

COMPANY INFORMATION

Board of Directors	:	Mr. Zahid Mazhar (Chief Executive) Mr. Omer Bin Zahid (Executive Director) Mr. Hassan Bin Zahid (Executive Director) Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan Mr. Waqar Hassan Siddiqui Mr. Nadeem Ahmed Mr. Noor Muhammad
Chief Financial Officer	:	Mr. Omer Bin Zahid
Company Secretary	:	Mr. Abdul Amin
Audit Committee	:	Mr. Waqar Hassan Siddiqui (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
H. R. & Remuneration Committee	:	Mr. Nadeem Ahmed (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
Auditors	:	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants
Legal Advisor	:	Mr. Abdul Ghani Khan (Advocate)
Bankers	:	Habib Bank Limited Bank Al-Falah Limited Soneri Bank Limited Habib Metropolitan Bank Limited J. S. Bank Limited Samba Bank Limited Askari Bank Limited Dubai Islamic Bank Pakistan Limited
Head Office / Registered Office	:	A 801-804, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi - Pakistan. Phone : (92-21) 35220481-8 Fax : (92-21) 35220495-6
Share Registrar	:	M/s Hameed Majeed Associates (Pvt.) Ltd. 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Phone : 32424826-32412754 Fax : 32424835 E-mail : majeed@hmaconsultants.com
Mills	:	Unit 1: A-265, S.I.T.E., Nooriabad, District jamshoro, Sindh. Unit 2: E-11, S.I.T.E, Kotri, District jamshoro, Sindh.
URL	:	www.nadeem.com.pk

CHAIRMAN REVIEW REPORT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present before you the Chairman Review Report for the 1st quarter ended September 30, 2022.

The Company achieved a sales turnover of Rs. 3,077.12 million during the period as compared to Rs. 3,090.40 million of the corresponding period of last year. The Company managed to earn a net profit after tax of Rs. 90.25 million as compared to Rs. 408.71 million of the comparative period.

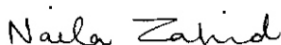
Due to the political instability prevailing in the country for the last few months, the pace of overall economic growth has slowed down. However, Pakistan's recent exit from the FATF's grey list would give a much-needed boost to Pakistan's economy and increase its economic and financial engagement with the outside world.

The Board of Directors of the Company comprises of nine members who have core competences, knowledge, skills, and experience related to the Company's business. The Company follows the best corporate governance practices and complies with all relevant requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 regarding the composition, meetings, and procedures of the Board of Directors and its Committees.

The overall performance and effectiveness of the Board of Directors were evaluated as satisfactory during the reporting period. Assessments are based on the efficiency of strategic planning, policymaking, resource management, and business operations. A self-assessment of the board and its committees is conducted. The purpose of this assessment is to ensure that board performance is measured in the context of the company's overall business goals and governance structure.

On behalf of the Board of Directors, I would like to acknowledge that all employees have contributed to the success of the company. I would also like to thank our shareholders, customers, suppliers, bankers, and other stakeholders for their continued trust and support.

On behalf of the Board of Directors

A handwritten signature in black ink, reading "Naila Zahid".

Karachi:
October 28, 2022

Naila Zahid
Chairperson

چیئر مین کی جائزہ رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز کی جانب سے مجھے آپ کے سامنے ۳۰ ستمبر ۲۰۲۲ کو اختتام پذیر ہونے والی پہلی سہ ماہی کے لئے چیئر مین کی جائزہ رپورٹ پیش کرتے ہوئے مسرت ہو رہی ہے۔

دوران مدت کمپنی 3,077.12 ملین روپے کی فروخت کے حصول میں کامیاب رہی جو کہ پچھلے سال کی اسی مدت کے دوران 3,090.40 ملین روپے تھی۔ دوران مدت کمپنی 90.25 ملین روپے کا بعد از ٹیکس منافع حاصل کرنے میں کامیاب رہی جو کہ متقابلہ مدت کے دوران 408.71 ملین روپے تھا۔

