

AMTEX LIMITED

Third Quarterly Report

March 31, 2024



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Company Information

Board of Directors

Mr. Muhammad Ahsan
Mr. Khurram Iftikhar
Mr. Shahzad Iftikhar
Mr. Nadeem Iftikhar
Mr. Suhail Maqsood Ahmed
Mr. Gul Muhammad Naz
Mrs. Bushra Bibi

Chairman
Chief Executive Officer

Chief Financial Officer

Mr. Waheed Aslam

Company Secretary

Mr. Muhammad Raza Farooq

Audit Committee

Mr. Suhail Maqsood Ahmed
Mr. Muhammad Ahsan
Mrs. Bushra Bibi

Chairman

Human Resource & Remuneration Committee

Mr. Gul Muhammad Naz
Mr. Suhail Maqsood Ahmed
Shahzad Iftikhar

Chairman

Auditors

Zahid Jamil & Co.
Chartered Accountants

Legal Advisor

Mr. Aamir Nawaz Bhatti
Advocate High Court

Share Registrar Office

Vision Consulting Limited
3-C, LDA Flats, Lawrance Road, Lahore

Registered Office

P-225 Tikka Gali # 2 Montgomery Bazar, Faisalabad

Projects Locations

Punj Pullian Daewoo Road Faisalabad

Processing & Stitching Unit

Website

www.amtextile.com

DIRECTORS' REPORT

The Board of Directors of Amtex Limited presents herewith the Directors' Report together with the Company's un-audited financial information for the period ended March 31, 2024.

Financial Results

The financial results for the period under review with comparative figures of previous period are presented hereunder.

	Quarter ended		Period ended	
	March 31,		March 31,	
	2024	2023	2024	2023
	Rupees	Rupees	Rupees	Rupees
Sales	661,006,472	430,619,016	2,088,195,840	1,109,687,252
Cost of sales	579,083,044	428,170,998	1,794,470,168	988,709,112
Gross Profit	81,923,428	2,448,018	293,725,672	120,978,140
Other operating income	1,500,000	5,832,000	25,406,980	282,719,540
Net profit / (loss) for the period	(9,899,196)	(37,522,340)	32,730,482	222,239,452
Earnings per share - Basic and diluted	(0.04)	(0.14)	0.13	0.86

During 1st nine months under review company earned gross profit of Rs.293.72 million as compared to gross profit of Rs. 120.97 million in the corresponding period of last year and net profit of Rs. 32.730 million as compared to net profit of Rs. 222.23 million in the corresponding period of last year. Sales volume has significantly increased as compared to previous corresponding period and the company's total sales are Rs. 2,088.19 million in nine months against sales of Rs. 1,109.68 million in the corresponding period of last year. Despite worst ever political instability, poor law and order situation, devaluation of currency and significantly increasing prices of utilities, fuel and energy Company maintained its growth regarding export volume and Company's sales significantly increases. During period under review company incurred rupees 111 million as capital expenditure including installation of solar panels to mitigate high cost of electric power and gas. Further the shareholders in Annual General Meeting held on October 28, 2023 have accorded approval for sale of Land & Building situated at 1 K.M. Khurrianwala Jaranwala Road Faisalabad. In said Annual General Meeting members unanimously approved aforementioned special business transaction. The entire sale proceeds of land and building will be utilized to settle liabilities of the banks.

Certain banks / financial institutions have filed a suit against the Company for recovery of its financing and mark up and the Company has not provided any markup / cost of funds on the said outstanding amounts. Based on the legal opinion, the company feels that, after institution of the suit, a financial institution is only entitled to cost of funds if so awarded by the court in case the suit is decided against the company. The levy of cost of funds and the quantum thereof shall be contingent on passing of the decree and rate prescribed by the State Bank of Pakistan during the period of pendency of the claim and discharge of decree, if passed by the Court.

Future outlook

Despite facing significant challenges, including very high inflation and economic constraints, the Company has shown commendable progress in 2023-24 and total sales volume nears to twice as compared to figures of last corresponding period. Due to increasing cost of energy company got success in installation of solar panels as an alternative source and also plans to make improvements in plant and machinery in order to meet compliances of export orders well in time. The management of the company has already taken steps for extension and restructuring of loans keeping in view the future cash flows, and other relevant forecasts. Certain banks have approved the restructuring and negotiations with other banks of the company are at final stages. There is need that government must expedite the implementation of promised support measures like competitive energy tariffs and streamlined tax refund processes.

