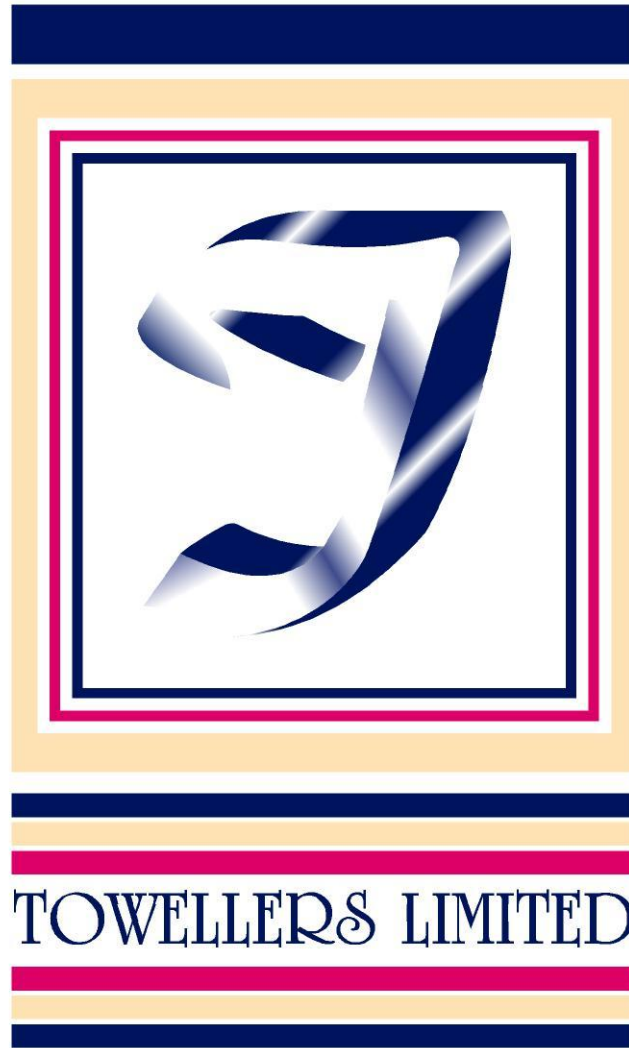


TOWELLERS LIMITED

ANNUAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2024



Vision

The Company's Management strives to achieve the top slot in any business field that they enter and having achieved that, their endeavour is to retain that status without overstepping the bounds of fair play and the norms of business ethics.

Mission

Through self discipline be an example to their fellow beings that great heights are achievable in all fields without trampling the rights of others and also ensuring that those associated with the venture, be it the shareholders, the workers from the top to the bottom are satisfied with the returns that accrue to them. A seemingly difficult, if not an impossible task but it is the chosen path on which the Company is headed and thus far it has successfully followed it. Providing maximum employment opportunities and contributing their mite to the Country's economy.

Contents

	Page
Company Information	3
Notice of Meeting	4-7
Chairman's Review Report	8
Director's Report	9-11
Corporate Matters	12-14
Independent Auditor's report to the members	15-19
Review Report to the members	20
Statement of Compliance with Code of Corporate Governance	21-22
Six Years Comparative Key Operating & Financial Results	23
Balance Sheet	24
Profit and Loss Account	25
Statement of Changes in Equity	26
Statement of Comprehensive Income	27
Cash Flow Statement	28
Notes to the Accounts	29-53
Pattern of Share Holdings	54
Categories of Shareholding	55
Corporate Governance	56-57
Circulation of Annual Audited Accounts	58
Jama Punji	59
Envelope	60
Notice of Meeting (Urdu) / (English)	61-62
Director Report (Urdu)	63-65
Chairman's Review Report (Urdu)	66
Proxy Form (English / Urdu)	67-68

TOWELLERS LIMITED

COMPANY INFORMATION BOARD OF DIRECTORS

Mrs.	Mahjabeen Obaid	Chairperson
Mrs.	Mehreen Obaid Agha	Chief Executive Officer
Mrs.	Sana Bilal	Director
Mrs.	Hadeel Obaid	Director
Mr.	Zeeshan K. Sattar	Director
Mr.	Valy Tariq Rangoon wala	Director
Mr.	Niaz Muhammad	Independent Director
Mr.	Muhammad Sarfraz	Independent Director

BOARD AUDIT COMMITTEE

Mr.	Muhammad Sarfraz	Chairman
Mrs.	Hadeel Obaid	Member
Mr.	Zeeshan K. Sattar	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE:

Mr.	Niaz Muhammad	Chairman
Mrs.	Mehreen Obaid Agha	Member
Mr.	Valy Tariq Rangoon wala	Member

CHIEF FINANCIAL OFFICER

Mr. Adnan Moosaji

COMPANY SECRETARY

Mr. M. Farhan Adil

STATUTORY AUDITORS

Mushtaq & Company
Chartered Accountants
407-Commerce Centre, Hasrat Mohani Road, Karachi.

BANKERS

Soneri Bank Limited
Allied Bank Limited
Bank Al Habib Limited
Muslim Commercial Bank Limited
Faysal Bank Ltd
Al Baraka Bank Pakistan Limited
Dubai Islamic Bank Pakistan Ltd
Bank Alfalah

REGISTRAR & SHARE REGISTRATION OFFICE

T.H.K., Associates Pvt. Ltd
Plot No. 32-C, Jami Commercial Street – 2
D.H.A., Phase-VII, Karachi, 75500, Pakistan

REGISTERED OFFICE

WSA-30 & 31, Block-1, Federal "B" Area, Karachi-75950

Web Site: www.towellers.com

Company Registration

C.R. # 0004042

National Tax

NTN 0676889-0,

& Sales Tax No.

Sales Tax # 02-03-5111-007-55

FACTORIES

Plots No. 14 & 17/1 Sector 12-D, N.K.I.A. Plot No. 9 &10, Sector 12-C, N.K.I.A., Karachi,
PLOT NO. 48, SECTOR - 28, Korangi Industrial Area, Korangi Karachi,

TOWELLERS LIMITED

TOWELLERS LIMITED **Notice of Annual General Meeting.**

Notice is hereby given that the 51st Annual General Meeting of the Company will be held at Towellers House W.S.A, 30-31, Block-1 Federal B Area Karachi on Friday October 25th 2024 at 3:30 p.m to transact the following business.

ORDINARY BUSINESS:

1. To confirm the minutes of the 50th Annual General Meeting held on Thursday October 26, 2023.
2. To receive consider approve and adopt the Audited Financial Statements of the Company for the year ended June 30th 2024 together with Chairman Review, Director's and Auditor's reports thereon.
3. To elect eight (8) Directors of the Company as fixed by the Board for a term of three years commencing from October, 27th 2024 in accordance with the provision of section 159 of the Companies act, 2017. Names of the present Directors retiring and eligible to file nomination are as under.

(1) Mahjabeen Obaid (2) Mehreen Obaid Agha (3) Sana Bilal (4) Hadeel Obaid (5) Zeeshan K. Sattar (6) Vally Tariq Rangoonwala (7) Muhammad Sarfraz (8) Niaz Muhammad.
4. To approve the payment of final Cash dividend for the year ended June 30, 2024 @ 80 % i.e. PKR 8/- per share.
5. To appoint Auditors for the year 2024-2025 and fix their remuneration.

OTHERS BUSINESS:

6. To transit any other business with the permission of the Chair.

(Attached to this notice is a statement of material facts as required under section 166(3) of the Companies Act, 2017)

By order of the Board

M. Farhan Adil
Company Secretary

Karachi: September 19th 2024.

TOWELLERS LIMITED

NOTES:

- 1.** The Share transfer Books of the Company will remain closed from October 18th 2024 to October 25th 2024 (both days inclusive), will be treated as in time for attending the AGM, payment of cash dividend.
- 2.** A member entitled to attend and vote at the AGM is entitled to appoint another member as proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the registered office of the Company or emailed at farhan@towellers.com not later than 48 hours before the time fixed for AGM. The proxy form in English and Urdu languages is attached and the same is also available on the Company website: www.towellers.com.
- 3.** CDC Investor Account Holders will further have to follow the guidelines issued by the Securities and Exchange Commission of Pakistan (SECP) in this regard.
- 4.** The members and their proxies who intends to attend the AGM through video-link must register their particulars by sending an email at farhan@towellers.com The members registering to connect through video-link facility are required to mention their name, folio number and number of shares held in their name in the email with subject 'Registration for Towellers AGM' along with valid copy of their CNIC/Passport. Video link and login credentials will be shared with the members whose emails, containing all the required particulars, are received at the given email address at least 48 (forty eight) hours before the time of AGM.
- 5.** The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(1)/2022 dated December 05, 2022 The SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business and in case of election of directors. Accordingly, members of Towellers Limited will be allowed to exercise their right to vote through e-voting facility or voting by post for the election of directors in its forthcoming Annual General Meeting to be held on Friday October 25th 2024, at 3:30 p.m., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulation.
Detail of E-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses available in the Register of Members of the Company maintained by the Company's Shares Registrar M/s THK Associate Pvt Ltd (being the e-voting service provider).
For convenience of the Members, ballot paper is annexed to this notice being sent through post/email and the same is also available on the Company's websites.
- 6.** To comply with requirements of Section 119 of the Companies Act, 2017 and regulation 47 of the Companies Regulations, 2024, members are requested to provide their information such as CNIC number, mailing address, email, contact mobile/telephone number and (IBAN) together with a copy of their CNIC to update our records and to avoid any non- compliance, otherwise, all dividends will be withheld in terms of regulation 6 of the Companies (Distribution of Dividends) Regulations 2017.
- 7.** The SECP through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.
- 8.** Shareholders, who for any reason, could not claim their dividend and advised to contact our Share Registrar M/s THK Associates Pvt Ltd. To collect/enquire about their unclaimed dividends if any.
- 9.** Pursuant to the approval of Share Holders vide SRO 389(1)/2023 dated March 21, 2023, the financial statement of the Company for the year end June 30, 2024, along with the reports have been placed on the website of the Company www.towellers.com which can be downloaded from the QR enable code and printed copy of the same can be provided to the members upon request, In compliance with section 223(6) of the Companies Act 2017.

TOWELLERS LIMITED

10. As per Section 242 of the Companies Act, 2017, for listed Company, any dividend payable in cash shall only be remitted through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account No. (IBAN) and details in the Central Depository System through respective participants. In case of physical shares to provide bank account details to our Share Registrar, M/s THK Associates Pvt Ltd. Please ensure an early update of your particulars to avoid any inconvenience.

11. The Government of Pakistan through the Finance Act, 2024 in section 150 of the Income Tax Ordinance, 2001 prescribed the following rates for withholding tax against dividend payments by the companies;

For filers of income tax returns	15%
For non-filers of income tax returns	30%

Shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the FBR website, despite the fact that they are filers, are advised to make sure that their names are entered into ATL to avoid higher tax deduction against any future dividends. Corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or M/s THK Associates Pvt Ltd.

12. Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advise a change in address if any.

13. For any query/problem/information, the investors may contact the Share Registrar at the following numbers, or email addresses.

M/s THK Associates (Pvt) Ltd
32-C, Jami Commercial Street 2,
D.H.A, Phase VII, Karachi- 75500
Phone: +9221-111-000-322, +9221-37120628-29
E-mail: sfc@thk.com.pk.

14. A member desirous to contest the election of director shall file with the Company at its Registered office not later than 14 days before the date of the meeting (a) Consent to act as a Director in Form-9 under section 167 of the Companies Act, 2017 (b) a detailed profile, Directorship along with office address and contact information for placement on the Company's website seven days prior under SRO1196(1)/2019 (c) Declaration of Independence section 166(2) as required under (CCG) regulation 2019. (d) notice of his/her intention to offer himself/herself for election as a Director under Section 159(3) of the Companies Act, 2017, selecting any one category stated below in which he/she intends to contest, in accordance with the amendments by the SECP Regulation 7A of the Listed Companies (CCG) Regulations, 2019 through S.R.O 906(1)2023 dated 07-07-2023.

a) Election of Female Director b) Independent directors: and c) Other directors .

Statement of Material Facts under Section 166(3) of the Companies Act, 2017.

In terms of Section 159(1) of the Companies Act, 2017, the directors have fixed the number of elected Directors at eight (8) to be elected in the AGM for a period of three years.

Independent Directors will be elected through the process of election of director in terms of section 159 of the act and they shall meet the criteria laid down in section 166 of the act, and the Companies (Manner and Selection of Independent Directors) Regulations 2018.

The present Directors are interested to the extent that they are eligible for re-election as Directors of the Company.

TOWELLERS LIMITED

BALLOT PAPER FOR VOTING THROUGH POST

In person and virtual meeting to be held on Friday, October 25th 2024 at 3:30 pm

at W.S.A. 30-31, Block No 1. F.B. Area Karachi

Phone: +92 21 6323500-600 **Website:** www.towellers.com

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number / CDC Account #	
CNIC No./Passport No (Copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)	

I/we hereby exercise my/our vote in respect of Election of Directors through Postal Ballot as follows:

To elect Eight (8) Directors of the Company, as fixed by the Board of Directors in accordance with the provisions of the Section 159(1) of the Companies Act, 2017 for the period of three (3) years commencing from October 27th 2024.

Sr. No.	Name of Director	No. of ordinary shares used for voting in favor of the Director	Number of votes (number of voting shares X number of Director to be elected)
1	Mahjabeen Obaid		
2	Mehreen Obaid Agha		
3	Sana Bilal		
4	Hadeel Obaid		
5	Zeeshan K. Sattar		
6	Vally Tariq Rangoon wala		
7	Muhammad Sarfaraz		
8	Niaz Muhammad		

Signature of shareholder

Dated:

NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

1. Every Shareholder(s) shall have the number of votes which is equivalent to the product of the number of voting share(s) held by him/her and the number of Directors to be elected.
2. A Shareholder may give all his/her votes to a single candidate or divide them between more than one of the candidates in such a manner as he/she may choose. However, the number of votes cast must not exceed the number of votes available to the Shareholder.
3. Dually filled Postal Ballot paper should reach via e-mail farhan@towellers.com to Company Secretary before one working day of the AGM during working hours (i.e. October 24th 2024 by 5:00 p.m). any Postal Ballot received after the aforesaid time will not be considered.
4. A copy of CNIC or Passport (in case of foreign nationals only) should be enclosed with the Postal Ballot.
5. The signature on the Postal Ballot should match with the signature on Company record or CNIC/Passport in case of CDC shareholder.
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten Ballot Paper will be rejected.
7. In case of representative of corporate Body, corporation, and Federal Government, Postal Ballot must be accompanied with the copy CNIC/Passport of authorized person, attested copy of Board Resolution, Power of Attorney, Authorization Letter etc. in accordance with Section(s) 138 or 139 of the Companies Act, 2017, as applicable. In case of foreign corporate body etc., all documents must be attested from the Council General of Pakistan having jurisdiction over the Shareholder.

TOWELLERS LIMITED

CHAIRPERSON'S REVIEW REPORT

I am pleased to present this Review Report to the shareholders of the Company pertaining to the overall performance of the Board of Directors and the major achievements & activities that took place during the year.

The Board performed in professional manner for setting targets of its growth, exploring new markets & finding new customers and building confidence of their existing customers by maintaining high quality of its products. The Chief Executive provides reports and updates to the Board on regular basis on areas such as business plans, operating performance, cashflows, relevant financial information and risk management.

The year 2024 was a year of macro and fiscal stability for Pakistan. Such stability comes with tight monetary, trade and fiscal measures and policies, which comes with the price of slowing down of economy. The country witnessed tough economic parameters i.e. high inflation, removal of subsidies, high energy costs, increased labor costs, etc. With such challenging economic & market conditions, the Company achieved a growth of 11% in sales, which is appreciable achievement of the Board of Directors and management team. However, the margins shrunk during the year because of the tough international competition, due to which we were forced to quote as competitive prices as we could. Increased cost of doing business also played its part in reducing our margins. Further, year 2023 was a year of extra ordinary currency devaluation, which earned us some windfall income in the form of exchange gains, hence, the comparison of margins with year 2023 may not be the right approach.

I have no doubts that Board of Directors will continue to make tireless efforts for further growth and for increased profitability of the Company in forthcoming year and onwards. The Directors are also focused on continuous process improvements for which the Company has invested significantly during this year also. These investments are for capacity enhancements, process improvements as well as for energy conversation. The Company is also expanding its operations and have purchased additional factory plots for capacity enhancements. I wish all the successes for our dedicated Board of Directors and management team in their endeavors.

Despite heavy investments made during the year, the Company is proposing a dividend of 80% for its shareholders. We are thankful to our members for standing by us and for their support for all these years and request the same in future also.

In the end, I would like to thank all of the Board of Directors for making strenuous efforts in steering the company through these turbulent times and wish them all the best on my behalf and on behalf of all the members of the Company.

Karachi: September 26th 2024


Mahjabeen Obaid
Chairperson

TOWELLERS LIMITED

DIRECTORS REPORT TO THE MEMBERS

On behalf of the Board of Directors, its our pleasure to place before you the Audited Financial Statements of your Company for the year ended June 30th, 2024. These Financial Statement have been prepared in accordance with the requirements of International Accounting Standards and the provisions of the Companies Act, 2017 under section 227.

ECONOMIC OVERVIEW

After an extremely challenging year (2022-23) in context of Pakistan's economy, we witnessed some signs of stability during the current year. The inflation figures have dropped down to single digit which has created room for the central bank to reduce interest rate from 22% to currently 17.5% and is expected to go down further till the calendar year end. The current account deficit remained under control through regulated imports by central bank. This has resulted in a stable exchange parity since last few months. Reduced international oil prices has also eased the trade and current account deficits. Also, the IMF approval of the next tranche would help in the sustainability of such stability, raising confidence among industrial and business community.

