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Accounts for the  
Year Ended  
June 30, 2024

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**GLOBE TEXTILE MILLS LIMITED**

## GLOBE TEXTILE MILLS LTD.

### BOARD OF DIRECTORS

ARSHAD ARIF - Chief Executive Officer  
HUMAIRA ARSHAD - Executive Director  
FARZANA ARIF - Non Executive Director  
MAHEEN ARIF - Non Executive Director  
MISBAH TAHA KANCHWALA - Non Executive Director  
SAMAN FAHIM MEMON - Non Executive Director  
LAIBA ARSHAD - Non Executive Director

### AUDIT COMMITTEE

ARSHAD ARIF - CHAIRMAN  
MISBAH TAHA KANCHWALA  
SAMAN FAHIM MEMON

### HR COMMITTEE

ARSHAD ARIF - CHAIRMAN  
FARZANA ARIF  
MISBAH TAHA KANCHWALA

### COMPANY SECRETARY

HUMAIRA ARSHAD

### CHIEF FINANCIAL OFFICER

SALIM MAYARI

### BANKERS

MCB BANK LIMITED

### LEGAL ADVISER

SADIA KHATOON (Advocate)

### AUDITORS

CLARKSON HYDE SAUD ANSARI  
Chartered Accountants.

### REGISTERED OFFICE

Suit No.102, 1st Floor, Plot No.18-C  
Al Murtaza Commercial, Lane-1  
Phase VIII, DHA,  
KARACHI.

### E-MAIL

[info@globetextilemillsLtd.com](mailto:info@globetextilemillsLtd.com)



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**GLOBE TEXTILE MILLS LIMITED**  
**NOTICE OF MEETING**

Notice is hereby given that the 57th Annual General Meeting of the Shareholders of Globe Textile Mills Limited will be held on Tuesday 15th July 2025 at 04:00 p.m. at the Registered office of the Company, at Suit No.102, 1st Floor, Plot No.18-C, Al Murtaza Commercial, Lane-1, Phase VIII, DHA, Karachi to transact the following business:

1. To confirm the minutes of the last Annual General Meeting held on 17th February, 2025
2. To receive and adopt the Directors ' Report and Audited Accounts for the period ended 30<sup>th</sup> June, 2024, together with the Auditors ' Report thereon.
3. To appoint auditors for the year ending June 30, 2025 and fix their remuneration.
4. To transact any other business with the permission of the chair.

Karachi :

Dated : 19-06-2025

By order of the Board  
(HUMAIRA ARSHAD)  
Company Secretary

1. The Share Transfer Books of the Company will remain closed from July 7, 2025 to July 15, 2025 (both days inclusive).
2. A Member of the Company entitled to attend and vote at this meeting may appoint any other Member as his/her proxy to attend, speak and vote at the meeting on his/her behalf Instruments appointing proxies, in order to be effective, must be received at the Registered Office of the Company, at Suit No.102, 1st Floor, Plot No.18-C, Al Murtaza Commercial, Lane-1 Phase VIII, DHA, Karachi. duly stamped, signed and witnessed not less than 48 hours before the time of holding the meeting.
3. Member are requested to communicate immediately to the Company for any change in their addresses.



## INDEPENDENT AUDITOR'S REPORT

To the members of: **GLOBE TEXTILE MILLS LIMITED**

### Report on the Audit of the Financial Statements

#### *Disclaimer of Opinion*

We have audited the annexed financial statements of **GLOBE TEXTILE MILLS LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

We do not express an opinion on the accompanying financial statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### *Basis for Disclaimer of Opinion*

As the Company was engaged in ongoing legal proceedings related to the buyer's non-fulfilment of obligations under the Share Purchase Agreement, along with associated matters detailed in **Note 9.2** including extensive correspondence and legal follow-ups initiated since 2017. The full impact and resolution timeline remain uncertain. In view of these circumstances, management referred to the prior year's audited financial statements for the opening balances, and at that stage, it was not considered practicable to assess whether any adjustments may be required.

#### *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 director's report only, 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. As disclosed in the basis of disclaimer, we were unable to report on this matter also.



### ***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 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 realistic alternative but to do so.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### ***Report on Other Legal and Regulatory Requirements***

Based on our audit, we further do not report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017;
- 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 notes thereon have been drawn up in conformity with the Companies Act, 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) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.



**Other Matter**

The financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountant who expressed an unmodified opinion on those statements on January 14, 2025.

The engagement partner on the audit resulting in this independent auditor's report is **Saud Ansari**.

**Clarkson Hyde Saud Ansari**

Chartered Accountants

Date: **June 20, 2025****UDIN: AR2024101493MxrFUBpS**



## **DIRECTORS' REPORT**

**For the Year Ended June 30, 2024**

**Globe Textile Mills Limited**

The Board of Directors of **Globe Textile Mills Limited** is pleased to present the Annual Report together with the audited financial statements for the year ended June 30, 2024.

### **1. Business Review and Current Position**

During the year under review, the Company remained engaged in addressing significant legal and contractual matters, primarily stemming from the buyer's non-fulfilment of obligations under the Share Purchase Agreement (SPA). As detailed in **Note 9.2** to the financial statements, this includes a prolonged dispute involving multiple legal notices, correspondence, and court actions initiated since 2017. The full financial and operational impact, as well as the timeline for resolution, remains uncertain.

Due to these circumstances, the management referred to the audited financial statements of the prior year for the opening balances, and it was not considered practicable to determine whether any adjustments may be required. Accordingly, the external auditors issued a **disclaimer of opinion** on the financial statements for the year.

### **2. Future Outlook**

The Board had previously reviewed options for the revival of the Company, with a focus on resuming spinning operations.

In the past year, the textile sector continued to face volatility in cotton prices, with sharp fluctuations that adversely impacted the financial viability of spinning operations. Additionally, continued energy supply constraints—including power and gas shortages—and elevated utility costs have remained key barriers to revival across the industry.

Although the Directors remain confident in the viability of the revival plan, the significant accumulated losses, high-interest rate environment, and overall economic uncertainty have necessitated the preparation of these financial statements on a non-going concern basis. Given these conditions, the Board is of the view that the timing for operational revival is not yet appropriate. Accordingly, the revival plan remains in abeyance and will be re-evaluated once more stable and conducive conditions emerge.



### 3. Principal Activities

The Company was originally engaged in the manufacturing and sale of yarn. However, production operations have remained suspended since April 2006, and the Company is now functioning on a minimal scale to manage legal and statutory compliance matters.

### 4. Financial Highlights

Key financial results for the year ended June 30, 2024, are summarized as follows:

Particulars	2024 (Rs. in '000)	2023 (Rs. in '000)
Revenue	Nil	Nil
Administrative and Other Expenses	(4,478)	(3,263)
Net Loss	(4,478)	(3,263)
Loss per Share (Basic & Diluted)	(0.27)	(0.20)

No dividend has been declared in view of the continuing losses.

### 5. Risk and Uncertainties

The key risks faced by the Company include the outcome of ongoing legal proceedings, as well as uncertainties related to potential liabilities disclosed in Note 9. The Company continues to monitor these developments in consultation with legal advisors.