Acknowledgement

The Directors of your Company would like to place on record their deep appreciation for the support of the customers, banks, financial institutions, regulators and shareholders and hope that this cooperation and support will also continue in future.

The Directors of your Company would also like to express their appreciation for the services, loyalty and efforts being continuously rendered by the executives, staff members and workers of the Company and hope that they will continue to do so in future.

For and on behalf of the Board



CHIEF EXECUTIVE

Khurram Iftikhar



DIRECTOR

Shahzad Iftikhar

Faisalabad
April 30, 2024

ڈائریکٹرز کی رپورٹ:

آپ کی کمپنی کے ڈائریکٹرز حضرات آپ کے روبرو سہ ماہی رپورٹ معہ مالی غیر آڈٹ شدہ گوشوارہ حساب برائے 31 مارچ 2024 پیش کرتے ہیں۔

مالی نتائج:

مالی نتائج برائے زیر غور سہ ماہی معہ موازنہ اعداد و شمار باہر بت سابقہ سہ ماہی کو ذیل میں پیش کیا جاتا ہے:-

	Quarter ended		Period ended	
	March 31,		March 31,	
	2024	2023	2024	2023
	Rupees	Rupees	Rupees	Rupees
Sales	661,006,472	430,619,016	2,088,195,840	1,109,687,252
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Earnings per share - Basic and diluted	(0.04)	(0.14)	0.13	0.86

نومہ کے دوران کمپنی کی کل فروخت میں پچھلی نومہی کے مقابلے میں نمایاں اضافہ ہوا ہے اور کمپنی کی کل فروخت مبلغ 2,088.19 ملین روپے کی مد میں کل منافع رقم مبلغ 293.72 ملین روپے ہوا جبکہ پچھلی نومہی کی کل فروخت مبلغ 1,109.68 ملین روپے اور کل منافع مبلغ 120.97 ملین روپے ہوا تھا۔ نومہ کے دوران کمپنی کو بعد از ٹیکس ادائیگی مبلغ 32.73 ملین روپے کا خالص منافع ہوا جبکہ پچھلے نومہ میں بعد از ٹیکس ادائیگی مبلغ 222.23 ملین روپے کا خالص منافع ہوا تھا۔ بدترین سیاسی عدم استحکام، مامن و امان کی خراب صورتحال، کرنسی کی قدر میں کمی اور یوٹیلٹیز، ایندھن اور توانائی کی قیمتوں میں نمایاں اضافہ کے باوجود کمپنی نے برآمدی حجم کے حوالے سے اپنی ترقی کو برقرار رکھا اور کمپنی کی فروخت میں نمایاں اضافہ ہوا۔ زیر جائزہ مدت کے دوران کمپنی نے 111 ملین روپے بطور سرمایہ خرچ کیے جس میں بجلی اور گیس کی زیادہ لاگت کو کم کرنے کے لیے سولر پینل کی تنصیب شامل ہے۔ کمپنی نے 28 اکتوبر 2023 کو ہونے والی سالانہ جنرل میٹنگ میں 1 کلو میٹر مکریاں والا جزا نوالہ روڈ فیصل آباد پر واقع زمین اور عمارت کی فروخت کے لیے قرض دینے والے بینکوں کے درمیان گفت و شنید کے تحت قرض کی تنظیم نو/ری شیڈ ونگ پلان کے ایک حصے کے طور پر اراکین سے منظوری لی ہے۔ اس میں سالانہ جنرل میٹنگ کے ممبران نے متفقہ طور پر مذکورہ خصوصی کاروباری لین دین کی منظوری دی۔ زمین اور عمارت کی فروخت سے حاصل ہونے والی تمام رقم بینکوں کی واجبات کو طے کرنے کے لیے استعمال کی جائے گی۔