However, much needed tough fiscal measures by the Government have taken its toll, resulting in increased tax rate on textiles, increased super tax, increased energy cost, etc. Pakistan's textile exports therefore remained almost stagnant and grew by merely 0.93% to US\$ 16.55 B as compared to US\$ 16.50 B last year. The GDP growth during the year remained at 2.38% as compared to 0.29% growth in 2023 demonstrating the stability taking place in the economy of the country.

We hope that in light of these signs of recovery, the economic activity within the country will improve resulting in more growth and consumption. Government has also started negotiating with IPPs which we hope, should cause some tariff cuts and reduction in energy cost, consequently reducing some cost of manufacturing. Also, there is a brief window of opportunity of export orders which will be diverted to other countries due to political unrest and recent transition of government in Bangladesh. We should try to capitalize this opportunity as much as we can and secure more export orders in near future.

COMPANY'S PERFORMANCE

Despite the economic challenges prevailing in the country, export sales have grown by 11.1% as compared to previous year and the turnover of Rs. 12.3 B was recorded as compared to Rs. 11.1 B in year 2023.

TOWELLERS LIMITED

Net profit after tax of Rs. 559.5 M was recorded, whereas the earning per share remained at Rs. 32.91 per share. Increased cost of doing business including labor costs, high energy cost, discontinuation of all governmental supports & subsidies, increased taxes and cut throat international competition are some of the factors contributing towards low margins. Extraordinary gains during the previous year have also widened to margin gaps between the corresponding year.

Company's directors, management team, staff and workers are trying hard to secure more export business with better margins to improve the results of the Company.

Following is the summarized P&L for a quick review:

	Rupees in Thousands	
	30-JUN-2024	30-JUN-2023
Sales (Net)	12,314,921	11,086,916
Gross Profit	1,232,108	3,142,600
Distribution Cost	345,925	298,705
Administrative Expenses	398,493	365,248
Other Operating Expenses	109,105	183,558
Other Income	457,680	338,877
Finance Cost	31,101	53,848
Profit Before Taxation	805,163	2,580,119
Profit After Taxation	559,502	2,388,338
Earning Per Share	32.91	140.49

CAPITAL EXPENDITURE PLANS

The Company is determined to increase efficiencies of its production process to increase margins & profitability and has therefore continued its investments in machines for the same purpose. During the year also, the Company invested more than Rs. 500 M in various machines and equipment related to the improvement and bringing about efficiencies in manufacturing processes. These include bio mass fired steam boiler, Lafer boosting & compacting line, Lafer raising machine, Bruckner stenter machine, Corino super slit squeezing machine, thermo oil boiler, Biancalani air flow drying & softening machine, MRT smart hanging rail system, Lafer shearing machine, upgradation of various specialized sewing machines, garment dyeing machine, knitting machines and various others.

PATTERN OF SHAREHOLDING

Pattern of shareholding of the Company in accordance with the section 227 (2) (f) of the Companies Act, 2017 as at June 30, 2024 is annexed to this report.

DIRECTOR TRAINING

The Company takes keen interest in the professional development of its Board Members. Directors are kept updated about relevant laws and current matters regarding Corporate Governance and other regulatory changes. Five directors of the company have completed certification from **Pakistan Institute of Corporate Governance (PICG)** in compliance with the CCG rules.

DIVIDEND

Board of Directors are pleased to propose 80% final dividend subject to the members' approval at the Annual General Meeting. The Directors and staff of the Company are working hard to increase the turnover with healthier margins through achieving economies of scale and better efficiencies. We thank our shareholders for their support and prayers for the growth and prosperity of the Company.

EARNINGS PER SHARE

The basic and Diluted earnings per share After tax is Rs. 32.91 (2023-Rs. 140.49)

CHAIRPERSON'S REVIEW

The Chairperson's review is part of this annual report and directors of Company fully endorse contents therein.

AUDITORS

The present auditors M/s Mushtaq and Co. Chartered Accountants retire and offer themselves for re-appointment. The board of Directors on recommendation of Audit Committee proposes the re-appointment of Mushtaq and Co. Chartered Accountants for the year ending June 30, 2025.

ACKNOWLEDGEMENT

Your directors would like to express their gratitude to all the stakeholders and appreciate them for their encouragement and support. We also appreciate staff and workers of the Company for their commitment, dedication and hard work put by them, and our shareholders, who have always shown their confidence and faith in the Company.

September 26, 2024



Chief Executive Officer



Director

TOWELLERS LIMITED

COMPOSITION OF THE BOARD

The present Board of Directors comprises a well balanced mix of executive, non-executive and independent Directors. It has eight Directors the position of Chairperson and Chief Executive Officer are held by separate individuals. Mahjabeen Obaid hold the position of Chairperson of the Board while Mehreen Obaid Agha is CEO/MD of the Company.

TOTAL NUMBER OF DIRECTORS

- a. Male 4
- b. Female 4

COMPOSITIONS

- a. Independent Directors 2
- b. Non-Executive Directors 4
- c. Executive Directors 2

During the year Four (4) meetings of the Board were held in which the attendance by each Directors is as follows.

Name of Directors	Number of Meetings attended
Mehreen Obaid Agha	4
Mahjabeen Obaid	3
Sana Bilal	3
Hadeel Obaid	3
Zeeshan K. Sattar	3
Muhammad Sarfraz	2
Niaz Muhammad	2

All Board member possess necessary qualifications and experience and are fully conversant with their duties required under the Code of Corporate Governance 2019

COMMITTEES OF THE BOARD

The Board has formed sub committees namely Audit and Human Resource and Remuneration Committees.

AUDIT COMMITTEE

The Board has constituted Audit committee consist of three members including Chairman of the Committee. The Committee regularly meets as per requirement of the Code. The Committee assists the Board in reviewing internal audit system. The committees comprising of members given belows.

Audit Committee

Muhammad Sarfraz	Chairman
Hadeel Obaid	Member
Zeeshan K. Sattar	Member

During the year Four (4) meetings of Audit Committee were held in which the attendance by each Director is as follows.

Name of Directors	Number of Meetings attended
Zeeshan K. Sattar	2
Hadeel Obaid	3
Muhammad Sarfraz	2

HUMAN RESOURCE COMMITTEE

The Board has constituted a HR and remuneration Committee in compliance with the code of Corporate Governance. The HR and remuneration Committee is performing its duties in line with its terms of reference as determined by the Board.

Two meeting was held during the financial year ended June 30, 2024

TOWELLERS LIMITED

HR AND REMUNERATION COMMITTEE

Niaz Muhammad	Chairman
Mehreen Obaid Agha	Member
Valy Tariq Rangoonwala	Member

COMPLIANCE WITH THE BEST PRACTICES OF CORPORATE GOVERNANCE

The Board is pleased to state that the management of the Company is compliant with the best practices of corporate governance. The Board acknowledges its responsibility in respect of the corporate and financial reporting framework and thus states that:

- The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements except as disclosed and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards and International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the regulations of Rule Book of Pakistan Stock Exchange.
- The highlights of operating and financial data for the last six years are annexed in the Annual Report 2024.

Independent Auditors' Report

To The Members of Towellers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Towellers Limited**, which comprise the statement of financial position as at **June 30, 2024**, and the statement of profit or loss and the 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 material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following are the Key audit matters:

S. No.	Key audit matter	How the matter was addressed in audit
1	<p>REVENUE FROM CONTRACTS WITH CUSTOMERS (SALES)</p> <p>(Refer note 3.15 and note 28 to the financial statements)</p> <p>The Company recognizes revenue from domestic as well as export customers when the performance obligation is satisfied by transferring control of a promised good to the customer. During the year, net sales have increased by 11.08%.</p> <p>We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and for the year revenue has increased as compared to the last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none">• Assessed the design, implementation and operating effectiveness of key internal controls involved in revenue recognition;• Understood and evaluated the accounting policy with respect to revenue recognition;• Performed testing of revenue on a sample basis with underlying documentation including dispatch documents and sales invoices;• Performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period;• Examined the commission as per Company's policy and verified related distribution expenses; and• Ensured that presentation and disclosures related to revenue are being addressed appropriately.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

Board of directors is 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

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CHARTERED ACCOUNTANTS



error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

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CHARTERED ACCOUNTANTS



- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and 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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was not deducted and deposited by the Company in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Nouman Arshad, ACA.



Mushtaq & Co.
MUSHTAQ & CO.
Chartered Accountants



Lahore.
Dated: September 26, 2024
UDIN: AR202410724R5dlhcVyf

Independent Auditor's Review Report

To the members of Towellers Limited on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulation, 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 Towellers Limited ("the Company") for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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.

Based on our review, except for the below mentioned 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, 2024.

Following instances of non-compliance with the requirements of the Code were observed which are stated as under:

Requirement	Regulation	Non-Compliances
Role of board to address sustainability risk and opportunities.	10A	Newly introduced regulation by SECP during June, 2024. Being reviewed by the board for compliance in future.
Requirement to attain DTP Certification.	19	Except two directors, all directors have obtained director training certificate.
Nomination Committee	29(1)	Currently, the board has not constituted a separate NC. The function is being performed by the board.
Risk Management Committee.	30(1)	The board intends to constitute RMC. Currently the board is performing these duties.

Lahore:
Date: September 26, 2024
UDIN: CR202410724zqVFICRZU

Mushtaq & Co.
MUSHTAQ & CO.
Chartered Accountants
Engagement Partner:
Nouman Arshad, ACA



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019.**NAME OF COMPANY TOWELLERS LIMITED****YEAR ENDED JUNE 30th 2024**

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

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

Male	4
Female	4

2. The composition of the Board is as follows:

CATEGORY	NAMES
Independent Director	Muhammad Sarfraz Niaz Muhammad
Non-Executive Directors	Mahjabeen Obaid Zeeshan K. Sattar Valy Tariq Rangoonwala Hadeel Obaid
Executive Directors	Mehreen Obaid Agha Sana Bilal

Independent and Executive directors have requisite knowledge and competencies to discharge their duties, therefore, fraction of (2.67) has not been rounded up.

1. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
2. 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.
3. 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.
4. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act 2017 and these Regulations.
5. The meetings of the board were presided over by the Chairman and, in her absence, by a director elected by the Board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
6. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
7. Six out of Eight directors complied with the requirements of Directors Training Program. The remaining Director are expected to get training in future.
8. The Board has approved appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
9. Chief Financial Officer and the Chief Executive Officer duly endorsed the financial statements before approval of the Board.
10. The board has formed committees comprising of members given below:

Audit Committee

- Muhammad Sarfraz Chairman
- Zeeshan K. Sattar Member
- Hadeel Obaid Member

HR and Remuneration Committee

- Niaz Muhammad Chairman
- Mehreen Obaid Agha Member
- Vally Tariq Rangoonwala Member

13 The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14 The frequency of meetings (Quarterly/half yearly/yearly) of the committees were as per following:

Audit Committee Four quarterly meetings were held during the year.

HR and Remuneration Committee two meeting was held during the year.

15 The Board has set up an effective internal audit function.

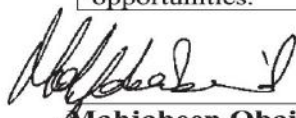
16 The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

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 requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19 Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33, and 36 is given below.

Requirement	Regulation	Explanation
Requirement to attain DTP Certification.	19	Currently six directors have get director training remaining directors training is in process.
Nomination Committee	29(1)	Currently, the board has not constituted a separate NC. The function is being performed by the board..
Risk Management Committee.	30(1)	The board intend to constitute RMC. Presently HR Committee is looking.
Role of board to address sustainability risk and opportunities.	10A	Newly introduced regulation by SECP during June, 2024. Being reviewed by the board for compliance in future.


Mahjabeen Obaid
Chairperson

Dated: September 26th 2024


Director

TOWELLERS LIMITED

SIX YEARS AT GLANCE

FROM 2019 TO 2024

RUPEES IN THOUSANDS

PARTICULARS	2024	2023	2022	2021	2020	2019
Turn over-Net	12,314,921	11,086,916	10,238,086	5,220,747	3,772,254	3,848,285
Cost of sales	11,082,813	7,944,316	8,151,154	4,109,212	3,071,384	2,985,218
Gross profit / (loss)	1,232,108	3,142,600	2,086,932	1,111,536	700,870	863,067
Profit/(loss) from operation	836,265	2,633,967	1,208,243	619,652	321,304	457,560
Finance cost	31,102	53,848	23,250	5,444	6,388	6,482
Profit/(loss) before taxation	805,163	2,580,119	1,184,994	614,208	314,915	451,077
Profit / (loss) after taxation	559,502	2,388,338	1,063,048	556,456	275,894	402,684
Dividend	170,000	221,000	34,000	-	-	-

FINANCIAL DATA

Fixed assets-w.d.v	5,603,824	3,250,949	3,142,611	1,810,526	1,663,761	1,231,256
Right of use asset	5,436	-	-	-	-	-
Long term loans	22,164	19,250	20,487	19,501	16,861	12,851
Long term deposits	29,780	44,271	35,321	29,349	16,875	19,755
Current assets	6,273,528	6,667,455	4,632,048	2,437,648	1,852,202	1,475,871
Total	11,934,732	9,981,926	7,830,468	4,297,024	3,549,699	2,739,733

EQUITY & LIABILITIES

Equity	8,739,778	7,560,745	5,391,114	3,277,720	2,714,251	2,053,845
Non current liabilities	595,104	185,190	186,911	174,794	163,376	97,902
Current liabilities	2,599,850	2,235,991	2,252,443	844,511	672,072	587,986
Total	11,934,732	9,981,926	7,830,468	4,297,024	3,549,699	2,739,733

KEY RATIOS%

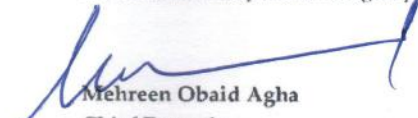
Gross margine%	10.00	28.35	20.38	21.29	18.58	22.43
Net profit (loss)%	4.54	21.54	10.38	10.66	7.31	10.46
Quick ratio%	1.42	1.80	1.08	0.89	1.32	1.20
EBIT margine%	6.29	22.79	11.35	11.66	8.52	11.89
Current ratio%	2.41	2.98	2.06	2.89	2.76	2.51
Earning/(loss) per share Rs	32.91	140.49	62.53	32.73	16.23	23.69
Dividend payout ratio	30.38	9.25	3.20	-	-	-
Debt equity ratio%	0.37	0.32	0.45	0.31	0.31	0.33

TOWELLERS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, Plant And Equipment	4	5,603,824,200	3,250,949,018
Right Of Use Asset	5	5,435,798	-
Long Term Loans And Advances	6	22,164,318	19,250,419
Long Term Deposits	7	29,779,925	44,271,116
		5,661,204,241	3,314,470,553
CURRENT ASSETS			
Stores, Spare Parts And Loose Tools	8	57,969,566	64,105,747
Stock In Trade	9	1,479,224,852	1,624,943,040
Trade Debts	10	2,205,193,423	2,246,392,773
Loans And Advances	11	285,061,152	115,391,739
Trade Deposits And Short Term Prepayments	12	36,318,400	30,235,574
Other Receivables	13	218,820,248	150,613,511
Income Tax And Sales Tax Refundable	14	503,149,543	653,109,675
Short Term Investment	15	786,037,671	1,352,260,073
Cash And Bank Balances	16	701,752,715	430,403,190
		6,273,527,570	6,667,455,322
		11,934,731,811	9,981,925,875
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
25,000,000 (June 30, 2023: 25,000,000) Ordinary Shares Of Rs. 10 Each		250,000,000	250,000,000
Issued, Subscribed And Paid Up Capital	17	170,000,000	170,000,000
Reserves	18	5,689,919,726	5,255,653,945
Surplus On Revaluation Of Property, Plant & Equipment	19	2,879,858,480	2,135,091,527
		8,739,778,206	7,560,745,472
LIABILITIES			
NON CURRENT LIABILITIES			
Staff Retirement Benefits	20	190,275,002	176,081,034
Deferred Tax	21	368,279,868	-
Lease Liability	5	4,040,627	-
Long Term Loan	22	32,508,409	9,108,513
		595,103,906	185,189,547
CURRENT LIABILITIES			
Trade And Other Payables	23	2,339,921,802	2,233,290,570
Unclaimed Dividend	24	3,519,240	1,459,345
Accrued Markup	25	135,733	102,377
Current Portion Lease Liability	5	2,160,000	-
Current Portion Long Term Loan	22	4,112,924	1,138,564
Short Term Borrowings	26	250,000,000	-
		2,599,849,699	2,235,990,856
CONTINGENCIES AND COMMITMENTS	27	-	-
		11,934,731,811	9,981,925,875

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


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

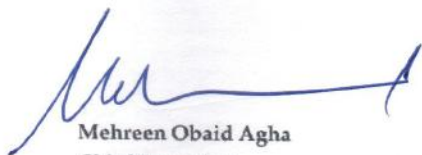
Karachi, September 26th, 2024

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
Sales - Net	28	12,314,921,073	11,086,916,406
Cost of Sales	29	(11,082,813,246)	(7,944,316,369)
Gross Profit		1,232,107,827	3,142,600,037
Distribution Cost	30	(345,925,426)	(298,704,654)
Administrative Expenses	31	(398,492,793)	(365,248,099)
Other Operating Expenses	32	(109,105,205)	(183,557,860)
Other Income	33	457,680,456	338,877,306
		(395,842,968)	(508,633,307)
Profit From Operations		836,264,859	2,633,966,730
Finance Cost	34	(31,101,932)	(53,847,932)
Profit Before Levies And Income Tax		805,162,927	2,580,118,798
Levies	35	(171,184,843)	(103,675,122)
Profit Before Income Tax		633,978,084	2,476,443,676
Income Tax Expenses	35	(74,476,457)	(88,106,107)
Profit For The Year		559,501,627	2,388,337,569
Earnings Per Share - Basic And Diluted	36	32.91	140.49