### 6. Explanation on Auditor's Report

The auditors have issued a **disclaimer of opinion**, primarily due to the ongoing legal uncertainties and management's reliance on prior year figures without sufficient audit evidence to verify opening balances or assess potential adjustments.

### 7. Pattern of Shareholding

The pattern of shareholding as of June 30, 2024, is annexed with this report, as required under the Companies Act, 2017.

### 8. Holding Company

The Company does not have a foreign or local holding company.

### 9. Defaults in Debt Payments

No new defaults occurred during the year in relation to any financial liabilities, other than matters under dispute disclosed in Note 9.

## 10. Internal Financial Controls

In light of the Company's limited operational activity, internal controls over financial reporting are considered appropriate and commensurate with the scope of ongoing functions.

## 11. Material Changes

There have been no material changes or commitments affecting the Company's financial position between the end of the financial year and the date of this report.

## 12. Reasons for Loss and Future Outlook

The loss for the year is attributable to ongoing legal matters, administrative expenses, and the Company's non-operational status. Management remains committed to pursuing legal remedies, recovering dues, and exploring future business opportunities if feasible.

## 13. Environment and CSR

Given the non-operational status of the Company, there has been no environmental impact or corporate social responsibility activity during the year.

## 14. Employees

The Company had no employees during the year ended June 30, 2024, in line with its non-operational status.

## 15. Directors

The following individuals served as Directors of the Company during the year:

- Farzana Arif
- Arshad Arif
- Humaira Arshad
- Misbah Taha Kanchwala
- Saman Muhammad Fahim
- Maheen Arif
- Laiba Arshad
- 

## 16. Remuneration of Directors and CEO

No remuneration, benefits, bonuses, stock options, or incentives were paid to the Chief Executive Officer or Directors during the year. The Company had no executives during the period.



## **17. Statement of Compliance**

The Board confirms that the Company has complied with all applicable provisions of the Companies Act, 2017, to the extent practicable under the circumstances.

On behalf of The Board of Directors

Arshad Arif

Chief Executive Officer

Date: June 17, 2024

Place: Karachi

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Globe Textile Mills Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Globe Textile Mills Limited** (the Company) for the year ended **June 30, 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 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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.

We report that the documentation prepared by the Company to comply with the code is not available to provide us sufficient appropriate evidences to enables us to form an opinion thereon.



Based on the significance of the limitation of scope as discussed above we are unable to form an opinion, as to whether the Statement of Compliance appropriately reflect the Company's Compliance with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2024.

**Clarkson Hyde**

**Chartered Accountants**

Engagement Partner: *Saud Ansari*

Date: June 20, 2025

Karachi

UDIN: CR202410149cjfCWKvnb

## STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

**Name of Company:** Globe Textile Mills Limited

**Year ending:** June 30, 2024

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

**1. The total number of directors are 07 as per the following:**

- a. Male: 1
- b. Female: 6

**2. The composition of the Board is as follows:**

Category	Name
Independent Director	None*
Non-Executive Directors	Farzana Arif (Female)
	Saman Fahim Memon (Female)
	Misbah Taha Kanchwala (Female)
	Maheen Arif (Female)
	Laiba Arshad (Female)
Executive Directors	Arshad Arif (Male)
	Humaira Arshad (Female)

\* The company does not have an independent director and does not meet the board constitution requirement as per regulations.

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- 4. The company has not been in operation; therefore, it has not prepared a code of conduct.
- 5. The Board has developed a vision/mission statement. However, overall corporate strategy and significant policies have not been established nor any records have been maintained, as the company has not been in operations.



6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these Regulations. However, no major decisions were taken as the Company does not have operations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has not complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
8. The Board does not have a formal policy for remuneration of directors. However, no remuneration has been paid to directors during the year.
9. Out of 7 Directors, 4 Directors are duly certified or exempted from the Directors' Training Program. The company elected a new director who had no experience of serving BOD of a listed company before her appointment. However, no Directors' Training Program was arranged during the year.
10. The Board approved appointment of 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. However, no new appointment has been made during the year.
11. Chief financial officer and chief executive officer have duly endorsed the financial statements of the six months and year end before approval of the Board.
12. **The board has formed committees comprising of members given below:**

**Audit Committee:**

- Arshad Arif – Chairman
- Misbah Taha Kanchwala
- Saman Fahim Memon

\*There is no independent director in the Audit Committee and the Chairman of the Audit Committee is not an independent director.

**Human Resource and Remuneration Committee:**

- Arshad Arif – Chairman
- Farzana Arif
- Misbah Taha Kanchwala

\*There is no independent director in the Human Resource and Remuneration Committee and the Chairman of the Committee is not an independent director.

13. The terms of reference of the aforesaid committees had not been formed, nor documented, advised to the committee for compliance.

14. The frequency of meetings of the committee were as per following:

Committee	Frequency
Board of Directors Meeting	Quarterly meetings
Audit Committee	Quarterly meetings
Human Resource and Remuneration Committee	Annual meetings

\*The frequency of the meetings was not followed during the year.

15. The board has not established 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 and 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. Requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have not been complied with.

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



Regulation / Non-compliance	Non-compliance	Explanation for Non-compliance
Regulation 9	The Chairman and the Chief Executive Officer of the Company is the same person.	The company has not appointed the posts to the separate persons.
Regulation 27	No independent director in the Audit Committee. Accordingly, the Chairman of the Audit Committee is not an independent director.	
Regulation 10(3)(iv) and Regulation 31	The board has not established an effective internal audit function.	As the company has been inoperative, hence the board has not established an internal audit function.

**ARSHAD ARIF**

Chairman & CEO

**Dated:** June 16, 2025

GLOBE TEXTILE MILLS LTD.

PERFORMANCE OF THE COMPANY AT A GLANCE  
YEAR ENDED JUNE 30, 2024

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
	(Rupees in thousand)						
	RESTATED						
STATISTICAL SUMMARY							
(Loss)/Profit before taxation	(1,964)	(2,237)	(4,204)	(3,039)	(3,176)	(3,263)	(4,478)
(Loss)/Profit after taxation	(1,964)	(2,237)	(4,204)	(3,039)	(3,176)	(3,263)	(4,478)
Total Assets	57,395	56,372	54,055	53,102	52,393	51,820	50,384
Paid-up-capital	163,674	163,664	163,664	163,664	163,664	163,664	163,664
Shareholders' equity	56,705	54,467	50,262	47,222	44,046	40,784	36,306
	0.346451336	0.332797683	0.30711048	0.288530159	0.269124548	0.24919347	0.22183253
EARNING AND PAY OUT							
(Loss)/Earning per share after taxation	(0.12)	(0.137)	(0.257)	(0.186)	(0.194)	(0.199)	(0.274)
Break-up value	3.46	3.32	3.07	2.88	2.69	2.49	2.21
Bonus shares	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	-	-	-
FINANCIAL RATIOS							
Current Assets: Current Liabilities	-	-	-	-	-	-	-
Long-term Debts: Equity	-	-	-	-	-	-	-
PRODUCTION							
Cotton yarn (000 Kgs)	-	-	-	-	-	-	-



