یوسف فاروقی	3
جناب ہارون اقبال	4
جناب عزیزالحق	4
جناب اشتیاق احمد	4
سیدمحمد انور	4
جناب محمودالحسن اصغر	3
جناب محمد باقرجعفری	4

وہ ڈائریکٹرز جو میٹنگ میں شرکت نہیں کرسکے ان ڈائریکٹرزکوغیرحاضری پرچھٹی عنایت کردی گئی تھی۔

آڈٹ کمیٹی:

بورڈ نے اپنے ڈائریکٹرزکوکارپوریٹ گورننس، مالیاتی رپورٹنگ اورکارپوریٹ کنٹرول کیلئے ان کی ذمہ داریوں کی تکمیل میں تعاون کیلئے آڈٹ کمیٹی تشکیل دی تھی۔ یہ کمیٹی تین ممبران پرمشتمل ہے، ممبران کی اکثریت بشمول کمیٹی کے چیئرمین اورغیرا یگزیکیٹیو ڈائریکٹر پرمشتمل ہے۔

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

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیزالحق	4
جناب ہارون اقبال	4
جناب محمد انور	4

ہیومن ریسورس اوراجرتی کمیٹی:

ہیومن ریسورس اوراجرتی کمیٹی کی تشکیل بورڈ نے کی تھی تاکہ ہیومن ریسورس کی پالیسیوں پرمیعادی جائزے سے متعلق ان کی ذمہ داریوں میں تعاون فراہم کرسکیں۔ اس کے علاوہ انتخاب، تخمینہ، معاوضہ اورانتظامیہ کی اہم کامیابی کی منصوبہ بندی بورڈ کے ساتھ تعاون کرسکے۔

مالیاتی حسابات چلتی ہوئی کمپنی کے جاری کردہ امور کے تحت مرتب کئے گئے ہیں کیونکہ کمپنی نے اپنے قرضہ جات کے حوالے سے دوبارہ ترتیب کیلئے رابطہ قائم کیا ہے جوکہ زیرغور ہے۔انتظامیہ کوامید ہے کہ یہ نظرثانی جلد موثر ہوگی اور کمپنی کی فنڈنگ کی ضروریات کو پورا کرے گی اس کے علاوہ انتظامیہ کو آپریشن کے حوالے سے بھی مدد فراہم کرے گی تاکہ پیداواری گنجائش کو بہتر طریقہ سے استعمال کیا جاسکے۔جیسا کہ رپورٹ میں حالات کا ذکر کیا گیا ہے اس کی وضاحت مالیاتی حسابات کے نوٹ 1.1 میں کی گئی ہے۔

کمپنی نے اپنے قرضہ جات کو دوبارہ مرتب کرنے کے لئے اپنے قرض خواہوں سے رابطہ کیا ہے جوکہ زیرغور ہے۔انتظامیہ پُرامید ہے کہ مالیاتی حسابات کے نوٹ 6.1.2 میں مکمل طور پر وضاحت کردہ طریقہ کار کے تحت جلد از جلد اسے مکمل کردیا جائے گا اس کے علاوہ دوبارہ ترتیب کردہ تاریخ تک مبلغ 248.831 ملین روپے واجب الادا مارک اپ پر لازم ہونگے اور کمپنی معاہدہ کی شرائط میں کوتاہی کی صورت میں یہ ادائیگی کرنے کی ذمہ دار ہوگی۔چونکہ دوبارہ ترتیب کا عمل زیرغور ہے لہٰذا انتظامیہ کو یقین ہے کہ یہ رقم واجب الادا نہیں ہوگی۔اسی لئے ان مالیاتی حسابات میں مذکورہ مارک اپ کو ریکارڈ نہیں کیا گیا ہے۔

مستقبل کا نظریہ:

پاکستان کی معیشت اقتصادی طور پر کئی ایک چیلنجز سے دوچار ہے جوکہ اقتصادی سرگرمیوں اور ملکی ترقی کو متاثر کررہی ہے۔ٹیکسٹائل کی صنعت توانائی، گیس، بجلی کے چارجز میں اضافہ کی وجہ سے مشکلات کا شکار ہے اسی لئے پاکستان کی برآمدات عالمی مارکیٹ میں مقابلہ کرنے سے قاصر ہے۔اس سلسلے میں حکومت کی جانب سے براہ راست اقدامات کی ضرورت ہے تاکہ ٹیکسٹائل کی صنعت کو جاری وساری رکھا جاسکے بالخصوص قابل برداشت گیس کی قیمتوں اوراس کی رسد کو موثر بنانے کیلئے اقدامات کرنے ہونگے۔دریں اثناء حکومت کی جانب سے برآمدات میں اضافہ کیلئے مبلغ 180 بلین روپے کا ایک خصوصی پیکیج کا اعلان کیا ہے جس پر عمل درآمد کا انتظار ہے۔انتظامیہ کمپنی کی پیداواری سرگرمیوں کو بحال کرنے کی ہرممکن کوشش کررہی ہے جس کا دارومدار مستقبل کے معاشی حالات پر ہے۔

کارپوریٹ معاشرتی ذمہ داریاں:

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

صحت، حفاظت اور ماحول:

کمپنی کی انتظامیہ اپنی ذمہ داری سے آگاہ ہے جس کے تحت ہمیں ہمارے متعلقین کو محفوظ اور صحت مندانہ ماحول فراہم کرنا ہے۔ہماری حفاظتی ثقافت کا مقصد یہ ہے کہ ہرطرح کے مسائل سے محفوظ رہا جائے۔ملازمین کیلئے محفوظ، صحت مندانہ اور پرسکون اموری حالات پیدا کرنے کیلئے مستقل جدوجہد کرتے ہیں۔ہم تمام تر حادثات وغیرہ کی صورت میں مکمل تفتیش کرتے ہیں اوراس کا سبب معلوم کرتے ہیں۔ہمیں یقین ہے کہ تحفظ اور صحت مندانہ عمل بہتری کیلئے مستقل اصلاح کا راستہ ہے۔ہم اپنے اوراپنے 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۔لہٰذا کمپنی کی انتظامیہ انسانی ذرائع کے استعمال کو بے حد اہمیت دیتی ہے، اس سلسلے میں ملازمین کیلئے مناسب تربیت، ہدایات اور وقتاً فوقتاً مراعاتی اسکیمیں فراہم کرتے ہیں۔

کوڈ آف کارپوریٹ گورننس پر عملدرآمد:

سیکیورٹی اینڈ ایکسچینج کمیشن آف پاکستان نے کارپوریٹ گورننس کا ایک کوڈ تشکیل دیا ہے جسے ملک کی تمام اسٹاک ایکسچینجز کے قوانین کے توسط سے قائم کیا گیا ہے۔آپ کی کمپنی کے ڈائریکٹرز اختتامی سال 30 جون 2017ء کیلئے کوڈ آف کارپوریٹ گورننس کے تمام قوانین پر عملدرآمد یقینی بنایا ہے۔

آڈیٹرز کی جانب سے کوڈ آف کارپوریٹ گورننس پر عملدرآمد کی جائزہ رپورٹ بھی اس رپورٹ کے ساتھ منسلک ہے۔

کمپنی کے ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ درج ذیل تفصیلی قوانین اوران پر عمل پیرا ہیں:

۱۔ کمپنی کی انتظامیہ کی جانب سے تیارکردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقدرقم کی ترسیل اور حصص میں ردوبدل کی شفاف عکاسی کرتے ہیں۔
۲۔ کمپنیز آرڈیننس 1984ء کے تحت کمپنی کے کھاتے مناسب طریقہ سے مرتب کئے جاتے 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، باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے۔

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 30 جون 2017ء کے لئے سالانہ آڈٹ شدہ مالیاتی حسابات بمع آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کررہے ہیں۔