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


Mehreen Obaid Agha
Chief Executive

Karachi, September 26th, 2024


Sana Bilal
Director



Adnan Moosaji
Chief Financial Officer

TOWELLERS LIMITED

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

Particulars	Issued, subscribed and paid up capital	Reserves			Sub Total	Total
		Capital Reserve		Revenue Reserve		
		Share premium	Revaluation Surplus	Unappropriated profit		
-----Rupees-----						
Balance as at July 01, 2022	170,000,000	63,000,000	2,190,325,270	2,967,788,603	5,221,113,873	5,391,113,873
Profit for the year	-	-	-	2,388,337,569	2,388,337,569	2,388,337,569
Other comprehensive income for the year	-	-	-	2,294,030	2,294,030	2,294,030
Annual dividend of PKR 10.00 per share for the year ended June 30, 2022	-	-	-	(170,000,000)	(170,000,000)	(170,000,000)
Interim dividend of PKR 3.00 per share for the 9 months ended March 31, 2023	-	-	-	(51,000,000)	(51,000,000)	(51,000,000)
Transferred from surplus on revaluation of property, plant & equipment	-	-	(55,233,743)	55,233,743	-	-
Balance as at June 30, 2023	170,000,000	63,000,000	2,135,091,527	5,192,653,945	7,390,745,472	7,560,745,472
Profit for the year	-	-	-	559,501,627	559,501,627	559,501,627
Other comprehensive income for the year	-	-	794,477,322	(4,946,215)	789,531,107	789,531,107
Annual dividend of PKR 10.00 per share for the year ended June 30, 2023	-	-	-	(170,000,000)	(170,000,000)	(170,000,000)
Transferred from surplus on revaluation of property, plant & equipment	-	-	(49,710,369)	49,710,369	-	-
Balance as at June 30, 2024	170,000,000	63,000,000	2,879,858,480	5,626,919,726	8,569,778,206	8,739,778,206

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


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

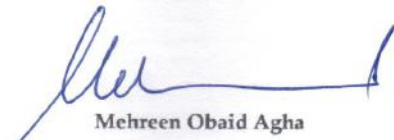
Karachi, September 26th, 2024

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
Profit For The Year		559,501,627	2,388,337,569
Other comprehensive income for the year			
<i>Items that will not be reclassified to profit and loss account</i>			
(Loss) / gain on remeasurement of staff retirement benefits	20.1	(8,108,549)	2,294,030
Less: Related deferred tax		3,162,334	-
		(4,946,215)	2,294,030
Surplus on revaluation of land, building & plant and machinery		1,212,567,321	-
Less: Related deferred tax		(418,089,999)	-
		794,477,322	-
Total comprehensive income for the year		1,349,032,734	2,390,631,599

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


Mehreen Obaid Agha
Chief Executive

Karachi, September 26th, 2024


Sara Bilal
Director

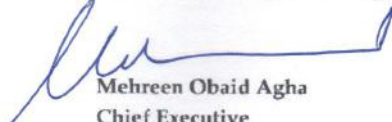

Adnan Mooseji
Chief Financial Officer

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Levies And Income Tax		805,162,927	2,580,118,798
Adjustments for:			
Depreciation		187,979,662	134,726,819
Depreciation-right of use asset		603,978	-
Amortization		273,593	303,992
Staff retirement benefits - gratuity		63,762,872	43,200,972
Finance cost		31,101,932	53,847,932
Workers' profit participation fund		43,734,148	135,795,726
(Gain) on disposal of property, plant and equipment		(3,928,173)	(8,749,544)
		323,528,011	359,125,897
Profit before working capital changes		1,128,690,938	2,939,244,695
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		6,136,181	13,747,628
Stock in trade		145,718,188	(134,113,177)
Trade debts		41,199,350	(699,405,765)
Loans and advances		(169,669,413)	(53,997,184)
Trade deposits and short term prepayments		(6,082,826)	(6,739,921)
Other receivables		(68,206,737)	(85,817,210)
		(50,905,257)	(966,325,629)
(Decrease) / increase in current liabilities			
Trade and other payables		198,853,661	705,803,953
Cash generated from operations		1,276,639,342	2,678,723,019
Finance cost paid		(31,068,576)	(59,679,405)
Taxes paid		(142,348,967)	(370,284,149)
Workers' profit participation fund paid		(135,795,726)	(62,368,101)
Long term loan to employees		(2,913,899)	1,236,340
Long term deposits		14,491,191	(8,949,716)
Staff retirement benefits - gratuity paid		(57,677,453)	(41,489,349)
Net cash generated from operating activities		921,325,914	2,137,188,638
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		5,095,000	9,288,000
Short term investment		566,222,402	(1,123,846,722)
Fixed capital expenditure		(1,329,727,942)	(243,907,129)
Net cash (used in) investing activities		(758,410,540)	(1,358,465,851)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term borrowings		26,374,256	(853,923)
Short term borrowings		250,000,000	(791,010,577)
Dividend paid		(167,940,105)	(220,126,600)
Net cash generated from / (used in) financing activities		108,434,151	(1,011,991,100)
Net increase/(decrease) in cash and cash equivalents		271,349,525	(233,268,313)
Cash and cash equivalents at the beginning of the year		430,403,190	663,671,503
Cash and cash equivalents at the end of the year	16	701,752,715	430,403,190

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


Mehreen Obaid Agha
Chief Executive


Sanj Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi, September 26th, 2024

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

1 LEGAL STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a Private Limited Company on 31st May 1973 (Under Companies Act 1913) and subsequently converted into Public Limited Company on 22nd June 1994 under the repealed Companies Ordinance 1984,(Now Companies Act, 2017) and is quoted on Pakistan Stock Exchange. The main business of Company is manufacturing and export of textile made ups, garments and towels.

Following are the geographical locations and addresses of all business units of the Company:

Head office: WSA - 30 & 31, Block - 1, Federal "B" Area Karachi.

Manufacturing units of the Company:

- a) WSA - 30 Block - 1, Federal "B" Area Karachi.
- b) Plot No.14,15/1,15/2,15/A,16/2,/17/1,17/2,17/3, Sector 12-D North Karachi Industrial Area Karachi.
- c) Plot No.9 & 10 Sector 12-C North Karachi Industrial Area Karachi.
- d) Plot No.48 Korangi Industrial Area Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provision 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.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

2.4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

2.5.1 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the company:

		Effective date (annual reporting periods beginning on
IAS 1	Presentation of financial statements (Amendments)	January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2023
IAS 12	Income Taxes (Amendments)	January 1, 2023
IFRS 4	Insurance Contracts (Amendments)	January 1, 2023
IAS 21	The Effects of Changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS 9	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 16	Leases (Amendments)	January 1, 2024

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

- 2.5.2 The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.
- 2.5.3 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2024

IFRS 1 First-time Adoption of International Financial Reporting Standards
IFRS 17 Insurance Contracts
IFRIC 12 Service Concession Arrangement

- 2.5.4 **Accounting guidance issued by Institute of Chartered Accountants of Pakistan (ICAP) on accounting for minimum taxes and final taxes.** ICAP issued a guidance "Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 07/2024 dated May 15, 2024. In light of the said guidance, as the minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/ IFRIC 21.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements. The amendments require disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements. The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, plant and equipment

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

3.1.1 Owned

These are stated at cost less accumulated depreciation and any identified impairment loss, except land which is stated at revalued amount less any identified impairment loss (if any), while building, plant and machinery are stated at revalued amount less accumulated depreciation and any identified impairment loss.

Depreciation on all items of property, plant and equipment is charged to income applying the reducing balance method so as to write off the depreciable amount of an asset over its estimated useful life. Depreciation is being charged at the rates given in note to property plant & equipment. Leasehold land is amortized over the term of lease, if material.

Depreciation on additions to property, plant and equipment is charged from the month in which an assets become available for use, while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are continually reviewed by the company and adjusted if impact on depreciation is significant. The company's estimate of the residual value of its property, plant and equipment as at June 30, 2024 has not required any adjustment, as its impact is considered insignificant.

The company continually assesses at each statement of financial position date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account for the year. The recoverable amount is the higher of an assets' fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the assets' revised carrying amount over its estimated useful life.

The profit or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense. Maintenance and normal repairs are charged to income. Major renewals and improvements are capitalized.

TOWELLERS LIMITED

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

3.2 Revaluation

Revaluation of freehold land are based on periodic, but atleast triennial, valuation by external independent valuer. Increase in the carrying amount arising on revaluation of freehold land are recognised in other comprehensive income and accumulated in shareholders' equity under the heading "Surplus on Revaluation of Freehold Land". To the extent that the increase reverses a decrease previously recognised in statement of profit or loss, the increase is first recognised in statement of profit or loss. Decreases that reverse previous increases are first recognised in

other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to statement of profit or loss.

The Company carries out revaluations, considering the change in circumstances and assumptions from latest revaluation. The fair value of the Company's free hold land is assessed by management based on independent valuation performed by an external property valuation expert as at year end after every three years. For valuation of free hold land, the current market prices are used which requires significant judgment as to estimating the revalued amount in terms of property size, location and layout etc.

3.3 Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss and represents expenditure incurred on fixed assets in the course of construction and installation. Transfers are made to relevant fixed assets category as and when assets are available for use.

3.4 Intangible assets

These are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization is provided on straight line method. A full month's amortization is charged in the month of addition, and no amortization is charged in the month of de-recognition.

Rate of amortization, which is disclosed in the relevant note, is designed to write-off the cost over the estimated useful life of the intangible asset.

The carrying value of the intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

3.5 Investments

Investments intended to be held for less than twelve months from the statement of financial position date or to be sold to raise operating capital, are included in current assets, all other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

3.6 Loans, advances, deposits and other receivables

These are stated at cost. Provision is made for the amounts considered doubtful. Amounts considered irrecoverable are written off to profit and loss account.

3.7 Stores, spares and loose tools

These are stated at average cost and goods-in-transit are stated at actual cost.

Provision is made in the financial statements for obsolete and slow moving stores and spares based on management estimate.

3.8 Stock-in-trade

Stock-in-trade is stated at the lower of cost and net realizable value except waste which is valued at net realizable value. Cost is determined as follows;

Raw material	At weighted average cost or replacement cost which ever is lower
Work in progress	At average manufacturing cost
Finished goods	At average manufacturing cost or net realisable value which ever is lower
Waste	Net realizable value

Raw material in transit is stated at invoice price plus other charges paid thereon upto the balance sheet date.

Average manufacturing cost in relation to work in process and finished goods, consist of direct material and proportion of manufacturing overheads based on normal capacity.

Net realizable value is the estimated selling price in the ordinary course of business less costs of completion and selling expenses.

3.9 Trade debts

Trade debts are carried at original invoice amount which is the fair value of consideration to be received for goods and services less an estimate made for doubtful debts based on a review of all outstanding amounts at the year-end. Bad debts are written-off when identified.

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

3.10 Staff retirement benefits - gratuity

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualifying period of service as defined under the respective scheme. Liability is adjusted annually to cover the obligation and the adjustment is charged to profit or loss. The determination of the Company's obligation under the scheme requires assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration, expected average remaining working lives of employees and discount rate used to derive present value of defined benefit obligation.

There is risk that the final salary at the time of cessation of service is greater than what the entity has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Amounts recognized in the balance sheet represent the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost.

Actuarial gains and losses are recognized in comprehensive income for the period in which these arise.

3.11 Trade and other payables

Liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.12 Taxation

a Current year

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years.

b Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

c Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on the tax rates that have been enacted. Deferred tax is charged or credited to profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in the equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity but they intend to settle current tax liabilities and assets on a net basis or these tax assets and liabilities will be realised simultaneously.

3.13 Dividend

Dividend is recognized as a liability in the period in which it is approved by shareholders.

3.14 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

TOWELLERS LIMITED

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

3.15 Revenue recognition

- a) According to the core principles of IFRS-15, the company recognizes the revenue from sale when the company satisfies a performance obligation (at a point of time) by transferring promised goods to customers being when the goods are dispatched to customers. Revenue is measured at fair value of the consideration received or receivable and is reduced for allowances such as taxes, duties, commission, sales returns and discounts.
- b) Return on bank balances is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.
- c) Dividend income and entitlement of bonus shares are recognized when right to receive such dividend and bonus shares is established.

3.16 Borrowing cost

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset up to the date of its' commencing.

3.17 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses on translation are recognized in the profit and loss account. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

3.18 Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks, cash in hand and short term deposits. For the purposes of cash flow statement cash and cash equivalents consist of cash and cash equivalents as defined above, net of temporary overdrawn bank balances.

3.19 Impairment

Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies the simplified approach to recognise lifetime expected credit losses for trade debts, due from customers and contract assets. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Non-Financial Assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.20 Financial instruments

a Financial assets

The Company classifies its financial assets in the following measurement categories: i) Amortized cost where the effective interest rate method will apply; ii) Fair Value Through Profit or Loss (FVTPL); iii) Fair Value Through Other Comprehensive Income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income (OCI). For investment in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commit to purchase or sell the asset. Further financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

c Measurement

At initial recognition, the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

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

d Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

e Amortised cost

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

Fair Value Through Other Comprehensive Income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

f Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented in finance income/cost in the period in which it arises.

g Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognized as other gains/ losses in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured are FVTOCI are not reported separately from other changes in fair value.

3.21 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to setoff the recognized amount and the company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.22 Related party transactions

All transactions with related parties are carried out by the Company at arms' length price using the method prescribed under the Companies Act, 2017.

Nature of the related party relationship as well as information about the transactions and outstanding balances are disclosed in the relevant note to the financial statements.

3.23 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital and level of dividends to ordinary shareholders. The company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the company's approach to capital management during the year. Further, the company is not subject to externally imposed capital requirements.

3.24 Segment reporting

Segment reporting is based on the operating (business) segments of the company. An operating segment is a component of the company that engages in a business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the company's other components. An operating segment's operating results are reviewed by the CEO to make decision about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Segment results that are reported to the CEO includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprises mainly corporate assets, income tax assets, liabilities and related income and expenditure. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment.

The business segments are engaged in providing products and services which are subject to risks and rewards which differ from the risk and reward of other segment Segments reported are garments and towels., which also reflects the management structure of company.

TOWELLERS LIMITED

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

3.25 Right-of-use asset

After the commencement date, the Company measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

3.26 Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rates implicit in the leases are not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease options that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factor that create an economic incentive for it to exercise the renewal or termination. After the commencement period, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate

3.27 Restatement

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

	Amount in Rupees		
	Had there been no change in accounting policies	Impact of Change in Accounting Policies	After Incorporating effect of change in accounting policies
Effect on Statement of Profit or Loss 2023			
Profit before levies and income tax	2,580,118,798	-	2,580,118,798
Levies	-	(103,675,122)	(103,675,122)
Profit before income tax	2,580,118,798	(103,675,122)	2,476,443,676
Income tax expense	(191,781,229)	103,675,122	(88,106,107)
Profit for the year	2,388,337,569	-	2,388,337,569

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

4 PROPERTY, PLANT AND EQUIPMENT

	Note	2024 Rupees	2023 Rupees
Operating fixed assets	4.1	5,386,783,139	3,103,129,730
Capital work in progress - at cost	4.4	214,578,727	145,083,362
Intangible Assets	4.5	2,462,333	2,735,926
		<u>5,603,824,200</u>	<u>3,250,949,018</u>

4.1 Operating fixed assets

2024

	Leasehold land	Building on leasehold land	Plant & machinery	Electric installation	Gas installation	Furniture & fixture	Office equipment	Bicycles	Vehicles	Waste water treatment plant	Solar plant	Total
Cost	1,708,923,500	748,270,342	869,817,995	11,822,861	205,364	26,014,715	158,617,520	22,375	132,779,360	19,614,697	49,502,842	3,725,591,571
Accumulated depreciation	-	(268,136,595)	(156,115,362)	(11,344,386)	(140,553)	(15,607,261)	(86,745,205)	(20,751)	(64,289,039)	(8,128,934)	(11,933,554)	(622,461,840)
Net book value	1,708,923,500	480,133,747	713,702,633	478,475	64,811	10,407,454	71,872,315	1,624	68,490,321	11,485,763	37,569,288	3,103,129,731
Year ended June 30, 2024												
Opening net book value	1,708,923,500	480,133,747	713,702,633	478,475	64,811	10,407,454	71,872,315	1,624	68,490,321	11,485,763	37,569,288	3,103,129,731
Additions during the year	-	-	616,025,248	-	-	2,491,130	19,852,095	-	55,834,428	-	32,242,200	726,445,101
Addition (Transferred from CWIP)	422,965,482	105,907,994	-	-	-	-	-	-	1,024,000	-	3,890,000	533,787,476
Revaluation	536,326,500	622,548,253	53,692,568	-	-	-	-	-	-	-	-	1,212,567,321
Disposals / transfers	-	-	(1,297,530)	-	-	-	-	-	(4,299,301)	-	-	(5,596,831)
-Cost	-	-	733,383	-	-	-	-	-	3,696,621	-	-	4,430,004
-Accumulated depreciation	-	-	(95,679,949)	(47,848)	(6,481)	(1,161,076)	(8,124,798)	(162)	(20,181,502)	(1,148,576)	(6,217,419)	(187,979,662)
Depreciation charge for the year	-	(55,411,951)	(95,679,949)	(47,848)	(6,481)	(1,161,076)	(8,124,798)	(162)	(20,181,502)	(1,148,576)	(6,217,419)	(187,979,662)
Closing net book value June 30, 2024	2,668,215,482	1,153,178,043	1,287,176,252	430,628	58,330	11,737,508	83,999,612	1,462	104,564,567	10,337,187	67,484,069	5,386,783,139

Annual depreciation rate % / Useful life

10% 10% 10% 10% 10% 10% 10% 10% 10% 20% 10% 10%

TOWELLERS LIMITED

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

2023

	Leasehold land	Building on leasehold land	Plant & machinery	Electric installation	Gas installation	Furniture & fixture	Office equipment	Bicycles	Vehicles	Waste Water Treatment Plant	Solar plant	Total
At July 01, 2022												
Cost	1,708,923,500	678,962,857	660,356,195	11,822,861	205,364	25,543,999	148,182,164	22,375	87,609,113	19,614,697	48,035,842	3,389,276,367
Accumulated depreciation	-	(220,763,816)	(99,133,767)	(11,291,222)	(133,352)	(4,474,321)	(79,260,929)	(20,571)	(57,867,238)	(6,852,738)	(7,786,355)	(497,554,209)
Net book value	1,708,923,500	458,199,041	561,222,428	531,639	72,012	11,069,078	68,921,335	1,804	29,741,875	12,761,959	40,249,487	2,891,694,158
Year ended June 30, 2023												
Opening net book value	1,708,923,500	458,199,041	561,222,428	531,639	72,012	11,069,078	68,921,335	1,804	29,741,875	12,761,959	40,249,487	2,891,694,158
Additions during the year	-	-	127,855,913	-	-	471,316	10,435,356	-	49,052,987	-	1,467,000	189,252,572
Additions (Transferred from CWTP)	-	69,307,485	88,110,792	-	-	-	-	-	-	-	-	157,418,277
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / transfers												
-Cost	-	-	(6,504,905)	-	-	-	-	-	(3,862,740)	-	-	(10,367,645)
-Accumulated depreciation	-	-	6,430,712	-	-	-	-	-	3,418,476	-	-	9,849,188
Depreciation charge for the year	-	(47,372,779)	(63,412,507)	(53,164)	(7,201)	(1,132,940)	(7,484,576)	(180)	(9,840,277)	(1,276,196)	(4,147,199)	(134,726,819)
Closing net book value June 30, 2023	1,708,923,500	480,133,747	713,702,433	478,475	64,811	10,407,454	71,872,315	1,624	66,490,321	11,485,763	37,569,288	3,103,129,730
Annual depreciation rate % / Useful life	-	10%	10%	10%	10%	10%	10%	10%	20%	10%	10%	10%

Lease hold land and building are located at Block-1 F.B.Area Industrial Area Karachi with an area of 1000 (2023: 1000) square yards.