## PATTERN OF SHARE HOLDINGS

FROM- 34

Pattern of holding of the shares held by the shareholders of  
Globe Textile Mills Limited  
as at June 30, 2024

NO. of Shareholders	Shareholding				Total Shares held
68	holding from	1	to	100	Shares 2,345
76	holding from	101	to	500	Shares 21,850
32	holding from	501	to	1000	Shares 22,484
24	holding from	1001	to	5000	Shares 65,527
176	holding from	5001	to	10000	Shares 1,610,483
83	holding from	10001	to	15000	Shares 998,773
4	holding from	15001	to	20000	Shares 76,738
2	holding from	20001	to	25000	Shares 48,330
1	holding from	45001	to	50000	Shares 49,515
1	holding from	50001	to	55000	Shares 53,000
2	holding from	1515000	to	1550000	Shares 3,063,176
4	holding from	1610000	to	1630000	Shares 6,490,054
1	holding from	3864000	to	3865000	Shares 3,864,076
474					16,366,351

Categories of Shareholders	Number	Share held	Percentage
Director, their Spouse(s) and Minor Children	16	13,417,306	81.98
Public Sector Companies, Banks, Corporations and Others	8	147,587	0.90
General Public	459	2,801,458	17.12
	483	16,366,351	100.00

## GLOBE TEXTILE MILLS LTD.

### DETAILS OF PATTERN OF SHAREHOLDING AS AT JUNE 30, 2024 AS PER REQUIREMENTS OF CODE OF CORPORATE GOVERNANCE.

#### DIRECTORS THEIR SPOUSE(S) , MINOR CHILDREN AND RELATIVES

Arif Haji Habib (Husband of Farzana Arif)	1	3,864,076
Farzana Arif (Director)	1	1,544,134
Arshad Arif ( Chief Executive )	1	1,615,300
Misbah Arif (Director)	1	1,629,801
Maheen Arif (Director)	1	1,617,615
Saman Arif (Director)	1	1,519,042
Humaira Arshad (Wife of Arshad Arif)	1	1,627,338
	<u>7</u>	<u>13,417,306</u>

#### **PUBLIC SECTOR COMPANIES AND CORPORATION**

Investment Corporation of Pakistan	1	2,035
National Bank of Pakistan - Trustee Department	1	80,930
National Investment Trust	1	16
National Industrial Co-Op Finance Corporation Ltd	2	48,330
Government Departments	2	1,776
The Bank of Punjab	1	14,500
	<u>8</u>	<u>147,587</u>

#### **GENERAL PUBLIC**

Local	459	2,801,458
	<u>459</u>	<u>2,801,458</u>

#### Shareholders holding 10% or more

Arif Haji Habib	3,864,076
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#### **Detail of trading in the shares by:**

#### **Directors, CEO,CFO, Company Secretary, their spouses and Minor children**

No trading was carried out by Director,CEO,CFO, Company Secretary, their spouses and minor children during the year under review.

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**Globe Textile Mills Limited**  
**Statement of Financial Position**  
**As at June 30, 2024**

		June 30, 2024	June 30, 2023 (Restated)
	Note	Rupees in '000'	
<b>Assets</b>			
<b>Non-current assets</b>			
Plant and equipment	4	-	1,434
<b>Current assets</b>			
Due from related parties	5	50,345	50,345
Cash and bank balance	6	39	41
		50,384	50,386
<b>Total assets</b>		50,384	51,820
<b>Equity and liabilities</b>			
<b>Share capital &amp; reserve</b>			
<b>Authorised share capital</b>			
20,000,000 (2023: 20,000,000) ordinary shares of Rs. 10/- each		200,000	200,000
<b>Capital reserves</b>			
Issued, subscribed and paid-up capital	7	163,664	163,664
Revenue reserve - accumulated loss		(127,358)	(122,880)
<b>Total equity</b>		36,306	40,784
<b>Current liabilities</b>			
Accrued liabilities and other payables	8	14,078	11,036
<b>Contingencies and commitments</b>	9	-	-
<b>Total equity and liabilities</b>		50,384	51,820

The annexed notes from 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

**Globe Textile Mills Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended June 30, 2024**

		<b>June 30,</b> <b>2024</b>	<b>June 30,</b> <b>2023</b> <b>(Restated)</b>
	<b>Note</b>	<b>----- Rupees in '000' -----</b>	
Revenue		-	-
Cost of sales		-	-
Administrative expenses	10	(3,045)	(2,905)
Other expenses	11	(1,433)	(358)
<b>Operating loss</b>		<b>(4,478)</b>	<b>(3,263)</b>
<b>Loss before taxation, minimum and final taxation</b>		<b>(4,478)</b>	<b>(3,263)</b>
Minimum tax differential		-	-
<b>Loss before tax</b>		<b>(4,478)</b>	<b>(3,263)</b>
Taxation	12	-	-
<b>Net loss after taxation</b>		<b>(4,478)</b>	<b>(3,263)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(4,478)</b>	<b>(3,263)</b>
<b>Loss per share - basic &amp; diluted (Rupees)</b>	13	<b>(0.27)</b>	<b>(0.20)</b>

The annexed notes from 1 to 21 form an integral part of these financial statements.

**Chief Executive Officer**

**Chief Financial Officer**

**Director**

**Globe Textile Mills Limited**  
**Statement of Cash Flows**  
**For the year ended june 30, 2024**

		June 30, 2,024	June 30, 2023 (Restated)
		----- Rupees in '000' -----	
Note			
	<b>Cash flows from operating activities</b>		
	Loss before taxation	(4,478)	(3,263)
	<b>Adjustments for non-cash charge:</b>		
4	Impairment - idle plant and equipment	1,433	-
	Depreciation - idle plant and equipment	-	358
	<b>Profit before working capital changes</b>	<b>(3,044)</b>	<b>(2,905)</b>
	<b>(Decrease) / increase in current assets:</b>		
	Due from related parties	-	219
	<b>(Decrease) / increase in current liabilities:</b>		
	Accrued liabilities and other payables	3,043	2,689
	<b>Net cash inflow after working capital changes</b>	<b>(2)</b>	<b>3</b>
	<b>Net cash generated from operating activities</b>	<b>(2)</b>	<b>3</b>
	Net increase in cash and cash equivalents	(2)	3
	Cash and cash equivalents at the beginning of the year	41	38
6	<b>Cash and cash equivalents at the end of the year</b>	<b>39</b>	<b>41</b>

The annexed notes from 1 to 21 form an integral part of these financial statements.