جائزہ:

پاکستان میں ٹیکسٹائل کی صنعت ایک وسیع پیداواری اور دوسرا بڑا روزگار فراہم کرنے والا اہم شعبہ ہے اور اس کا تقریباً 60 فیصد حصہ زرمبادلہ کی آمدن میں شامل ہے، مگر جاری نامساعد حالات اور حکومت کی جانب سے عدم تعاون کے سبب ٹیکسٹائل ملز بند ہورہی ہیں اور ٹیکسٹائل کی برآمدات بھی مستقل طور پر زوال پذیر ہیں۔ زیر جائزہ سال کے دوران ٹیکسٹائل اسپننگ کی صنعت مستقل دباؤ کا شکار رہی اور درپیش مخالف حالات نے مختلف یونٹس کے امور میں رخنا کا باعث رہی۔

مالیاتی نتائج اور کارکردگی: (پیداوار معطل)

زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:

	(روپے)
فروخت (صافی)	14,010,476
فروخت کی لاگت	(113,537,535)
خام خسارہ	**(99,527,059)**
آپریٹنگ اخراجات	(34,666,406)
آپریٹنگ خسارہ	**(134,193,465)**
مالیاتی لاگت	(29,120,100)
قبل از ٹیکس خسارہ	**(163,313,565)**
محصولات	6,910,010
بعد از ٹیکس خسارہ	**(156,403,555)**

اس سال کمپنی کی صافی فروخت مبلغ 14.010 ملین روپے تھی جس کا موازنہ گزشتہ سال مبلغ 737.421 ملین روپے سے کیا جاسکتا ہے۔ کمپنی کو مبلغ 99.527 ملین روپے کا کل خسارہ برداشت کرنا پڑا ہے جس کا موازنہ گزشتہ سال کے کل خسارہ 74.856 روپے سے کیا جاسکتا ہے جبکہ کمپنی کے آپریٹنگ کے اخراجات میں مبلغ 45.475 ملین روپے کی کمی واقع ہوئی جو کہ آپریشن کے بند ہونے کی وجہ سے ہوئی۔ کمپنی نے وقتی طور پر جولائی 2016ء سے اپنی پیداوار کے عمل کو معطل کردیا ہے جو کہ صنعت میں نامساعد مشکلات، مارکیٹ میں طلب کی کمی اور کام چلانے کیلئے سرمایہ میں کمی کی وجہ سے ہے۔

پاکستان کپاس پیدا کرنے والا چوتھا بڑا ملک ہے اس کے باوجود کپاس کی طلب پیداوار کے مقابلہ میں زیادہ ہے جسکے سبب ٹیکسٹائل یونٹس کو کپاس کی درآمدات پر انحصار کرنا پڑتا ہے، جس کی وجہ سے کپاس کی لاگت زیادہ ہوجاتی ہے اور برآمداتی اشیاء کو مہنگا کردیتی ہے۔ گو کہ اس سال کپاس کی پیداوار 10.7 ملین بیلز ہے جبکہ اس کا موازنہ گزشتہ سال کے 9.9 ملین بیلز سے کیا جاسکتا ہے جو کہ اب بھی 14.1 ملین بیلز کے ہدف سے کم تھا۔ جولائی 2017ء سے حکومت نے درآمدی کپاس پر دوبارہ کسٹم ڈیوٹی اور سیلز ٹیکس عائد کردیا ہے جس کی وجہ سے کاروباری اخراجات میں لازمی اضافہ ہوگا۔

علاقائی ممالک یعنی ویتنام، سری لنکا، بنگلہ دیش اور انڈیا کا موازنہ پاکستان سے کیا جائے تو اندازہ ہوگا کہ مزدوری اور یوٹیلٹیز کے حوالہ سے پاکستان بے حد مہنگا ملک ہے کیونکہ پاکستان میں کم سے کم ماہانہ اجرت اور یوٹیلٹیز کے اخراجات کا تناسب ان ممالک کے مقابلے میں بہت زیادہ ہے اور زیادہ پیداواری لاگت کے سبب اس صنعت کے لئے مقامی اور عالمی مارکیٹ کا مقابلہ کرنا بہت مشکل ہے۔