Lease hold land and building are located at North Karachi Industrial Area Karachi with an area of 5,844.44 (2023: 5,844.44) square yards.

Lease hold land and building are located at North Karachi Industrial Area Karachi with an area of 8,908.44 (2023: 8,908.44) square yards.

4.1.1 The depreciation charge for the year has been allocated as follows:

	Note	Rupees	Rupees
Cost of sales	29.1	158,512,124	116,269,046
Administrative expenses	31	29,467,538	18,457,773
		<u>187,979,662</u>	<u>134,726,819</u>

TOWELLERS LIMITED

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

4.2 Disposal of property, plant and equipment

Particulars	Particulars of buyer	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(Loss)	Mode of disposal
Plant & Machinery							
Softening wet out range	Zakir	1,297,530	733,383	564,147	1,200,000	635,853	Negotiation
		1,297,530	733,383	564,147	1,200,000	635,853	
Motor Vehicle							
HONDA CIVIC VTI ORIEL AT AEP-046	Syed Zeeshan Rehber	880,000	832,428	47,572	700,000	652,428	Negotiation
SUZUKI BALENO WHITE AJA-432	Khuwaja Muhammad Afaq	789,000	779,335	9,665	510,000	500,335	Negotiation
SUZUKI CULTUS WHITE AEH-609	Muhammad Asad Ghouri	576,301	572,687	3,614	450,000	446,386	Negotiation
SUZUKI ALTO ANC-115	Sohail Ahmed	504,000	491,201	12,799	600,000	587,201	Negotiation
SUZUKI GD-110 CC	EFU Insurance	335,000	32,756	302,244	335,000	32,756	Insurance Claim
UNIQUE UD70 CDI	EFU Insurance	62,500	26,411	36,089	60,000	23,911	Insurance Claim
UNIQUE BLACK KNR-3070	Mujeeb UR Rehman	60,000	32,309	27,691	15,000	(12,691)	Negotiation
HONDA CD 70 KPT-2567	EFU Insurance	122,500	18,375	104,125	125,000	20,875	Insurance claim
SUZUKI CULTUS AWP-192	Muhammad Farzan Ijtiba	970,000	911,119	58,881	1,100,000	1,041,119	Negotiation
		4,299,301	3,696,621	602,680	3,895,000	3,292,320	
	2024	5,596,831	4,430,004	1,166,827	5,095,000	3,928,173	
	2023	38,803,244	31,728,352	7,074,892	12,150,000	5,075,108	

4.3 Had there been no revaluation the related figures of land, building and plant and machinery at June 30, 2024 would have been as follows:

	Cost as on June 30, 2024	Accumulated depreciation	Book value June 30, 2024	Cost as on June 30, 2023	Accumulated depreciation	Book value June 30, 2023
Leasehold land	442,292,641	-	442,292,641	19,327,159	-	19,327,159
Building on leasehold land	616,466,244	464,674,589	151,791,656	510,558,250	463,121,714	47,436,536
Plant and machinery	2,203,567,570	602,303,048	1,601,264,522	1,588,839,852	853,365,076	735,474,776
	3,262,326,455	1,066,977,636	2,195,348,818	2,118,725,261	1,316,486,790	802,238,471

4.4 Capital work in progress - at cost

Building - civil works	112,999,080	78,666,692
Plant and machinery	101,579,647	66,416,670
	214,578,727	145,083,362

The movement in Capital work in progress is as follows:

Balance at the beginning of the year	145,083,362	247,877,082
Additions during the year:		
Land	422,965,482	-
Building - civil works	140,240,382	44,874,757
Motor vehicle	1,024,000	-
Solar plant	3,890,000	-
Plant and machinery	35,162,977	9,749,800
	603,282,841	54,624,557
Transfer to operating fixed assets / expense		
Land	422,965,482	-
Building - civil works	105,907,994	88,110,792
Motor vehicle	1,024,000	-
Solar plant	3,890,000	69,307,485
	533,787,476	157,418,277
Balance at the end of the year	214,578,727	145,083,362

4.5 Intangible Assets

Software	2,735,926	3,039,918
Less: Amortization	(273,593)	(303,992)
	2,462,333	2,735,926
Amortization rate	10%	10%

TOWELLERS LIMITED

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

5 RIGHT-OF-USE ASSET

Balance at the beginning of the year		-	-
Additions during the year	5.1	6,039,776	-
Depreciation charge during the year		(603,978)	-
Balance at the end of the year		5,435,798	-

5.1 Carrying amount of lease liabilities and the movements during the year.

Balance at the beginning of the year		-	-
Additions during the year		6,039,776	-
Payments		-	-
Balance at the end of the year		6,039,776	-
Overdue		(1,080,000)	-
Current portion		(919,149)	-
Non-current portion		4,040,627	-
Financial charges		160,851	-

- 5.2 Rental contracts are made for a fixed period subject to renewal upon mutual consent of Company and lessor. Wherever practicable, the Company seeks to include extension option to provide operational flexibility. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Finance charge of 17.5% (2023: 17.5%) per annum have been used as discounting factor.

	2024			2023		
	Minimum lease payments	Financial charges for future periods	Present value of Minimum lease payments	Minimum lease payments	Financial charges for future periods	Present value of Minimum lease payments
	Rupees					
Up to one year	1,080,000	160,851	919,149	-	-	-
Later than one year but not later than five years	4,481,999	1,899,467	2,582,532	-	-	-
More than Five Years	4,822,334	3,364,241	1,458,093	-	-	-
	10,384,333	5,424,559	4,959,776			

- 5.3 The present value of minimum lease payments have been discounted using financing rate of 17.5 % p.a (2023 : Nil) approximately.

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
6 LONG TERM LOANS AND ADVANCES			
Loan to employees - secured			
Executives	6.1	35,321,750	28,239,191
Other employees		4,271,505	5,695,278
		39,593,255	33,934,469
Current portion of loans shown under current assets			
Executives	11	(13,969,018)	(10,279,258)
Other employees	11	(3,459,919)	(4,404,792)
		(17,428,937)	(14,684,050)
		22,164,318	19,250,419
6.1 Movement in loans to executives			
Balance at the beginning of the Year		28,239,191	22,226,010
Amount disbursed during the year		16,447,750	21,678,765
		44,686,941	43,904,775
Amount received/recovered during the Year		(9,365,191)	(15,665,584)
Balance at the end of the Year		35,321,750	28,239,191
6.1.1	These are interest free loans recoverable in monthly installments . These loans are secured against employees' retirement benefit obligation- gratuity.		
6.1.2	Maximum amount due from executives during the year, calculated by reference to month-end balances, was Rs.30,850,404 (2023: Rs.25,507,900).		
7 LONG TERM DEPOSITS			
Security deposits		29,779,925	44,271,116
		29,779,925	44,271,116
8 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		48,665,123	56,058,920
Spare parts and loose tools		9,304,443	8,046,827
		57,969,566	64,105,747
8.1	No item of stores, spare and loose tools is pledged as security as at reporting date.		
9 STOCK IN TRADE			
Raw material	9.1	621,997,756	559,197,259
Work in process		303,958,013	380,583,731
Finished goods	9.2	553,269,083	685,162,050
		1,479,224,852	1,624,943,040
9.1	Raw material stock cost PKR: Nil have been valued at PKR: Nil being the replacement cost of raw material. The amount charge to profit and loss in respect of raw material written down to net realizable value is PKR: Nil.		
9.2	Finished Goods stock cost PKR: Nil have been valued at PKR: Nil being the net realizable value of finished goods. The amount charge to profit and loss in respect of Finished Goods written down to net realizable value is PKR: Nil.		
9.3	No item of stores, spare and loose tools is pledged as security as at reporting date.		
9.4	The finished stocks includes waste stock and valued at NRV.		

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
10 TRADE DEBTS			
Secured against letter of credit			
Foreign debts	10.1	789,914,297	969,353,552
Unsecured-considered good			
Foreign debts		1,413,679,672	1,270,656,844
Domestic debts		1,599,455	6,382,377.00
		1,415,279,126	1,277,039,221
Un-secured Considered Doubtful		25,202,139	20,558,715
Allowance for ECL	10.2	(25,202,139)	(20,558,715)
		<u>2,205,193,423</u>	<u>2,246,392,773</u>
10.1	Foreign debts are secured against letter of credit.		
10.2	Particulars of allowance for ECL on doubtful debts		
		20,558,715	14,626,603
Balance at beginning of the year		(467,731)	-
Allowance no longer required		5,111,155	5,932,112
Charge during the year	31	<u>25,202,139</u>	<u>20,558,715</u>
Balance at the end of the year			
11 LOANS AND ADVANCES			
Loan to employees-Secured against gratuity			
Executive - secured	6	13,969,018	10,279,258
Others - secured	6	3,459,919	4,404,792
		17,428,937	14,684,050
Advances:			
to suppliers		49,643,209	78,791,516
to services		13,993,706	21,916,173
Advance against purchase of land		203,995,300	-
		267,632,215	100,707,689
		<u>285,061,152</u>	<u>115,391,739</u>
12 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Security deposits		13,260,130	491,740
Prepayments		24,024,384	30,709,948
Less: Impairment loss		(966,114)	(966,114)
		<u>36,318,400</u>	<u>30,235,574</u>
13 OTHER RECEIVABLES			
Considered good			
Export rebate		121,223,152	53,016,415
Drawback local taxes levies		97,597,096	97,597,096
		<u>218,820,248</u>	<u>150,613,511</u>

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
14 INCOME TAX AND SALES TAX REFUNDABLE			
Income Tax refundable / (payable)			
Balance at the beginning of the year		(11,502,627)	15,520,877
Prepaid levies		41,474,051	26,527,212
Provision for taxation (adjusted)		(100,879,276)	(53,550,716)
Balance at the end of the year		(70,907,852)	(11,502,627)
Sales tax refundable		574,057,395	664,612,302
		503,149,543	653,109,675
15 SHORT TERM INVESTMENTS			
At fair value through profit or loss account in units of mutual funds	15.1	786,037,671	1,352,260,073
15.1 Name of funds		2024	2023
		No. of units	No. of units
		Rupees	Rupees
Faysal islamic cash and sovereign fund		7,813,586	9,050,424
HBL islamic money market		146	4,411,659
ABL funds		433,717	-
Alfalah funds		3,254	-
		8,250,702	13,462,083
		786,037,671	1,352,260,073
16 CASH AND BANK BALANCES			
Cash in hand		2,819,137	1,571,142
Cash at banks:			
In current accounts		230,237,458	160,043,299
In saving accounts	16.1	468,696,120	268,788,749
		698,933,578	428,832,048
		701,752,715	430,403,190
16.1	It carries mark up at the rate of 4.50% to 20.50% (2023: 4.5% to 19.50%) per annum.		
17 ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
	2024	2023	
	Number of shares		Rupees
			Rupees
9,372,247	9,372,247	Ordinary shares of Rs. 10 each allotted for consideration paid in cash	93,722,470
1,012,753	1,012,753	Ordinary shares of Rs. 10 each allotted as bonus shares	10,127,530
6,615,000	6,615,000	Ordinary shares of Rs. 10 each allotted for consideration against plant & machinery	66,150,000
17,000,000	17,000,000		170,000,000
			170,000,000
17.1	The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry "one vote" per share without restriction.		

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
18 RESERVES		<u>5,689,919,726</u>	<u>5,255,653,945</u>
18.1 CAPITAL RESERVES			
Share premium on ordinary shares	18.1.1	63,000,000	63,000,000
Revaluation surplus		<u>-</u>	<u>-</u>
		<u>63,000,000</u>	<u>63,000,000</u>
18.1.1 This reserve can be utilised by the Company only for the purposes specified in section 81 of the Companies Act, 2017			
18.2 REVENUE RESERVES			
Unappropriated profit	18.2.1	<u>5,626,919,726</u>	<u>5,192,653,945</u>
		<u>5,626,919,726</u>	<u>5,192,653,945</u>
18.2.1 This represents unappropriated profit and is available for distribution.			
19 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Balance at the beginning of the Year		2,135,091,527	2,190,325,270
Surplus on revaluation of land, building & plant and machinery		1,212,567,321	-
Less: Defered Tax		<u>(418,089,999)</u>	<u>-</u>
		<u>2,929,568,849</u>	<u>2,190,325,270</u>
Transfer to unappropriated profit in equity on account of incremental depreciation charged in profit and loss account		(49,710,369)	(55,233,743)
Less Defered Tax		<u>-</u>	<u>-</u>
Balance at the end of the Year		<u>2,879,858,480</u>	<u>2,135,091,527</u>
19.1 Revaluation of property plant and equipment was carried out on August 05, 2017 by M/s. Iqbal A. Nanjee & company, an independent valuer which resulted a surplus of Rs. 283,178,245/-. Revaluation of property plant and equipment was carried out on August 26, 2019 by M/s. Iqbal A. Nanjee & company, an independent valuer which resulted a surplus of Rs. 429,041,341/-. Revaluation of property plant and equipment was carried out on September 13, 2022 by M/s. Iqbal A. Nanjee & company, an independent valuer which resulted a surplus of Rs. 1,067,235,625/- further revaluations were carried by the K.G.Traders (Pvt) Limited on property plant and equipment on June 30, 2024 resulting a surplus of Rs. 1,212,567,321/- forced sales value of Land, building and plant & machine have been assessed Rs. 2,116,200,000, 1,226,466,400 and 537,176,500 respectively.			
20 STAFF RETIREMENT BENEFITS			
Staff retirement benefits-Gratuity	20.1	<u>190,275,002</u>	<u>176,081,034</u>
		<u>190,275,002</u>	<u>176,081,034</u>
20.1 Movement in the net liability recognized in the balance sheet			
Opening net liability		176,081,034	176,663,441
Expense for the year	20.2	63,762,872	43,200,972
Reversals in the net liability recognized in the balance sheet	20.3	8,108,549	(2,294,030)
		<u>247,952,455</u>	<u>217,570,383</u>
Benefits paid during the year		<u>(57,677,453)</u>	<u>(41,489,349)</u>
Closing net liability		<u>190,275,002</u>	<u>176,081,034</u>
20.2 Expense recognized in the profit and loss account			
Current service cost		46,051,173	21,607,961
Interest cost		17,711,699	21,593,011
		<u>63,762,872</u>	<u>43,200,972</u>
20.3 Expense recognized in other comprehensive income			
Net actuarial Loss/(Gain) recognized in the balance sheet		<u>8,108,549</u>	<u>(2,294,030)</u>
		<u>8,108,549</u>	<u>(2,294,030)</u>

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees			
20.4 Movement in the present value of defined benefit obligation						
Present value of defined benefit obligation		176,081,034	176,663,441			
Past service cost		-	-			
Current service cost		46,051,173	21,607,961			
Interest cost		17,711,699	21,593,011			
Actuarial loss / (gain)		8,108,549	(2,294,030)			
Benefits paid		(57,677,453)	(41,489,349)			
		<u>190,275,002</u>	<u>176,081,034</u>			
20.5 Gratuity expenses have been allocated as follows						
Cost of goods manufactured		47,882,313	20,325,042			
Administrative expenses		15,880,559	22,875,930			
		<u>63,762,872</u>	<u>43,200,972</u>			
20.6 Historical information						
		2024	2023	2022	2021	2020
Present value of defined benefit obligation		190,275,002	176,081,034	174,793,710	163,375,631	97,902,015
20.7 Reconciliation						
Present value of defined benefit obligation					190,275,002	176,081,034
					<u>190,275,002</u>	<u>176,081,034</u>
20.8 General description						
The scheme provides for terminal benefits for all of its permanent employees who attain the minimum qualifying period. Annual charges is made using the actuarial technique of Projected Unit Credit Method.						
20.9 Principal actuarial assumption						
Following are a few important actuarial assumption used in the valuation.						
					%	%
Discount rate					14.00%	16.25%
Avg. rate of increase in salary					10.00%	10.00%
Expected year of services (years)					19	19
20.10 Sensitivity analysis of actuarial assumptions						
The calculation of defined benefit obligation is sensitive to assumptions given above. The below information summarizes how the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of change in respective assumptions by 100 basis point.						
					Increase in assumption	Decrease in assumption
Discount rate					(16,424,323)	(8,921,000)
Expected rate of increase in future salaries					19,322,270	10,308,639
20.11 Expected gratuity expense for the year ending June 30, 2025 works out to Rs.69,418,279/-.						
20.12 The weighted average duration of defined benefit obligation is 17 years.						
21 DEFERRED TAXATION						
Taxable temporary differences	21.1				<u>368,279,868</u>	<u>-</u>
21.1 Deferred tax liability/ (asset) comprises of temporary differences relating to Taxable/(deductible) temporary differences						
Accelerated tax depreciation allowance					34,602,738	-
On surplus on revaluation of building					418,089,999	-
Staff Gratuity remeasurement (loss)/gain					(74,207,251)	-
Allowance for ECL					(9,828,834)	-
Impairment loss					(376,784)	-
					<u>368,279,868</u>	<u>-</u>
	Note	2024 Rupees	2023 Rupees			
22 LONG TERM LOAN						
Bank Al Habib Limited		36,621,333	10,247,077			
Less: current portion of long term loan		(4,112,924)	(1,138,564)			
		<u>32,508,409</u>	<u>9,108,513</u>			
22.1 This facility has been availed Rs.36.62 million (2023: Rs.11.10 million) under SBP Financing Scheme for Renewable Energy which is repayable in ten years in quarterly installments. The Loan bears the markup rate of 4% including the SBP financing rate of 2% and is secured against the Equitable Mortgage Charge on land & building and hypothecation charge over the solar equipment.						

