

Vision Statement

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

Mission Statement

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

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

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

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

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

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

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	:	Mr. Ishtiaq Ahmed - Chief Executive Officer & Director
Non-Executive Directors	:	Mr. Ghazanfar Baber Siddiqui - Chairman, Board of Mr. Zafar Asim Mr. Imran Ahmed Javed Syed Maqbool Ali Mrs. Nida Jamil
Independent Director	:	Mr. Aziz-ul-Haque
Audit Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Imran Ahmed Javed (Member)
Human Resources & Remuneration Committee	:	Mr. Aziz-ul-Haque (Chairman) Syed Maqbool Ali (Member) Mr. Ishtiaq Ahmed (Member)
Auditor	:	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. Muhammad Irfan Ali
Tax Advisor	:	Sharif & Co. Advocates
Legal Advisor	:	Abbas & Atif Law Associates
Bankers	:	Habib Bank Limited Bank Islami Pakistan Limited MCB Bank Limited Silk Bank Limited
Registered Office	:	Dewan Centre, 3-A Lalazar Beach Hotel Road, Karachi
Shares Registrar & Transfer Agent	:	BMF Consultants Pakistan (Private) Limited Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to Baloch Colony Bridge, Karachi 75350, Pakistan
Factory Office	:	A-30, S.I.T.E., Hyderabad, Sindh, Pakistan.
Website	:	www.yousufdewan.com



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixtieth Annual General Meeting of **Dewan Mushtaq Textile Mills Limited** (“**DMTML**” or “**the Company**”) will be held on **Wednesday, October 27, 2021, at 11:30 a.m.** 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:

ORDINARY BUSINESS:

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Monday, October 26, 2020;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2021, together with the Directors’ and Auditors’ Reports thereon;
3. To confirm the appointment of the Statutory Auditors of the Company for the year ended June 30, 2022, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By Order of the Board

Date : September 24, 2021

Place : Karachi

Muhammad Hanif German

Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 20, 2021 to October 27, 2021 (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 Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, adjacent to 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 abovesaid 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 changes 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>.



CHAIRMAN'S REVIEW

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

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

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

During financial year ended June 30, 2021, five board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the board and its committee meetings. All Directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.

Ghazanfer Baber Siddiqui
Chairman Board of Directors

Date: September 24, 2021
Place: Karachi.

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, 2021 together with the Auditors' Report thereon.

Overview

Pakistan's economy, like rest of the world, has struggled to combat the economic consequences of COVID-19 shock through prompt measures for supporting the economy and saving the lives and livelihoods. Besides, virus containment measures, the government has implemented a comprehensive set of measures including an expansion of the social safety net to protect the vulnerable segments of the population, as well as monetary policy support and targeted financial initiatives. These measures supported the economy in mitigating the severe impact of the pandemic. The prudent decisions of the government with accommodative fiscal and monetary policies helped the economy to regain its pre-COVID-19 trajectory. Manufacturing has witnessed broad-based growth as major sectors of LSM have shown significant improvement i.e., Textile, Food Beverages & Tobacco, Non-Metallic Mineral Products and Automobile. The industrial sector has witnessed a remarkable turnaround largely because of accommodative policies by the government in the form of industrial support packages, relief to export-oriented industries, electricity and gas subsidy for the export-oriented industries and tax exemptions. The policy rate remained unchanged at 7.0 percent which improved business sentiments and thus stimulating economic activities enabling employment to recover. As a result, Alhamdulillah, the economy is steadily progressing towards more sustainable and inclusive growth. The economy has witnessed a V-shaped recovery with 3.94 percent growth in FY2021 against the negative growth of 0.47 percent last year. Remittances witnessed a remarkable growth as more formal channels were opted due to restrictions imposed on informal means. Added with this, timely resumption of economic activities helped the export sector performed relatively better than other emerging economies; both of which led to an improvement in the external sector.

The textile sector in Pakistan has an overwhelming impact on the economy and has been contributing around 60% to the country's exports. It comprises of 46% of the total manufacturing sector and being the second largest employment generating sector provides employment to 40% of the total labor force. Covid-19 has turned out to be a blessing in disguise for the textile industry as global buyers have turned towards Pakistan by cutting orders to regional players, resulting in 100% utilisation of available production capacity. Conditions for Pakistan's textile industry are very favorable and it is working at full capacity. The positive impact of the growth in textile industry is also being felt by the allied sectors including chemicals, logistics, packaging and other services. This has given Pakistani exporters, an opportunity to quote competitive prices and offer better quality products so that the new buyers could become their permanent customers.

Operating results and performance (Factory shutdown):

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

	"Rupees"
SALES (NET)	-
COST OF SALES	(52,471,908)
GROSS LOSS	(52,471,908)
OPERATING EXPENSES	(11,977,837)
OPERATING LOSS	(64,449,745)
FINANCE COST	(16,504,217)
OTHER INCOME	19,864,518
LOSS BEFORE TAXATION	(61,089,444)
TAXATION	8,296,578
LOSS AFTER TAXATION	(52,792,866)

Company's net sale for the year remained nil 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 and working capital constraints.



In financial year ended 2012, Company had settled with its lenders through Compromise Agreement against which consent decrees had been passed by the Honorable High Court of Sindh, Karachi. Company's short term and long term loans had been rescheduled in the form of long term loans. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honorable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

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

The financial statements have 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 which will ultimately help the management to resume the operations with optimum utilization of production capacity. Therefore, the preparation of financial statements using going concern assumption is justified, as explained in note 2 to the financial statements.

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 8.3 to the financial statements. Moreover, the markup outstanding up to the date of restructuring is Rs.119.824 million, which the company would be liable to pay in the event of default of terms of agreement. Since the management is confident that upon finalization of restructuring this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements.

Future Outlook

In today's highly competitive global environment, the textile sector needs to upgrade its supply chain, improve productivity, and maximize value-addition to be able to survive. Pakistan has supply base for almost all man-made and natural yarns and fabrics, including cotton, rayon and others. This abundance of raw material is a big advantage for Pakistan due to its beneficial impact on cost and operational lead time. The management is optimistic about business environment & appreciate the steps taken by the Government.

However, at present it is becoming more difficult to compete in international market, due to higher cost of production, uncertainties in currency devaluation and increase in inflation. Even though the Government implemented policy measures to control the inflation, however, still a lot needs to be done to bring it to quite manageable level. Some further initiatives from the government are also expected to make the textile industry sustainable, especially smooth supply of gas at affordable tariff, continuation of long-term concessionary financing facility for boosting investments in new capacity expansion and up-gradation of technology. The government should also encourage local production and import substitution through duty cut, tax incentives on investment in manufacturing and early release of tax refunds for exporters, and it should create a level playing field for domestic supplies compared to imports.

Corporate Social Responsibilities

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

Health, Safety and Environment

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

Human Resource

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

Corporate and Financial Reporting

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

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

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

Board

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

The Board of Directors as of June 30, 2021 consisted of the following:

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

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

Names	No. of Meetings attended
Mr. Aziz-ul-Haq	5
Mr. Ishtiaq Ahmed	5
Syed Muhammad Anwar	0
Mr. Muhammad Baqir Jafferi	3
Mr. Imran Ahmed Javed	5
Mr. Zafar Asim	5
Syed Maqbool Ali	5
Syed Asim Abid Ali	0
Mrs. Nida Jamil	1

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, five Audit Committee meetings were held and attendance was as follows.



Names	No. of Meetings attended / Eligibility to attended Meetings
Mr. Aziz-Ul Haque - Chairman	5/5
Syed Maqbool Ali	5/5
Mr. Imran Ahmed Javed	5/5

Human Resource and Remuneration Committee

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

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

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

During the last financial year Company was unable to conduct 3rd Quarter Board of Directors meeting due to Covid-19 and pandemic situation, which was subsequently conducted on September 25, 2020.

Earnings per Share

Loss per share during the period under report worked out to Rs. (4.57) [2020: Rs. (9.00)]

Appointment of Auditors

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

Pattern of Shareholding

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

Key operating and financial data

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

Subsequent Events

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

Vote of Thanks & Conclusion

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

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

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

By and under Authority of the Board of Directors

Ishtiaq Ahmed
CEO & Director

Date: September 24, 2021
Place: Karachi.