کچھ بینکوں/مالی ادارہ کی جانب سے سے کمپنی سے اپنی سرمایہ کاری رقم اور مارک اپ کی رقم کو وصول کرنے کے لیے مجاز عدالتوں میں دعویٰ دائر کیا گیا ہے لہذا کمپنی ایسے بینکوں کی واجب الادا قرض اور سرمایہ کاری کی رقم کی باہر مالی لاگت کو اکاؤنٹس میں نہیں لے رہی اور اس رقم کی وضاحت کھاتہ جات کے نوٹس میں بیان کی گئی ہے۔ قانونی رائے پر انحصار کرتے ہوئے کمپنی کی جانب سے اس بات کو محسوس کیا گیا ہے کہ دعویٰ کے دائرہ ہونے کے بعد، بینک/مالی ادارہ کو صرف کمپنی سے فنڈ کی لاگت کی رقم کا استحقاق حاصل ہے اگر عدالت کی جانب سے دعویٰ کی نسبت بینک کو کمپنی کے خلاف فیصلہ مل جائے۔ اسلئے عدالتی فیصلوں کے التوا اور سیٹ بینک آف پاکستان کی جانب سے لاگت فنڈ کی فیصد متعین ہونے تک ایسے بینکوں کی واجب الادا قرض کی مالی لاگت کا تخمینہ نہیں لگایا جاسکتا۔

مستقبل کے امکانات :

بہت زیادہ افراط زر اور اقتصادی رکاوٹوں سمیت اہم چیلنجوں کا سامنا کرنے کے باوجود کمپنی نے 2023-24 میں قابل ستائش پیش رفت دکھائی ہے اور فروخت کا کل حجم گزشتہ اسی مدت کے اعداد و شمار کے مقابلے دو گنا کے قریب ہے۔ توانائی کی بڑھتی ہوئی لاگت کی وجہ سے کمپنی نے متبادل ذریعہ کے طور پر سولر پائلٹر کی تخصیص میں کامیابی حاصل کی ہے اور برآمدی آرڈرز کی بروقت تعمیل کرنے کے لیے پلانٹ اور مشینری میں بہتری لانے کا منصوبہ بنایا ہے۔ کمپنی کی انتظامیہ نے مستقبل میں کیش فلو اور دیگر متعلقہ پیشین گوئیوں کو مد نظر رکھتے ہوئے قرضوں کی توسیع اور تنظیم نو کے لیے پہلے ہی اقدامات کیے ہیں۔ بعض بینکوں نے تنظیم نو کی منظوری دے دی ہے اور کمپنی کے دیگر بینکوں کے ساتھ بات چیت آخری مراحل میں ہے۔ ضرورت اس بات کی ہے کہ حکومت وعدہ کردہ امدادی اقدامات جیسے مسابقتی توانائی کے زرخوں اور ٹیکس ریفرنڈز کے ہموار طریقہ کار پر عمل درآمد کو تیز کرے۔

توثیقی بیان :

آپ کی کمپنی کے ڈائریکٹر صاحبان کی جانب سے بینکوں، مالی اداروں، شراکت داروں اور ریگولیٹرز کی معاونت قابل تحسین ہے اور مستقبل میں بھی ایسی ہی امید وابستہ کی جاتی ہے۔

نیز آپ کے کمپنی کے ڈائریکٹر صاحبان کی جانب سے کمپنی ہذا کے سٹاف اور ورکرز کا پختہ عزم، محنت اور مستقل مزاجی قابل تحسین ہے۔