**Chief Executive Officer**

**Chief Financial Officer**

**Director**



**Globe Textile Mills Limited**  
**Statement of Changes in Equity**  
**For the year ended June 30, 2024**

	Issued, subscribed and paid-up capital	Revenue reserve accumulated loss	Total
	----- Rupees in '000' -----		
<b>Balance as at June 30, 2022</b>	<u>163,664</u>	<u>(112,466)</u>	<u>51,198</u>
Correction of error	-	(7,151)	(7,151)
<b>Restated total equity at the beginning of the financial year</b>	<u>163,664</u>	<u>(119,617)</u>	<u>44,047</u>
Net loss for the year (Restated)	-	(3,263)	(3,263)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(3,263)	(3,263)
<b>Balance as at June 30, 2023</b>	<u>163,664</u>	<u>(122,880)</u>	<u>40,784</u>
Net loss for the year (Restated)	-	(4,478)	(4,478)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(4,478)	(4,478)
<b>Balance as at June 30, 2024</b>	<u>163,664</u>	<u>(127,358)</u>	<u>36,306</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

Chief Executive Officer

Chief Financial Officer

Director

**Globe Textile Mills Limited**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2024**

**1. STATUS AND NATURE OF BUSINESS**

Globe Textile Mills Limited (the Company) was incorporated on November 17, 1967 as a public limited company in Pakistan and registered under the Companies Act, 1913 [Repealed with the enactment of Companies Act 2017]. Its shares are quoted on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and selling of yarn. The Company has ceased its concerned operations since April 2006.

The registered office of the Company is situated at Suit No.102, 1st Floor, Plot no. 18-C, Al-Murtaza Commercial Lane - 1, Phase-VIII, DHA, Karachi.

- 1.1** The Securities and Exchange Commission of Pakistan (SECP) issued a winding up order dated December 08, 2015 based on the facts that the Company is in non-productive state since April 2006 and has not come up with any revival plan for recommencement of business. Consequently, winding-up petition against the Company has

The Company has ceased its operations and sold its entire land, building, and significant portion of plant & machinery in order to pay off its loans/liabilities to the banks and other creditors. Further, as at reporting date, the Company has accumulated losses of Rs. 113.324 million equivalent to 69.24% of its paid-up capital. Therefore, the financial statements of the Company have been prepared on a non-going concern basis of accounting whereby the assets are stated at realisable values and the liabilities are stated at their approximate settlement amounts.

**2. BASIS OF PREPARATION**

**2.1 Basis of measurement**

Since the Company is not considered to be a going concern entity (refer note 1.1), these financial statements have been prepared on a basis other than going concern. All assets and liabilities are stated at their net realisable values / settlement amounts.

Further, 'Guideline on the basis of preparation of financial statements for companies that are not considered going concern' issued by the Institute of Chartered Accountants of Pakistan (ICAP) is followed in this respect.

**2.2 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 Standard (IFRS) issued by the International Accounting Standards
- Provisions of and directives issued under the Companies Act, 2017.

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

### 2.3 Accounting convention

These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively.

### 2.4 Significant accounting estimates and judgments

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

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are discussed below:

- realizable / settlement values of assets and liabilities respectively.
- disclosure and assessment of contingencies.

### 2.5 Changes in accounting standards and interpretations

Changes in accounting standards, interpretations and amendments to published approved accounting standards that are effective in current year and in the future does not have any impact on these financial statements.

### 2.6 Overall valuation policy

In view of the matter stated in note 1.1, these financial statements have been prepared on a basis other than going concern, whereby all assets are stated at the lower of carrying amount and their realisable values and all liabilities are stated at settlement values. Realizable / settlement values of assets and liabilities respectively as disclosed in these financial statements are based on the management's estimate.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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.

### 3.1 Plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation. Revaluation is carried out sufficiently to ensure that the carrying amounts of assets do not differ materially from the fair value.

Subsequent costs, if reliably measureable, are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Company. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to profit or loss account during the period in which they are incurred.



Subsequent costs, if reliably measureable, are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Company. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to profit or loss account during the period in which they are incurred.

Depreciation is charged by applying the reducing balance method after taking into account residual value, if any, whereby the depreciable amount of the assets is written-off over its estimated useful life at the rates mentioned in the note 4 to these financial statements. Depreciation is charged from the year the asset is available for use and up to the year, preceding the disposal.

Impairment loss, if any, or its reversal, is also charged to the statement of comprehensive income for the year. Where an impairment loss is recognised, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its estimated useful life.

The useful life of plant and equipment is reviewed, and adjusted if appropriate, at each financial year end. The effect of any adjustment to useful life is recognised prospectively as a change of accounting estimate in the statement of comprehensive income.

Disposal of assets is recognised when significant risks and rewards incidental to the ownership have been transferred to buyer. Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts and are recognised in the statement of comprehensive income.

General repairs and maintenance are charged to statement of comprehensive income as and when incurred. Gain

### **3.2 Trade debts and other receivables**

Trade and other receivables are stated at their realisable values.

### **Taxation**

#### **3.3**

#### **Current**

Provision for current taxation is based on 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 or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

#### **Deferred**

Deferred tax is provided using the balance sheet liability method for temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits, if any, to the extent that it is probable that taxable profits will be available against which such temporary differences and tax losses and credits can be utilized. Deferred tax liabilities are recognized for all major taxable temporary differences.

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

These financial statements have been prepared on a basis other than going concern, therefore deferred tax asset is not recognised in these financial statements.

### **3.4 Levy**

Minimum tax, final tax, and super-tax not based on taxable profits are recognized as a levy in the statement of profit or loss and other comprehensive income. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as a levy is then recognized as current income tax expense in the statement of profit or loss and other comprehensive income.

### **3.5 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **3.5.1 Initial measurement of financial assets**

The financial assets are initially measured at fair value through other comprehensive income (FVTOCI), at fair value through other profit or loss (FVTPL) and at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. Financial assets are classified and measured at fair value through other comprehensive income (FVTOCI) or amortised cost, if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset and; (Business Model test);
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principle and Interest thereon. (SPPI test).

#### **3.5.2 Subsequent measurement**

Financial assets are subsequently measured at amortised cost if Business Model test and SPPI test is passed. These assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method and are subject to impairment as at each reporting date. Gains / losses are recognised in the statement of profit or loss when the asset is derecognised / retired / modified.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.



The Company, upon initial recognition, may make an irrevocable election to classify its equity investments at FVTOCI that are not held for trading purpose. Subsequent changes in the fair value of an equity investment are presented in other comprehensive income which are never reclassified to the statement of profit or loss. These are not subject to impairment assessment.

### 3.5.3 Financial liability

Financial liabilities are initially recognised as financial liability at fair value through profit or loss or at amortised cost using Effective Interest Rate (EIR) method as appropriate. Financial liabilities are initially recognised at fair value net of directly attributable transaction cost in case of loans, borrowings and payables. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are subsequently measured at amortised cost using the EIR method.

### 3.5.4 Derecognition of financial assets and financial liabilities

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. Derecognition of financial liabilities occurs from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

### 3.6 Offsetting of financial assets and liabilities

Financial asset and financial liability are offset and the net amount is reported in the statement of financial position, if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3.7 Impairment

#### Financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk from the date of initial recognition of a financial asset. For trade receivables, the Company applies 'simplified approach' as permitted by IFRS 9. Loss allowances are recognised in the statement of comprehensive income as at reporting date.

#### Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. An asset's recoverable amount is the higher of its fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment as at each reporting date. Reversal of impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss, or the reversal of an impairment loss, are both recognised in the statement of comprehensive income.