سال 12-2011 میں کمپنی نے اپنے قرض خواہوں کے ساتھ مصالحتی معاہدہ کے ذریعہ تصفیہ کرلیا تھا جس کے تحت محترم ہائی کورٹ آف سندھ کراچی نے ڈکری پاس کی تھی، کمپنی کے مختصر مدتی اور طویل مدتی قرضوں کو طویل مدتی قرضہ جات کی شکل میں دوبارہ مرتب کیا گیا تھا۔

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

1- سالانہ رپورٹس کی بذریعہ سی ڈی/ڈی وی ڈی/یو ایس بی ترسیل

سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان نے بذریعہ ایس آر او470(1)/2016/ مورخہ 31 مئی 2016ء کمپنیوں کو اجلاس عام میں شیئر ہولڈرز کی رائے حاصل کرنے کے بعد سالانہ آڈٹ شدہ اکاؤنٹس، اجلاس عام کے نوٹسز اور کمپنی کی دیگر معلومات بذریعہ سی ڈی/ڈی وی ڈی/یو ایس بی ممبران کو ارسال کرنے کی اجازت دیدی ہے۔اس سے وقت اور سالانہ رپورٹس کی اشاعت پر آنے والے اخراجات کی بچت ہوگی۔

تاہم کمپنی شیئر ہولڈرز کے طلب کرنے پر ایک ہفتہ کے اندر بلا معاوضہ مذکورہ دستاویزات کی ہارڈ کاپی فراہم کردیگی۔شیئر ہولڈرز کی منظوری پر کمپنی ان دستاویزات کی ہارڈ کاپی کیلئے ویب سائٹ پر ایک اسٹینڈرڈ ریکوئسٹ فارم معہ کمپنی سیکریٹری/شیئر رجسٹرار کے ای۔میل ایڈریس جاری کردیگی جو اس درخواست پر عمل کریں گے۔

کمپنی کے ڈائریکٹرز خصوصی امور میں اپنی حصص یافتہ ہونے اور ڈائریکٹر کے طور پر حیثیت کے علاوہ کوئی دلچسپی نہیں رکھتے۔

''قرار پایا کہ 30 جون 2018ء کو مکمل ہونے والے سال کیلئے اور آئندہ ممبران کو سالانہ آڈٹ شدہ مالی گوشوارں، اجلاس عام کے نوٹسز اور دیگر معلومات واطلاعات کی ہارڈ کاپی کی بجائے بذریعہ سی ڈی یا ڈی وی ڈی یا یو ایس بی ترسیل کیلئے دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ (کمپنی) کے ممبران کی رائے اور منظوری حاصل کی جائے۔''

2- کمپنی کے آرٹیکلز آف ایسوسی ایشن میں تبدیلی کے ضمن میں مندرجہ ذیل مجوزہ خصوصی قرارداد پر غور وخوض اور موزوں پانے پر منظوری اور قرارداد پاس کرنا۔

(i) کمپنی کے آرٹیکلز آف ایسوسی ایشن کی کلاز 49 -اے کا اضافہ

ای ووٹنگ کی ضروریات اور شقوں بشمول ریگولیٹری اتھارٹی کی جانب سے وقتاً فوقتاً پروکسی کی تقرری کی دستاویز کو ان آرٹیکلز میں شامل کیا جائیگا جو آرٹیکلز آف ایسوسی ایشن کے دیگر پروویژنز کے علاوہ اور کسی کی تردید کے بغیر ہوں گے۔

''مزید قرار پایا کہ ای ووٹنگ کی صورت میں غیر ممبرز کی بطور پروکسی تقرری کی منظوری دی جاتی ہے''