ملک میں گزشتہ چند ماہ سے جاری سیاسی عدم استحکام کی وجہ سے مجموعی اقتصادی ترقی کی رفتار سست پڑ گئی ہے۔ تاہم پاکستان کا FATF کی گرے لسٹ سے حالیہ اخراج کی وجہ سے پاکستان کی معیشت کو فروغ ملے گا اور بیرونی دنیا کے ساتھ اس کی اقتصادی اور مالی معاملات میں اضافہ ہوگا۔

کمپنی کے بورڈ آف ڈائریکٹرز میں نوار اکین شامل ہیں جن کے پاس کمپنی کے کاروبار سے متعلق بنیادی قابلیت، علم، مہارت اور تجربہ ہے۔ کمپنی بہترین کارپوریٹ گورننس کے طریقوں کی پیروی کرتی ہے اور بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، میٹنگز، اور طریقہ کار سے متعلق کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تمام متعلقہ تقاضوں کی تعمیل کرتی ہے۔

رپورٹنگ کی مدت کے دوران بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی کو مؤثر اور تسلی بخش قرار دیا گیا۔ یہ تشخیص اسٹریٹجک منصوبہ بندی، پالیسی سازی، وسائل کے انتظام اور کاروباری کارروائیوں کی کارکردگی پر مبنی ہیں۔ بورڈ اور اس کی کمیٹیوں کا خود جائزہ لیا جاتا ہے۔ اس تشخیص کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی کارکردگی کو کمپنی کے مجموعی کاروباری اہداف اور گورننس کے تناظر میں ناپا جائے۔

میں بورڈ کی جانب سے کمپنی کی کامیابی میں اپنے تمام ملازمین کی شرکت کو تسلیم کرنا چاہتی ہوں۔ میں اپنے حصص یافتگان، صارفین، سپلائی کنندگان، میٹنگز اور دیگر اسٹیک ہولڈرز کے اعتماد اور حمایت کے لئے ان کا بھی شکریہ ادا کرتی ہوں۔

منجانب بورڈ آف ڈائریکٹرز

Naileh Zahid

نائلہ زاہد

چیئر پرسن

کراچی 28 اکتوبر 2022

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors is pleased in presenting before you its report together with the unaudited Interim Financial Statements of the Company for the 1st quarter ended September 30, 2022.

FINANCIAL RESULTS

The following are the Company's financial highlights for the 1st quarter ended September 30, 2022, as well as the comparative figures from the previous year:

	Sept. 30, 2022 Rs. In Million	Sept 30, 2021 Rs. In Million
Sales net	3,077.12	3,090.40
Gross Profit	435.67	559.74
Gross Profit %	14.15%	18.11%
Profit before Tax	134.17	381.79
Profit after tax	90.25	408.71
Profit after tax %	2.93%	13.22%
Earning per share	Rs. 4.20	Rs. 19.00

OVERVIEW

Despite of economic slowdown prevailing in the country as well as in the international markets, the company managed to earn a sales turnover of Rs. 3,077.21 million during the first quarter ended on September 30, 2022 as compared to Rs. 3,090.40 million during the corresponding period of last year. The company's after-tax profit is Rs. 90.25 million at 2.93% of the sales turnover.

The company's management, on the other hand, is determined to achieve the best possible results by aggressively increasing its market share in both the domestic and international markets through aggressive marketing strategies.

PRESENT AND FUTURE OUTLOOK

The textile industry of Pakistan is currently in a difficult situation due to drastic cost increase in expenses, raw materials and interest rates. A higher inflation rate has also reduced the demand for textile products.

The current political instability in the country has slowed the country's economic growth. It is resulting in a severe devaluation of the Pakistani rupee, a drastic increase in markup rates, and a rising inflation trend, which will have an impact on Pakistan's overall economy.

Pakistan's exit from the "grey list" of Financial Action Task Force (FATF) is a huge relief for the country. This remarkable progress would give a much-needed boost to Pakistan's economy and increase its economic and financial engagement with the outside world.

EXPANSION AND MODERNIZATION

The company's management maintains its policy of investing in mills expansion and BMR. The company has imported 14 sets of Saurer High Production Carding machines and two gas-efficient generators of 1,500 KW each through LTFF. After the installation of these machines, the company's performance will improve further.


ACKNOWLEDGEMENT

The Board of directors would like to place on record their appreciation for the efforts of its employees, and the continuous support of customers, suppliers, and bankers.