### 3.8 Functional currency and foreign currency transactions

These financial statements are presented in Pak Rupees which is also the functional currency of the Company.

Transactions in foreign currencies are translated to Pak Rupees at the rates of exchange prevailing on the date of the respective transactions. Monetary assets and liabilities, denominated in foreign currencies are translated to Pak Rupees at rates which approximate to those prevailing at the reporting date. Exchange differences arising from the settlement of such transactions, and from the translation of monetary items at the end of the year exchange rates, are charged to the statement of profit or loss.

### 3.9 Revenue recognition

The Company recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

### 3.10 Trade and other payables

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

### 3.11 Cash and cash equivalents

Cash and cash equivalent are carried in the statement of financial position at cost. For the purposes of statement of cash flow statement, cash and cash equivalent comprises of cash in hand and balance with bank on current account.

### 3.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. However, provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

### 3.13 Earning per share

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

### 3.14 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

### 3.15 Related party transactions

Related parties comprises of entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel. Transactions with related parties are entered into at rates negotiated with them (agreed terms).

### 3.16 Change in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountants of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024, and defined following two approaches:

#### Approach 1:

Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

#### Approach 2:

Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year end 30 June 2024, the company has revised its accounting policy and adopted approach 1.

The Company has not restated its financial statements as per IAS 8, so the impact is not material.

#### 4. PLANT AND EQUIPMENT

Particulars	Cost		Accumulated depreciation		Net book value as at June 30, 2024	%
	As at July 1, 2023	As at June 30, 2024	As at July 1, 2023	Charge for the year*	As at June 30, 2024	
	Rupees in '000'					
Plant & equipment	658,534	658,534	611,038	-	611,038	20%
	<u>658,534</u>	<u>658,534</u>	<u>611,038</u>	<u>-</u>	<u>611,038</u>	<u>-</u>

The statement of property, plant and equipment for the last year is as follows:

Particulars	Cost		Accumulated depreciation		Net book value as at June 30, 2023	%
	As at July 1, 2022	As at June 30, 2023	As at July 1, 2022	Charge for the year*	As at June 30, 2023	
	Rupees in '000'					
Plant & equipment	658,534	658,534	610,680	358	611,038	20%
	<u>658,534</u>	<u>658,534</u>	<u>610,680</u>	<u>358</u>	<u>611,038</u>	<u>1,434</u>

\* The entire depreciation and impairment loss has been allocated to 'other expenses' due to the non-productive status of plant & equipment.

4.1 The plant and equipment of the Company is stored in Kotri at the premise of Companys' related party, Globe Textile Mills (OE) Limited, due to non-availability of storage space with the Company.



	Note	June 30, 2024	June 30, 2023
		---Rupees in '000'---	
<b>5. DUE FROM RELATED PARTY</b>			
Mr. Arif Habib (Late Ex-CEO)	5.1	50,345	50,345
		<u>50,345</u>	<u>50,345</u>

5.1 This represents amount receivable from Mr. Arif Habib (Late Ex- CEO) in compliance with the interim order of Enforcement Department of Securities and Exchange Commission of Pakistan (SECP). SECP while disposing off the proceedings initiated against the Company, its CEO and directors in violation of provisions of Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017) had directed the Company to record a receivable from the CEO amounting to Rs. 50.345 million, which was admitted by him, to retrieve certain financial transaction of the Company in the preceding years which were not approved by SECP and were directed to be reintroduced in the books of account of the Company. No mark-up to be charged on the outstanding amount.

5.2 The maximum amount outstanding calculated with reference to month end balances is Rs. 50.345 (June 30, 2023: 50.345) million.

5.3 Mr. Arif Habib, CEO of the Company passed away on January 29, 2024. His liability to the Company is being taking up by his legal heirs as succession formalities are under process.

5.4 This represent a payment on behalf of the related party during the year.

	June 30, 2024	June 30, 2023
	---Rupees in '000'---	
Cash in hand	1	4
Cash at bank		
-Current account	38	37
	<u>39</u>	<u>41</u>

**7. SHARE CAPITAL AND RESERVE**

**Authorized share capital**

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
Number of shares			---Rupees in '000'---	
<u>20,000,000</u>	<u>20,000,000</u>	Ordinary shares of Rs.10/- each	<u>200,000</u>	<u>200,000</u>

**Issued, subscribed and paid-up share capital**

June 30, 2024	June 30, 2023		June 30, 2024	June 30, 2023
Number of shares				
<u>16,366,351</u>	<u>16,366,351</u>	Ordinary shares of Rs.10/- each allocated for consideration paid in cash	<u>163,664</u>	<u>163,664</u>

7.1 As at reporting date, chief executive officer, directors and their spouses held 81.98 % (2023: 81.98%) and the balance of 18.02% (2023: 18.02%) are held by individuals and others.

7.2 All ordinary shares rank equally with regard to residual assets of the Company. The ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting rights, board selection, right of first refusal and block voting are in proportion to shareholding.

	June 30, 2024	June 30, 2023 (Restated)
<b>8. ACCRUED LIABILITIES AND OTHER PAYABLES</b>		
	---Rupees in '000'---	
Accrued liabilities	753	471
Payable to Globe Textile Mills (OE) Ltd	6,792	5,672
Payable to AHT International (Pvt) Limited	5,272	3,808
Payable to Central Depository Company	302	302
Payable to Pakistan Stock Exchange	959	783
Others	-	-
	<u>14,078</u>	<u>11,036</u>

## 9. CONTINGENCIES AND COMMITMENTS

9.1 During the year ended June 30, 2012, the Company received an assessment order under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2009 and accordingly demand of Rs. 10.672 million was raised in respect of WWF payable. The Company filed an appeal before Commissioner Inland Revenue (Appeals-I), Karachi challenging the above order on the ground that since the appellant is not an industrial establishment within the meaning of Workers Welfare Ordinance, 1971, the levy was not attracted to the Company. Commissioner Inland Revenue (Appeals-I) directed to delete the demand raised in respect of Workers Welfare Fund after which the Tax Department filed an appeal before Appellate Tribunal Inland Revenue. The appeal filed by the Tax Department before Appellate Tribunal Inland Revenue failed. In 2014 tax department filed an appeal before the High Court of Sindh which is still pending adjudication. The management in consultation with their tax lawyer is confident that the eventual outcome of the matter will be decided in favor of the Company. Accordingly, no provision has been made to the above pending a final decision in this matter.

9.2 The Company is involved in multiple legal, contractual, and regulatory matters that may give rise to liabilities contingent upon the outcome of future events. Based on the requirements of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the Company has evaluated the status and likelihood of these matters resulting in probable outflows of resources embodying economic benefits. The key events relevant to these assessments are summarized below:

### 1. SECP Wind-up Petition and Related Court Proceedings

On August 28, 2017, the Securities and Exchange Commission of Pakistan (SECP) filed a wind-up petition against the Company in the Sindh High Court. The matter progressed with partial settlements, including refunding part of the petition fees and withdrawal activities initiated in April 2019. The Company continues to address residual legal and administrative matters with SECP, with related legal fees recorded as incurred.