Syed Maqbool Ali
Director

FINANCIAL HIGHLIGHTS

	(Rupees in Million)					
	2016	2017	2018	2019	2020	2021
Sales (Net)	737	14	-	-	-	-
Gross (Loss) / Profit	(75)	(100)	(80)	(70)	(60)	(52)
(Loss) / Profit Before Tax	(183)	(163)	(171)	(115)	(113)	(61)
(Loss) / Profit After Tax	(188)	(156)	(149)	(105)	(104)	(53)
Current Assets	307	265	184	159	136	114
Shareholder's Equity & Surplus	(9)	(112)	319	268	164	111
Current Liabilities	330	424	432	404	592	585
(Loss) / Earning per Share	(28.61)	(23.84)	(22.78)	(11.50)	(9.00)	(4.57)
Breakup value per share (Rs.)	36.26	70.87	48.69	29.45	14.21	10.00
Current Ratio (Times)	0.93	0.63	0.43	0.39	0.23	0.20
Gross (Loss) / Profit (%)	-10.15%	-710%	-	-	-	-
Net (Loss) / Profit %	-25.46%	-1116%	-	-	-	-



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

For the Year Ended June 30, 2021

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

1. The total number of directors are seven as per the following:

a) Male	:	6
b) Female	:	1
2. The composition of board is as follows:

a) Independent Director	:	Mr. Aziz-ul-Haque
b) Other Non-executive Directors	:	Syed Maqbool Ali Mr. Imran Ahmed Javed Mr. Ghazanfar Baber Siddiqi Mr. Zafar Asim Mrs. Nida Jamil
c) Executive Director	:	Mr. Ishtiaq Ahmed
3. Six Directors have confirmed that they are not serving as Director in more than seven listed Companies including this Company, however, one Director is serving as Director in more than seven listed Yousuf Dewan Companies.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decision on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Four Directors are qualified under the directors training program. During the year the board did not arrange training program. However, we will arrange the same in the next coming session.
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:

a) Audit Committee	:	Mr. Aziz-ul-Haque Syed Maqbool Ali Mr. Imran Ahmed Javed	Chairman Member Member
b) HR and Remuneration Committee	:	Mr. Aziz-ul-Haque Syed Maqbool Ali Mr. Ishtiaq Ahmed	Chairman Member Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
- a) Audit Committee : 5 meetings during the financial year ended June 30, 2021
 - b) HR and Remuneration Committee : 1 annual meeting held during the financial year ended June 30, 2021
15. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

By and under Authority of the Board of Directors



Ishtiaq Ahmed
CEO & Director



Syed Maqbool Ali
Director

Date : September 24, 2021
Place : Karachi

**YD**

A YOUSUF DEWAN COMPANY

FEROZE SHARIF TARIQ & CO.

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

Voice: (+9221) 4540891
(+9221) 4522734

Facimile: (+9221) 4540891

Email: fstc.ca@gmail.com

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF DEWAN MUSHTAQ TEXTILE MILLS LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Dewan Mushtaq Textile Mills Limited (the Company) for the year ended June 30, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

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

- a) The composition of board has includes one independent director Mr. Aziz ul Haque, whereas in our opinion he does not meet the criteria of independence due to his cross director ship in other group companies. Further, Code requires independent directors shall not be less than two or one third of the total members of the board, whichever is higher, whereas board include one independent director.
- b) The chairman of Audit committee chairman and Human Resource and Remuneration Committee shall be an independent director, whereas in our view Mr. Aziz ul Haque does not meet the criteria of independence 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 which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2021.

Furthermore, we highlight that one of the Director of the company is serving as directors in more than seven listed Companies and only fifty percent of the directors are qualified under the Directors' Training Program as disclosed in note 3 and 9 to the statement of Compliance.

Chartered Accountants

Date : September 24, 2021

Place : Karachi

FEROZE SHARIF TARIQ & CO.

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

Voice: (+9221) 4540891

(+9221) 4522734

Facimile: (+9221) 4540891

Email: fstc.ca@gmail.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEWAN MUSHTAQ TEXTILE MILLS LIMITED

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Dewan Mushtaq Textile mills Limited (the Company), which comprise the statement of financial position as at June 30, 2021, and the statement of profit or loss. Statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse opinion section, the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017, in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

- a) The financial statements of the company for the year ended June 30, 2021 as disclosed in note 2 to the financial Statements reflect loss after taxation of Rs. 52.793 (2020: Rs. 104.012) million and as of that date it has accumulated losses of Rs 572.419 (2020: Rs. 539.939) million and its current liabilities exceeded its current assets by Rs. 470.453 (2020: Rs. 455.231) million without providing the markup of Restructured liabilities and as refer in below para (b). The operations of the company were closed from July 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. 119.824 million (eligible for waiver outstanding as of date of restructuring) have immediately become payable therefore provision for markup should be made in these financial statements. Further some of the Lenders filled suit for execution of the decree as disclosed in note 13.1 to the 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 Loss for the year and markup payable would have been higher and shareholders' equity would have been lower by Rs. 119.824 (2020:Rs. 119.824) million.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Except for the matter described in the Basis for Adverse Opinion section, we have determined, Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Following are the Key Audit Matters:

S.No.	Key Audit Matters	How the matter was addressed in our audit
1.	Contingencies	
	The Company is subject to material litigations involving different courts pertaining to GID Cess and Recovery of Loans by Financial Institutions, which requires management to make assessment and judgments with respect to likelihood and impact of such litigations. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, contingencies is complex and is a matter of most significance in our audit because of the judgments required to determine the level of certainty on these matters. The details of contingencies along with management's assessment and the related provisions are disclosed in note 13 to the financial statements. There is an inherent risk that legal exposures are not identified and considered for financial reporting purposes on a timely basis, therefore, considered to be a key audit matter. Importantly, the decision to recognize a provision and the basis of measurement are judgmental.	In response to this matter, our audit procedures included: Discussing legal cases with the legal department to understand the management's view point and obtaining and reviewing the litigation documents in order to assess the facts and circumstances. Obtaining independent opinion of legal advisors dealing with such cases in the form confirmations. We also evaluated the legal cases in line with the requirements of IAS 37: Provisions, contingent liabilities and contingent assets. The disclosures of legal exposures and provisions were assessed for completeness and accuracy In view of the significant judgements required, we evaluated the Company's assessment of the nature and status of litigation, claims and provision assessments, if any, and discussed with management to understand the legal position and the basis of material risk positions. We received legal letters from the Company's external counsel setting out their views in major cases. Specifically, we challenged the timing of recognition for cases where there was potential exposure but it was not clear that a provision should be raised e.g. where obtaining reliable estimates are not considered possible. As set out in the financial statements, the outcome of litigation and regulatory claims are dependent on the future outcome of continuing legal and regulatory processes and consequently the calculations of the provisions are subject to inherent uncertainty.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, Future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

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

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

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

Date : September 24, 2021
Place : Karachi

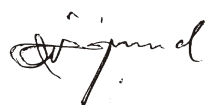
Chartered Accountants
(**Mohammad Ghalib**)

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

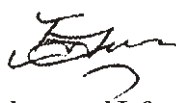
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

<u>EQUITY AND LIABILITIES</u>		June 30, 2021	June 30, 2020
<u>CAPITAL & RESERVES</u>	Notes	(Rupees)	
<u>Authorized</u>		120,000,000	120,000,000
12,000,000 (June 30, 2020: 12,000,000) Ordinary Shares of Rs. 10/- each			
Issued, Subscribed and Paid-up Capital	6	115,610,280	115,610,280
Revenue Reserves		(572,419,551)	(539,938,998)
Revaluation surplus on property plant and equipment (Capital Reserve)	7	568,249,438	588,561,751
		111,440,167	164,233,033
<u>NON-CURRENT LIABILITIES</u>			
<u>Deferred Liabilities</u>			
Provision for staff gratuity	9	42,395,114	42,443,114
Deferred taxation	10	74,854,781	83,151,359
		117,249,895	125,594,473
<u>CURRENT LIABILITIES</u>			
Trade and other Payables	11	85,237,630	102,114,665
Mark-up accrued on loans		117,404,448	102,236,154
Unclaimed dividend		308,319	308,319
Current and over due portion long term loans		176,358,892	176,358,892
Short Term Borrowings	12	205,338,173	205,338,173
Provision for Taxation		-	5,607,122
		584,647,462	591,963,325
Contingencies and Commitments	13	-	--
		813,337,524	881,790,831
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Property, Plant and Equipment	14	697,024,364	742,728,810
Long term Investment	15	-	--
Long Term Deposits		2,118,562	2,329,728
<u>CURRENT ASSETS</u>			
Stores, Spares and Loose Tools	16	15,015,078	15,849,249
Stock-in-Trade	17	37,638,566	37,638,566
Trade Debts - Considered Good	18	26,730,505	36,076,887
Advances - Considered good	19	2,455,047	2,455,047
Short term deposits and other receivable	20	11,940,790	11,940,790
Other Receivables - Unsecured, Considered good		5,075,000	12,225,000
Income Tax Refunds and Advances		11,487,885	17,093,768
Cash and Bank Balances	21	3,851,727	3,452,986
		114,194,598	136,732,293
		813,337,524	881,790,831

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director



STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2021

		June 30, 2021	June 30, 2020
	Notes	(Rupees)	
Sales - Net		-	-
Cost of Sales	23	(52,471,908)	(59,881,045)
Gross (Loss)		(52,471,908)	(59,881,045)
Operating expenses			
Administrative and General Expenses	24	(11,977,837)	(12,409,403)
Operating (Loss)		(64,449,745)	(72,290,448)
Finance Cost	25	(16,504,217)	(41,012,004)
Other Income	26	19,864,518	--
		3,360,301	(41,012,004)
(Loss) before taxation		(61,089,444)	(113,302,452)
Taxation			
Deferred	10	8,296,578	9,290,251
		8,296,578	9,290,251
(Loss) after taxation		(52,792,866)	(104,012,201)
(Loss) Per Share - Basic and diluted (Rupees)	28	(4.57)	(9.00)

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

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

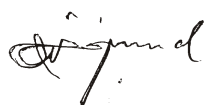
Syed Maqbool Ali
Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2021

	June 30, 2021	June 30, 2020
	(Rupees)	
(Loss) for the Year	(52,792,866)	(104,012,201)
Other comprehensive Income:	-	-
Effect of change in tax rates on balance of revaluation on property, plant and equipment	-	-
Total comprehensive (Loss) for the year	(52,792,866)	(104,012,201)