TOWELLERS LIMITED

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

23 TRADE AND OTHER PAYABLES

Trade Creditors		1,983,405,861	1,842,602,178
Accrued liabilities		179,476,363	154,543,332
Advance from customers	23.1	64,997,544	46,269,157
Workers' profit participation fund	23.2	43,734,148	135,795,726
Sindh Worker's Welfare Fund	23.3	25,765,451	15,605,378
Gas infrastructure development cess		39,090,000	37,363,171
Other payable		3,452,435	1,111,628
		<u>2,339,921,802</u>	<u>2,233,290,570</u>

23.1 Advance received from customer is recognized as revenue when the performance obligation in accordance with the policy is satisfied. Revenue for an amount of Rs. 36,616,889 (2023: Rs.21,986,315) has been recognized in current year in respect of advance from customers at the beginning of the period.

23.2 Workers' profit participation fund

Balance at the beginning of the Year		135,795,726	62,368,101
Interest on fund utilized in company's business	34	15,625,810	6,093,883
		<u>151,421,536</u>	<u>68,461,984</u>
Paid during the year		(151,421,536)	(68,461,984)
		<u>-</u>	<u>-</u>
Allocation for the year	32	43,734,148	135,795,726
Balance at the end of the Year		<u>43,734,148</u>	<u>135,795,726</u>

23.3 Sindh Worker's Welfare Fund

Balance at the beginning of the Year		15,605,378	7,315,120
Allocation for the year	32	10,160,074	8,290,258
		<u>25,765,451</u>	<u>15,605,378</u>
Paid during the year		-	-
Balance at the end of the Year		<u>25,765,451</u>	<u>15,605,378</u>

24 UNCLAIMED DIVIDEND

Unclaimed dividend	24.1	3,519,240	1,459,345
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24.1 This balance is the unclaimed amount from the interim and final dividend.

25 ACCRUED MARKUP

Markup on long term borrowing		135,733	102,377
		<u>135,733</u>	<u>102,377</u>

	Note	2024 Rupees	2023 Rupees
26 SHORT TERM BORROWINGS			
From banking companies - secured Under Mark up arrangements			
Export finance scheme	26.1	250,000,000	-
		<u>250,000,000</u>	<u>-</u>

26.1 During the year the Company availed Rs.250 million (2023: NIL) Islamic Export Financing Scheme (EFS) Facility under a scheme by SBP having a tenor of six months. The Pre-shipment borrowing is settled through export proceeds and is priced at 2% (i.e. ranging from 2% to 3%). The facility is secured against Registered Hypothecation Charge over Stocks & Receivables, Lien over Export Documents, Registered Hypothecation charge over Plant & Machinery, Accepted Draft, Equitable Mortgage Charge over Land & Buildings & Personal Guarantee of Mortgagor's. These form part of total credit facility of Rupees 1 billion (2023: Rs. 1 billion).

27 CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 The Company filed CP No.D-6619 in the Sindh High Court on dated 31-10-2017 against the imposition of section 5A of income tax ordinance 2001 for the tax on undistributed profit. The Honorable Sindh High Court grant stay order and respondents have restrained for taking any action against the Company pursuant to the impugned amendments in Finance Act 2017. Therefore no provision for the tax on undistributed profit has been recorded in this financial statement ended June 30, 2024.

TOWELLERS LIMITED

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

27.1.2 During the year the Company received a notice by Federal Board of Revenue to recover the Super Tax on presumptive incomes and on income from other sources which was also at higher rates, amounting to Rs. 68.23 M, against which no provision has been made in the accounts (on additional heads). The Company had filed a petition challenging the vires of super tax schedule amended retrospectively along with notice issued and/or any proceeding initiated by the Inland Revenue in terms of Section 4-C of the Income Tax Ordinance, 2001 before the Islamabad High Court. The Honorable Court has granted stay on the recovery of such additional super tax.

In case of unfavorable outcome of the case, the Company might have to incur an additional super tax liability of Rs. 44.48 M, though the Company is confident that such retrospective incurrence of tax will not be allowed by the Honorable Court.

27.1.3 Guarantees

Bank guarantees issued in the ordinary course of business. 22,997,600 16,231,418

27.2 Commitments

Raw material 49,148,750 89,463,352
Plant and machinery - 15,095,222
49,148,750 104,558,574

28 SALES - NET

Export	28.1	12,658,892,647	11,063,958,481
Local waste		31,531,665	137,406,774
Less sales tax of waste sales		(5,114,424)	(20,994,885)
		12,685,309,888	11,180,370,370
Rebate & duty drawback		132,789,236	159,516,137
Commission on exports		(25,390,153)	(15,042,123)
Discount on exports		(477,787,899)	(237,927,978)
		12,314,921,073	11,086,916,406

28.1 Exchange gain due to currency rate fluctuations relating to export sales amounting to Rs.42.26 million (2023: Rs.525.39 million) has been included in export sales.

	Note	2024 Rupees	2023 Rupees
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29 COST OF SALES

Cost of goods manufactured	29.1	10,039,334,709	7,582,635,066
Finished goods			
Opening stock		685,162,050	399,571,930
Purchases		911,585,570	647,271,423
Closing stock		(553,269,083)	(685,162,050)
Cost of sales		11,082,813,246	7,944,316,369

29.1 Cost of goods manufactured

Raw material consumed	29.1.1	5,649,994,907	4,342,506,643
Purchase (semi finished goods)		503,387,160	358,987,247
Stores and spares consumed	29.1.2	209,214,223	132,492,675
Other manufacturing expenses	29.1.3	1,579,263,153	1,284,351,956
Salaries, wages and other benefits	29.1.4	1,100,458,930	882,565,760
Communication expenses		1,840,525	2,349,943
Conveyance		10,959,110	10,519,423
Utilities		466,918,037	196,479,833
Insurance		54,753,877	40,548,779
Repairs and maintenance		33,299,876	34,452,261
Oil and lubricants		413,240	734,489
Printing and stationery		170,009	587,644
Subscription, fees and taxes		112,356,447	49,731,701
Entertainment expenses		41,084,308	32,389,931
Vehicle running and maintenance		37,752,259	32,281,683
Gas infrastructure development cess		1,726,829	-
Depreciation-Right-of-use assets	4.5	603,978	-
Depreciation	4.1	158,512,124	116,269,046
		9,962,708,991	7,517,249,014

TOWELLERS LIMITED

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

Work in process			
Opening stock		380,583,731	445,969,783
Closing stock		(303,958,013)	(380,583,731)
		76,625,718	65,386,052
		<u>10,039,334,709</u>	<u>7,582,635,066</u>
29.1.1 Raw material consumed			
Opening stock		559,197,259	645,288,150
Purchases - net		5,665,110,779	4,228,872,690
Cartage-in		47,684,625	27,543,062
		6,271,992,663	4,901,703,902
Closing stock		(621,997,756)	(559,197,259)
		<u>5,649,994,907</u>	<u>4,342,506,643</u>
	Note	2024 Rupees	2023 Rupees
29.1.2 Stores and spares consumed			
Opening stock		64,105,747	77,853,375
Purchases - net		203,078,042	118,745,047
		267,183,789	196,598,422
Closing stock		(57,969,566)	(64,105,747)
		<u>209,214,223</u>	<u>132,492,675</u>
29.1.3 Other manufacturing expenses			
Fabric dyeing and processing charges		1,111,690,115	837,225,823
Stitching charges		467,573,038	447,126,133
		<u>1,579,263,153</u>	<u>1,284,351,956</u>
29.1.4 Salaries, wages and other benefits include Rs.47,882,313/- (2023: Rs. 20,325,042/-) in respect of staff retirement benefits (gratuity).			
30 DISTRIBUTION COST			
Export development surcharge		31,882,817	25,574,497
Export freight		157,641,012	118,833,512
Clearing and forwarding		63,018,182	46,495,734
Marine insurance		6,708,617	7,214,885
Advertisement		99,000	638,925
Fair & exhibition		34,521,876	30,127,458
Entertainment		304,850	132,566
Travelling		49,878,008	65,451,141
Sales promotion expense		1,871,065	4,235,936
		<u>345,925,426</u>	<u>298,704,654</u>
31 ADMINISTRATIVE EXPENSES			
Directors' remuneration		54,728,584	49,378,427
Staff salaries and other benefits	31.1	207,212,305	209,543,864
Conveyance		253,624	297,630
Vehicle running and maintenance		16,469,671	12,599,595
Subscription, fees and taxes		21,198,593	15,723,856
Utilities		5,855,984	3,949,726
Printing and stationery		334,242	1,527,231
Legal and professional charges		2,345,425	1,461,270
Repairs and maintenance		10,892,446	7,884,956
Communication expenses		18,231,606	16,473,936
Entertainment		11,229,895	10,601,590
Office expenses		248,640	122,860
Insurance		12,119,487	9,552,413
Advertisement		188,500	339,600
Allowance for ECL	10.2	5,111,155	5,932,112
Miscellaneous expenses		2,170,654	1,097,268
Interest Expense		160,851	
Depreciation	4.1	29,467,538	18,457,773
Amortization	4.5	273,593	303,992
		<u>398,492,793</u>	<u>365,248,099</u>
31.1 Staff salaries and other benefits includes Rs.15,880,559/- (2023: Rs.22,875,930/-) in respect of staff retirement benefits (gratuity).			

TOWELLERS LIMITED

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

	Note	2024 Rupees	2023 Rupees
32 OTHER OPERATING EXPENSES			
Workers' profit participation fund	23.2	43,734,148	135,795,726
Auditors' remuneration	32.1	1,358,023	1,398,398
Donation	32.2	35,781,985	38,073,478
Unrealized exchange loss on FCY		18,070,975	-
Sindh Worker's welfare fund	23.3	10,160,074	8,290,258
		<u>109,105,205</u>	<u>183,557,860</u>
32.1 Auditors' remuneration			
Annual audit fee		1,147,125	1,092,500
Half yearly review fee		155,898	155,898
Code of Corporate Governance review		55,000	55,000
Other services		-	95,000
		<u>1,358,023</u>	<u>1,398,398</u>
32.2			
Donations higher of Rs.500,000 during the current year includes (Rs.744,440 to Orphan House, Rs.31,327,545 to SIUT, Rs.3,000,000 to SOS children's village orphanage, Rs.500,000 to Dil foundation)			
33 OTHER INCOME			
From financial assets			
Profit on savings account		161,301,313	116,180,872
Profit on mutual funds investment		292,429,597	204,721,746
Realized Exchange gain on FCY		21,372	9,225,144
From other than financial assets			
Gain / (loss) on sale of property, plant and equipment	4.2	3,928,173	8,749,544
		<u>457,680,456</u>	<u>338,877,306</u>
34 FINANCE COST			
Interest on WPPF	23.2	15,625,810	6,093,883
Mark-up on short term borrowing		2,441,880	40,207,060
Mark-up on long term borrowing		1,233,281	427,227
Bank charges		11,800,961	7,119,762
		<u>31,101,932</u>	<u>53,847,932</u>
35 TAXATION			
35.1 Levies			
Final taxes	35.2.1	171,184,843	103,675,122
		<u>171,184,843</u>	<u>103,675,122</u>
35.2 INCOME TAX EXPENSES			
Current year		112,566,339	84,582,407
Prior Year Adjustment		969,540	(323,505)
Deferred tax		(46,647,797)	-
Sindh sales tax	35.2.3	7,588,375	3,847,205
		<u>74,476,457</u>	<u>88,106,107</u>
35.2.1			
These represent final tax under section 154 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.			
35.2.2			
The numerical reconciliation between the average tax rate and the applicable tax rate has not been presented in these financial statements as the total income falls under section 169 of the Income Tax Ordinance 2001.			
	Note	2024 Rupees	2023 Rupees
35.2.3			
Sindh sales tax is non refundable tax.			
36 Earnings per share			
Basic earnings per share			
Profit for the year	Rupees	<u>559,501,627</u>	<u>2,388,337,569</u>
Weighted average number of ordinary shares outstanding during the year	Numbers	<u>17,000,000</u>	<u>17,000,000</u>
Earning per share - basic	Rupees	<u>32.91</u>	<u>140.49</u>
Diluted earnings per share			
There were no convertible dilutive potential ordinary shares in issue as at June 30, 2024 and June 30, 2023.			
37 REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES			

TOWELLERS LIMITED

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

	2024			2023		
	CEO	Directors	Executives	CEO	Directors	Executives
	Rupees			Rupees		
Managerial remuneration	12,576,229	42,152,355	107,926,311	10,091,179	39,287,248	78,662,341
Bonus	-	-	15,109,684	-	-	6,785,519
Utilities	-	2,390,178	908,933	22,941	2,494,998	2,469,828
Medical expenses	-	2,452,085	675,492	-	1,470,934	490,091
Others	-	-	1,365,835	-	30,665	-
	<u>12,576,229</u>	<u>46,994,618</u>	<u>125,986,255</u>	<u>10,114,120</u>	<u>43,283,845</u>	<u>88,407,779</u>
Number of persons	1	7	40	1	7	27

37.1 The Chief Executive and Directors are using personal cars but the fuel and maintenance paid by the company and Executives are provided with free use of Company's maintained car. Reimbursement of utility bills at Director & Executives residence as per Company policy.

38 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise directors and key management personnel. Amounts due to related parties are shown in the relevant notes to the financial statements. Transactions with related parties are disclosed below:

Nature of transaction	Relationship	2024	2023
Salaries and other benefits	Key management personnel	59,570,847	53,397,965

The company continues to have a policy whereby all transactions with related parties are entered at arm's length.

	Note	2024 Rupees	2023 Rupees
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39 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The company has exposures to the following risks from its use of financial instruments.

- 39.1 Credit risk
- 39.2 Liquidity risk
- 39.3 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.

39.1 Credit risk

39.1.1 Exposure to credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. Credit risk of the Company arises from deposits with banks, trade debts, loans and advances and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings.

Carrying values of financial assets exposed to credit risk and which are neither past due nor impaired are as under:

		2024 Rupees	2023 Rupees
Long Term Loans And Advances	6	22,164,318	19,250,419
Long Term Deposits	7	29,779,925	44,271,116
Trade debts	10	2,205,193,423	2,246,392,773
Loans and advances	11	285,061,152	115,391,737
Trade deposits and short term prepayments	12	36,318,400	30,235,574
Other Receivables	13	218,820,248	150,613,511
Short Term Investment	15	786,037,671	1,352,260,073
Cash and bank balances	16	701,752,715	430,403,190
		<u>4,285,127,852</u>	<u>4,388,818,393</u>

39.1.2 The maximum exposure to credit risk for trade debts at the balance sheet date by geographical region is as follows.

		2024 Rupees	2023 Rupees
Domestic	10	1,599,455	6,382,377
Export	10	2,203,593,968	2,260,569,112
Allowance for ECL		(25,202,139)	(20,558,715)
		<u>2,179,991,284</u>	<u>2,246,392,774</u>

The majority of export debtors of the company are situated in Asia, Europe, Africa and North America.

39.1.3 The aging of trade debtors at the balance sheet is as follows:

TOWELLERS LIMITED

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

Not past due
Past due 0 - 30 days
Past due 31 - 90 days
Past due 91 days - 1 year
More than one year

Allowance for ECL

Gross debtors	
2024	2023
Rupees	
2,005,018,448	2,179,465,030
132,903,398	-
37,774,015	30,814,196
8,216,825	5,717,957
40,456,180	50,954,306
2,224,368,866	2,266,951,489
(25,202,139)	(20,558,715)
2,199,166,727	2,246,392,774

39.1.4 Credit quality of counter parties is assessed based on historical default rates. All receivables past due are considered good. The management believes that allowance for impairment of receivables past due is not necessary, as these comprise amounts due from old customers, which have been renegotiated from time to time and are also considered good.