Assessment: No provision has been recognized as the case has been partially resolved and no probable outflows are expected.

Disclosure: The matter is disclosed as a contingent liability due to residual legal formalities and pending correspondence.

#### 2. Share Purchase and Escrow Agreement (SPA) Dispute

Between July 2018 and December 2024, the Company entered into a SPA and escrow arrangements with OBS and SMMS. Subsequent non-performance, including failure to complete payments and delivery of commitments, led to issuance of legal notices and initiation of civil litigation in May 2025.

##### Key Developments:

Letters exchanged regarding payment delays (Nov 2023 to Jan 2024).

Termination attempts and forfeiture notifications (May 2024).

Legal notices served to OBS, SMMS, and Shabbir Kasbati in Feb–Mar 2025.

Civil litigation initiated on May 15, 2025, for breach of agreement.

Assessment: The case is currently under judicial proceedings. Based on legal counsel, the likelihood of a liability crystallizing is considered possible but not probable, and the financial impact is not reliably estimable.

Disclosure: The matter is disclosed as a contingent liability.

#### 3. Commission and Mandate Disputes – Shabbir Kasbati

Involving the payment of a 1% commission and benami share arrangements (Feb 2018, Aug 2018), disputes escalated following the termination of mandate on March 11, 2025. Legal notices have been served, with no formal response received.

Assessment: As the matter may result in counterclaims, and legal outcomes remain uncertain, this is treated as a contingent liability. No provision is recognized due to uncertainty over outcome and quantum.

#### 4. Pending Regulatory Approvals and Public Announcements

The Company has been involved in multiple announcements and regulatory disclosures through PSX and the press (2018–2019), including a withdrawn public offer by AKD and name change notifications by OBS. No known liabilities arise from these disclosures.

Assessment: No provision or contingent liability recognized.

#### 5. Escrow Release Dispute with SMMS

+The Company and its directors have communicated their intent to prevent the release of documents held in escrow following cancellation notices and responses between Dec 2024 – Feb 2025. SMMS has indicated a requirement for court orders to release the documents.

Assessment: While a court decision may be required, no immediate obligation or outflow is deemed probable. Legal proceedings may affect future periods.

### 9.3 There were no commitments as at reporting date (2023: nil).



		June 30, 2024	June 30, 2023 (Restated)
		---Rupees in '000'---	
<b>10. ADMINISTRATIVE EXPENSES</b>	<b>Note</b>		
Management Fee		948	881
Subscription, fees and taxes		162	145
Security Expenses		14	12
Office rent		1,120	1,042
Utilities Expenses		517	481
Professional charges		-	40
Printing, stationery and others		2	14
Advertisement		-	9
Auditors' remuneration	10.1	282	281
		<u>3,045</u>	<u>2,905</u>
<b>10.1 Auditor's remuneration</b>			
Annual audit fee		200	200
Fee for half yearly review & code of corporate governance certification.		75	71
Out of pocket expenses		7	10
		<u>282</u>	<u>281</u>
<b>11. OTHER EXPENSES</b>			
Depreciation - idle plant and equipment		-	358
Impairment - idle plant and equipment	4	1,433	-
		<u>1,433</u>	<u>358</u>
<b>12 TAXATION</b>			
<b>12.1</b>	The income tax assessments of the Company have been finalised up to and including the tax year 2023.		
<b>13. LOSS PER SHARE - BASIC &amp; DILUTED</b>			
Loss after taxation		<u>(4,478,000)</u>	<u>(3,263,000)</u>
Weighted average number of shares		<u>16,366,351</u>	<u>16,366,351</u>
Basic & diluted - loss per share (Rupees)		<u>(0.27)</u>	<u>(0.20)</u>
<b>14. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES</b>			
No remuneration or benefit has been paid to chief executive officer and directors of the Company during the year (2023: nil). There were no executives of the Company during the year.			

## 15. RELATED PARTY TRANSACTIONS

The related parties of the Company include entities having directors in common with the Company, major shareholders of the Company, directors and other key management personnel as disclosed in note 3.14.

Related Party	Nature of relationship	Nature of transaction / balance	June 30, 2024	June 30, 2023
---Rupees in '000'---				
Chief Executive Officer	Director	Payment received from Chief Executive Officer of the Company.	-	219
M/s. Globe Textile Mills (OE) Limited	Common Directorship	Payable	1,120	5,672

## 16. FINANCIAL INSTRUMENTS BY CATEGORY

	Amortised cost	FVTOCI	FVTPL	TOTAL
<b>June 30, 2024</b>				
<b>Financial assets</b>				
Due from related party	50,345	-	-	50,345
Cash and bank balance	39	-	-	39
	<u>50,384</u>	<u>-</u>	<u>-</u>	<u>50,602</u>
<b>Financial liabilities</b>				
Accrued liabilities and other payables	14,078	-	-	14,078
<b>June 30, 2023</b>				
<b>Financial assets</b>				
Due from related party	50,345	-	-	50,345
Cash and bank balance	41	-	-	41
	<u>50,386</u>	<u>-</u>	<u>-</u>	<u>50,602</u>
<b>Financial liabilities</b>				
Accrued liabilities and other payables	11,036	-	-	11,036

## 17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Due to limited activities and non-operational status the Company as refer to in note 1.1 to the financial statements, the Company is exposed to limited financial risks i.e. market risk, credit risk and liquidity risk. The Board of Directors supervises the overall risk management approach within the Company which is managed through monitoring and controlling activities primarily set-up to be performed based on limits established by the management.

### 17.1 Credit risk

Credit risk is the risk that counterparty will cause a financial loss to the Company by failing to discharge its obligations. As at reporting date, the Company is mainly exposed to such credit risk arising from balance receivable from CEO amounting to Rs.50.420 million (2023: Rs.50.420 million). No significant liquid funds are placed with Banks, therefore, no material credit risk arises with these deposits as at reporting date.

### 17.2 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with its financial liabilities. Due to non-operational status of the Company, the Company is required to make payments in respect of certain general nature of services received during the year. The Company arranges funds as and when these liabilities become due in normal course of business and discharge them accordingly. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Non-interest / Non-mark up bearing			Total
	Less than 3 months	3 months to 12 months	1 to 5 years	
Accrued liabilities and other payables	14,078	-	-	14,078
As at June 30, 2024	14,078	-	-	14,078
Accrued liabilities and other payables	11,036	-	-	11,036
As at June 30, 2023	11,036	-	-	11,036

### 17.3 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market variables such as interest rates, foreign exchange rates and equity prices. Due to the non-operational status and limited number of activities, the Company is not exposed to such risks as at reporting date.

### 17.4 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The carrying amounts reflected in the financial statements represent net realisable values in respect of assets and settlement amounts in respect of current liabilities as refer in note 1.1 to the financial



statements.

	June 30, 2024	June 30, 2023
18. NUMBER OF EMPLOYEES		
Number of employees at the year end	None	None
Average number of employees during the year	None	None

19. AUTHORIZATION FOR ISSUE

These financial statements were authorized on June 16, 2025 by the Board of Directors of the Company.