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	Notes	June 30, 2021	June 30, 2020
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss) before Taxation		(61,089,444)	(113,302,452)
Adjustment for Non-Cash and Other Items:			
Depreciation		45,704,446	51,391,517
Provision for slow moving Store & Spares		834,171	834,171
Advance & Others A/c. Written Off		861,166	210,410
Finance Cost		16,504,217	41,012,004
		63,904,000	93,448,102
		2,814,556	(19,854,350)
Working Capital Changes			
(Increase) / Decrease in Current Assets			
Trade Debts		9,346,382	21,341,645
Loans and Advances		-	67,002
Other Receivables - Unsecured, Considered good		6,500,000	--
Increase / (Decrease) in Current Liabilities			
Trade Creditors, Payable & others borrowings		(16,877,035)	2,791,429
		(1,030,653)	24,200,076
Taxes Paid		(1,239)	(3,363)
Gratuity Paid		(48,000)	(237,293)
		(49,239)	(240,656)
Net Cash Inflow/ (Outflow) from Operating Activities		1,734,664	4,105,070
CASH FLOW FROM INVESTING ACTIVITIES			
Long term deposits		-	--
Net Cash Inflow / (Outflow) from Investing Activities		-	--
CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost Paid		(1,335,923)	(4,091,041)
Net Cash Inflow/ (Outflow) from Financing Activities		(1,335,923)	(4,091,041)
Net (decrease) / Increase in Cash and Cash Equivalents		398,741	14,029
Cash and cash equivalents at the Beginning of the year		3,452,986	3,438,957
Cash and cash equivalents at the end of the year	33	3,851,727	3,452,986

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

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

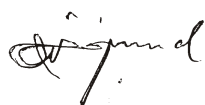
Syed Maqbool Ali
Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid-up capital	Revenue Reserves		Capital Reserves	Total
		General Reserve	Accumulated Losses	Revaluation Surplus on property, plant & equipment	
----- (Rupees) -----					
Balance as at 1st July 2019	115,610,280	45,000,000	(503,671,894)	611,306,848	268,245,234
Total comprehensive (Loss) for year					-
(Loss) for the year	-	-	(104,012,201)	-	(104,012,201)
Other comprehensive income for the year	-	-	-	-	-
	-	-	(104,012,201)	-	(104,012,201)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	-	-	22,745,097	(22,745,097)	-
Balance as at June 30, 2020	115,610,280	45,000,000	(584,938,998)	588,561,751	164,233,033
Balance as at July 01, 2020	115,610,280	45,000,000	(584,938,998)	588,561,751	164,233,033
Total comprehensive (Loss) for year					
(Loss) for the year	-	-	(52,792,866)	-	(52,792,866)
Other comprehensive income for the year		-	-		-
	-	-	(52,792,866)	-	(52,792,866)
Transfer to accumulated loss in respect of incremental depreciation - net of tax	-	-	20,312,313	(20,312,313)	-
Balance as at June 30, 2021	115,610,280	45,000,000	(617,419,551)	568,249,438	111,440,167

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



Ishtiaq Ahmed
CEO & Director



Muhammad Irfan Ali
Chief Financial Officer



Syed Maqbool Ali
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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 Act, 2017) and its shares are listed on Pakistan Stock Exchange Limited. The registered office of the company is located at 3-A, Lalazar, Beach Hotel Road, 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, however operations of the Company are suspended since July 2016.

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

2. Going Concern Assumption

The financial statements of the company for the year ended June 30, 2021 reflect that company has sustained a net loss after taxation of Rs.52.793 million (2020: Rs.104.012 million) and as of that date company has negative reserves of Rs. 572.420 (2020: 539.939) million have resulted in negative equity of Rs.111.440 (2020: 164.233) million. Further the company's short term borrowing facilities having limit to the extent of Rs.100 million have expired and not been renewed. The Company defaulted in repayment of its restructured long term liabilities due to liquidity crunch 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 & other operations since July 2016 Accordingly, as per the terms of the agreement / Consent decree the entire restructured liabilities along with markup eligible for waiver become immediately repayable as disclosed in note 8.2 and 13.1 to the Financial Statements. These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, therefore the company may not be able to realize its assets and discharge its liabilities during the normal course of business.

These financial statements have been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will 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.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan with the exception of departure of IFRS as mentioned in note 13.1 to the financial statements, for which the management concludes that provisioning of mark-up would conflict with the objectives of the financial statements. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

3.2 Basis of measurement

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

3.3 Changes in accounting standards, interpretations and pronouncements

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

The following amendments to accounting standards are effective for the year ended 30 June 2021. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

	Effective date (annual periods beginning on or after)
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions	1-Jun-20
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	1-Jan-20
Amendments to IFRS 3 'Business Combinations' - Definition of a business	1-Jan-20
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material	1-Jan-20
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform	1-Jan-20

Certain annual improvements have also been made to a number of IFRSs.

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

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

Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	1-Jan-22
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	1-Jan-22
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	1-Jan-23
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	1-Jan-23
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	1-Jan-23
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	1-Jun-23

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

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

3.4 Functional and presentation currency

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

3.5 Use of estimates and judgements

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

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

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



3.5.1 Operating fixed assets, revaluation and depreciation

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

3.5.2 Trade debts

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

3.5.3 Income tax

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

3.5.4 Stock in trade

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

3.5.5 Stores and spares

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

4 SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property, plant and equipment

Owned

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

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

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

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

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

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

Leased

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

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

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

Intangible assets

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

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

4.2 Capital work-in-progress

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

4.3 Stores and spares

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

4.4 Stock in trade

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

Raw material	-	Average cost
Packing material	-	Average cost
Work in process	-	Average cost
Waste	-	Selling price
Finished goods	-	Average cost

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

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



4.5 Investment in associates

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis of accounting, under which the investment in associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognised in the Company's profit and loss account. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognised in the associate's profit or loss. The Company's share of those changes is recognised in other comprehensive income of the Company. The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognised in profit or loss. If the Company's share of losses of an associate equals or exceeds its interest in the associate, the Company discontinues recognising its share of further losses. If the associate subsequently reports profits, the investor or joint venture resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

4.6 Staff retirement benefits

Defined Benefit Plan

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

Defined Contribution Plan

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

4.7 Taxation

Current

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

Deferred

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

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

4.8 Provision

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

4.9 Financial instruments

4.9.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

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

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

Subsequent measurement

Debt Investments at FVOCI

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

Equity Investments at FVOCI

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

Financial assets at FVTPL

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

Financial assets measured at amortised cost

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

4.9.2 Non-derivative financial assets

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

4.9.2.1 Trade debts, advances and other receivables

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

4.9.2.2 Cash and cash equivalents

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

4.9.3 Financial liabilities

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

**4.9.3.1 Mark-up bearing borrowings and borrowing costs**

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

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

4.9.3.2 Trade and other payables

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

4.9.4 Derivative financial instruments - other than hedging

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

4.9.5 Derivative financial instruments - cash flow hedges

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

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

4.9.6 Offsetting of financial assets and financial liabilities

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

5 Impairment**5.1.1 Financial assets**

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

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

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

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

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

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

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

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

5.1.2 Non-financial assets

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

5.2 Foreign currency translation

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

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

5.3 Transactions with related parties

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

5.4 Revenue recognition

Sale of goods

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

5.5 Trade debts and other receivables

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

**5.6 Cash and cash equivalents**

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

5.7 Dividends and appropriation to reserve

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

5.8 Earnings per share

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

	June 2021	June 2020
	(Rupees)	
6 Issued, Subscribed and Paid-up Capital		
8,817,000 (2020: 8,817,000) Ordinary Shares of Rs. 10/- each fully paid in cash	88,170,000	88,170,000
2,744,028 (2020: 2,744,028) Ordinary Shares of Rs. 10/- each issued as fully paid bonus shares	27,440,280	27,440,280
11,561,028	115,610,280	115,610,280

6.1 Dewan Motors (Private) Limited, an associated company held 231,099 (2020: 231,099) Ordinary shares of Rs.10 each.

7 Surplus on Revaluation of Property, Plant and Equipment

Opening Balance	671,713,108	703,748,456
Transferred to accumulated losses in respect of incremental depreciation for the year	(28,608,891)	(32,035,348)
	643,104,217	671,713,108
Less: related deferred tax liability on:		
Opening Balance	83,151,357	92,441,608
- effect of changes in tax rate	-	-
- Incremental depreciation charged during the year	(8,296,578)	(9,290,251)
	74,854,779	83,151,357
	568,249,438	588,561,751

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 assesment 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.

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

The latest revaluation resulted in increase in surplus by Rs.434.676 million, forced sale value of revalued assets is Rs.634.490 million

8 Long term loans

8.1 Syndicated Long term Loan

	Note	June 2021	June 2020
		(Rupees)	
Opening balance		176,358,892	176,358,892
Less :			
Over due portion of syndicated Long term loan		(176,358,892)	(176,358,892)
		--	--

8.2 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% (or KIBOR whichever is lower) 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 12 to these financial statements. However, in case of default by the company the entire outstanding mark up as disclosed in the agreement will remain outstanding liability of the company and all amounts in respect of its liabilities shall become payable with immediate effect as disclosed in clause 10.2 of the Compromise Agreement of the company.

8.3 The company has approached its lenders for further restructuring of its liabilities, which is in advanced stage as the term sheet has been finalized and circulated by the agent to syndicate of banks for their internal approvals. Management is hopeful that such revision will be finalized soon.