39.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages to the company's reputation. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

	2024					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long Term Loan	36,621,333		-	4,112,924	32,508,409	-
Trade And Other Payables	2,339,921,802	2,339,921,802	2,339,921,802	-	-	-
Accrued markup	135,733	135,733	135,733	-	-	-
Short term borrowing	250,000,000	250,000,000	250,000,000	-	-	-
	2,626,678,869	2,590,057,535	2,590,057,535	4,112,924	32,508,409	-
	2023					
	Carrying Amount	Contractual Cash flows	Six months or less	Six to twelve months	Two to five years	More than five years
	Rupees					
Non - derivative Financial liabilities						
Long term loan	10,247,077	10,247,077	-	1,138,564	9,108,513	-
Trade and other payables	2,233,290,570	2,233,290,570	2,233,290,570	-	-	-
Accrued markup	102,377	102,377	102,377	-	-	-
Short term borrowing	-	-	-	-	-	-
	2,243,640,024	2,243,640,024	2,233,392,947	1,138,564	9,108,513	-

39.2.1 The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark up rates effective as at June 30. The rates of mark up have been disclosed in relevant notes to these financial statements.

39.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a 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. The company is exposed to currency risk and interest rate risk only.

39.3.1 Currency risk

Exposure to currency risk

The company is exposed to currency risk on trade debts, borrowing and import of raw material and stores that are denominated in a currency other than the respective functional currency of the company, primarily in US Dollar and Euro. The currencies in which these transactions primarily are denominated is US Dollar and Euro. The company's exposure to foreign currency risk is as follows:

	US Dollar	Euro	GBP	Rupees
Trade debts 2024	7,976,545	-	-	2,203,593,968
Trade debts 2023	7,887,541	-	-	2,260,569,112

The following significant exchange rates applied during the year.

	Average rates		Reporting date rates	
	2024	2023	2024	2023
US Dollar to Rupee	282.45	246.89	278.30	286.60

TOWELLERS LIMITED

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

Sensitivity analysis

10% weakening of Pak Rupee against the following currencies at June 30, would have increased / (decreased) equity and profit and loss by the amount shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. 10% weakening of Pak Rupee against the above currencies at periods ends would have had the equal but opposite effect on the above currencies to the amount shown below, on the basis that all other variables remain constant.

	2024 Rupees	2023 Rupees
US Dollar	(221,987,249)	(113,028,456)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and liabilities of the company.

39.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposures arises from short and long term borrowings from bank and term deposits and deposits in PLS saving accounts with banks. At the balance sheet date the interest rate profile of the company's interest bearing financial instrument is as follows.

Fixed rate instruments

Financial assets	4,444,140,556	4,365,844,750
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Variable rate instruments

Financial assets	468,696,120	268,788,749
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Financial liabilities	2,339,921,802	2,233,290,570
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Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for June 30, 2024.

	Profit and loss		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	Rupees			
Cash flow sensitivity - variable rate instruments 2024	23,399,218	(23,399,218)	-	-
Cash flow sensitivity - variable rate instruments 2023	22,332,906	(22,332,906)	-	-

39.3.3 Other Price Risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company is not exposed to commodity price risk as it does not hold financial instruments based commodity prices.

39.4 Fair value of financial assets and liabilities

The carrying value of all financial instruments reflected in the financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

39.5 Off balance sheet items

Bank guarantees issued in ordinary course of business	22,997,600	16,231,418
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39.6 The effective rate of interest / mark up for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

40 CAPITAL RISK MANAGEMENT

The company's prime object when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholder 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 or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. The ratio is calculated as total borrowings divided by total capital employed. Borrowings represent long term financing, long term financing from directors and others and short term borrowings. Total capital employed includes total equity as shown in the balance sheet plus borrowings.

Total equity	Rupees	8,739,778,206	7,560,745,472
Total borrowing	Rupees	286,621,333	10,247,077
Total capital employed	Rupees	9,026,399,539	7,570,992,549
Gearing ratio	Percentage	3.18%	0.14%

41 MEASUREMENT OF FAIR VALUES:

A number of the Company's accounting policies and disclosure require the the measurement of fair values,for both financial,if any and non-financial assets and financial liabilities.The carrying value of financial assets and financial liabilities approximates their fair values.

When measuring the fair value of an asset or a liability,the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible.Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1:Quoted prices(unadjusted) in active markets for identical assets or liabilities.

-Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or Liability,either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy,then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between different levels of fair values mentioned above. The respective basis of valuation at fair values are disclosed in notes to the account wherever applicable.

42 ANNUAL PRODUCTION CAPACITY

The plant capacity are indeterminable due to multi product plants involving varying processes of manufacturing and run length of order lots.

TOWELLERS LIMITED

43 SEGMENT RESULTS

43.1 Products and services from which reportable segments derive their revenues

Information reported to the Company's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The Company's reportable segments are as follows:

Segment

Garments

Towels

Information regarding Company's reportable segments is presented below:

43.2 Information about reportable segments:

	GARMENT DIVISION	TOWEL DIVISION	TOTAL	GARMENT DIVISION	TOWEL DIVISION	TOTAL
	2024	2024		2023	2023	
Sales-Net	7,428,360,391	4,886,560,682	12,314,921,073	6,503,585,164	4,583,331,242	11,086,916,406
Cost of sales	(6,596,383,344)	(4,486,429,902)	(11,082,813,246)	(4,479,317,950)	(3,464,998,419)	(7,944,316,369)
Gross profits	831,977,047	400,130,779	1,232,107,827	2,024,267,214	1,118,332,823	3,142,600,037
Distribution cost	(240,501,412)	(105,424,014)	(345,925,426)	(188,183,932)	(110,520,722)	(298,704,654)
Segment result	591,475,635	294,706,765	886,182,401	1,836,083,282	1,007,812,101	2,843,895,383
Unallocated / expenses / income						
Administrative expenses			(398,492,793)			(365,248,099)
Other operating expenses			(109,105,205)			(183,557,860)
Other income			457,680,456			338,877,306
Finance cost			(31,101,932)			(53,847,932)
Profit before income tax and final taxes			805,162,927			2,580,118,798
Final taxes			(171,184,843)			(103,675,122)
Profit before income tax			633,978,084			2,476,443,676
Current year income tax			(74,476,457)			(88,106,107)
Profit for the year			559,501,627			2,388,337,569

43.3 SEGMENT ASSETS AND LIABILITIES

GARMENT DIVISION	TOWEL DIVISION	TOTAL
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For the year ended June 30, 2024

As at June 30, 2024

Segment assets	6,882,735,017	3,059,225,602	9,941,960,619
Segment liabilities	1,329,766,209	637,555,208	1,967,321,417

For the year ended June 30, 2023

As at June 30, 2023

Segment assets	5,550,059,906	2,483,039,854	8,033,099,760
Segment liabilities	1,062,898,197	451,550,145	1,514,448,342

TOWELLERS LIMITED

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

43.4 Reconciliation of segment assets and liabilities with total assets and liabilities in the statement of financial position is as follows.

	2024	2023
	Rupees	Rupees
Total for reportable segments assets	9,941,960,619	8,033,099,760
Unallocated assets	1,992,771,192	1,948,826,115
Total assets as per statement of financial position	11,934,731,811	9,981,925,875
Total for reportable segments liabilities	1,967,321,417	1,514,448,342
Unallocated liabilities	1,227,632,187	906,732,061
Total liabilities as per statement of financial position	3,194,953,605	2,421,180,403

43.5 Geographical Information

The geographical information analyses the entity's revenue and non current assets by the Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

Europe	7,803,404,169
USA	4,729,658,253
Asia	116,751,574
Middle east	8,262,864
Africa	815,787
Pakistan	31,531,665
Gross sales PKR	12,690,424,312
Export rebate	132,789,236
Commission & discount	(503,178,052)
Sales tax	(5,114,424)
Total sales-net PKR	12,314,921,072

43.6 Revenues from two major customer business segment represents approximately Rs. 6.549 billion of the total revenues.

Total and average number of employees at year end and during the year respectively are as follows:

	2024	2023
Total number of employees as at June 30-Factory	1950	1617
Total number of employees as at June 30-Head Office	133	119
Total	2083	1736
Average number of employees during the year-Factory	1784	1694
Average number of employees during the year-Head Office	126	120
Total	1910	1814

45 CORRESPONDING FIGURES

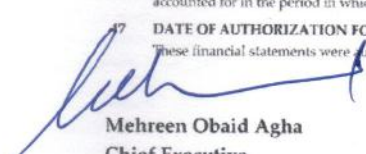
Note	Reclassification		Nature	Rupees
	From	To		
From Note 7 to Note 12	Long term deposits-The Nazir High Court of Sindh Karachi	Trade deposits and short term prepayments.The Nazir High Court of Sindh Karachi-	Better Presentation	3,174,387

46 NON-ADJUSTING EVENTS AFTER REPORTING PERIOD:

The Directors in their meeting held on September 26, 2024 have recommended and approved an annual cash dividend of PKR 8.00 per share in respect of year ended June 30, 2024 (June 30, 2023: PKR 10.00 per share). The financial statements for the year ended June 30, 2024 do not include the effect of the above annual dividend which will be accounted for in the period in which it is approved.

47 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the board of directors of the company on September 26, 2024


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi, September 26th, 2024

TOWELLERS LIMITED

PATTERN OF HOLDING OF THE SHARES HELD BY SHAREHOLDERS AS ON JUNE 30, 2024

AS PER REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE

Number of SHAREHOLDERS	SHARE HOLDINGS		TOTAL SHARES HELD	PERCENTAGE
	From	To		
740	1	100	11840	0.0696
215	101	500	69055	0.4062
97	501	1000	82496	0.4853
120	1001	5000	285811	1.6812
16	5001	10000	123490	0.7264
10	10001	15000	131526	0.7737
5	15001	20000	93070	0.5475
5	20001	25000	112365	0.6610
4	25001	30000	108981	0.6411
1	35001	40000	39000	0.2294
1	40001	45000	43200	0.2541
1	45001	50000	49100	0.2888
1	85001	90000	86900	0.5112
1	125001	130000	129759	0.7633
1	155001	160000	160000	0.9412
1	175001	180000	180000	1.0588
2	465001	470000	937648	5.5156
1	525001	530000	526000	3.0941
3	2455001	2460000	7379247	43.4073
1	2465001	2470000	2467043	14.5120
1	3980001	3985000	3983469	23.4322
1227			17000000	100.0000

CATEGORIES OF SHAREHOLDING AS ON JUNE 30, 2024

	CATEGORIES OF SHARE HOLDERS	NUMBER OF SHARE HOLDERS	SHARES HELD	PERCENTAGE OF HOLDING
1	GENERAL PUBLIC (LOCAL)	1119	15620090	91.8829
2	GENERAL PUBLIC (FOREIGN)	79	145782	0.8575
3	INSURANCE COMPANIES	3	684259	4.0251
4	PUBLIC SECTOR COMPANIES	9	203498	1.1970
5	MODARABAS AND MUTUAL FUNDS	9	266071	1.5651
6	ASSOCIATED COMPANIES	4	50800	0.2988
7	OTHERS	4	29500	0.1735
	COMPANY TOTAL	1227	17000000	100.0000

TOWELLERS LIMITED

CATEGORIES OF SHAREHOLDING AS ON JUNE 30, 2024

Categories of Shareholders	No. of Share holders	Shares Held	Percentage
DIRECTORS, CEO & SPONSORS			
Ms. Mahjabeen Obaid	1	2,467,043	14.51
Ms. Mehreen Obaid Agha	1	2,459,748	14.47
Ms. Sana Bilal	1	2,459,748	14.47
Ms. Hadeel Obaid	1	2,459,751	14.47
Mr. Zeeshan K. Sattar	1	468,448	2.76
Muhammad Sarfraz	1	500	0.02
Niaz Muhammad	1	100	0.00
Humza Shaikh Obaid	1	3,983,469	23.43
INSURANCE COMPANY			
National Insurance Company Ltd	1	526000	3.09
Pakistan Reinsurance Company Limited	1	129759	0.76
Al Falah Insurance Company Limited	1	28500	0.17
ASSOCIATED COMPANIES			
Iftikhar Corporation	1	10000	0.06
Chenab Textile Corporation	1	15800	0.09
Ranjha Linen	1	10000	0.06
Fine Fabrico	1	15000	0.09
OTHERS COMPANIES			
Al Falah GHP Value Fund	1	20,000	0.12
Al Falah GHP Islamic Stock Fund	1	14,701	0.09
Al Falah GHP Stock Fund	1	86,900	0.51
Al Falah GHP Alpha Fund	1	49,100	0.29
Al Habib Islamic Stock Fund	1	20,800	0.12
Burma Oil Mills Ltd	1	2,000	0.01
Al Ameen Islamic Ret. Sav. Fund Equity Sub Fund	1	18,870	0.11
NCC - PRE SETTLEMENT DELIVERY ACCOUNT	1	1	0.00
UBL Retirement Savings Fund-Equity Sub Fund	1	43,200	0.25
MRA Securities Limited - MF	1	23,997	0.14
Al Falah GHP Islamic Dedicated Equity Fund	1	4,500	0.03
Al Falah GHP Dedicated Equity Fund	1	8,000	0.05
Y.S. Securityies & Services Pvt Ltd	1	1,000	0.01
Mogul Tobacco Company Pvt Ltd	1	160,000	0.94
DJM Securities Limited	1	11,000	0.06
HH Misbah Securities (Private) Limited	1	2,000	0.01
Nini Securities (Private) Limited	1	500	0.01
Intermarket Securities Limited	1	3,000	0.02
Trustees of Pakistan Human Development Fund	1	14,300	0.08
Trustee Agipf Equity Sub-Fund	1	4,700	0.03
Trustee Agpf Equity Sub-Fund	1	4,500	0.03
Al Habib Pension Fund-Equity Sub Fund	1	6,000	0.04
GENERAL PUBLIC			
Local	1107	1,291,783	7.60
Foreign	79	145,782	0.83
Others	4	29,500	0.17
Total	1227	17,000,000	100.00

SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING RIGHTS IN THE LISTED COMPANY

Mahjabeen Obaid	2,467,043
Mehreen Obaid Agha	2,459,748
Sana Bilal	2,459,748
Hadeel Obaid	2,459,751
Humza Shaikh Obaid	3,983,469

TOWELLERS LIMITED

CORPORATE GOVERNANCE

CORPORATE SOCIAL RESPONSIBILITIES

The Company assumes its role as contributory towards various areas of the social well being of the people amongst whom the Company exists. It recognizes its responsibility in creating and sustaining a better and healthy society which creates an impact on better business atmosphere as well.

The Company not only continued to distribute ration packets to the needy people within and outside the Company, it keeps its focus on other areas such as health, mental health, education, animal welfare and environment. During the year, the Company contributed Rs. 60.88 M in arranging two major equipment i.e Anesthesia Machine, Touch Screen Color Doppler Ultrasound System and E95 Echo Machine for Paediatric Cardiology for the Sindh Institute of Urology and Transplantation (SIUT). The institute is doing a wonderful job in providing free of cost medical services and the Company is playing its part in such community service.

The Company supports various institutes which are contributing in health, education and food security of the masses such as Developments in Literacy, Roshan Pakistan Academy, Ayesha Chundrigar Foundation, The Citizen Foundation, SOS Children Village Orphanage, etc. The Company also supports its deserving employees in providing education to their children.

HEALTH, SAFETY AND ENVIRONMENT

The Company is determined in its commitment to safeguard a healthy environment for all, by diligently adhering to environmental standards at our production facilities. Our dedication to responsible business practices extends throughout our value chain. Also, we are dedicated to fostering a safe and secure work environment for our associates. We prioritize sustainability reducing our carbon footprint and implementing initiative that conserve water and energy.

During the year also, the Company has continued to make investments in modern dyeing and processing machines which besides increasing the production capacity and efficiency are helping in significantly reducing the water and power consumption, thus reducing carbon emissions and resulting in precious water savings.

The company has hired a specialist mental therapist to assess, recover and protect mental health of its staff and workers. The Company also conducts and participate in blood donation drives at regular intervals. The Company has covered its entire staff under medical insurance policy for their regular and sudden medical needs.

The Company properly maintains and regularly upgrade the fire fighting systems throughout its manufacturing facilities and offices, conducts regular fire drills and performs fumigation periodically. We have invested in new boiler and have ensured its regular maintenance to its standards to protect the workers and staff to prevent accidents. During the year the Company has inducted bio mass boiler system that will result in producing steam by using clean and green energy, without any fossil fuel which is going to reduce the carbon footprint.

Textile manufacturing particularly dyeing and printing processes can cause significant harm to the environment, if adequate measures are not taken to mitigate hazardous effect of textile process. The company is deeply concerned and has established effluent treatment plant at its dyeing, printing and garments manufacturing facilities. Waste water treatment plant at our manufacturing facility is designed and operated to meet and exceed environmental standard, securing the health of our employees and local eco system

The Company has successfully installed solar power generation facilities at most of its premises. Besides reducing power costs, the investments are helping us in reduced consumption of thermal electricity being produced by Karachi Electric and hence producing clean and green energy. Also, during the year the Company has installed smart MRT hanging rail system, the enhance the sustainability of the company by

TOWELLERS LIMITED

bring in automation in the process of manufacturing. This system will result in time as well as cost efficiency in the manufacturing process.

HUMAN RESOURCE

Our employees are our greatest assets and the key strength of our business. Towellers firmly believe in nurturing, investing in and promoting its employees. The management of the company is committed to excellence and has a clear vision that human resources and strong leadership practice are important enablers of high productivity and sustainable competitive advantage of our company. Therefore, the management of the company gives much importance to the optimal use of human resources by way of trainings and proper guidance for the employees.

The Company pays special attention on the training of its human capital. During the year the company achieved 1st price in lean manufacturing program conducted by ILO and Kaizen. The program involved the application of productivity, quality and lean management skills, in the which the Company superseded all other participants. The Company will continue to pursue more such and other professional trainings to groom and train its human capital. Earlier, the Company's Directors also undertook Directors' training program to keep the Board of Directors well versed with the rules and regulations of Corporate Governance and prepare themselves for relevant legal requirements and challenges.