On behalf of the Board of Directors



Omer Bin Zahid
Director



Zahid Mazhar
Chief Executive

Karachi:
October 28, 2022

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۲ کو اختتام پذیر پہلی سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی نتائج اپنی رپورٹ کے ساتھ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی نتائج

۳۰ ستمبر ۲۰۲۲ کو اختتام پذیر پہلی سہ ماہی کے لئے کمپنی کے اہم مالیاتی نتائج کا موازنہ گزشتہ سال کے تقابلی اعداد و شمار کے ساتھ درج ذیل ہے۔

30 ستمبر 2021	30 ستمبر 2022	
روپے ملین میں	روپے ملین میں	
3,090.40	3,077.12	خالص فروخت
559.74	435.67	مجموعی منافع
18.11%	14.15%	مجموعی منافع %
381.79	134.17	منافع قبل از ٹیکس
408.71	90.25	منافع بعد از ٹیکس
13.22%	2.93%	منافع بعد از ٹیکس %
Rs. 19.00	Rs. 4.20	فی حصص آمدن

جائزہ

ملکی اور بین الاقوامی منڈیوں میں معاشی سست روی کے باوجود کمپنی 30 ستمبر 2022 کو اختتام پذیر پہلی سہ ماہی کے دوران 3,077.12 ملین روپے کی فروخت کے حصول میں کامیاب رہی جو کہ گزشتہ سال کی اسی مدت کے دوران 3,090.40 ملین روپے تھی۔ کمپنی کا بعد از ٹیکس منافع 90.25 ملین روپے ہے جو کہ 2.93% کے شرح منافع کو ظاہر کرتا ہے۔

دوسری طرف کمپنی کی انتظامیہ مارکیٹنگ کی بہترین حکمت عملیوں کے ذریعے ملکی اور بین الاقوامی دونوں مارکیٹوں میں اپنے مارکیٹ شیئر کو بڑھا کر بہترین ممکنہ نتائج حاصل کرنے کے لئے پرعزم ہے۔

موجودہ اور مستقبل کا نقطہ نظر

پاکستان کی ٹیکسٹائل انڈسٹری اس وقت اخراجات، خام مال کی قیمتوں اور شرح سود میں بے پناہ اضافے کی وجہ سے مشکل صورتحال سے دوچار ہے۔ مہنگائی کی بلند شرح نے ٹیکسٹائل مصنوعات کی مانگ میں بھی کمی کی ہے۔

ملک میں موجود سیاسی عدم استحکام نے ملک کی معاشی ترقی کو سست کر دیا ہے جو کہ پاکستانی روپے کی قدر میں شدید کمی، شرح سود میں بے پناہ اضافے اور اور مہنگائی کے بڑھتے ہوئے رجحان کا باعث ہے، جس کا اثر پاکستان کی مجموعی معیشت پر پڑے گا۔

پاکستان کا فنانشل ایکشن ٹاسک فورس FATF کی گرے لسٹ سے حالیہ اخراج ملک کے لئے باعث اطمینان ہے۔ یہ قابل ذکر پیشرفت پاکستان کی معیشت کو فروغ دے گی اور بیرونی دنیا کے ساتھ اس کی اقتصادی اور مالی معاملات میں معاونت کرے گی۔

توسیع اور جدت

کمپنی کی انتظامیہ ملزکی توسیع اور BMR میں سرمایہ کاری کی اپنی پالیسی کو جاری رکھے ہوئے ہے۔ کمپنی نے ایل ٹی ایف ایف کے ذریعے ساؤر رہائی پروڈکشن کارڈنگ مشینوں کے 14 سیٹ اور 1,500 کلو واٹ کے دو گیس جنریٹر زرد آمد کئے ہیں۔ ان مشینوں کی تنصیب کے بعد کمپنی کی کارکردگی میں مزید بہتری آئے گی۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے ملازمین کی کاوشوں اور صارفین، سپلائرز اور بینکرز کے مسلسل تعاون کو قدر کی نگاہ سے دیکھتی ہے۔