8.4 Sponsor Loan -Unsecured

Sponsor Loan- Unsecured	--	159,698,189
Unwinding interest	--	12,253,686
Present value adjustment	--	(12,253,686)
	--	159,698,189

Less :

Tr. Short Term Borrowings	8.5	(159,698,189)
		--

8.5 This represents unsecured interest free loan payable to sponsor against liabilities of a bank assumed by the sponsor. The Sponsor loan has been measured at amortized cost in accordance with International Financial Reporting Standard 9, Financial Instruments, and has been discounted using the weighted average interest rate of 8.01% per annum. This interest free loan was payable in lumpsum on 31st July 2020.

9 Provision for Staff Gratuity

Opening Balance	42,443,114	42,680,407
Payments during the year	(48,000)	(237,293)
	42,395,114	42,443,114



		June 2021	June 2020
10 Deferred Taxation			
Credit balance arising due to:			
- accelerated tax depreciation		1,359,075	5,830,658
- revaluation on property plant & equipment		74,854,781	83,151,359
Debit balance arising due to		-	
- staff gratuity		(12,294,583)	(12,308,503)
- carried over losses and provisions		(136,333,901)	(177,942,351)
		(72,414,628)	(101,268,837)
Deferred tax asset not recognized		(147,269,409)	(184,420,196)
		74,854,781	83,151,359
10.1 Movement of deferred tax liabilities			
Balance as at beginning of the year		83,151,358	92,441,609
Tax charge recognised in statement of profit or loss		-	-
Tax charge recognised in other comprehensive income		(8,296,578)	(9,290,251)
Balance as at end of the year		74,854,780	83,151,358
11 Trade and Other Payables			
Trade Creditors		24,730,634	44,030,634
Accrued Expenses		56,453,474	53,946,217
Employees Provident Fund	11.1	61,700	145,992
Sales tax Payable		3,991,822	3,991,822
		85,237,630	102,114,665
11.1	Investments of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2018 and the rules formulated for this purpose.		
12 Short Term Borrowings			
Short Term Finance from Banks	12.1	45,639,984	45,639,984
Short Term Loan-Sponsor Loan	12.2	159,698,189	159,698,189
		205,338,173	205,338,173
12.1	As part of restructuring banks / financial institutions have approved 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.		
12.2 Short term Loan-Sponsor Loan			
Balance at the beginning		159,698,189	-
Add: Transfer from Long term Sponsor Loan	12.2.1	-	159,698,189
		159,698,189	159,698,189
12.2.1	This represents unsecured interest free loan payable to sponsor against liabilities of a bank assumed by the sponsor and is payable on demand. The interest free and unsecured loan has been provided by sponsor considering financial crunch being faced by the company.		

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13 Contingencies and Commitments

13.1 In respect of liabilities towards banks / financial institutions disclosed in note 8 to the financial statements, during the year ended 2012, certain lenders have entered into a compromise agreement with the Company for outstanding debt sought by lenders in the suits filed by them and it was agreed that the Company would settle all the liabilities at principle amount of Rs.276.082 million and markup thereon of Rs.119.824 million (eligible for waiver if the Company repays the entire outstanding principal as per term of agreement), consequent to which consent decrees were granted by the Honorable High Court of Sindh, Karachi. Consequent to default in repayment of restructured liabilities as per compromise agreement, the lenders filed for execution of consent decrees. The Company filed suits in Honourable High Court of Sindh at Karachi wherein it has been strongly contested that filing of executions is unjust and against the law. Management of the Company expects favorable outcome therefrom.

13.2 The Government of Pakistan has promulgated the Gas Infrastructure Development Cess Ordinance, 2014 (GIDC) against which the Company filed suit in the Honourable Sindh High Court challenging its legality and applicability on the Company and the Honourable Sindh High Court had issued stay against the recovery of GIDC. The Honourable Sindh High Court decided the case in favour of the Company and directed to refund / adjust in bills the amounts already collected, against which the Sui Southern Gas Company Limited (SSGC) has filed appeal in Honourable Sindh High Court, which was also rejected. The Government enacted GIDC Act, 2015 which had also been challenged by the Company through writ petition before the Honourable Sindh High Court, which granted the stay against collection of GIDC arrears. In Jul-2020 The Supreme Court of Pakistan has decided the case in favour of SSGC with directions to recover the arrears under GIDC Act 2015 from the consumers who have passed on their burden to its customers. As neither SSGC has charged GIDC to the company in its billing nor the Company has passed on the same to the customers. Therefore, the management feels there is no need to make any provision in this regard.

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

14 Property, Plant and Equipment

Note	June 2021	June 2020
	(Rupees)	
14.1	697,024,364	742,728,810
	697,024,364	742,728,810

Operating assets

2021								
Particulars	Cost / Revaluation			Rate %	Depreciation / Amortization			Written Down Value as at June' 2021
	As at July 01, 2020	Additions / (Deletions)	As at June' 2021		As at July 01, 2020	For the period	As at June' 2021	
OWNED	RUPEES				RUPEES			
Lease Hold Land	385,714,284	--	385,714,284	--	31,377,549	6,887,755	38,265,304	347,448,980
Factory Building	256,387,030	--	256,387,030	10%	153,783,452	10,260,358	164,043,810	92,343,220
Non Factory Building	29,345,858	--	29,345,858	5%	10,727,617	930,912	11,658,529	17,687,329
Labour Quarters	53,380,583	--	53,380,583	25%	48,005,782	1,343,700	49,349,482	4,031,101
Plant and Machinery	956,865,915	--	956,865,915	10%	697,187,003	25,967,891	723,154,894	233,711,021
Factory and Office Equipmts	1,718,825	--	1,718,825	10%	1,625,578	9,325	1,634,903	83,922
Vehicles	27,117,401	--	27,117,401	20%	26,095,651	204,350	26,300,001	817,400
Furniture and Fixture	7,872,354	--	7,872,354	10%	6,870,808	100,155	6,970,963	901,391
30 June, 2021	1,718,402,250	--	1,718,402,250		975,673,440	45,704,446	1,021,377,886	697,024,364
June 30, 2020	1,723,102,250	--	1,723,102,250		928,981,923	51,391,517	980,373,440	742,728,810

2020								
Particulars	Cost / Revaluation			Rate %	Depreciation / Amortization			Written Down Value as at June' 2020
	As at July 01, 2019	Additions / (Deletions)	As at June' 2020		As at July 01, 2019	For the period	As at June' 2020	
OWNED	RUPEES				RUPEES			
Lease Hold Land	385,714,284	--	385,714,284	--	24,489,794	6,887,755	31,377,549	354,336,735
Factory Building	256,387,030	--	256,387,030	10%	142,383,054	11,400,398	153,783,452	102,603,578
Non Factory Building	29,345,858	--	29,345,858	5%	9,747,710	979,907	10,727,617	18,618,241
Labour Quarters	53,380,583	--	53,380,583	25%	46,214,182	1,791,600	48,005,782	5,374,801
Plant and Machinery	956,865,915	--	956,865,915	10%	668,333,790	28,853,213	697,187,003	259,678,912
Factory and Office Equipmts	1,718,825	--	1,718,825	10%	1,615,217	10,361	1,625,578	93,247
Vehicles	27,117,401	--	27,117,401	20%	25,840,213	255,438	26,095,651	1,021,750
Furniture and Fixture	7,872,354	--	7,872,354	10%	6,759,525	111,283	6,870,808	1,001,546
Intangible								
Software Development	4,700,000	--	4,700,000	25%	3,598,438	1,101,562	4,700,000	--
30 June, 2020	1,723,102,250	--	1,723,102,250		928,981,923	51,391,517	980,373,440	742,728,810

**14.1 Allocation of Depreciation**

	Notes	June 2021	June 2020
		(Rupees)	
Cost of Sales		45,399,941	49,923,234
Administrative and General Expenses		304,505	1,468,283
		<u>45,704,446</u>	<u>51,391,517</u>

14.2 Had there been no revaluation the carrying amounts of revalued assets would have been as follows.

Lease hold land	730,000	730,000
Factory building on lease hold land	17,115,998	19,017,776
Non - factory building	1,154,413	1,215,172
Labour Quarters	291	387
Plant & machinery	71,382,036	79,313,373
	<u>90,382,738</u>	<u>100,276,708</u>

14.3 Immovable property (i.e. leasehold land and factory building, non-factory building and labour quarters thereon) is located in the Area of Hyderabad, Sindh having total area of 15 Acres.

15 Long Term Investment**Investment in associate**

Dewan Salman Fibre Limited

15.1 to 15.5

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15.1 Associate is an entity over which the Company has significant influence but no control. Company's investee company is considered to be its associate by virtue of common directorship, member of yousuf dewan companies and its ownership interest of 5.42% in investee company.

15.2 Investment in Dewan Salman Fibre Limited - at equity method

Number of shares held	19,864,518	19,864,518
Cost of investment (Rupees)	40,000,000	40,000,000
Fair value of investment (Rupees)	17,480,776	17,480,776
Ownership interest	5.42%	5.42%

15.3 Summarised financial information of associated company

Total assets	--	8,143,557,000
Total liabilities	--	20,903,039,000
Net assets	--	(12,759,482,000)
Company's share of net assets	--	(691,563,924)
Revenue	--	-
Loss for the year	--	(927,876,000)

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

15.5 The Company vide its Board Resolution dated April 26, 2021 has approved to sell the investment of shares 19,864,518 in associate namely Dewan Salman Fibre Limited at a Price of Rs. 1/ per share. The share selling price has approved by the Board of Directors because of suspension of trading of shares of DSFL at Pakistan Stock Exchange. The approved share selling price is higher than the last traded price of February 19, 2018 at Rs. 0.88 per share. The management is of the opinion that if the suspension will be lifted the starting trading price would have been lesser than the last traded price. The company had sold its shares at agreed Price i.e. Rs. 1 per share to its sponsor vide agreement dated June 17, 2021.