خرم افشار
چیف ایگزیکٹو

صہرا افشار
ڈائریکٹر

فیصل آباد

تاریخ: 30 اپریل 2024

AMTEX LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		Un-audited	Audited
		March 31	June 30
		2024	2023
	NOTE	RUPEES	RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	3.	994,728,585	952,481,891
Investment property- fair value		1,258,691,557	1,258,691,557
Long term deposits		15,103,828	15,103,828
		2,268,523,970	2,226,277,276
CURRENT ASSETS			
Stores, spares and loose tools		190,917,999	173,226,112
Stock in trade		366,169,101	261,847,909
Trade debts	4.	240,487,762	247,322,571
Loans and advances		25,473,975	26,003,572
Deposits and prepayments		4,799,126	4,799,126
Other receivables		33,178,912	19,623,150
Tax refunds due from the Government		255,364,875	238,832,422
Cash and bank balances		43,607,534	112,088,168
		1,159,999,284	1,083,743,030
		3,428,523,254	3,310,020,306
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
260,000,000 (2023: 260,000,000)			
ordinary shares of Rs.10/- each		2,600,000,000	2,600,000,000
Issued, subscribed and paid up capital		2,594,301,340	2,594,301,340
Reserves		531,039,330	531,039,330
Accumulated loss		(12,617,015,950)	(12,692,102,450)
Surplus on revaluation of property, plant and equipment		890,879,242	933,235,260
		(8,600,796,038)	(8,633,526,520)
NON CURRENT LIABILITIES			
Redeemable capital		-	-
Long term financing	5.	967,557,110	-
Lease liabilities / Ijarah		-	-
Advances	6.	220,000,000	-
Deferred liabilities		1,531,797,663	1,464,089,365
		2,719,354,773	1,464,089,365
CURRENT LIABILITIES			
Trade and other payables		373,279,823	236,585,802
Contract Liabilities		102,410,353	39,545,748
Interest / markup payable		2,712,130,996	2,730,625,453
Short term borrowings		5,166,503,194	5,407,100,994
Current portion of non current liabilities		955,640,153	2,065,599,464
		9,309,964,519	10,479,457,461
Contingencies and commitments	7.	-	-
		3,428,523,254	3,310,020,306

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


Chief Financial Officer

AMTEX LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	Note	Quarter ended		Period ended	
		March 31,		March 31,	
		2024	2023	2024	2023
		Rupees	Rupees	Rupees	Rupees
Sales		661,006,472	430,619,016	2,088,195,840	1,109,687,252
Cost of sales	8	579,083,044	428,170,998	1,794,470,168	988,709,112
Gross Profit		81,923,428	2,448,018	293,725,672	120,978,140
Other operating income	9	1,500,000	5,832,000	25,406,980	282,719,540
		83,423,428	8,280,018	319,132,652	403,697,680
Selling and distribution expenses		32,455,746	14,185,661	77,819,749	40,811,951
Administrative expenses		19,999,838	24,990,298	88,101,933	67,965,235
Finance cost	10	28,590,266	6,569,820	90,724,788	42,618,623
		81,045,850	45,745,779	256,646,470	151,395,809
Profit / (loss) for the period before taxation		2,377,578	(37,465,761)	62,486,182	252,301,871
Provision for taxation		12,276,774	56,579	29,755,700	30,062,419
Net profit / (loss) for the period		(9,899,196)	(37,522,340)	32,730,482	222,239,452
Earnings per share - Basic and diluted		(0.04)	(0.14)	0.13	0.86

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


Chief Financial Officer

AMTEX LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	Quarter ended		Period ended	
	31-Mar		31-Mar	
	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
Profit/(loss) after taxation	(9,899,196)	(37,522,340)	32,730,482	222,239,452
Other comprehensive income	-	-	-	-
Total comprehensive profit/(loss) for the period	<u>(9,899,196)</u>	<u>(37,522,340)</u>	<u>32,730,482</u>	<u>222,239,452</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


Chief Financial Officer

AMTEX LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	PERIOD ENDED	
	31-Mar	
	2024	2023
	RUPEES	RUPEES
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period before taxation	62,486,182	252,301,871
Adjustments for:		
Depreciation of property, plant and equipment	28,126,673	23,167,285
Provision for staff retirement gratuity	5,791,633	3,108,233
Gain on disposal of property, plant and equipment	(17,835,980)	(265,223,540)
Finance cost	90,724,788	42,618,623
Operating cash flows before working capital changes	<u>169,293,296</u>	<u>55,972,472</u>
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(17,691,887)	(3,632,701)
Stock in trade	(104,321,192)	63,794,302
Trade debts	6,834,809	(11,794,442)
Loans and advances	529,597	3,929,451
Deposits and prepayments	-	-
Other receivables	(13,555,762)	(663,598)
Tax refunds due from the Government	(18,831,791)	(17,077,575)
Increase / (decrease) in current liabilities		
Trade and other payables	136,694,021	80,841,532
Contract liabilities	62,864,605	38,189,654
	<u>52,522,399</u>	<u>153,586,623</u>
Cash generated from operations	<u>221,815,695</u>	<u>209,559,095</u>
Income tax paid	(27,456,362)	(14,469,052)
Finance cost paid	(47,302,580)	(16,630,141)
WPPF Paid	-	(6,443,088)
Net cash generated from operating activities	<u><u>147,056,753</u></u>	<u><u>172,016,814</u></u>
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(111,400,237)	(19,089,235)
Capital work in process	-	(6,788,921)
Sale proceed from disposal of fixed assets	278,862,850	805,000,000
Net cash generated from investing activities	<u><u>167,462,613</u></u>	<u><u>779,121,844</u></u>
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	(270,000,000)	(398,915,890)
Lease liability	(13,000,000)	-
Short term borrowings - net	(100,000,000)	(500,000,000)
Net cash used in financing activities	<u><u>(383,000,000)</u></u>	<u><u>(898,915,890)</u></u>
Net (decrease) / increase in cash and cash equivalents (a+b+c)	(68,480,634)	52,222,768
Cash and cash equivalents at the beginning of the period	112,088,168	82,722,503
Cash and cash equivalents at the end of the period	<u><u>43,607,534</u></u>	<u><u>134,945,271</u></u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