20. CORRESPONDING FIGURES

Corresponding figures have been re-classified / re-arranged, wherever necessary for the purpose of comparison, however, there was no material reclassification during the year.

21. GENERAL

Figures have been rounded off to the nearest thousand of rupees.

Chief Executive Officer

Chief Financial Officer

Director

## 15- ڈائریکٹرز

زیر جائزہ سال کے دوران، درج ذیل افراد نے کمپنی کے ڈائریکٹرز کے طور پر کام کیا:

☆ فرزانہ عارف

☆ ارشد عارف

☆ حمیرہ ارشد

☆ مسباح طہ کالج والا

☆ شمن محمد فہیم

☆ ماہین عارف

☆ لائبہ ارشد

## 16- ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے معاوضہ جات

زیر جائزہ سال کے دوران، چیف ایگزیکٹو آفیسر یا ڈائریکٹرز کو کوئی معاوضہ، فائدہ، بونس، اسٹاک آپشنز کی پیشکش یا کوئی مراعات نہیں دی گئی ہیں۔ اس مدت کے دوران کمپنی کے کوئی ایگزیکٹو نہیں تھے۔

## 17- کمپلائنس سے متعلق بیان

بورڈ کے تصدیق کرتا ہے کہ موجودہ حالات و واقعات میں جہاں تک ممکن تھا، کمپنی نے، کمپنیز ایکٹ 2017 کی تمام لاگو شرائط کی پیروی کی ہے۔  
بورڈ آف ڈائریکٹرز کی طرف سے،

ارشد عارف

چیف ایگزیکٹو آفیسر

تاریخ: 17 جون 2024

مقام: کراچی

## 10- اندرونی سطح پر مالی ضابطے

کمپنی کی آپریشنل سرگرمیاں محدود ہونے کی وجہ سے، مالی رپورٹنگ سے متعلق اندرونی سطح پر کنٹرول مناسب موجودہ امور سے متعلق ہم آہنگ تصور کیے گئے ہیں۔

## 11- بنیادی تبدیلیاں

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے مابین، کوئی ایسی بنیادی تبدیلی یا ذمہ داری نہیں اٹھائی گئی ہے جس کی وجہ سے کمپنی کی مالی پوزیشن متاثر ہوئی ہو۔

## 12- خسارہ کی وجوہات اور مستقبل کے امکانات

اس سال ہونے والے نقصان کی بنیادی وجہ اس وقت جاری قانونی معاملات، انتظامی اخراجات اور کمپنی کا کام جاری نہ رکھنا ہے۔ انتظامیہ قانونی تسکین حاصل کرنے، واجبات وصول کرنے، اور اگر مناسب ہو تو مستقبل میں کاروباری مواقع تلاش کرنے کا عزم رکھتی ہے۔

## 13- ماحولیات اور سماجی ذمہ داریاں

کمپنی کے کام نہ کرنے کی وجہ سے، زیر جائزہ سال کے دوران نہ ہی کوئی ماحولیات اثرات مرتب ہوئے ہیں اور نہ ہی کوئی کارپوریٹ سماجی ذمہ داریوں کی انجام دہی سے متعلق کوئی سرگرمی کی گئی ہے۔

## 14- ملازمین

کمپنی کے کام نہ کرنے کی وجہ سے، سال اختتام پذیر 30 جون 2024 کے دوران کمپنی کا کوئی ملازم نہیں تھا۔



## 5۔ درپیش خطرات اور یقینی صورتحال

کمپنی کو درپیش خطرات، اس وقت جاری قانونی کارروائیوں کے حتمی فیصلے اور نوٹ 9 میں بیان کردہ بڑی مالی ذمہ داریوں کے حوالے سے غیر یقینی صورتحال پر منحصر ہیں۔ کمپنی قانونی مشیروں کے صلاح مشورے سے اس سلسلے میں ہونے والی ہر پیشرفت کی مسلسل نگرانی کر رہی ہے۔

## 6۔ آڈیٹرز کی رپورٹ پر وضاحت

آڈیٹرز نے رائے دینے سے معذورت کا نوٹ (disclaimer of opinion) جاری کیا ہے جس کی بنیادی وجہ موجودہ قانونی معاملات اور ابتدائی بیلنس کی تصدیق یا ممکنہ رد و بدل کی تصدیق کرنے کے حوالے سے آڈٹ کیلئے معقول ثبوت نہ ہونے پر انتظامیہ کی جانب سے گذشتہ سال کے اعداد و شمار پر انحصار ہے۔

## 7۔ شیئر ہولڈنگ کا خاکہ

30 جون 2024 تک شیئر ہولڈنگ کا خاکہ اس رپورٹ کے ساتھ منسلک ہے، جیسا کہ کمپنیز ایکٹ 2017 میں تقاضہ کیا گیا ہے۔

## 8۔ ہولڈنگ کمپنی

کمپنی کی کوئی غیر ملکی یا مقامی ہولڈنگ کمپنی نہیں ہے۔

## 9۔ قرض کی ادائیگیوں میں ناکامی

زیر غور سال کے دوران، کسی مالی ذمہ داریوں کی ادائیگی میں کوئی نئی کوتاہی نہیں ہوئی ہے، سوائے نوٹ 9 میں بیان کردہ تنازع سے متعلق معاملات کے علاوہ۔

گذشتہ سال کے دوران، ٹیکسٹائل سیکٹر کو کپاس کی قیمتوں میں اتار چڑھاؤ کا سامنا رہا اور شدید اتار چڑھاؤ کی وجہ سے سپلنگ آپریشنز کی مالی صلاحیت متاثر ہوئی۔ صنعت کی بحالی میں بنیادی رکاوٹیں، بجلی اور گیس کی قلت، توانائی کی مسلسل فراہمی نہ ہونا اور یوٹیلیٹیز اخراجات میں بے تہاشہ اضافہ ہیں۔ تاہم ڈائریکٹراب بھی بحالی کے منصوبے کے حوالے سے پر امید ہیں تاہم جملہ قابل ذکر اخراجات، بھاری شرح سود اور مجموعی غیر یقینی معاشی صورتحال نے یہ ضروری بنادیا ہے کہ یہ مالی گوشوارے ”آپریشنز جاری نہ رہنے“ کی بنیاد پر تیار کیے جائیں۔ اس صورتحال میں، بورڈ کا یہ نظریہ ہے کہ ابھی وقت کمپنی کے آپریشنز کی بحالی کیلئے موذوں نہیں ہے۔ لہذا بحالی کا منصوبہ فی الحال معطل ہے اور اس وقت دوبارہ جائزہ لیا جائے گا جب زیادہ مستحکم اور سازگار حالات پیدا ہوں گے۔

### 3۔ کمپنی کی بنیادی سرگرمیاں

کمپنی بنیادی طور پر دھاگے کی پیداوار اور فروخت میں مصروف عمل تھی۔ تاہم، اپریل 2006 سے پیداواری آپریشنز معطل ہیں اور کمپنی قانونی اور کمپلائنس معاملات کو نبھانے کیلئے انتہائی چھوٹے پیمانہ پر کام کر رہی ہے۔