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

	Notes	June 2021	June 2020
		(Rupees)	
16 Stores, Spares & Loose Tools			
Stores and Spares		15,046,851	15,046,851
Packing Material		1,636,569	1,636,569
		16,683,420	16,683,420
Provision for slow moving Store & Spare stock		(1,668,342)	(834,171)
		15,015,078	15,849,249
16.1 Provision for Store & Spare		834,171	834,171
Opening balance		834,171	-
Provision during the year		1,668,342	834,171
17 Stock-in-Trade			
Raw Materials		27,704,790	27,704,790
Finished Goods		10,774,746	10,774,746
Waste		1,140,007	1,140,007
		39,619,543	39,619,543
Provision for obsolete stock		(1,980,977)	(1,980,977)
		37,638,566	37,638,566
17.1 Stocks valuing Rs. 37.639 million (2020: Rs 37.639 million) was pledged with the banks against the restructured finance facilities obtained by the Company.			
18 Trade Debts - Considered Good			
Local Receivables - Considered Good		26,730,505	36,076,887
Considered Doubtful	18.1	79,668,433	79,668,433
		106,398,938	115,745,320
Provision for Doubtful debts		(79,668,433)	(79,668,433)
		26,730,505	36,076,887
18.1 Provision for doubtful debts			
Opening balance		79,668,433	79,668,433
Provision during the year		-	-
		79,668,433	79,668,433
19 Advances - Considered good			
Advances for Expenses/suppliers		2,365,044	2,365,044
Loans and Advances to employees		90,003	90,003
		2,455,047	2,455,047
20 Short term deposits and other receivable			
Sales Tax Receivable		11,940,790	11,940,790
		11,940,790	11,940,790
21 Cash and Bank Balances			
Cash in Hand		50,000	48,980
Cash at Banks - Current Accounts		3,801,727	3,404,006
		3,851,727	3,452,986
22 SALES - Net		-	-



		June 2021	June 2020
		(Rupees)	
23 Cost of Sales	Notes		
Salaries, Wages and Other Benefits		4,650,301	6,786,616
Fuel, Power & Water Consumed		1,035,630	2,457,395
Insurance		419,355	446,820
Rent, Rates and Taxes		792,776	266,980
Repair & Maintainance		173,905	-
Depreciation	14.1	45,399,941	49,923,234
		52,471,908	59,881,045
Work-in-Process - Opening		-	-
Work-in-Process - Closing		-	-
Cost of Goods Manufactured		52,471,908	59,881,045
Finished Goods - Opening		11,914,753	11,914,753
Finished Goods - Closing		(11,914,753)	(11,914,753)
		52,471,908	59,881,045
24 Administrative and General Expenses			
Salaries, Allowances and Other Benefits	24.1	7,258,156	7,297,702
Rent, Rates & Taxes		-	25,776
Traveling, Conveyance and Entertainment		70,010	67,930
Printing and Stationery		166,472	238,851
Postage, Telephone and Telex		197,912	255,206
Vehicles Expenses		993,993	1,049,418
Legal and Professional Charges		512,750	133,000
Fees and Subscription		196,020	311,736
Depreciation and amortization		304,505	1,468,283
Auditors Remuneration	24.2	500,000	500,000
Repairs and Maintenance		69,760	4,000
Others		12,922	12,920
Provision for slow moving Store & Spare		834,171	834,171
Advance & Other Ac Written Off		861,166	210,410
		11,977,837	12,409,403
24.1 Salaries, allowances and other benefits include Rs. 0.317 million (2020: Rs. 0.289 million) relating to staff retirement benefits.			
24.2 Represents Audit fee (Annual, Half year and Review of Code and Corporate Governace) for the year.			
25 Finance Cost			
Mark-up on Short Term Borrowings		3,397,629	5,768,388
Mark up on Syndicated Long Term Loan		12,855,065	22,808,859
Bank Charges		251,523	181,071
Unwinding interest		-	12,253,686
		16,504,217	41,012,004
26 Other Income			
Gain on Disposal of Investment		19,864,518	-
		19,864,518	-
26.1 As fully disclosed in note 15.5 to these Financial Statements			
27 TAXATION			
27.1 Current			
The Income tax assessment of the Company deemed to have been finalised up to and including tax year 2020.			

DEWAN MUSHTAQ TEXTILE MILLS LIMITED

27.2 Relationship between income tax expense and accounting profit

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

	Notes	June 2021	June 2020
28 Loss Per Share - Basic and diluted			
Profit after Taxation		(52,792,866)	(104,012,201)
Weighted Average Number of Ordinary Shares		11,561,028	11,561,028
Earning Per Share - Basic and diluted (Rupees)		(4.57)	(9.00)

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.

29 REMUNERATION OF CHIEF EXECUTIVE DIRECTORS AND EXECUTIVES

28.1 Executive has been provided with Company maintained car.

28.2 Chief executive & director of company did not charge any fee as other remuneration.

28.3 No employee of the company falls under the definition of “executive “ as per the companies Act, 2017. Hence no disclosure is given in the financial statement.

30 Related Party Transactions

Related parties includes associated group companies, directors, executives, key management personnel and staff retirement funds. The statement regarding remuneration of chief executive, directors, executive and key management personnel is disclosed in note 29 to the financial statements.

During the year aggregate transactions made by the company with the related parties were provident fund contribution of Rs. 0.634 million (2020: Rs.0.579 million) and Investment disclosed in note 15 sold to Sponsors of the Company amounting to Rs.19,864,518.

31 Number Of Employees

Total number of employees at the end of year	24	36
Average number of employees	25	37

32 Plant Capacity and Production

Attainable capacity converted to 20 coung (Kgs)	12,077,988	12,077,988
Number of spindles installed	25,776	25,776

The company's operations are suspended on account of working capital constraints.

33 Cash and Cash Equivalent

Cash and Bank Balances	21	3,851,727	3,452,986
		3,851,727	3,452,986

34 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.

**34.1 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.

	June 2021	June 2020
The maximum exposure to credit risk at the reporting date is: Notes	(Rupees)	
Trade Debts - Considered Good	26,730,505	36,076,887
Loans and Advances - Unsecured, Considered good	2,455,047	3,006,247
Other Receivables - Unsecured, Considered good	5,075,000	7,441,000
Cash and Bank Balances	3,851,727	3,452,986
	38,112,279	49,977,120

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.

34.2 Liquidity Risk

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

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

	2021					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One year onward	Two to Five years
Financial liabilities	Rupees					
Long term loans	176,358,892	207,706,685	207,706,685	--	--	--
Trade and other payable	85,237,630	85,237,630	85,237,630	--	--	--
Short term Borrowings	205,338,173	241,837,033	241,837,033	--	--	--
Mark-up accrued on loans	117,404,448	117,404,448	117,404,448	--	--	--
	584,339,143	652,185,796	652,185,796	--	--	--

	2020					
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One year onward	Two to Five years
Financial liabilities	Rupees					
Long term loans	176,358,892	197,257,421	197,257,421	--	--	--
Trade and other payable	101,756,018	101,756,018	101,756,018	--	--	--
Short term Borrowings	205,338,173	210,746,511	210,746,511	--	--	--
Mark-up accrued on loans	102,236,154	102,236,154	102,236,154	--	--	--
	585,689,237	611,996,104	611,996,104	--	--	--

34.3 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.

34.4 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.

34.5 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 exposure 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 interest-bearing financial instruments are:

	Carrying Amounts	
	2021	2020
	(Rupees)	
<i>Fixed rate instruments</i>		
Financial liabilities	-	-
<i>Variable rate instruments</i>		
Financial liabilities	221,998,876	221,998,876
	221,998,876	221,998,876

34.6 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.

34.7 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 commensurate to the circumstances.

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

	June 2021	June 2020
	(Rupees)	
Total Borrowings	381,697,065	381,697,065
Less Cash and Bank Balances	(3,851,727)	(3,452,986)
Net debt	377,845,338	378,244,079
Total equity	111,440,167	164,233,033
Total Capital	489,285,505	542,477,112
Gearing ratio	77.2%	69.73%

**34.8 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.

35 COVID-19 OUTBREAK

Based on assessment, there is no significant accounting impact of the effects of COVID-19 in these financial statements.

36 Approval of financial Statements

These financial statements were approved by the Board of Directors and authorized for issue on 24th September 2021.

37 General

- i) Comparative figures have been rearranged and reclassified wherever necessary for the purpose of better presentation and comparison. However, there were no significant reclassifications and restatements.
- 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 environment in which the company operates. The financial Statements are presented in Pakistani rupees, which is the Company's functional and Presentational currency.

