

Central Depository Company of Pakistan Limited  
Non Free Float Security Wise Summary Report

Security Symbol : SHCM SHADMAN COTTON MILLS LIMITED  
Non Free Float Date: 30/06/2023

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User : C0000702  
Date : 14/07/2023  
Time : 12:08:48

Category No.	Category Description	No. Of Shares
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	Issued Share / Certificate Capital of the Company / Modaraba / Mutual Funds	17,636,719
	Less:	
	Physical Shares	(3,827,188)
CAT02	Directors, Sponsors and Senior Management Officers and their Associates	(12,953,588)
	<u>Free Float Shares</u>	<u>855,943</u>

Confidential

### INDEPENDENT REASONABLE ASSURANCE REPORT ON STATEMENT OF FREE FLOAT OF SHARES

To the Chief Executive  
SHADMAN COTTON MILLS LIMITED.  
LAHORE.

#### 1. Introduction

We have been engaged to perform a reasonable assurance engagement on the annexed Statement of Free Float of Shares of SHADMAN COTTON MILLS LIMITED as of 30<sup>th</sup> September 2022, 31<sup>st</sup> December 2022, 31<sup>st</sup> March 2023 and 30<sup>th</sup> June 2023.

#### 2. Applicable Criteria

The criteria against which the Statement is assessed is Regulation No. 5.7.2(b)(ii) of Pakistan Stock Exchange Limited Regulations (PSX Regulations) which requires every Listed company/modaraba/mutual fund to submit directly to Pakistan Stock Exchange (PSX) an annual Free-Float Certificate duly verified by the auditor along with the annual audited accounts as prescribed under regulation 5.6.9(a) of the PSX Regulations.

#### 3. Management's Responsibility for the Statement/s

Management is responsible for the preparation of the Statement as of 30<sup>th</sup> September 2022, 31<sup>st</sup> December 2022, 31<sup>st</sup> March 2023 and 30<sup>th</sup> June 2023 in accordance with the applicable criteria. This responsibility includes maintaining adequate records and internal controls as determined necessary to enable the preparation of the Statement/s such that it is free from material misstatement, whether due to fraud or error.

#### 4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### 5. Our responsibility and summary of the work performed

Our responsibility is to carry out an independent reasonable assurance engagement and to express an opinion as to whether the Statement is prepared in accordance with the applicable criteria, based on the procedures we have performed and the evidence we have obtained.



# MUSHTAQ & CO.

## CHARTERED ACCOUNTANTS

Head Office: 407, Commerce Centre, Hasrat Mohani Road, Karachi. Tel: 021-32638521-3  
Email: info@mushtaqandco.com, audit.khi@mushtaqandco.com



We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements other than audits or reviews of historical financial statements' (SAE 3000) (Revised) issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable Level of assurance about whether the Statement is free from material misstatement.

A reasonable assurance engagement in accordance with ISAF 3000 (Revised) involves performing procedures to obtain evidence about the free float of shares and related information in the Statement. The nature, timing and extent of procedures selected depend on the practitioner's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the Statement. In making those risk assessments, we considered internal control relevant to SHADMAN COTTON MILLS LIMITED's preparation of the Statement. A reasonable assurance engagement also includes assessing the applicable criteria used and significant estimates made by management, as well as, evaluating the overall presentation of the Statement.

We have carried out the procedures considered necessary for the purpose of providing reasonable assurance on the Statement. Our assurance procedures performed included verification of information in the Statement with the underlying data and record comprising of Central Depository Company statements, forms submitted by the Company with Securities & Exchange Commission of Pakistan relating to its pattern of shareholding and other related information. Verification that the computation of free float of shares is in accordance with the PSX regulation also forms part of our assurance procedures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 6. Opinion

In our opinion, the Statement as of 30<sup>th</sup> September 2022, 31<sup>st</sup> December 2022, 31<sup>st</sup> March 2023 and 30<sup>th</sup> June 2023 is prepared, in all material respects, in accordance with the PSX Regulations.

### 7. Restriction on use and distribution

This report is issued in relation to the requirements as stipulated under Regulation No 5.7.2(b)(ii) of the PSX Regulations and is not to be used or distributed for any other purpose. This report is restricted to the facts stated herein and the attachments.

Date: 06 OCT 2023

Mushtaq & Co.  
Mushtaq & Co.  
Chartered Accountants



# MUSHTAQ & CO.

## CHARTERED ACCOUNTANTS

Head Office: 407, Commerce Centre, Haurat Mohani Road, Karachi. Tel: 021-32638521-3  
Email: info@mushtaqandco.com, audit.khi@mushtaqandco.com



Lahore: October 06, 2023

**Head of Operations**  
**Central Depository Company of Pakistan Limited**  
**CDC House**  
**99-B, Block 'B' S.M.C.H.S**  
**Main Shahr-e-Faisal**  
**Karachi-74400**

Dear Sir

In Compliance with CDC Regulation No. 13.7.1, we are writing to confirm as follows:

Dated	As of last day of Financial year Ended June 30, 2023
Security Name	SHADMAN COTTON MILLS LIMITED
Security Symbol	SHCM

	Number of Securities
Balance at the end of year in the CDC's Nominee Holding in Member's Register	13,809,531
Balance of book entry security in the Central Depository Register	13,809,531
Difference, If any	NIL

Please acknowledge receipt,

Thanking you

Yours Sincerely,

*Mushtaq & Co.*  
**Mushtaq & Co.**  
Chartered Accountants



**CONFIRMATION OF CDC'S NOMINEE HOLDING IN MEMBER'S /  
CERTIFICATE HOLDERS' REGISTER**

The Chief Compliance Officer  
Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block-B  
S.M.C.H.S. Main Shahra-e-Faisal  
Karachi.

Dear Sir,

In compliance with CDC Regulation No.13.7.1, we are writing to confirm as follows:

<b>Financial Year End</b>	June 30, 2023
<b>Name of Auditor</b>	Mushtaq & Company, Chartered Accountants
<b>Security Name</b>	Shadman Cotton Mills Limited
<b>Security Symbol</b>	SHCM

	Note	Number of Securities
Balance at the end of the year in the CDC's Nominee Holding in Members' / Certificate holders' Register	N-1	13,809,531
Balance of book entry security in the Central Depository Register at the end of the year	N-2	13,809,531
Difference, if any		0

**N-1: Movement in the CDC's Nominee Holding in Members' / Certificate Holders' Register**

**Number of Securities**

Balance at the beginning of the year in the CDC's Nominee Holding in Members' / Certificate holders' Register	13,686,649
Add: Additions during the year	122,882
Less: Deletions during the year	0
Balance at the end of the year/period in the CDC's Nominee Holding in Members' / Certificate holders' Register	13,809,531

3.5 K.M, Feroze Wattan, Warburton Road,  
Kot Shah Muhammad Near Chandi Kot Stop

Tehsil & District Nankana Sahib  
Page 1/2  
Tel: 92-56-3731270, 3731271

Email: info@shadman.com.pk www.shadman.com.pk

**N-2: Movement in the Central Depository Register**

	<b>Number of Securities</b>
Balance at the beginning of the year in the Central Depository Register	13,686,649
Add: Additions during the year	122,882
Less: Deletions during the year	0
Balance at the end of year in Central Depository Register	13,809,531

Reason for Difference and discrepancy (if any): N/A

Regards,

For Shadman Cotton Mills Limited



Chief Executive Officer  
(Authorized Signatory)

**MUSHTAQ & CO.**  
Mushtaq & Company  
Chartered Accountants



External Auditors  
Date: 06 OCT 2023