### 4۔ مالی نتائج کا خلاصہ

سال اختتام پذیر 30 جون 2024 کے مالی نتائج کا خلاصہ درج ذیل ہے:

کوائف	سال 2024 (روپے میں)	سال 2023 (روپے میں)
آمدنی	کوئی نہیں	کوئی نہیں
انتظامی و دیگر اخراجات	(4,478)	(3,263)
جملہ خسارہ	(4,478)	(3,263)
فی شیئر خسارہ (بنیادی و مخفف)	(0.27)	(0.20)

مسلسل خسارہ کی وجہ سے کوئی ”نفع منقسمہ“ یعنی Dividend کی منظوری نہیں دی گئی ہے۔

برائے سال اختتام پذیر 30 جون 2024

ڈائریکٹرز رپورٹ

گلوب ٹیکسٹائل ملز لمیٹڈ

گلوب ٹیکسٹائل ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ، مالی سال اختتام پذیر 30 جون 2024 کی سالانہ رپورٹ بمع آڈٹ شدہ مالی گوشوارے پیش کرتے ہیں۔

#### 1- کاروباری جائزہ اور موجودہ صورتحال

زیر غور سال کے دوران، کمپنی شیئر خریداری معاہدے (SPA) کے تحت خریدار پر عائد ذمہ داریوں کی انجام دہی نہ ہونے کی وجہ سے پیدا ہونے والے اہم قانونی اور معاہداتی معاملات کو حل کرنے میں مصروف عمل رہی رہے۔ جیسا کہ مالی گوشواروں کے نوٹ 9.2 میں تفصیل سے بیان کیا گیا ہے کہ اس کی وجہ سال 2017 سے شروع ہونے والے متعدد قانونی نوٹس، مراسلات اور عدالتی کارروائیوں پر مبنی ایک طویل تنازعہ ہے۔ یہ تنازعہ کب حل ہوگا اور اس کے مالی اور عملی اثرات کیا ہوں گے، ابھی تک کچھ یقین سے نہیں کہا جاسکتا۔ ان حالات کے پیش نظر، انتظامیہ نے ابتدائی بیلنس میں گذشتہ سال کے آڈٹ شدہ مالی گوشواروں کا حوالہ دیا ہے اور یہ بات ممکن نہیں سمجھی گئی ہے کہ آیا اس میں کسی قسم کی رد و بدل کرنے کی ضرورت ہوگی یا نہیں۔ نتیجتاً، بیرونی آڈیٹرز نے زیر غور سال کے مالی گوشواروں پر اپنی رائے دینے سے معذرتی نوٹ جاری کیا ہے۔

#### مستقبل کے امکانات

بورڈ نے پہلے ہی کمپنی کی بحالی کیلئے دستیاب آپشنز پر غور کیا تھا اور سپننگ آپریشنز کو دوبارہ شروع کرنے پر توجہ مرکوز کی گئی تھی۔



# گلوب ٹیکسٹائل ملز لمیٹڈ

## اطلاع برائے میٹنگ

بذریعہ ہذا مطلع کیا جاتا ہے کہ 57 ویں سالانہ جنرل میٹنگ برائے حصص داران گلوب ٹیکسٹائل ملز لمیٹڈ بروز منگل مورخہ 15 جولائی 2025 وقت شام 04:00 بجے، کمپنی کے رجسٹرڈ دفتر واقع سوئٹ نمبر 102، فرسٹ فلور، پلاٹ نمبر C-18، المرئضی کمرشل، لین-1، فیز-8، DHA، کراچی میں ذیل کاروباری معاملات کیلئے منعقد کی جائے گی:

- (1) گذشتہ سالانہ جنرل میٹنگ مورخہ 17 فروری 2025 کے منٹس کی تصدیق کیلئے۔
- (2) ڈائریکٹرز کی رپورٹ اور آڈیٹ اکاؤنٹ برائے دورانیہ اختتام پذیر 30 جون 2024 جو کہ دونوں ڈائریکٹرز کی رپورٹ میں موجود ہے، کو وصول و قبول کرنے کیلئے۔
- (3) برائے دورانیہ اختتام پذیر 30 جون 2025 کیلئے آڈیٹرز کی تقرری اور ان کی تنخواجات مقرر کرنے کیلئے۔
- (4) چیئرمین کی اجازت کے ساتھ دیگر کاروباری لین دین کیلئے۔

بحکم بورڈ  
حمیر ارشد  
کمپنی سیکریٹری

کراچی، بتاریخ: 19-06-2025

- (1) کمپنی کی حصص منتقلی کتاب 7 جولائی 2025 سے 15 جولائی 2025 (جمع دونوں دن) بند رہے گی۔
- (2) کمپنی کا ہر ممبر اس میٹنگ میں حاضر ہونے اور ووٹ دینے کا حقدار ہے، اور اپنے توسط سے اس میٹنگ میں شرکت کرنے، بولنے اور ووٹ دینے کیلئے کسی فرد کو نامزد کرنے کا اہل ہے۔ اس کی جانب سے نامزدگی کیلئے، باضابطہ ممبر، دستخط شدہ اور تصدیق شدہ اطلاع، کمپنی کے رجسٹرڈ دفتر واقع سوئٹ نمبر 102، فرسٹ فلور، پلاٹ نمبر C-18، المرئضی کمرشل، لین-1، فیز-8، DHA، کراچی پر اس میٹنگ کے شروع ہونے سے 48 گھنٹے قبل لازماً موصول ہونی چاہئے۔
- (3) ممبران سے التماس کی جاتی ہے کہ وہ فوری طور پر کمپنی کو اپنے ایڈریس کی تبدیلی سے متعلق آگاہ کریں۔

# Globe Textile Mills Limited

## Form of Proxy

I \_\_\_\_\_  
of \_\_\_\_\_  
being a member of GLOBE TEXTILE MILLS LIMITED and the holder of \_\_\_\_\_  
Ordinary Shares as per Share Register Folio No. \_\_\_\_\_  
hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ Folio No. \_\_\_\_\_  
as my proxy to attend and vote for me and on my behalf at the FIFTYTH SEVEN ANNUAL GENERAL  
MEETING of the Company to be held on July 15, 2025 or any adjournment thereof.

1) Witness \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
NIC NO. \_\_\_\_\_

Signed by me this Nineteen day of June 2025

Signed \_\_\_\_\_

Affix Revenue  
Stamp Rs.5.00

### Notes:

- 1 Signature should tally with the specimen signature registered with the Company
- 2 This form of proxy, duly completed, witnessed and signed across five rupees Revenues Stamp, must be deposited at the Company's Registered Office not later than 48 hours before the meeting.
- 3 A proxy must be a member of the Company.

# **BOOK POST**

UNDER POSTAL CERTIFICATE

If undelivered, please return to:

**GLOBE TEXTILE MILLS LIMITED**

Suit No.102, 1st Floor, Plot No.18-C,

Al Murtaza Commercial, Lane-1, Phase VIII, DHA,  
Karachi.