Chief Financial Officer

AMTEX LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	CAPITAL RESERVES			REVENUE RESERVES		TOTAL	
	ISSUED, SUBSCRIBED AND PAID UP CAPITAL	MERGER RESERVE	SHARE PREMIUM	SURPLUS ON REVALUA-TION OF PROPERTY, PLANT AND EQUIPMENT	GENERAL RESERVE		ACCUMULATED LOSS
	Rupees						
Balances as at July 01, 2022	2,594,301,340	98,039,330	183,000,000	813,848,118	250,000,000	(13,032,072,797)	(9,092,884,009)
Net profit for the period	-	-	-	-	-	222,239,452	222,239,452
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	-	-	222,239,452	222,239,452
Transfer to accumulated loss in respect of -incremental depreciation for the period -disposal of fixed asset	-	-	-	(2,054,840) (195,322,827)	-	2,054,840 195,322,827	-
	-	-	-	(197,377,667)	-	197,377,667	-
Balances as at March 31, 2023	2,594,301,340	98,039,330	183,000,000	616,470,451	250,000,000	(12,612,455,678)	(8,870,644,557)
Net loss for the period	-	-	-	-	-	(84,328,619)	(84,328,619)
Other comprehensive income for the period - Remeasurement of defined benefit obligation - Reversal of surplus in respect of revaluation deficit	-	-	-	-	-	1,022,364	1,022,364
Total comprehensive income for the period	-	-	-	320,424,292	-	(83,306,255)	237,118,037
Transfer to accumulated loss in respect of -incremental depreciation for the period -disposal of fixed asset	-	-	-	(436,757) (3,222,726)	-	436,757 3,222,726	-
	-	-	-	(3,659,483)	-	3,659,483	-
Balances as at June 30, 2023	2,594,301,340	98,039,330	183,000,000	933,235,260	250,000,000	(12,692,102,450)	(8,633,526,520)
Loss for the period	-	-	-	-	-	32,730,482	32,730,482
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	32,730,482	32,730,482
Transfer to accumulated loss in respect of -incremental depreciation for the period -disposal of fixed assets	-	-	-	(3,697,167) (38,658,851)	-	3,697,167 38,658,851	-
	-	-	-	(42,356,018)	-	42,356,018	-
Balances as at March 31, 2024	2,594,301,340	98,039,330	183,000,000	890,879,242	250,000,000	(12,617,015,950)	(8,600,796,038)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


Chief Financial Officer

AMTEX LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

1. STATUS AND ACTIVITIES

- 1.1** Amtex Limited (the Company) is a public limited company incorporated in Punjab, Pakistan under the Companies Ordinance, 1984 (now the Companies Act 2017) and listed on Pakistan Stock Exchange limited (formerly Karachi Stock Exchange Limited) in Pakistan. The registered office of the Company is situated at P-225, Tikka Gali No. 2, Montgomery Bazar, Faisalabad. The principal business of the Company is export of all kinds of value added fabrics, textile made-ups, casual and fashion garments duly processed. The Company is also engaged in the business of manufacturing and sale of yarn and fabrics on its own & conversion basis. The cloth processing unit and stitching units are located at chak 120 Punj Pullian Daewoo Road, District Faisalabad, in the province of Punjab.
- 1.2** The Company has earned profit before taxation of Rs. 62.48 million and its sales have also increased during the period as compared to previous corresponding period. Due to tight cash flow situation company has not been able to comply with the terms of certain loan agreements. The Company is in litigation with Sukuk unit holders and certain other banks / financial institutions have also filed suits against the company for recovery of their outstanding debts.