Ishtiaq Ahmed
CEO & Director

Muhammad Irfan Ali
Chief Financial Officer

Syed Maqbool Ali
Director

**PATTERN OF SHAREHOLDING UNDER REGULATION
37(XX)(I) OF THE CODE OF CORPORATE GOVERNANCE
AS AT JUNE 30, 2021**

Srl #	Categories of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
1.	Associated Companies	1	231,099	2.00%
2.	NIT and ICP	6	205,879	1.78%
3.	Directors, CEO, their Spouses & Minor Children	5	2,500	0.02%
4.	Executives	-	-	0.00%
5.	Public Sector Companies & Corporations	8	32,970	0.29%
6.	Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Modarbas & Mutual Funds	2	306	0.00%
7.	Individuals	613	11,088,274	95.91%
	TOTAL	635	11,561,028	100.00%

DETAILS OF CATAGORIES OF SHAREHOLDERS				
Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1.	<u>Associated Companies</u>			
1.1	Dewan Motors (Pvt.) Limited	1	231,099	2.00%
2.	<u>NIT and ICP</u>			
2.1	Investment Corp. of Pakistan	1	68	0.00%
2.2	IDBP (ICP UNIT)	1	500	0.00%
2.3	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	182,424	1.58%
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	0.19%
2.6	National Bank of Pakistan	1	135	0.00%
		6	205,879	1.78%
3.	<u>Directors, CEO, their Spouses & Minor Children</u>			
	<u>Directors and CEO</u>			
3.1	Mr. Ishtiaq Ahmed	1	500	0.00%
3.2	Mr. Syed Maqbool Ali	1	500	0.00%
3.3	Mr. Aziz ul Haque	1	500	0.00%
3.4	Mr. Imran Ahmed Javed	1	500	0.00%
3.5	Mr. Zafar Asim	1	500	0.00%
3.6	Mr. Ghazanfar Baber Siddiqi (Nominee Director DMPL)	0	-	0.00%
3.7	Mrs. Nida Jamil (Nominee Director DMPL)	0	-	0.00%
		5	2,500	0.02%
	<u>Spouses of Directors and CEO</u>			
		-	-	0.00%
	<u>Minor Children of Directors and CEO</u>			
		-	-	0.00%

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	8,659,498	74.90%

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

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


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

3	0	0	6	2	0	2	1
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4.	Number of Shareholders	Shareholdings			Total Shares held
	309	1	-	100 Shares	6,172
	194	101	-	500 Shares	49,817
	42	501	-	1,000 Shares	33,497
	43	1,001	-	5,000 Shares	108,155
	14	5,001	-	10,000 Shares	110,794
	7	10,001	-	15,000 Shares	85,407
	1	15,001	-	20,000 Shares	20,000
	2	20,001	-	25,000 Shares	44,502
	2	25,001	-	30,000 Shares	54,008
	1	30,001	-	35,000 Shares	31,000
	1	35,001	-	45,000 Shares	43,500
	2	45,001	-	50,000 Shares	94,147
	3	50,001	-	55,000 Shares	161,901
	1	55,001	-	70,000 Shares	69,707
	3	70,001	-	90,000 Shares	245,842
	1	90,001	-	150,000 Shares	144,974
	2	150,001	-	200,000 Shares	382,424
	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	7,933,945
	635	TOTAL			11,561,028

5.	Categories of Shareholders	Shares held	Percentage
5.1	Directors, Chief Executive Officer, their spouses and minor children	2,500	0.02%
5.2	Associated Companies, undertakings and related parties	231,099	2.00%
5.3	NIT and ICP	205,879	1.78%
5.4	Banks, Development Financial Institutions, Non-Banking Finance Companies	-	0.00%
5.5	Insurance Companies	185	0.00%
5.6	Modarabas and Mutual Funds	121	0.00%
5.7	Shareholders holding 5%	8,659,498	74.90%
5.8	<u>General Public</u>		
	a. Local	11,087,274	95.91%
	b. Foreign	-	0.00%
5.9	Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	32,970	0.29%

آمدنی فی شیئر:

زیر جائزہ مدت کے دوران مبلغ (4.57) (2020: مبلغ (9.00)) 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 ایکٹ 2017ء 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۔

بعد از واقعات:

مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے مابین کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلیاں نہیں کی گئیں۔

اظہار تشکر اور نتیجہ:

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

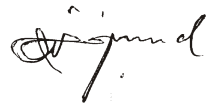
نتیجہ کے حوالے سے میں اللہ تعالیٰ رحمن و رحیم سے دعا کرتا ہوں کہ وہ اپنے حبیب حضرت محمد ﷺ کے طفیل اپنی رحمت، ہدایات اور فضل و کرم ہم پر اسی طرح قائم رکھے جو کہ نہ صرف ہم پر بلکہ ہماری کمپنی اور ہمارے ملک پر بھی اپنی رحمت نازل کرے، ہم اللہ تعالیٰ سے یہ بھی دعا کرتے ہیں کہ تمام مسلم ائمہ کے مابین صحیح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

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)

بورڈ آف ڈائریکٹرز کی جانب سے



سید مقبول علی
ڈائریکٹر



اشتیاق احمد
چیف ایگزیکٹو آفیسر اور ڈائریکٹر

کراچی؛

تاریخ: 24 ستمبر 2021ء

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

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

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق	5
جناب اشتیاق احمد	5
سید محمد انوار	0
جناب محمد باقر جعفری	3
جناب عمران احمد جاوید	5
جناب ظفر عاصم	5
سید مقبول علی	5
سید عاصم عابد علی	0
محترمہ مندا جمیل	1

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

آڈٹ کمیٹی:

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

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

نام:	میٹنگ میں شرکت کنندہ کی تعداد
جناب عزیز الحق - چیئرمین	5/5
سید مقبول علی	5/5
جناب عمران احمد جاوید	5/5

ہیومن ریسورس اور اجرتی کمیٹی:

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

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

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

انسانی ذرائع (ہیومن ریسورس):

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

کوڈ آف کارپوریٹ گورننس پر عملدرآمد:

آپ کی کمپنی بہتر کارپوریٹ گورننس کیلئے پرعزم ہے۔ بورڈ کارپوریٹ اور مالیاتی رپورٹنگ کے فریم ورک کے سلسلے میں اپنی ذمہ داری بخوبی سمجھتا ہے اور ڈائریکٹرز اس بات کی تصدیق کرتے ہیں:

- ۱۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے کاروباری نتائج، نقد رقم کی ترسیل اور ایکٹیوٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- ۲۔ 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، اور باقاعدہ طور پر اس کا لحاظ رکھا جاتا ہے۔
- ۵۔ اندرونی کنٹرول کے نظام منظم ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ۶۔ کارپوریٹ گورننس پر عملدرآمد کے حوالے سے کوئی بھی انحراف نہیں کیا گیا سوائے ان کے جن کا ذکر آڈیٹرز کی جائزہ رپورٹ میں ہے۔
- ۷۔ کمپنی نے اپنے بورڈ کے غیر ایگزیکٹو ممبران میں سے ایک آڈٹ کمیٹی تشکیل دی ہے۔
- ۸۔ بورڈ نے اپنے ممبران اور کمپنی کے ملازمین میں سے اسٹیٹمنٹ برائے اصول اور کاروباری عمل کیلئے مرتب کر کے جاری کیا ہے۔
- ۹۔ آنے والے سالوں میں کمپنی کے کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں ماسوائے وہ جس کا انکشاف مالیاتی حسابات کے نوٹ نمبر 2 میں کیا گیا ہے۔
- ۱۰۔ ٹیکسز، ڈیویڈنڈ اور دیگر چارجز سے متعلق معلومات مالیاتی گوشواروں میں دی گئی ہیں۔
- ۱۱۔ کوڈ آف کارپوریٹ گورننس کے حوالے سے مندرجہ ذیل معلومات منسلک ہیں:

(۱) شیئر ہولڈنگ کا پیٹرن

(۲) متعلقین اور دیگر افراد کے شیئرز

بورڈ:

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

30 جون 2021 تک بورڈ آف ڈائریکٹرز درج ذیل پر مشتمل تھے:

ڈائریکٹرز	ممبرز
☆ مرد	6
☆ عورت	1
تشکیل	ممبرز
☆ آزاد ڈائریکٹر	1
☆ دیگر غیر ایگزیکٹو ڈائریکٹرز	5
☆ ایگزیکٹو ڈائریکٹرز	1

**YD**

A YOUSUF DEWAN COMPANY

دوران سال کمپنی کی خالص فروخت آپریشن بند ہونے کے باعث صفر رہی۔ کمپنی نے اس وقت جولائی 2016ء سے اپنی مینوفیکچرنگ آپریشنز معطل کر دیے ہیں جن پر صنعت کو درپیش منفی صورتحال اور ورکنگ کیپٹل کی رکاوٹوں کے باعث دوبارہ کام نہیں ہو سکا۔

سال 2011-12 میں کمپنی نے اپنے قرض خواہوں کے ساتھ مصالحتی معاہدہ کے ذریعہ تصفیہ کر لیا تھا جس کے تحت محترم ہائی کورٹ آف سندھ کراچی نے ڈکری پاس کی تھی، کمپنی کے مختصر مدتی اور طویل مدتی قرضوں کو طویل مدتی قرضہ جات کی شکل میں دوبارہ مرتب کیا گیا۔ مصالحتی معاہدہ کے مطابق قرض دہندگان نے قرضہ جات کی دوبارہ تنظیم نو کی دوبارہ ادائیگی میں کوتاہی کیلئے ایگزیکوشن ڈکری دائر کی۔ کمپنی نے محترم ہائی کورٹ آف سندھ کراچی میں مقدمہ دائر کیا جس میں اس کا سخت مقابلہ کیا گیا کہ ایگزیکوشن دائر کرنا غیر منصفانہ اور قانون کے منافی ہے۔ کمپنی کی انتظامیہ کو آنے والے دنوں میں اچھے نتائج کی توقع ہے۔