منجانب بورڈ آف ڈائریکٹرز

Sund Mughal

زاہد مظہر

چیف ایگزیکٹو

عمر بن زاید

عمر بن زاید

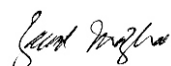
ڈائریکٹر

کراچی 28 اکتوبر 2022

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

	NOTE	Un-Audited Sep. 30, 2022 RUPEES	Audited Jun. 30, 2022 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	3	3,659,324,652	3,437,590,070
Long term deposits		21,497,034	21,119,188
		<u>3,680,821,686</u>	<u>3,458,709,258</u>
CURRENT ASSETS			
Stores, spares and loose tools		171,563,172	148,838,619
Stock in trade	4	1,466,079,710	1,875,031,314
Trade debts - unsecured, considered good		3,147,666,500	2,641,925,967
Investments - at amortized cost		131,613,452	112,113,452
Loans and advances		563,910,809	118,404,750
Other receivables		22,095,953	39,831,004
Tax refunds due from Government		31,065,070	42,437,110
Cash and bank balances		99,813,780	173,991,392
		<u>5,633,808,446</u>	<u>5,152,573,608</u>
TOTAL ASSETS		<u>9,314,630,132</u>	<u>8,611,282,866</u>
EQUITY AND LIABILITIES			
Authorized share capital			
25,000,000 ordinary shares of Rs. 10/- each		250,000,000	250,000,000
Issued, subscribed and paidup capital			
21,511,985 (June 30, 2022: 21,511,985) ordinary shares of Rs. 10/- each		215,119,850	215,119,850
Capital reserve			
Share premium		274,197,289	274,197,289
Surplus on revaluation of property, plant & equipment		1,273,616,215	1,278,283,722
Revenue reserve			
Unappropriated profits		2,454,694,181	2,359,779,547
		<u>4,217,627,535</u>	<u>4,127,380,408</u>
NON CURRENT LIABILITIES			
Long term financing		594,906,831	366,765,949
Deferred liabilities		173,049,607	148,627,376
Loan from related parties		402,355,204	404,205,204
Deferred grant		385,402	1,638,146
		<u>1,170,697,044</u>	<u>921,236,675</u>
CURRENT LIABILITIES			
Trade and other payables		1,095,756,924	1,443,401,894
Accrued mark-up		113,926,875	64,077,060
Short term borrowings	5	2,540,507,956	1,866,383,279
Unclaimed dividend		1,491,024	1,491,024
Loan from directors		10,000,000	10,000,000
Current portion of long term financing		113,022,774	122,212,526
Current portion of loan from related parties		51,600,000	55,100,000
		<u>3,926,305,553</u>	<u>3,562,665,783</u>
Contingencies and Commitments	6		
TOTAL EQUITY AND LIABILITIES		<u>9,314,630,132</u>	<u>8,611,282,866</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive
 October 28, 2022



Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2022

	30-SEP-2022	30-SEP-2021
	RUPEES	RUPEES
Sales - net	3,077,122,451	3,090,403,697
Cost of sales	(2,641,455,304)	(2,530,659,114)
Gross profit	435,667,147	559,744,583
Administrative expenses	(45,215,585)	(33,818,967)
Distribution costs	(53,333,561)	(50,214,693)
	(98,549,146)	(84,033,660)
Operating profit	337,118,001	475,710,923
Finance costs	(144,388,456)	(71,521,657)
Other operating expenses	(63,711,600)	(28,583,649)
Other operating income	5,159,577	6,185,847
	(202,940,479)	(93,919,459)
Profit before taxation	134,177,522	381,791,464
Taxation for the period	(43,930,395)	26,919,042
Profit after taxation	90,247,127	408,710,506
Earnings per share - basic and diluted	4.20	19.00

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive
 October 28, 2022



Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	Sep. 30, 2022 RUPEES	Sep. 30, 2021 RUPEES
Profit for the period	90,247,127	408,710,506
Other comprehensive income	4,667,507	4,950,882
Total comprehensive income for the period	<u>94,914,634</u>	<u>413,661,388</u>

The annexed notes from 1 to 10 form an integral part of these condensed financial statements.