''مزید قرار پایا کہ مندرجہ بالا پاس کردہ قرارداد کے سلسلہ میں اور ریگولیٹر سے ضروری منظوری کے بعد اور اسی طرح کمپنی کے آرٹیکلز اور ایسوسی ایشن میں ترمیم/اضافہ اور تبدیلی کیلئے دفعہ 134(3) کے تحت ممبران کو پیش گوشوارہ اور فارم قرارداد ہذا کے جزو ہونے کی منظوری دی جاتی ہے۔''

کمپنی کے ڈائریکٹرز خصوصی امور میں بالواسطہ یا بلاواسطہ کوئی دلچسپی نہیں رکھتے جو باجودیکہ کمپنی کے آرٹیکلز آف ایسوسی ایشن کے مذکورہ بالا پرویژن کمپنیز آرڈیننس مجریہ 1984ء کی پرویژن کی طرح مستحکم کرنے اور کمپنی کے کاروبار کی سہولت کے مفاد میں کام کرنے کے خواہشمند ہیں اور بورڈ آف ڈائریکٹرز مجموعی طور پر کام کر رہے ہیں۔

(ii) کمپنی کے آرٹیکلز آف ایسوسی ایشن کی کلاز 51 میں ترمیم

''قرار پایا کہ کمپنی کے آرٹیکلز آف ایسوسی ایشن کی کلاز 51 کی مجوزہ تبدیلی حسب ذیل ہے:

کمپنی کے آرٹیکلز آف ایسوسی ایشن کی حالیہ کلاز 51	کمپنی کے آرٹیکلز آف ایسوسی ایشن کی کلاز 51 میں مجوزہ تبدیلی
ڈائریکٹر کا مشاہیرہ کمپنی اجلاس عام میں وقتاً فوقتاً آرڈیننس کی پرویژن کے مطابق طے کریگی	''کمپنی کے ڈائریکٹرز/چیف ایگزیکٹیو آفیسرز کا مشاہیرہ کمپنی کا بورڈ آف ڈائریکٹر وقتاً فوقتاً بورڈ کے اجلاس میں طے کریگا

الف - برائے اجلاس میں شرکت

(i) انفرادی اکاؤنٹ ہولڈر یا سب/اکاؤنٹ ہولڈر اور/یا اس فرد کو جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہو اور ان کی رجسٹریشن تفصیلات قوائد کے مطابق اپ لوڈ ڈ ہوں' اس کو اجلاس میں شرکت کے موقع پر اپنی شناخت کے موقع پر اپنا اصل کمپیوٹرائیزڈ قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔

(ii) کارپوریٹ اینٹٹی کی صورت میں اجلاس کے موقع پر بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی معہ نامزد فرد کے دستخط کا نمونہ پیش کرنا ہوگا۔

ب- برائے پروکسی کی تقرری:

(i) انفرادی اکاؤنٹ ہولڈر یا سب/اکاؤنٹ ہولڈر اور/یا جس فرد کی سیکیورٹیز گروپ اکاؤنٹ اور میں ہو اور ان کی رجسٹریشن تفصیلات قوائد کے مطابق اپ لوڈ ڈ ہوں' اس کو پروکسی فارم حسب بالا جمع کرانا ہوگا۔

(ii) پروکسی فارم پر دو افراد کی گواہی ہونی چاہیئے جن کے نام' پتے اور سی این آئی سی نمبر فارم میں درج ہوں۔

(iii) سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم کے ہمراہ منسلک ہونی چاہیئے۔

(iv) پروکسی کو اجلاس کے موقع پر اصل سی این آئی سی یا اصل پاسپورٹ پیش کرنا ہوگا۔

(v) کارپوریٹ اینٹٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی معہ نامزد شخص کے دستخط کا نمونہ پروکسی فارم کے ہمراہ پیش کرنا ہوگا۔