The Company is also working with GIZ, an international institution in development & strengthening of human resource policies and systems. The company is also improving its internal processes and controls such as replacement of imported paper with local paper to reduce cost; implementing better controls in sharp tools inventory management, implementing 5S and thread & fabric wastages controlling systems and by reducing the consumption of paper by implementing books and registers. All these factors contribute in enhancing the sustainability of the company.

WISTLEBLOWING POLICY

The company is committed to create an atmosphere ensuring accountability and integrity and its conduct. A whistleblowing policy has been in placed as part of company's efforts to provide a mechanism for raising alert against any wrongdoing malpractice or impropriety. This is intended to further improve governance and service quality. The policy set out the procedures for lodging of concern by the employees, handling of concern by the organization, reporting requirement, and protection of whistleblower and periodic monitoring of the policy. The employees are encouraged to use the guidance provided by the program.

INSIDER TRADING

Company has taken definitive steps in ensuring that all employees, officers, members of the Board and all such relevant persons follow strict guidelines while trading in the shares of the company. No employee or his/her spouse will transact in the shares of the company during the close period prior to the announcement of financial results. Employees categorize as executive according to the requirement of code of corporate governance should also inform the management immediately about any transaction perform by them and their spouse other than during the close period.

POLICY FOR SAFEGUARDING OF RECORDS

Company policy for safety of records extend beyond the regulatory requirements, and falls in the ambit of a comprehensively formulated business continuity planning which provide for preservation of company record of significant or permanent value for periods exceeding the legal stipulated timeframe in an efficient, secure and easy to retrieve manner.

TOWELLERS LIMITED

Standard Request Form Circulation of Annual Audited Accounts

The Company Secretary

Towellers Limited
WSA, 30-31, Block-1
F.B. Area, Karachi.

Subject: **Circulation of Annual Audited Accounts via Email/CD/USB/DVD or Other**

Pursuant to the directions given by the Securities and Exchange Commission of Pakistan through its SRO 787(1)/2014 dated September 8, 2014 and SRO 470(1)/2016 dated May 31, 2016 that have allowed the companies to circulate its Annual Audited Accounts (i.e. Annual Balance Sheet and Profit and Loss Accounts, Statements of Comprehensive Income, Cash Flow Statement, Notes to the Financial Statements, Auditor's and Director's Report) to its members through Email/CD/DVD/USB/ or any other Electronic Media at their registered Addresses.

Shareholders who wish to receive the hardcopy of Financial Statements shall have to fill the below form and send us to Company address,

I/We hereby consent Option 1 or Option 2 to the above said SROs for Audited Financial Statements and Notice of General Meeting(s) delivered to me hard form instead Email/CD/DVD/USB or any others Electronic Media.

Option 1 – Via Email

Name of the Member/ Shareholders : _____

CNIC /SNIC # : _____

Folio / CDC Account Number : _____

Valid Email Address: _____

(to receive Financial Statements alongwith
Notice of General Meeting(s) Instead of
hard copy, CD/DVD/USB.)

Option 2 – Hard Copy

Name of the Member/ Shareholders : _____

CNIC /SNIC # : _____

Folio / CDC Account Number : _____

Mailing Address: _____

(on which I wish receive Financial
Statements alongwith Notice of
General Meeting(s) instead of
Email/CD/DVD/USB and any other
Electronic Media.)

I/We hereby confirm that the above mentioned information is correct and in case of any change therein, I/we will immediately intimate to the Company's Share Registrar/Company. I/we further confirm that the transmission of Company's Annual Audited Financial Statements and Notice of General Meeting(s) through my/our above address would be taken as compliance with the Companies Act, 2017.

Shareholder's signature

INVESTORS' EDUCATION

In compliance with the securities and Exchange Commission of Pakistan's SRO 924(1)2015 dated September 9, 2015, Investors attention is invited to the following information message:

www.jamapunji.pk



Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

- Licensed Entities Verification
- Scam meter*
- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered
- Online Quizzes
- Stock trading simulator (based on live feed from PSX)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device



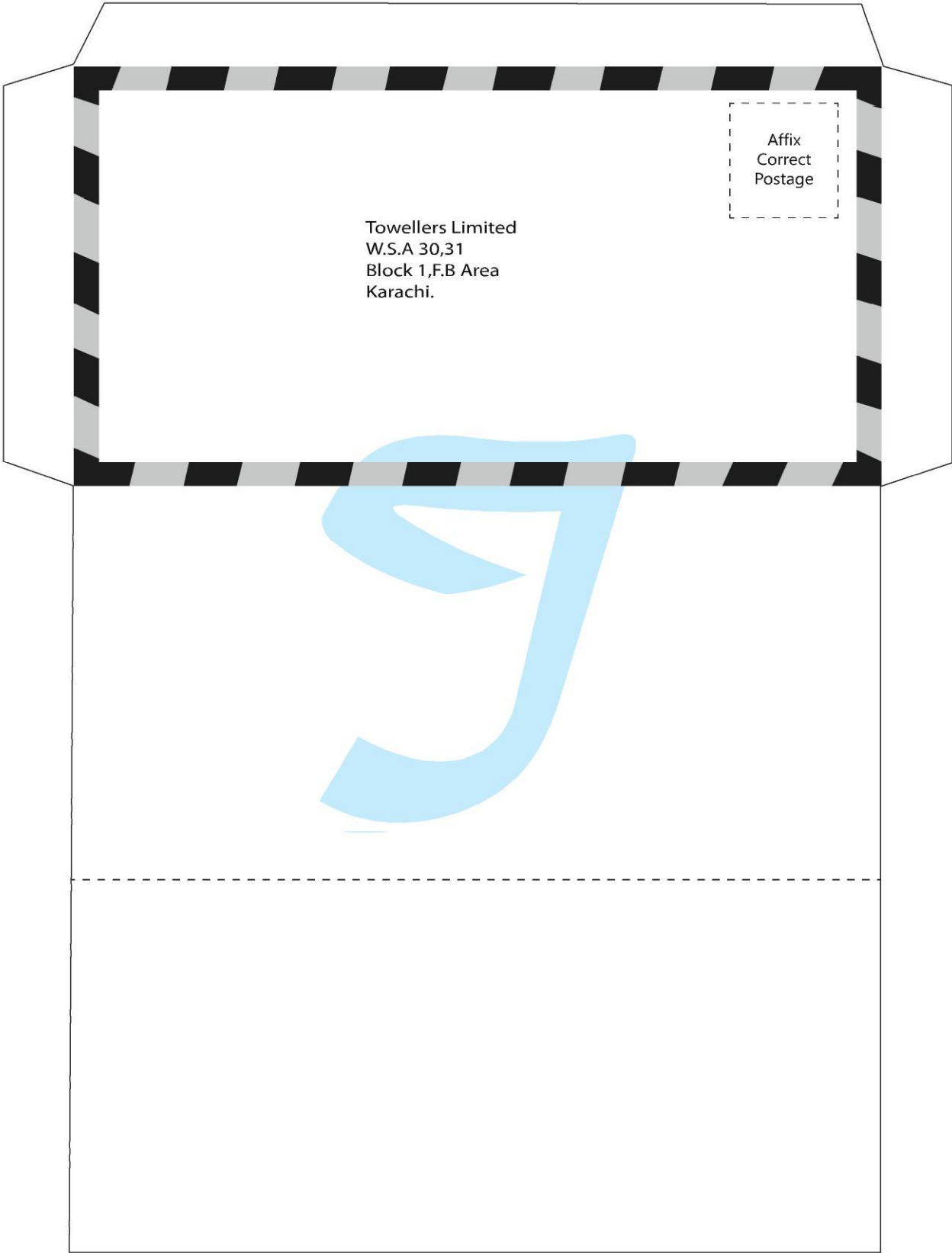
Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

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

TOWELLERS LIMITED



TOWELLERS LIMITED



TOWELLERS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 51st Annual General Meeting of the Company will be held at **Towellers House W.S.A, 30-31, Block-1 Federal B Area Karachi** on **Friday October 25th 2024 at 3:30 p.m** to transact the following business.

ORDINARY BUSINESS:

- To confirm the minutes of the 50th Annual General Meeting held on Thursday October 26, 2023.
- To receive consider approve and adopt the Audited Financial Statements of the Company for the year ended June 30th 2024 together with Chairman Review, Director's and Auditor's reports thereon.
- To elect eight (8) Directors of the Company as fixed by the Board for a term of three years commencing from October, 27th 2024 in accordance with the provision of section 159 of the Companies act, 2017. Names of the present Directors retiring and eligible to file nomination are as under.

(1) Mahjabeen Obaid	(2) Mehreen Obaid Agha
(3) Sana Bilal	(4) Hadeel Obaid
(5) Zeeshan K. Sattar	(6) Vally Tariq Rangoonwala
(7) Muhammad Sarfraz	(8) Niaz Muhammad
- To approve the payment of final Cash dividend for the year ended June 30, 2024 @ 80% i.e. PKR 8/- per share.
- To appoint Auditors for the year 2024-2025 and fix their remuneration.

OTHERS BUSINESS:

- To transact any other business with the permission of the Chair.
(Attached to this notice is a statement of material facts as required under section 166(3) of the Companies Act, 2017)

By order of the Board
M. Farhan Adil
Company Secretary

Karachi:

September 19th 2024

NOTES:

- The Share transfer Books of the Company will remain closed from October 18th 2024 to October 25th 2024 (both days inclusive), will be treated as in time for attending the AGM, payment of cash dividend.
- A member entitled to attend and vote at the AGM is entitled to appoint another member as proxy to attend and vote instead of him/her. The instrument appointing a proxy must be received at the registered office of the Company or emailed at farhan@towellers.com not later than 48 hours before the time fixed for AGM. The proxy form in English and Urdu languages is attached and the same is also available on the Company website: www.towellers.com.
- CDC Investor Account Holders will further have to follow the guidelines issued by the Securities and Exchange Commission of Pakistan (SECP) in this regard.
- The members and their proxies who intends to attend the AGM through video-link must register their particulars by sending an email at farhan@towellers.com The members registering to connect through video-link facility are required to mention their name, folio number and number of shares held in their name in the email with subject 'Registration for Towellers AGM' along with valid copy of their CNIC/Passport. Video link and login credentials will be shared with the members whose emails, containing all the required particulars, are received at the given email address at least 48 (forty eight) hours before the time of AGM.
- The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(1)/2022 dated December 05, 2022 The SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business and in case of election of directors. Accordingly, members of Towellers Limited will be allowed to exercise their right to vote through e-voting facility or voting by post for the election of directors in its forthcoming Annual General Meeting to be held on Friday October 25th 2024, at 3:30 p.m., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulation.
Detail of E-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses available in the Register of Members of the Company maintained by the Company's Shares Registrar M/s THK Associate Pvt Ltd (being the e-voting service provider).
For convenience of the Members, ballot paper is annexed to this notice being sent through post/email and the same is also available on the Company's website.
- To comply with requirements of Section 119 of the Companies Act, 2017 and regulation 47 of the Companies Regulations, 2024, members are requested to provide their information such as CNIC number, mailing address, email, contact mobile/telephone number and (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance, otherwise, all dividends will be withheld in terms of regulation 6 of the Companies (Distribution of Dividends) Regulations 2017.
- The SECP through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.
- Shareholders, who for any reason, could not claim their dividend and advised to contact our Share Registrar M/s THK Associates Pvt Ltd. To collect/enquire about their unclaimed dividends if any.
- Pursuant to the approval of Share Holders vide SRO 389(1)/2023 dated March 21, 2023, the financial statement of the Company for the year end June 30, 2024, along with the reports have been placed on the website of the Company www.towellers.com which can be downloaded from the QR enable code and printed copy of the same can be provided to the members upon request. In compliance with section 223(6) of the Companies Act 2017.



- As per Section 242 of the Companies Act, 2017, for listed Company, any dividend payable in cash shall only be remitted through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their bank account No. (IBAN) and details in the Central Depository System through respective participants. In case of physical shares to provide bank account details to our Share Registrar, M/s THK Associates Pvt Ltd. Please ensure an early update of your particulars to avoid any inconvenience.
- The Government of Pakistan through the Finance Act, 2024 in section 150 of the Income Tax Ordinance, 2001 prescribed the following rates for withholding tax against dividend payments by the companies;

For filers of income tax returns	15%
For non-filers of income tax returns	30%

Shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the FBR website, despite the fact that they are filers, are advised to make sure that their names are entered into ATL to avoid higher tax deduction against any future dividends. Corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or M/s THK Associates Pvt Ltd.

- Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advice a change in address if any.
- For any query/problem/information, the investors may contact the Share Registrar at the following numbers, or email addresses.

M/s THK Associates (Pvt) Ltd

32-C, Jami Commercial Street 2,
D.H.A, Phase VII, Karachi- 75500
Phone: +9221-111-000-322, +9221-37120628-29
E-mail: sfc@thk.com.pk

- A member desirous to contest the election of director shall file with the Company at its Registered office not later than 14 days before the date of the meeting (a) Consent to act as a Director in Form-9 under section 167 of the Companies Act, 2017 (b) a detailed profile, Directorship along with office address and contact information for placement on the Company's website seven days prior under SRO1196(1)/2019 (c) Declaration of Independence section 166(2) as required under (CCG) regulation 2019. (d) notice of his/her intention to offer himself/herself for election as a Director under Section 159(3) of the Companies Act, 2017, selecting any one category stated below in which he/she intends to contest, in accordance with the amendments by the SECP Regulation 7A of the Listed Companies (CCG) Regulations, 2019 through S.R.O 906(1)2023 dated 07-07-2023.

- Election of Female Director (b) Independent directors: and (c) Other directors.

Statement of Material Facts under Section 166(3) of the Companies Act, 2017.

In terms of Section 159(1) of the Companies Act, 2017, the directors have fixed the number of elected Directors at eight (8) to be elected in the AGM for a period of three years.

Independent Directors will be elected through the process of election of director in terms of section 159 of the act and they shall meet the criteria laid down in section 166 of the act, and the Companies (Manner and Selection of Independent Directors) Regulations 2018.

The present Directors are interested to the extent that they are eligible for re-election as Directors of the Company.

BALLOT PAPER FOR VOTING THROUGH POST

In person and virtual meeting to be held on Friday, October 25th 2024 at 3:30 pm
at W.S.A. 30-31, Block No 1. F.B. Area Karachi. Phone: +92 2136232500-600 Website: www.towellers.com

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and folio number / CDC Account #	
CNIC No./Passport No.(Copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government)	

I/we hereby exercise my/our vote in respect of Election of Directors through Postal Ballot as follows:

To elect Eight (8) Directors of the Company, as fixed by the Board of Directors in accordance with the provisions of the Section 159(1) of the Companies Act, 2017 for the period of three (3) years commencing from October 27th 2024.

Sr.	Name of Director	No. of ordinary shares used for voting in favor of the Director	Number of votes (number of voting shares X number of Director to be elected)
	Mahjabeen Obaid		
	Mehreen Obaid Agha		
	Sana Bilal		
	Hadeel Obaid		
	Zeeshan K. Sattar		
	Vally Tariq Rangoonwala		
	Muhammad Sarfraz		
	Niaz Muhammad		

Signature of shareholder

Dated:

NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

- Every Shareholder(s) shall have the number of votes which is equivalent to the product of the number of voting share(s) held by him/her and the number of Directors to be elected.
- A Shareholder may give all his/her votes to a single candidate or divide them between more than one of the candidates in such a manner as he/she may choose. However, the number of votes cast must not exceed the number of votes available to the Shareholder.
- Dually filled Postal Ballot paper should reach via e-mail farhan@towellers.com to Company Secretary before one working day of the AGM during working hours (i.e. October 24th 2024 by 5:00 p.m). any Postal Ballot received after the aforesaid time will not be considered.
- A copy of CNIC or Passport (in case of foreign nationals only) should be enclosed with the Postal Ballot.
- The signature on the Postal Ballot should match with the signature on Company record or CNIC/Passport in case of CDC shareholder.
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten Ballot Paper will be rejected.
- In case of representative of corporate Body, corporation, and Federal Government, Postal Ballot must be accompanied with the copy CNIC/Passport of authorized person, attested copy of Board Resolution, Power of Attorney, Authorization Letter etc. in accordance with Section(s) 138 or 139 of the Companies Act, 2017, as applicable. In case of foreign corporate body etc., all documents must be attested from the Council General of Pakistan having jurisdiction over the Shareholder.