Chief Executive
October 28, 2022


Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	SEP. 30, 2022 RUPEES	SEP. 30, 2021 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	134,177,522	381,791,464
Adjustment for non-cash and other items:		
Depreciation on operating fixed assets	50,464,802	43,007,850
Provision for gratuity	12,205,268	9,525,135
(Gain) / Loss on disposal on disposal of operating fixed assets	(991,694)	(51,469)
Finance costs	144,388,456	68,731,670
	<u>206,066,832</u>	<u>121,213,186</u>
Operating profit before working capital changes	340,244,354	503,004,650
(Increase) / decrease in current assets		
Stores, spares and loose tools	(22,724,553)	(986,491)
Stock in trade	408,951,604	(778,973,052)
Trade debts - unsecured, considered good	(505,740,533)	(167,976,758)
Loans and advances	(445,506,059)	(483,043,481)
Investment, deposits and other receivables	(1,764,949)	378,205
	(566,784,490)	(1,430,601,578)
(Decrease) / Increase in current liabilities		
Trade and other payables	(347,644,970)	514,507,554
Net cash generated from / (used in) operations	<u>(574,185,106)</u>	<u>(413,089,374)</u>
Taxes paid	(14,787,952)	(133,984,658)
Long term deposits	(377,846)	-
Gratuity paid	(5,553,440)	(8,354,857)
Finance cost paid	(95,791,385)	(69,359,808)
	<u>(116,510,623)</u>	<u>(211,699,323)</u>
Net cash generated from/ (used in) operating activities	<u>(690,695,729)</u>	<u>(624,788,697)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(291,345,382)	(61,783,509)
Proceeds from disposal of operating fixed assets	20,137,692	1,655,001
Net cash (used in) /generated from investing activities	(271,207,690)	(60,128,508)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained / (repaid) - net	218,951,130	(13,598,940)
Loan acquired from associates - net	(5,350,000)	(5,700,000)
Net Cash generated from financing activities	<u>213,601,130</u>	<u>(19,298,940)</u>
Net Increase / (Decrease) in Cash & Cash Equivalents	<u>(748,302,289)</u>	<u>(704,216,145)</u>
Cash & cash equivalents at the beginning of the period	(1,692,391,887)	(1,142,163,234)
Cash & cash equivalents at the end of the period	<u>(2,440,694,176)</u>	<u>(1,846,379,379)</u>
Cash and cash equivalents comprise of:		
Cash and bank balance	99,813,780	129,458,208
Short term borrowings	(2,540,507,956)	(1,975,837,587)
	<u>(2,440,694,176)</u>	<u>(1,846,379,379)</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive
October 28, 2022



Director




Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	Issued subscribed and paid-up capital	Share Premium	Unappropriated profit	Revaluation surplus on property, plant & equipment	Total
RUPEES					
Balance as at July 01, 2021	215,119,850	274,197,289	1,184,734,861	1,305,611,412	2,979,663,412
Total comprehensive income for the first qtr. ended September 30, 2021	-	-	408,710,506	-	408,710,506
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	4,950,882	(4,950,882)	-
Balance as at Sep. 30, 2021	215,119,850	274,197,289	1,598,396,249	1,300,660,530	3,388,373,918
Balance as at July 01, 2022	215,119,850	274,197,289	2,359,779,547	1,278,283,722	4,127,380,408
Total comprehensive income for the 1st qtr. ended September 30, 2022	-	-	90,247,127	-	90,247,127
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	4,667,507	(4,667,507)	-
Balance as at September 30, 2022	215,119,850	274,197,289	2,454,694,181	1,273,616,215	4,217,627,535

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive
 October 28, 2022


Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

1 STATUS AND NATURE OF BUSINESS

Nadeem Textile Mills Limited ("the Company") was incorporated in Pakistan as public limited company on July 15, 1984 under the Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacture and sale of yarn. The geographical location and address of the Company's business units, including mills/plant is as under:

The registered office of the Company is situated at 801-804, Lakson Square Building No.3, Sarwar Shaheed Road, Karachi

The Company's mills is located at;

Unit-1: A-265, S.I.T.E., Nooriabad, district Jamshoro, Sindh.

Unit-2: E-11, S.I.T.E., Kotri, district Jamshoro Sindh.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:

International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2022.