(5) سی این آئی سی فراہم نہ کرنے والے شیئر ہولڈرز کو نوٹس

جن ممبران نے ابھی تک سی این آئی سی کی فوٹو کاپیاں کمپنی کو پیش نہیں کی ہیں ان سے دوبارہ درخواست ہے کہ جلد از جلد داخل کرا دیں تا کہ سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کے ایس آر او نمبر 831(1)2012 مورخہ 5 جولائی 2012ء کی تعمیل میں ڈیویڈنڈ وارنٹس پر اندراج کیا جاسکے۔ لسٹیڈ کمپنیوں کیلئے لازمی ہے کہ رجسٹرڈ حصص یافتگان یا مختار نمائندوں کا سی این آئی سی نمبر ڈیویڈنڈ وارنٹس پر درج کیا جائے۔ لہذا بلا تاخیر سی این آئی سی کی تصدیق شدہ کاپی ہمارے شیئر رجسٹرار کو فراہم کرنے کی ہدایت کی جاتی ہے۔

(6) مینڈیٹ برائے ای۔ ڈیویڈنڈ

نقد منافع منقسمہ کی ادائیگی کے عمل کو زیادہ موثر بنانے کی غرض سے ای۔ ڈیویڈنڈ طریقہ کار کا آغاز کیا گیا ہے جس کے ذریعے شیئر ہولڈرز کو بلا کسی تاخیر کے اپنے متعلقہ بینک اکاؤنٹس میں منافع منقسمہ کی رقم الیکٹرونک جمع کردہ مل جائے گی۔ اس طرح منافع منقسمہ جات متعلقہ بینک اکاؤنٹ میں فوراً کریڈٹ کردیئے جائیں گے اور منافع منقسمہ کے وارنٹس کی ڈاک میں گمشدگی' بلا تقسیم واپس آجانے یا غلط پتے پر ڈیلیور وغیرہ ہونے کے امکانات نہیں ہوں گے۔ سیکیورٹی اینڈ ایکس چینج کمیشن آف پاکستان (SECP) نے بذریعہ نوٹس نمبر SM/CDC 2008(4)8 مورخہ 05 اپریل 2013ء تمام لسٹیڈ کمپنیز کو ہدایت کی ہے کہ وہ ای۔ ڈیویڈنڈ طریق کار کا اختیار کریں اس بنا پر کہ شیئرز ہولڈرز کیلئے یہ سود مند رہے گا۔ مندرجہ بالا کے پیش نظر آج سے گزارش کی جاتی ہے کہ آپ ڈیویڈنڈ مینڈیٹ فارم پر شدہ اور دستخط شدہ ہو فراہم کرتے ہوئے ای ڈیویڈنڈ کے حق میں ایک ڈیویڈنڈ مینڈیٹ فراہم کریں۔

(7) مالی گوشواروں وغیرہ کی الیکٹرونک ترسیل

سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان (ایس ای سی پی) نے بذریعہ 787(1)2014 مورخہ 8 ستمبر 2014ء کمپنیوں کو سالانہ جائزہ اجلاس کے نوٹس کے ہمراہ آڈٹ شدہ مالیاتی گوشوارے بذریعہ ای۔ میل اپنے ممبران کو ارسال کرنے کی اجازت دیدی ہے۔ لہذا ممبران سے درخواست ہے کہ آڈٹ شدہ مالی گوشواروں اور نوٹس کو بذریعہ ای۔ میل وصولی کیلئے اپنی رائے اور ای میل ایڈریس فراہم کریں۔ اس سہولت سے استفادہ کیلئے اسٹینڈرڈ ریکوئسٹ فارم کمپنی کی ویب سائٹ: http://www.yusufdewan.com./DMTML/index.html پر دستیاب ہیں۔