کمپنی کے آڈیٹرز نے اپنی رپورٹ میں قرضہ جات کی اقساط کی واپسی میں کوتاہی پر اپنی ماہرانہ رائے کا اظہار کیا ہے اور اس کے علاوہ اپنی رپورٹ میں مارک اپ ریکارڈ نہ کرنے پر بھی تحفظات کا اظہار کیا ہے۔

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

کمپنی نے اپنے قرضہ جات کو دوبارہ مرتب کرنے کے لئے اپنے قرض خواہوں سے رابطہ کیا ہے جو کہ زیر غور ہے۔ انتظامیہ پُر امید ہے کہ مالیاتی حسابات کے نوٹ 8.3 میں مکمل طور پر وضاحت کردہ طریقہ کار کے تحت جلد از جلد اسے مکمل کر دیا جائے گا اس کے علاوہ دوبارہ ترتیب کردہ تاریخ تک مبلغ 119.824 ملین روپے واجب الادا مارک اپ پر لا زم ہو گئے اور کمپنی معاہدہ کی شرائط میں کوتاہی کی صورت میں یہ ادائیگی کرنے کی ذمہ دار ہوگی۔ چونکہ دوبارہ ترتیب کا عمل زیر غور ہے لہذا 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:

آج کے انتہائی مسابقتی عالمی ماحول میں، ٹیکنالوجی کی ترقی، سلائی چین کو اپ گریڈ کرنے، پیداواری صلاحیت کو بہتر بنانے اور زیادہ سے زیادہ ویلیو ایڈیشن کی ضرورت ہے تاکہ وہ زندہ رہ سکے۔ پاکستان کے پاس تقریباً تمام مصنوعی ساختہ اور قدرتی کمپاس اور کپڑوں کے لیے سلائی میں بشمول کاٹن، ریلون اور دیگر موجود ہے۔ خام مال کی یہ کثرت لاگت اور آپریشنل لیڈ ٹائم پر اس کے فائدہ مند اثرات کی وجہ سے پاکستان کے لیے ایک بڑا فائدہ ہے۔ انتظامیہ کاروباری ماحول کے بارے میں پرامید ہے اور حکومت کے اقدامات کی تعریف کرتی ہے۔ تاہم، فی الحال بین الاقوامی مارکیٹ میں پیداواری زیادہ قیمت، کرنسی کی قدر میں غیر یقینی صورتحال اور مہنگائی میں اضافے کی وجہ سے مقابلہ کرنا مشکل ہے۔ اگرچہ حکومت نے افراط زر پر قابو پانے کے لیے پالیسی اقدامات نافذ کیے ہیں، تاہم اس کو کافی حد تک انتظامی سطح پر لانے کے لیے ابھی بہت کچھ کرنے کی ضرورت ہے۔ ٹیکنالوجی کی ترقی کو مستحکم بنانے کے لیے حکومت کی جانب سے مزید اقدامات خاص طور پر سستی پریکٹس کی مستقل فراہمی، نئی صلاحیت میں توسیع اور ٹیکنالوجی کی اپ گریڈیشن میں سرمایہ کاری میں اضافہ کیلئے طویل مدتی رعایتی ٹرانسنگ سہولت کا تسلسل کی توقع ہے۔ حکومت کو ڈیوٹی کٹ، مینوفیکچرنگ میں سرمایہ کاری پر ٹیکس کی مراعات اور برآمد کنندگان کے لیے ٹیکس ریفیوڈ کی جلد اجراء کے ذریعے مقامی پیداوار اور درآمد کے متبادل کی بھی حوصلہ افزائی کرنی چاہیے اور اسے درآمدات کے مقابلے میں مقامی رسد کے لیے برابری کا میدان بنانا چاہئے۔

کارپوریٹ معاشرتی ذمہ داریاں:

ہم کارپوریٹ معاشرتی ذمہ داریوں (CSR) 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۔ کمپنی تمام اسٹیک ہولڈرز، خاص طور پر جس معاشرے میں ہم رہتے ہیں اور ایسے ورکرز جو ہمارے کاروبار کا محور ہیں، کے مفادات پر غور اور توازن پیدا کرنے کیلئے شعوری طور پر کوشش کرنے کیلئے پرعزم ہیں۔ 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 برادر یوں 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 ہمارے متعلقین کو محفوظ اور صحت مندانہ ماحول فراہم کرنا ہے۔ ہماری حفاظتی ثقافت کا مقصد یہ ہے کہ ہر طرح کے مسائل سے محفوظ رہا جائے۔ ملازمین کیلئے محفوظ، صحت مندانہ اور پرسکون کام کے حالات پیدا کرنے کیلئے مستقل جدوجہد کرتے ہیں۔ ہم تمام تر حادثات وغیرہ کی صورت میں مکمل تفتیش کرتے ہیں اور اس کا سبب معلوم کرتے ہیں۔ ہمیں یقین ہے کہ تحفظ اور صحت مندانہ عمل بہتری کیلئے مستقل اصلاح کا راستہ ہے۔ ہم اپنے اور اپنے متعلقین کیلئے مستقل بنیاد پر تحفظ اور صحت مندانہ امور کی اصلاح کیلئے اقدامات کرتے رہتے ہیں۔

ڈائریکٹر رپورٹ

محترم شیئر ہولڈرز،

السلام علیکم،

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز اختتامی مالیاتی سال 30 جون 2021ء کے لئے سالانہ آڈٹ شدہ مالیاتی حسابات بمع آڈیٹرز رپورٹ پیش کر رہے ہیں۔

جائزہ:

پاکستان کی معیشت، دنیا بھر کی طرح Covid-19 کے باعث معیشت کو سہارا دینے اور جان و مال کی حفاظت کیلئے فوری اقدامات کے ذریعے معاشی نتائج سے نمٹنے کیلئے جدوجہد کر رہی ہے۔ اس کے علاوہ، اس وباء پر قابو پانے کے اقدامات کے طور پر، حکومت نے اقدامات کا ایک جامع طریقہ نافذ کیا ہے جس میں آبادی کے کمزور طبقات کی حفاظت کے لیے سماجی حفاظتی امور کی توسیع کے ساتھ ساتھ مالیاتی پالیسی کی حمایت اور ہدف شدہ مالی اقدامات شامل ہیں۔ ان اقدامات نے اس وباء کے شدید اثرات کو کم کرنے میں معیشت کی مدد کی۔ مناسب مالی اور مالیاتی پالیسیوں کے ساتھ حکومت کے دانشمندانہ فیصلوں نے معیشت کو Covid-19 سے پہلے کی زندگی دوبارہ حاصل کرنے میں مدد دی۔ پیداواری شعبوں نے وسیع بنیادوں پر ترقی ظاہر کی کیونکہ ایل ایس ایم کے بڑے شعبوں یعنی ٹیکسٹائل، فوڈ پورسجز اور تہا کو، غیر دھاتی معدنی مصنوعات اور آٹوموبائل نے نمایاں بہتری دکھائی۔ حکومت کی طرف سے صنعتی سپورٹ پیکیج، برآمدی صنعتوں کو ریلیف، برآمدات پر جاتی صنعتوں کے لیے بجلی اور گیس کی سبسڈی اور ٹیکس چھوٹ کی صورت میں صنعتی شعبے میں بڑے پیمانے پر قابل ذکر تبدیلی آئی۔ پالیسی کی شرح 7.0 فیصد میں کوئی تبدیلی نہیں کی گئی جس نے کاروباری امور کو بہتر بنایا اور اس طرح معاشی سرگرمیوں کی حوصلہ افزائی کی جو روزگار کو بحال کرنے کے قابل بناتی ہے۔ اس کے نتیجے میں الحمد للہ معیشت مسلسل مستحکم اور جامع ترقی کی طرف گامزن ہے۔ مالیاتی سال 2021 میں معیشت کی شرح نمو 3.94 فیصد رہی جو کہ گذشتہ سال 0.47 فیصد تھی۔ ترسیلات زر میں نمایاں اضافہ ہوا کیونکہ غیر رسمی ذرائع پر عائد پابندیوں کی وجہ سے مزید رسمی محنت کا انتخاب کیا گیا۔ اس کے ساتھ، اقتصادی سرگرمیوں کی بروقت بحالی نے برآمدی شعبے کو دیگر ابھرتی ہوئی معیشتوں کے مقابلے میں نسجتا بہتر کارکردگی دکھانے میں مدد دی۔ یہ دونوں بیرونی شعبے میں بہتری کا باعث بنے۔