Worst political instability, energy shortage, high inflation rate and increasing cost of doing business has hit Pakistan's vital textile industry, which supplies everything from denim to bed linen towards markets in the US and Europe, and accounts for 60 percent of the country's exports. The textile industry is in a state of emergency, unannounced and unscheduled outages disrupt the textile supply chain, which is "causing millions of rupees of losses". The management of the Company aware of the situation and making best efforts in facing these challenges. The major bankers of the Company had restructured the facilities and negotiations with other banks are in process. There is material uncertainty related to events or conditions which may cast significant doubt about the Company's ability to continue as a going concern, and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. The management is confident that it will be successful in its efforts and hence the Company will be able to continue as a going concern. Further shareholders in Annual General Meeting held on October 28, 2023 have accorded approval for sale of Land & Building situated at 1 K.M. Khurrianwala Jaranwala Road Faisalabad (Leased Property). In said Annual General Meeting members unanimously approved aforementioned special business transaction. The Lessee M/s Abwa Knowledge Village Private Limited being interested in purchase of said mortgaged property, will pay entire principal liability and cost of funds directly to the bank as per restructuring arrangement between Company and the lender bank. (Refer # 5.1 & 6.1)

- 1.3** This condensed interim financial report is presented in Pak Rupee, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

- 2.1** This condensed interim financial report has been prepared in accordance with the requirements of the International Financial Reporting Standards, International Accounting Standard (IAS) 34 "Interim Financial Reporting" as notified under the Companies Act 2017 and provisions of and directives issued under the Companies Act, 2017 and in compliance with the requirements of section 237 of the Companies Act 2017 and Rule Book of Pakistan Stock Exchange Limited
- 2.2** This condensed interim financial report has been prepared under "historical cost convention" except certain items of property, plant and equipment included at revaluation and staff retirement gratuity carried at present value and certain financial instruments at fair value.
- 2.3** This condensed interim financial report does not include all the information required for annual financial statements, and should be read in conjunction with the Company's published audited financial statements for the year ended June 30, 2023.
- 2.4** The accounting policies and methods of computation followed in the preparation of this condensed interim financial report is the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2023.
- 2.5** The preparation of these condensed interim 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.

During preparation of this condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

	Note	Un-audited March 31, 2024 Rupees	Audited June 30, 2023 Rupees
3. Property, plant and equipment			
Operating assets	3.1	994,728,585	952,481,891
3.1 Operating assets			
Opening written down value		952,481,891	1,130,664,497
Addition during 9 months / 12 months:	3.1.1	111,400,237	44,166,856
Deletions during 9 months / 12 months:	3.1.2	(41,205,500)	(600,454,540)
Depreciation charge for 9 months / 12 months		(28,126,673)	(34,563,105)
Depreciation adjustment for disposal		178,630	92,243,893
Surplus on revaluation		-	320,424,292
Closing written down value		994,728,585	952,481,891
3.1.1 Addition during 9 months / 12 months:			
Building		-	20,183,166
Plant & machinery		44,550,035	19,089,235
Electric installation		35,806,989	4,894,455
Furniture and fixture		31,043,213	-
		111,400,237	44,166,856
3.1.2 Deletions during 9 months / 12 months:			
Land		32,274,000	211,500,000
Building		8,931,500	348,505,950
Plant and Machinery		-	24,548,590
Electric Installations		-	13,500,000
Factory Equipment		-	800,000
Laboratory Equipment		-	1,600,000
		41,205,500	600,454,540
4. Trade debts			
Considered good			
Secured			
Foreign		13,464,938	41,940,346
Unsecured			
Foreign		173,210,739	171,812,234
Local	4.1	53,812,085	33,569,991
		227,022,824	205,382,225
Considered doubtful			
Unsecured			
Foreign		7,041,998,879	7,041,998,879
Less: provision for doubtful debts		(7,041,998,879)	(7,041,998,879)
		-	-
		240,487,762	247,322,571
4.1 It includes Balance from related party as follows:			
Cotton Passion (Pvt) Limited		21,742,998	18,776,947
4.2 The aging of trade debts as at satatement of financial statement date is as under:			
Not past due		240,487,762	247,322,571
Past due less than one year		-	-
Past due more than one year		7,041,998,879	7,041,998,879
		7,041,998,879	7,041,998,879
		7,282,486,641	7,289,321,450