کمپنیز ایکٹ مجریہ 2017ء کی دفعہ 134(3) کے تحت گوشوارہ

یہ گوشوارہ دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ (کمپنی یا ڈی ایم ٹی ایم ایل) کے پیر 30 اکتوبر 2017ء کو دن کے بارہ بجے دیوان سیمنٹ لمیٹڈ پلانٹ سائیٹ۔ دیہہ ڈھنڈو دھابیجی ضلع ملیر کراچی پاکستان کے نوٹس ہذا کے ہمراہ ارسال کیا جارہا ہے اور اجلاس ہذا میں انجام دیئے جانے والے خصوصی امور سے متعلق ٹھوس حقائق پر مبنی ہے۔

دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ
سالانہ اجلاس عام

مطلع کیا جاتا ہے کہ دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ (ڈی ایم ٹی ایم ایل یا کمپنی) کا چھپنواں سالانہ اجلاس عام پیر 30 اکتوبر 2017ء کو دن کے بارہ بجے دیوان سیمنٹ لمیٹڈ۔ فیکٹری سائیٹ واقع دیہہ ڈھنڈو۔ دھابیجی۔ ضلع ملیر کراچی پاکستان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائیگا۔ اجلاس کا آغاز تلاوت کلام پاک سے ہوگا۔

عمومی امور

(1) کمپنی کے سالانہ اجلاس عام منعقدہ جمعرات 27 اکتوبر 2016ء کی کارروائی کی توثیق۔
(2) 30 جون 2017ء کو مکمل ہونے والے سال کے لئے آڈٹ شدہ سالانہ مالی گوشواروں معہ ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی٬ غور وخوض اور منظوری۔
(3) آئندہ سال کے لئے کمپنی کے آڈیٹرز کی تقرری اوران کے مشاہیرہ کا تعین۔
(4) چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

خصوصی امور:

1- کمپنی کے آرٹیکلز آف ایسوسی ایشن میں دفعہ 134(3) کے تحت گوشوارہ میں درج تفصیلات کے مطابق ترمیم/اضافہ پر غور وخوض اور موزوں پانے پر منظوری۔
2- سالانہ آڈٹ شدہ اکاؤنٹس کی کسی منظورشدہ ذریعہ سے منتقلی اورای۔ووٹنگ کی صورت میں کسی غیر ممبر کی بطور پروکسی تقرری کیلئے شیئر ہولڈرز کی رائے کے حصول کے ضمن میں مندرجہ ذیل خصوصی قرارداد ترمیم بلاترمیم پاس کرنا۔
ایس آر او۔470(1)2016 مورخہ 31 مئی 2016ء جاری کردہ سیکیورٹیز اینڈ ایکسچینج آف پاکستان کے تحت سالانہ آڈٹ شدہ مالی گوشواروں٬ اجلاس عام کے نوٹسز اور دیگر معلومات واطلاعات کی بذریعہ سی ڈی یا ڈی وی ڈی یا یو ایس بی ترسیل کیلئے شیئر ہولڈرز کی منظوری حاصل کرنے کیلئے مندرجہ ذیل
3- قرارداد ترمیم بلاترمیم پاس کرنا۔
”قرار پایا کہ 30 جون 2018ء کو مکمل ہونے والے سال کیلئے اور آئندہ ممبران کو سالانہ آڈٹ شدہ مالی گوشواروں٬ اجلاس عام کے نوٹسز اور دیگر معلومات واطلاعات کی ہارڈ کاپی کی بجائے بذریعہ سی ڈی یا ڈی وی ڈی یا یو ایس بی ترسیل کیلئے دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ (کمپنی) کے ممبران کی رائے اور منظوری حاصل کی جائے۔“
”مزید قرار پایا کہ ای ووٹنگ کی صورت میں غیر ممبرز کی بطور پروکسی تقرری کی منظوری دی جاتی ہے“
”مزید قرار پایا کہ مندرجہ بالا پاس کردہ قرارداد کے سلسلہ میں اور ریگولیٹر سے ضروری منظوری کے بعد اور اسی طرح کمپنی کے آرٹیکلز اور ایسوسی ایشن میں ترمیم/اضافہ اور تبدیلی کیلئے دفعہ 134(3) کے تحت ممبران کو پیش گوشوارہ اور فارم قرارداد ہذا کے جزو ہونے کی منظوری دی جاتی ہے۔“
”قرار پایا کہ ڈائریکٹر ہارون اقبال یا کمپنی سیکریٹری محمد حنیف جرمن کو قرارداد ہذا پر عملدرآمد کیلئے تمام اقدامات کی کارروائیاں اور قانونی دستاویزات کی تیاری اور اتفاقی اور ضروری امور انجام دینے کا اختیار دیا جاتا ہے۔“
کمپنیز ایکٹ 2017ء کی دفعہ 134(3) کے تحت خصوصی امور سے متعلق گوشوارہ نوٹس ہذا کے ہمراہ ممبران کو ارسال کیا جارہا ہے جو اس کا جزو قرار پایا ہے۔