پاکستان میں ٹیکسٹائل کی صنعت کا معیشت پر گہرا اثر ہے اور ملکی برآمدات میں تقریباً 60 فیصد حصہ ڈال رہا ہے۔ یہ کل مینوفیکچرنگ سیکٹر کا 46 فیصد پر مشتمل ہے اور دوسرا سب سے بڑا روزگار پیدا کرنے والا سیکٹر ہونے کی وجہ سے کل لیبر فورس کا 40 فیصد روزگار فراہم کرتا ہے۔ Covid-19 ٹیکسٹائل انڈسٹری کے لیے ایک نعمت ثابت ہوا کیونکہ عالمی خریداروں نے علاقائی حریفوں کے آرڈرز روک کر پاکستان کا رخ کیا، جس کے نتیجے میں دستیاب پیداواری صلاحیت کا 100 فیصد استعمال کیا گیا۔ پاکستان کی ٹیکسٹائل صنعت کے حالات کافی سازگار ہیں اور یہ پوری صلاحیت کے ساتھ کام کر رہی ہے۔ ٹیکسٹائل صنعت میں ترقی کے مثبت اثرات کیمیکلز، لاجسٹکس، پیکیجنگ اور دیگر خدمات سمیت متعلقہ شعبوں کی طرف سے بھی محسوس کیے جا رہے ہیں۔ اس سے پاکستانی برآمد کنندگان کو ایک موقع ملا ہے کہ وہ مسابقتی قیمتوں کا حوالہ دیں اور بہتر معیار کی مصنوعات پیش کریں تاکہ نئے خریداران کے مستقل صارف بن سکیں۔

مالیاتی نتائج اور کارکردگی:

زیر جائزہ سال کے دوران مالیاتی نتائج درج ذیل ہیں:

(روپے)	فروخت (صافی)
—	فروخت کی لاگت
(52,471,908)	کل خسارہ
(52,471,908)	آپریٹنگ اخراجات
(11,977,837)	آپریٹنگ خسارہ
(64,449,745)	مالیاتی لاگت
(16,504,217)	اضافی آمدنی
19,864,518	قبل از ٹیکس خسارہ
(61,089,444)	ٹیکسیشن
8,296,578	بعد از ٹیکس خسارہ
(52,792,866)	

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

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

سکیورٹیز اینڈ ایکسچینج آف پاکستان کے ایس آر او 831(1)/2012 مورخہ 5 جولائی 2012ء میں درج ذیل ہدایات کے مطابق شیئرز ہولڈرز کو ڈیویڈنڈ وارنٹس وغیرہ کے اجرا کے لیے سی این آئی سی لازمی ہے جس کی عدم موجودگی میں ڈیویڈنڈ کی ادائیگی ایس ای سی پی کی مندرجہ بالا ہدایات کے مطابق روکی جاسکتی ہے لہذا جن حصص یافتگان نے تاحال اپنے سی این آئی سی فراہم نہیں کیے ہیں ان کو ایک بار پھر ہدایت کی جاتی ہے کہ اپنے سی این آئی سی کی تصدیق شدہ کاپی بلا تاخیر براہ راست ہمارے شیئر رجسٹرار کو فراہم کر دیں۔

(6) شیئر ہولڈرز کے لیے ای ڈیویڈنڈ مینڈیٹ

نقد منافع منقسمہ کی ادائیگی کو مزید بہتر بنانے کے لیے ای ڈیویڈنڈ میکنزم متعارف کرایا گیا ہے جس کے تحت حصص یافتگان ڈیویڈنڈ کی رقم فوری طور پر اپنے متعلقہ بینک اکاؤنٹ میں الیکٹرونک طور پر وصول کر سکتے ہیں اس طریقہ سے ڈیویڈنڈ ان کے بینک اکاؤنٹ میں منتقل ہو جائے گا اور بذریعہ ڈاک گمشدگی، عدم وصولی اور غلط پتے پر وصولی وغیرہ کے خدشات نہیں ہوں گے، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے نوٹس نمبر 8(4) ایس ایم / سی ڈی سی 2008ء مورخہ 5 اپریل 2013ء کے ذریعہ تمام لسٹڈ کمپنیوں کو حصص ہولڈرز کے مفاد میں ای ڈیویڈنڈ میکنزم کو اختیار کرنے کی ہدایات جاری کی گئی ہیں، مندرجہ بالا کے پیش نظر آپ کو ڈیویڈنڈ مینڈیٹ فارم پر اور دستخط کے ہمراہ جمع کرا کے ڈیویڈنڈ مینڈیٹ فراہم کیا جا رہا ہے۔

(7) مالی گوشواروں وغیرہ کی الیکٹرونک منتقلی

ایس ای سی پی نے اپنے اعلامیہ نمبر ایس آر او 787(1)/2014 مورخہ 8 ستمبر 2014ء کمپنیوں کو سالانہ آڈٹ شدہ مالی گوشواروں مع سالانہ اجلاس کے نوٹس ڈاک کی بجائے بذریعہ ای میل ان ممبران کو ارسال کرنے کی اجازت دی ہے جو اس سہولت سے استفادہ حاصل کرنے کے متعلق ہیں مذکورہ بالا گوشوارے اور سالانہ اجلاس عام کے نوٹس بذریعہ ای میل وصول کرنے کے خواہشمند ممبران سے درخواست ہے کہ وہ کمپنی کی ویب سائٹ <http://www.yousufdewan.com/DMTML/index.html> سٹینڈرڈ ریکورڈسٹ فارم پر اپنی خواہش تحریری طور پر فراہم کریں۔

دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ سالانہ اجلاس عام

ہذا کو مطلع کیا جاتا ہے کہ دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ (ڈی ایم ٹی ایل یا کمپنی) کا ساٹھواں (60) سالانہ اجلاس عام بدھ 27 اکتوبر 2021ء صبح 11:30 بجے دیوان سینٹ لمیٹڈ فیکٹری سائٹ واقع دیہہ ڈھنڈو دھابجی ضلع ملیر کراچی پاکستان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائے گا۔ اجلاس کا آغاز تلاوت کلام پاک سے ہوگا۔

عمومی امور

- (1) کمپنی کے گزشتہ سالانہ اجلاس عام منعقدہ پیر 26 اکتوبر 2020ء کی کارروائی کی توثیق۔
- (2) 30 جون 2021ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع آڈیٹرز اور ڈائریکٹرز کی رپورٹ کی وصولی، غور و خوض اور منظوری۔
- (3) 30 جون 2022ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
- (4) چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ



محمد حنیف جومان
کمپنی سیکریٹری

کراچی 24 ستمبر 2021ء

نوٹ:

- (1) کمپنی کی منتقلی حصص کی کتب 20 اکتوبر 2021ء تا 27 اکتوبر 2021ء (دونوں دن شامل) بند رہیں گی۔
- (2) ممبران سے پتہ میں کسی قسم کی تبدیلی سے فوری طور پر ہمارے شیئرز رجسٹر اڈا انسٹریکشن بی ایم ایف لنسٹنس پاکستان (پرائیویٹ) لمیٹڈ واقع انیم اسٹیٹ بلڈنگ کمرہ نمبر 310 اور 311 تھرڈ فلور 49 دارالامان سوسائٹی میں شاہراہ فیصل متصل بلوچ کالونی پل، کراچی پاکستان کو مطلع کرنے کی درخواست کی جاتی ہے۔
- (3) اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے۔ تاہم پروکسی کی تقرری کی دستاویز اجلاس ہذا کے انعقاد سے کم از کم اڑھتالیس (48) گھنٹے قبل کمپنی کو مندرجہ بالا پتہ پر مل جانی چاہیے۔
- (4) سی ڈی سی ممبران کو مزید براں سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ سرکلر I-مورخہ 20 جنوری 2000ء میں درج مندرجہ ذیل ہدایت پر عمل کرنا ہوگا۔

الف) برائے اجلاس میں شرکت

- (i) انفرادی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور یا افراد کی صورت میں یا جن کی سکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے مطابق اپ لوڈ ڈھوں اپنی شناخت کے لیے اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ اجلاس میں شرکت کے موقع پر پیش کرنا ہوگا۔
- (ii) کارپوریٹ انٹیلیجنسی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) اجلاس کے موقع پر پیش کرنا ہوگا۔

ب) پروکسی کی تقرری

- (i) انفرادی اکاؤنٹ ہولڈر یا سب ہولڈر اور یا افراد کی صورت میں جن کی سکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے تحت اپ لوڈ ڈھوں پروکسی فارم مندرجہ بالا شرائط کے مطابق داخل کرانے ہوں گے۔
- (ii) پروکسی فارم پر دو افراد کی گواہی ہونی چاہیے جن کے نام پتے اور سی این آئی سی نمبر فارم میں درج ہوں۔
- (iii) ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم سے منسلک کرنی ہوں گی۔
- (iv) پروکسی کو اجلاس کے موقع پر اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔
- (v) کارپوریٹ انٹیلیجنسی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) پروکسی فارم ہمراہ کمپنی کو پیش کرنے ہوں گے۔

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DEWAN MUSHTAQ TEXTILE MILLS LIMITED
60TH 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 60th Annual General Meeting of the Company to be held on **Wednesday, 27th**
October, 2021 at 11:30 a.m. and any adjournment thereof.
Signed this _____ day of _____ 2021.

Affix
Revenue
Stamp
Rs. 5/-

Signature _____

Witness: _____

Signature

Name: _____

Address: _____

Witness: _____

Signature

Name: _____

Address: _____

پراکسی فارم ۶۰ 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 فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ میں

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

جو بذات خود بھی _____

_____ دیوان مشتاق ٹیکسٹائل ملز لمیٹڈ

_____ سی ڈی سی آئی ڈی اور کھاتہ نمبر

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۶۰ واں سالانہ اجلاس عام جو کہ بروز بدھ، ۲۷ اکتوبر ۲۰۲۱ کو دوپہر ۳:۱۱ بجے، ہے میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ ۲۰۲۱ کو میرے / ہمارے ہاتھ سے مہر لگائی۔

Affix
Revenue
Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____