		Un-audited	Audited
		March 31,	June 30,
		2024	2023
		Rupees	Rupees
5. Long term financing			
Secured			
From banking companies and financial institutions			
Under mark up arrangements			
Demand finance	5.1	1,601,265,941	1,730,668,141
Long term finances under SBP		19,176,163	19,176,163
Morabaha finance		9,594,052	9,594,052
Morabaha finance II		104,000,000	104,000,000
Not subject to mark up			
Demand finance		134,835,000	134,835,000
		<u>1,868,871,156</u>	<u>1,998,273,356</u>
Less: Current portion			
Installments due		(746,314,046)	(1,998,273,356)
Payable within one year		(155,000,000)	-
		<u>(901,314,046)</u>	<u>(1,998,273,356)</u>
		<u>967,557,110</u>	<u>-</u>

5.1 It includes an amount of rupees 997.722 million payable to United Bank Limited restructured during the period. The Company entered in to tripartite Settlement agreement with the Bank and Abwa knowledge village private limited in November 2023 according to which company has paid an amount of rupees 110 million as down payment and balance principal that includes Demand finance rupees 967.124 million, export finance rupees 109.725 million and LG encashment rupees 30.872 million along with IRIS cost of rupees 18.033 million will be paid in seven years in 28 quarterly installments commencing from December 2023 till September 2030. Mark up at cost of funds i.e., 5.69% will be accrued and will be paid after entire adjustment of principal in eight equal quarterly installments of rupees 28.899 million each commencing from December 2030 to September 2032. Further Markup decretal liability and cost of funds from the date of decree till execution of settlement agreement shall be waived off amounting to Rs.834.242 millions by the bank at the tail end subject to regular payments in accordance with the agreement.

5.2 As per terms of agreement with certain banks, the recommendation, declaration and payment of dividend is subject to prior written approval of the bank.

		Un-audited	Audited
		March 31,	June 30,
		2024	2023
		Rupees	Rupees
6. Advances			
Due to related party	6.1	<u>220,000,000</u>	<u>-</u>

6.1. In November 2023 company entered into tripartite debt restructuring/ rescheduling agreement between Amtex Limited " The Company ", United Bank Limited " The Bank" and Abwa knowledge village private limited " The Lessee" according to which company and lessee have agreed to pay outstanding decretal liability along with future cost of fund (Refer Note # 5.1). The lessee being interested in purchase of investment property, will pay entire principal liability of Rs. 1,236.03 million plus Rs. 263 million (approx.) on account of cost of funds directly to the bank as per restructuring agreement between company and the lender bank. The company shall execute the sale deed in respect of property, after payment of entire liability of the bank and will ensure that the title documents of the property are released by the respective bank directly to the buyer. The of terms of payments and transfer of title to the buyer may be revised with mutual consent.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

- a. There is no material change in the status of contingencies as disclosed in note # 27.1 of the financial statements for the year ended June 30,2023 except the following:
- b. In accordance with Note 27.1.22 of the Annual Financial Statements, the Company and United Bank Limited entered in to settlement agreement in November 2023 (Ref: Note 6.1) according to which entire principal amount will be paid in 28 quarterly installments and future markup at cost of fund will also be paid at tail end after entire adjustment of principal. Upon execution of said agreement case pending before Lahore High Court has been sine die adjourned.
- c. The company has not fully recognised mark up on redeemable capital and on long and short term financing due to pending litigations and also due to settlements with other banks.