منافع منقسمہ

بورڈ آف ڈائریکٹرز کو یہ بتانے میں خوشی محسوس کر رہے ہیں کہ 80 فیصد حتمی منافع منقسمہ تجویز کیا گیا جو سالانہ اجلاس عام میں اراکین کی منظوری سے مشروط ہے۔ کمپنی کے ڈائریکٹرز اور سٹاف بہتر معاشی کارکردگی کے ذریعے مستحکم مارجن کے ساتھ آمدن میں اضافہ کیلئے جانفشانی سے کام کر رہے ہیں۔ ہم اپنے حصص یافتگان کا بھی شکریہ ادا کرتے ہیں کہ انہوں نے کمپنی کی ترقی اور خوشحالی کیلئے معاونت فراہم کی۔

فی حصص آمدنی

ٹیکس کی ادائیگی کے بعد بنیادی اور معمولی فی حصص آمدنی 32.91 روپے رہی۔ (140.49:2023)

چیرمین کا جائزہ

چیرمین کا جائزہ اس سالانہ رپورٹ کا حصہ ہے اس لئے کمپنی کے ڈائریکٹر جائزہ رپورٹ کے مندرجات کی توثیق کرتے ہیں۔

آڈیٹرز

موجودہ آڈیٹرز میسرز مشتاق اینڈ کوچارٹرڈ اکاؤنٹنٹس نے مدت پوری ہونے پر خود کو اہلیت کی بنا پر دوبارہ تقرری کیلئے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کی سفارشات پر میسرز مشتاق اینڈ کوچارٹرڈ اکاؤنٹنٹس کو 30 جون، 2025 کو مکمل ہونے والے سال کیلئے ان کی دوبارہ تقرری کی تجویز دیتے ہیں۔

اظہار تشکر

آپ کے ڈائریکٹرز تمام سٹیک ہولڈرز سے حوصلہ افزائی اور حمایت پر ان سے اظہار تشکر کرتے ہیں۔ ہم کمپنی کے عملے اور ورکرز کے عزم، لگن اور انتھک محنت اور ہمارے حصص یافتگان کو سراہتے ہیں جنہوں نے کمپنی پر ہمیشہ اعتماد اور بھروسہ کیا۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

26 ستمبر، 2024

TOWELLERS LIMITED

ذیل میں نفع و نقصان کا خلاصہ جائزہ کیلئے پیش کیا جا رہا ہے

روپے ہزار میں

30 جون، 2023	30 جون، 2024	
11,086,916	12,314,921	خالصتا فروخت
3,142,600	1,232,108	مجموعی منافع
298,705	345,925	ڈسٹری بیوشن لاگت
365,248	398,493	انتظامی اخراجات
183,558	109,105	دیگر آپریٹنگ اخراجات
338,877	457,680	دیگر آمدنی
53,848	31,101	مالی لاگت
2,580,119	805,163	قبل از ٹیکس منافع
2,388,338	559,502	بعد از ٹیکس منافع
140.49	32.91	فی حصص آمدنی

سرمایہ کاری کے منصوبے

کمپنی مارجن اور منافع میں اضافہ کیلئے پیداواری صلاحیت اور کارکردگی کو بڑھانے کیلئے پرعزم ہے، اسی لئے کمپنی نے اس مقصد کیلئے مشینری کی خریداری میں سرمایہ کاری جاری رکھی ہوئی ہے۔ سال کے دوران کمپنی مینوفیکچرنگ پراسس کو زیادہ بہتر بنانے کیلئے مختلف مشینری اور ساز و سامان خریدنے کیلئے 500 ملین روپے کی سرمایہ کاری کی جس میں بائیو ماس فائر ڈاسٹیم بوائلر، لیفر بوسٹنگ اور کمپیکٹنگ لائن، لیفر ریزنگ مشین، بروکنر اسٹیٹر مشین، کورینوسپرسلیٹ اسکونیٹنگ مشین، تھر موائل بوائلر، بیانکالانی ایئر فلو ڈرائنگ اور سو فٹنگ مشین، ایم آر ٹی اسمارٹ پیٹنگ ریل سسٹم، لیفر شیئرنگ مشین، مختلف خصوصی سلائی مشینوں کی اپ گریڈیشن، کپڑے رنگنے والی مشین، نائٹنگ مشینیں اور دیگر متعدد مشینیں شامل ہیں۔

شیئر ہولڈنگ کا نمونہ

کمپنی ایکٹ، 2017 کے سیکشن (f)(2) 227 کے مطابق کمپنی کا 30 جون، 2024 تک شیئر ہولڈنگ کا نمونہ رپورٹ کے ساتھ لگایا ہے۔

ڈائریکٹریٹنگ

کمپنی اپنے بورڈ ممبران کی پیشہ ورانہ ترقی میں گہری دلچسپی لیتی ہے۔ ڈائریکٹرز کو کارپوریٹ گورننس اور دیگر ریگولیٹری تبدیلیوں سے متعلق قوانین اور موجودہ معاملات کے بارے میں تازہ ترین صورتحال سے آگاہ رکھا جاتا ہے۔ کمپنی کے پانچ ڈائریکٹرز نے سی سی جی قواعد کی تعمیل کرتے ہوئے پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس (پی آئی سی جی) سرٹیفیکیشن مکمل کی ہے۔

اراکین کیلئے ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی طرف سے 30 جون، 2024 کو مکمل ہونے والے سال کیلئے کمپنی کے پڑتال شدہ مالی گوشوارے پیش کرنے میں ہمیں انتہائی مسرت ہو رہی ہے۔ یہ مالی گوشوارے اکاؤنٹنگ کے عالمی معیارات کے تقاضوں اور کمپنیز ایکٹ 2017 کے سیکشن 227 کی دفعات کے مطابق تیار کئے گئے ہیں۔

مالی سال 2022-2023 پاکستان کی معیشت کے لئے انتہائی مشکل سال تھا تاہم رواں مالی سال کے دوران کچھ حد تک معاشی استحکام کا مشاہدہ کیا گیا۔ افراط زر کی شرح سنگل ڈیجٹ تک آگئی جس سے مرکزی بینک نے بھی شرح سود 22 فیصد کم کر کے 17.5 فیصد کر دی۔ شرح سود میں کلینڈر سال کے اختتام تک مزید کمی کی توقع ہے۔ مرکزی بینک کی طرف سے درآمدی اقدامات کی بدولت حسابات جاریہ کا خسارہ کنٹرول میں رہا جس کا نتیجہ گزشتہ چند ماہ سے زرمبادلہ میں مساوی استحکام کی صورت میں دیکھنے کو ملا۔ عالمی سطح پر تیل کی قیمتوں میں کمی سے بھی تجارت اور حسابات جاریہ کے خسارے میں کمی ہوئی۔ اس کے علاوہ آئی ایم ایف کی طرف سے اگلی قسط کی منظوری سے بھی پائیدار استحکام، انڈسٹریل اور کاروباری برادری کے درمیان اعتماد کی فضا میں اضافہ میں مدد ملے گی۔

تاہم حکومت کی طرف سے کئے جانے والے سخت مالی اقدامات کا نتیجہ ٹیکسٹائل پر شرح ٹیکس میں اضافہ، سپرنٹیکس میں اضافہ، توانائی کی زیادہ لاگت کی صورت میں نکلا۔ پاکستان کی ٹیکسٹائل برآمدات تقریباً جمود کا شکار رہی اور گزشتہ سال کے 16.50 بلین روپے کے مقابلے میں محض 0.93 فیصد اضافہ کے ساتھ 16.55 بلین روپے رہی۔ 2023 میں 0.29 فیصد کی شرح نمو کے مقابلے میں رواں سال کے دوران جی ڈی پی کی شرح نمو 2.38 فیصد رہی جو ملک کی معیشت میں استحکام کا عکاس ہے۔

مذکورہ بالا معاشی بحالی کے تناظر میں ہمیں امید ہے کہ ملک میں اقتصادی سرگرمیاں بہتر ہونے سے نمو اور کھپت میں اضافہ ہوگا۔ حکومت نے آئی پی پیز کے ساتھ بھی بات چیت کا عمل شروع کیا ہے جس سے امید ہے کہ ٹیئر اور توانائی کی لاگت میں کمی آنے سے مینوفیکچرنگ کی لاگت کچھ حد تک ہوگی۔ بنگلہ دیش میں سیاسی عدم استحکام اور حالیہ حکومتی تبدیلی کی وجہ سے درآمدی آرڈرز دیگر ممالک کی طرف منتقل ہونے کو موقع ہے جس سے ہمیں بھرپور فائدہ اٹھانے کی کوشش کرنی چاہیے اور مستقبل قریب میں زیادہ سے زیادہ درآمدی آرڈرز کو محفوظ کرنا چاہیے۔

کمپنی کی کارکردگی

ملک میں جاری معاشی مشکلات کے باوجود کمپنی کی برآمدی فروخت میں گزشتہ سال کے مقابلے میں 11.1 فیصد اضافہ ہوا فروخت سے حاصل ہونے والی آمدن 2023 میں 11.1 بلین روپے کے مقابلے میں 12.3 بلین روپے رہی۔

کمپنی کا بعد از ٹیکس خالص منافع 559.5 بلین روپے جبکہ فی حصص آمدن 32.91 روپے فی حصص رہا۔ افرادی قوت کی لاگتوں، توانائی کی زیادہ قیمتیں، حکومت کی طرف سے امداد اور سبسڈیز کا خاتمہ، زیادہ ٹیکسوں اور سخت عالمی مسابقت سمیت کاروبار کرنے کی بڑھتی ہوئی لاگت چند عوامل ہیں جو کم مارجن کا باعث بن رہے ہیں۔ گزشتہ سال کے دوران حاصل کردہ غیر معمولی منافع نے متعلقہ سال کے دو میان مارجن کے فرق کو بڑھا دیا۔

کمپنی کے ڈائریکٹرز، انتظامی ٹیم، سٹاف اور ورکرز کمپنی کے مالی نتائج کو بہتر بنانے کیلئے بہتر مارجن کے حامل درآمدی کاروبار حاصل کرنے کیلئے سخت کام کر رہے ہیں

چیئر پرسن جائزہ رپورٹ

مجھے سال کے دوران بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی اور کمپنی کی بڑی کامیابیوں اور کاروباری سرگرمیوں سے متعلق کمپنی کے حصص یافتگان کو جائزہ رپورٹ پیش کرنے میں انتہائی مسرت ہو رہی ہے۔

بورڈ نے کمپنی کی پائیدار ترقی، کمپنی کی مصنوعات کے اعلیٰ معیار کو برقرار رکھتے ہوئے نئی مارکیٹس کی دریافت، نئے صارفین کو راغب کرنے کے ساتھ ساتھ موجودہ صارفین کے اعتماد میں اضافہ کیلئے پیشہ وارانہ انداز میں کام کیا۔ چیف ایگزیکٹو کی طرف سے کاروباری منصوبوں، آپریٹنگ کارکردگی، کیش فلوز، متعلقہ مالی معلومات اور رسک مینجمنٹ جیسے شعبوں پر باقاعدگی سے بورڈ کو رپورٹس اور تازہ ترین صورتحال فراہم کی جاتی ہیں۔

سال بورڈ نے کمپنی کی پائیدار ترقی، کمپنی کی مصنوعات کے اعلیٰ معیار کو برقرار رکھتے ہوئے نئی مارکیٹس کی دریافت، نئے صارفین کو راغب کرنے کے ساتھ ساتھ موجودہ صارفین کے اعتماد میں اضافہ کیلئے پیشہ وارانہ انداز میں کام کیا۔ چیف ایگزیکٹو کی طرف سے کاروباری منصوبوں، آپریٹنگ کارکردگی، کیش فلوز، متعلقہ مالی معلومات اور رسک مینجمنٹ جیسے شعبوں پر باقاعدگی سے بورڈ کو رپورٹس اور تازہ ترین صورتحال فراہم کی جاتی ہیں۔

سال 2024 پاکستان کیلئے میکر اور مالی استحکام کا سال تھا تاہم سخت زری، تجارتی اور مالی اقدامات اور پالیسیوں کی قیمت معیشت میں سست روی کی شکل میں ادا کرنی پڑی۔ ملک کو بلند افراط زر، سبسڈیز کا خاتمہ، توانائی کی بہت زیادہ لاگت اور افرادی قوت کی لاگتوں میں اضافہ کی صورت میں سخت معاشی اقدامات کا سامنا رہا۔ معیشت اور مارکیٹ کے حوالے سے اس طرح کے مشکل حالات کے باوجود کمپنی نے فروخت میں 11 فیصد اضافہ حاصل کیا جو بورڈ آف ڈائریکٹرز اور انتظامی ٹیم کی قابل تحسین کامیابی ہے۔ تاہم سال کے دوران عالمی سطح پر بہت زیادہ مسابقت کے باعث مارجن سکڑاؤ کا شکار رہا جس کی وجہ سے ہم جتنا ہو سکا مسابقتی قیمتوں پر ہی مصنوعات دینے پر مجبور ہوئے۔ کاروباری لاگت میں اضافہ نے بھی مارجن میں کمی میں اپنا کردار ادا کیا۔ اس کے علاوہ سال 2023 کے دوران کرنسی کی بہت زیادہ بے قدری دیکھنے کو ملی جس کی وجہ سے ہمیں زرمبادلہ کے منافع کی شکل میں کچھ ونڈ فال آمدن حاصل ہوئی اس کے باوجود بھی سال 2023 کے ساتھ مارجن کا موازنہ درست اقدام نہیں ہو سکتا۔

اس میں کوئی شک نہیں ہے کہ بورڈ آف ڈائریکٹرز آنے والے سالوں میں کمپنی کو ترقی کی مزید بلند یوں تک لے جانے اور منافع میں اضافہ کیلئے اپنی انتھک کوششیں جاری رکھیں گے۔ ڈائریکٹرز نے پراسس میں مسلسل بہتری پر بھی توجہ مرکوز کی جس کیلئے کمپنی نے اس سال کے دوران بھی نمایاں سرمایہ کی۔ یہ سرمایہ کاریاں صلاحیت میں اضافہ، پراسس میں بہتری کے ساتھ توانائی میں بچت کیلئے کی گئیں۔ میں بورڈ آف ڈائریکٹرز اور انتظامی ٹیم کیلئے ان کی کوششوں میں کامیابی کیلئے نیک خواہشات کا اظہار کرتی ہوں۔

سال کے دوران کی جانے والی بھاری سرمایہ کاریوں کے باوجود کمپنی حصص یافتگان کیلئے 80 فیصد منافع منقسمہ تجویز کر رہی ہے۔ ہم ان سالوں کے دوران ہمارے ساتھ کھڑے رہنے اور معاونت کرنے پر اپنے اراکین کے شکر گزار ہیں اور مستقبل میں بھی اسی جذبہ کے اظہار کی امید کرتے ہیں۔

آخر میں، میں کمپنی کو ان مشکل وقتوں اور حالات سے نکلنے میں بورڈ آف ڈائریکٹرز کی سخت محنت اور عزم کیلئے ان کا شکریہ ادا کرنا چاہوں گی اور اپنی اور کمپنی کے تمام اراکین کی طرف سے ان کیلئے نیک تمناؤں کا اظہار کرتی ہوں۔

کراچی: 26 ستمبر، 2024

مہ جبین عبید

چیئر پرسن

TOWELLERS LIMITED

Form of Proxy

51st Annual General Meeting

I/We _____
of _____
Being member(s) of Towellers Limited holding _____
Ordinary shares hereby appoint _____
Of _____ or failing him / her _____
Of _____ who is / are also member(s) of Towellers Limited as my/our proxy in
my / our absence to attend and vote for me / us and on my / our behalf at the fifty one Annual General Meeting of
the Company to be held on October 25, 2024, and at any adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2024
Signed Proxy holder _____

In the presence of (signature/name and address of witnesses) 1. _____

2. _____

Folio / CDC Account No.

No of Shares held

Please affix have Revenue
Stamp of Rs. 10/=

Signature of Member

NOTES:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instruments appointing a proxy, together with the power of attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Registered Office, W.S.A. 30, 31 Block No. 1, F.B Area Karachi. not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular # 1 dated January 26, 2000 of the Securities & Exchange Commission of Pakistan for appointing Proxies:
 - i) In case of individuals, 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 requirement.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned of the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - v) In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

پراکسی فارم

51 ویں سالانہ اجلاس عام

میں / ہم جس کا تعلق سے ہے، ٹاؤلرز لمیٹڈ کے
رکن / اراکین ہیں اور عمومی حصص رکھتے ہیں (رکن کا نام) کو جو (شہر کا نام)
..... سے تعلق رکھتا ہے اور ٹاؤلرز لمیٹڈ کا رکن ہے / اراکین ہیں 25 اکتوبر، 2024 کو منعقد ہونے والے کمپنی کے سالانہ 51 ویں
اجلاس عام اور کسی زیر التوا اجلاس میں شرکت اور رائے دہی کیلئے اپنا ہمارا پراکسی مقرر کرتا کرتے / کرتی ہوں۔
اس دستاویز پر بطور میری / ہماری گواہی مورخہ 2024 کو دستخط ہونے۔
پراکسی کے دستخط

مندرجہ ذیل گواہوں کی موجودگی میں (گواہ کے دستخط / نام اور پتہ

1
2

براہ مہربانی 10 روپے
کارپوریشن سٹیپل چسپاں کریں

تحویل میں موجود حصص کی تعداد

فولیو / سی ڈی سی اکاؤنٹ نمبر
رکن کے دستخط

نوٹس:

- 1 - اجلاس عام میں شرکت اور رائے دہی کا اہل رکن اپنی جگہ کسی پراکسی کو اجلاس میں شرکت اور رائے دہی کیلئے استعمال کر سکتا ہے۔
- 2 - پراکسی فارم مع مختار نامہ، اگر کوئی ہے، جس کے پراکسی فارم پر دستخط شدہ ہے یا نوٹری سے تصدیق شدہ نقل اجلاس کے انعقاد سے 48 گھنٹے قبل تک کمپنی کے رجسٹرڈ آفس ڈبلیو ایس اے 31، 30 بلاک نمبر 1، ایف بی ایریا کراچی میں جمع ہونے چاہیں۔
- 3 - سی ڈی سی اکاؤنٹ ہولڈرز کو پراکسیوں کی تقرری کیلئے سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کے جاری کردہ سرکلر نمبر 1 بتاریخ 26 جنوری، 2000 میں دی گئیں ہدایات پر عمل درآمد کرنا ہوگا۔
(i) انفرادی صورت میں کھاتہ دار یا ذیلی کھاتہ دار یا وہ شخص جس کی گروپ کھاتہ میں سیکورٹیز جمع ہوں اور اس کی رجسٹریشن کی تفصیلات شرائط کے مطابق اپ لوڈ کی گئی ہوں، مذکورہ بالا تقاضوں کے مطابق پراکسی جمع کرانا ہوگا۔
(ii) پراکسی فارم پر دو افراد جن کے نام اور شناختی کارڈ نمبر جمع پتہ کے موجود ہوں، بطور گواہ ضروری ہیں۔
(iii) بینی فیشنل اونرز اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ منسلک ہوں۔
(iv) پراکسی اجلاس کے موقع پر اپنا اصل شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔
(v) کارپوریٹ ادارہ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع پراکسی کے نمونہ دستخط (اگر پہلے فراہم نہیں کئے گئے) پراکسی فارم کے ہمراہ کمپنی کے پاس جمع کرایا جانا چاہئے۔