بحکم بورڈ

محمد حنیف جرمن
کمپنی سیکریٹری

کراچی۔
02 اکتوبر 2017ء

نوٹس:

(1) کمپنی کی منتقلی حصص کی کتب 23 اکتوبر تا 30 اکتوبر 2017ء (دونوں دن شامل) بند رہے گی۔
(2) ممبران سے درخواست ہے کہ پتہ میں کسی قسم کی تبدیلی سے فوری طور پر ہمارے شیئرز رجسٹرار ٹرانسفر ایجنٹ بی ایم ایف کنسلٹینٹس پاکستان (پرائیویٹ) لمیٹڈ انعم اسٹیٹ بلڈنگ٬ کمرہ نمبر 310 اور 311 تھرڈ فلور 49- دارالامان سوسائٹی مین شاہراہ فیصل متصل بلوچ کالونی پل- کراچی پاکستان کو مطلع کریں۔
(3) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کے لئے دوسرے ممبر کو اپنا پروکسی مقرر کرسکتا ہے۔ تاہم پروکسی کی تقرری کی دستاویز اجلاس ہذا کے انعقاد سے کم از کم اڑتالیس گھنٹے قبل کمپنی کو مندرجہ بالا پتہ پر مل جانی چاہیے۔
(4) سی ڈی سی اکاؤنٹ ہولڈروں کو مزید برآں سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ سرکلر 1 مورخہ 20 جنوری 2000ء میں درج مندرجہ ذیل ہدایات پر عمل کرنا ہوگا۔

DEWAN MUSHTAQ TEXTILE MILLS LIMITED
56TH 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 MUSHTAQ 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 MUSHTAQ 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 56th Annual General Meeting of the Company to be held on **Monday, 30th October,2017 at 12:00 Noon.** and any adjournment thereof.

Signed this ______________ day of ______________ 2017.

Affix
Revenue
Stamp
Rs. 5/-

Signature ______________________________

Witness: ______________	Witness: ______________
Signature	**Signature**
Name: ______________	Name: ______________
Address: ______________	Address: ______________
______________	______________

پراکسی فارم

۵۶ 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 مشتاق ٹیکسٹائل ملز لمیٹڈ کے ______________ حصص کے مالک، رجسٹرڈ فولیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر ______________ میں

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

جو بذات خود بھی ______________________________

دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ ______________________________

سی ڈی سی آئی ڈی اور کھاتہ نمبر ______________________________

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۵۶ واں سالانہ اجلاس عام جو کہ بروز پیر، ۳۰ اکتوبر ۲۰۱۷ کو دوپہر ۱۲:۰۰ بجے، ہے میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز ______________ بتاریخ ______________ ۲۰۱۷ کو میرے / ہمارے ہاتھ سے مہر لگائی۔

دستخط ______________________________

Affix
Revenue
Stamp
Rs. 5/-

گواہ: ______________________________

نام: ______________________________

مکمل پتہ: ______________________________

____

گواہ: ______________________________

نام: ______________________________

مکمل پتہ: ______________________________

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