	Un-audited	Audited
	March 31,	June 30,
	2024	2023
	Rupees	Rupees
Collector of custom	<u>135,708,417</u>	<u>110,929,107</u>

7.2 Commitments

	Quarter ended March 31,		Period ended March 31,	
	Un-audited		Un-audited	
	2024	2023	2024	2023
	Rupees	Rupees	Rupees	Rupees

8. Cost of sales

Cost of goods manufactured	8.1	573,597,686	419,221,557	1,765,039,293	965,530,990
Finished goods					
Opening stock		90,202,485	130,264,046	114,148,002	144,492,727
Closing stock		(84,717,127)	(121,314,605)	(84,717,127)	(121,314,605)
		5,485,358	8,949,441	29,430,875	23,178,122
		<u>579,083,044</u>	<u>428,170,998</u>	<u>1,794,470,168</u>	<u>988,709,112</u>

8.1 Cost of goods manufactured

Raw material consumed	301,806,072	230,891,889	933,635,321	468,957,494
Salaries, wages and benefits	46,826,840	26,053,937	117,972,001	70,310,920
Staff retirement benefits	1,640,208	1,005,412	5,791,633	3,108,233
Stores and spares	950,402	2,132,412	3,918,473	5,302,029
Dyes and chemicals	59,344,562	39,510,659	211,546,733	124,696,903
Packing material	53,386,475	56,303,457	172,169,133	129,339,318
Conversion and processing charges	86,299,577	49,094,764	252,047,983	111,554,785
Repairs and maintenance	1,890,515	979,849	4,218,115	3,480,807
Fuel and power	7,559,867	5,907,602	35,649,368	24,045,095
Depreciation	6,684,135	6,201,100	23,970,552	18,806,052
Other	4,922,005	2,561,979	8,938,571	8,501,362
	571,310,658	420,643,060	1,769,857,883	968,102,998
Work in process				
Opening stock	22,412,508	14,800,912	15,306,890	13,650,407
Closing stock	(20,125,480)	(16,222,415)	(20,125,480)	(16,222,415)
	2,287,028	(1,421,503)	(4,818,590)	(2,572,008)
	<u>573,597,686</u>	<u>419,221,557</u>	<u>1,765,039,293</u>	<u>965,530,990</u>

9. Other operating income

Rental Income	3,707,000	6,648,727	7,571,000	11,664,000
Gain on sale of fixed assets	17,835,980	-	17,835,980	265,223,540
	<u>21,542,980</u>	<u>6,648,727</u>	<u>25,406,980</u>	<u>276,887,540</u>

10. Finance cost

The provision of mark up on financial facilities under litigation has not been made in this condensed interim financial report. Based on the legal opinion, the company feels that after institution of the suit, a financial institution is only entitled to cost of funds if so awarded by the court in any decree which may be passed by the court. Therefore company has not accrued any cost of funds/interest on the said outstanding balances.

11. Transactions with related parties

The related parties comprise associated undertakings, directors of the company and key management personnel. The company in the normal course of business carries out transaction with related parties. The transactions with related parties are as follows;

Description	Nature of Transaction	Un-audited	Audited
		March 31, 2024 Rupees	June 30, 2023 Rupees
i- Associated party	- Sales	115,056,051	67,673,208
	- Rentals	7,571,000	23,598,000
	- Receivable	21,742,998	18,776,947
	- Advance against sale of assets	220,000,000	-
ii- Key management personnel	- Remuneration to Directors	7,650,000	2,400,000
	- Loan from Directors	-	100,000,000

12. Overdue loans

On the reporting date the installments of long term finances amounting to Rs.746.314 million along with mark up of Rs.99.888 million, lease finance amounting to Rs. 54.326 million along with mark up of Rs. 19.619 million and short term borrowings amounting to Rs.5,166.503 million along with mark up of Rs. 2,712.130 million were over due. On reporting date the carrying amount of loans relevant to above overdue were long term finances Rs 1,868.871 million, lease finance Rs 54.326 million and short term borrowings Rs 5,166.503 million. An amount of Rs. 10 million has subsequently paid against loan outstanding.

13. Corresponding figures

In order to comply with the requirement of IAS 34, the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statement of preceding financial year, whereas, the condensed statement of profit and loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

14. Date of authorization for issue

This condensed interim financial report was authorised for issue on April 30, 2024 by the Board of Directors of the Company.

15. GENERAL

- There is no unusual item included in this condensed interim financial report which is affecting assets, liabilities, loss, comprehensive loss, cash flows or equity of the Company.
- Provision for taxation & provision for gratuity is based on this condensed interim financial report and is subject to adjustment in annual financial statements.
- Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE



DIRECTOR



Chief Financial Officer



A M T E X

PAKISTAN OFFICE

AMTEX LIMITED

P-225, Tikka Gali # 2 Montgomery Bazar Faisalabad

Tel: +9241-2428500 Fax: +9241-4361726,27