The comparative figures presented in these condensed interim financial statements as at September 30, 2022 has been extracted from the audited financial statements of the Company for the year ended June 30, 2022, whereas the comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and the statement of cash flows are extracted from the unaudited condensed interim financial statements for the first quarter ended September 30, 2021.

These condensed interim financial statements is unaudited and is being submitted to the members of the Company as required under section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited as required by the Code of Corporate Governance.

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention, except;

- Land and building carried at revaluation model ;

2.3 Functional and presentation currency

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

2.4 Judgements and sources of estimation uncertainty

In preparing these interim financial statements, significant judgements made by the management in applying the company's accounting policies and the key sources of estimation uncertainty where the same as those that apply to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2022.

2.5 Significant accounting policies

The significant accounting policies adopted in the preparation of these interim financial statements are the same as those applied in the preparation of the financial state Company for the year ended June 30, 2022.

2.6 Accounting estimates and Judgements

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

2.7 Financial risk management

The company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2022.

3. PROPERTY PLANT & EQUIPMENT	Note	Un-Audited Sep. 30, 2022	Audited June 30, 2022
		----- Rupees-----	
Operating fixed assets		3,199,524,360	3,141,716,888
Capital work in progress	3.2	459,800,292	295,873,182
		<u>3,659,324,652</u>	<u>3,437,590,070</u>

3.1 Following is the summary of class-wise addition to, or disposals from, operating fixed asset.

	First qt. ended Sep. 30, 2022 (Un-Audited)		Year ended June 30, 2022 (Audited)	
	Additions/transfers	Disposal (at NBV)	Additions/transfers	Disposal (at NBV)
	-----Rupees-----		-----Rupees-----	
Building and godown	385,350	-	25,683,942	(19,467,000)
on freehold land				
Plant and Machinery	112,770,116	(16,352,632)	401,468,980	(33,245,557)
Office equipment	216,801	-	245,213	-
Furniture and fixture	-	-	366,765	-
Computer equipment	221,000	-	784,807	-
Vehicles	13,825,000	(2,793,366)	22,114,082	(3,831,065)
	<u>127,418,267</u>	<u>(19,145,998)</u>	<u>450,663,789</u>	<u>(56,543,622)</u>

3.2 Capital work in progress	Un-Audited Sep. 30, 2022	Audited June 30, 2022
Plant and machinery	457,046,139	293,900,679
Civil works	2,754,153	1,972,503
	<u>459,800,292</u>	<u>295,873,182</u>

4 STOCK IN TRADE

Raw material	420,374,311	620,289,804
Work in process	126,331,069	115,178,451
Finished goods	889,328,433	612,505,201
Waste	30,045,897	20,744,709
Stock in transit	-	506,313,149
	<u>1,466,079,710</u>	<u>1,875,031,314</u>

- 5 These represent short term working capital finance facilities secured against pledge of stocks (Cotton, Yarn and Polyester fiber), local trade debts of the Company and charge over current assets. The rate of mark-up for running finance and cash finance ranges @ KIBOR + 1.85% to 2.25% per annum (June 30, 2022: KIBOR + 1.85% to 2.25% per annum), KIBOR ranged from 1 month and 3 months.

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There has been no change in the status of contingencies as disclosed in annual audited financial statements of the Company for the year ended June 30, 2022.

Un-Audited	Un-Audited
Sep. 30, 2022	June 30, 2022

6.2 Commitments

	----- Rupees -----	
Against letters of credit	197,590,767	476,920,459
Bank guarantee to Excise and Taxation department	111,875,753	92,375,753
Revolving letter of credit to SSGC	59,598,010	59,598,010

7 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, other associated undertakings, directors and key management personnel. Transactions between the Company and the related parties are as follows:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	Un-audited Sept. 30, 2022	Un-audited Sept. 30, 2021
----- Rupees -----				
Nadeem International (Pvt.) Ltd.	Asspcoated company by virtue of common directorship	Weighbridge	45,000	45,000
		Loan received	-	-
		Loan repaid	3,500,000	3,900,000
		Balance outstanding at period end Payable to related party	396,500,000	414,000,000
Nadeem Power Generation (Pvt.) Ltd.	Asspcoated company by virtue of common directorship	Electricity purchased	68,746,025	72,935,858
		Rental Income	10,000	10,000
		Loan received	-	-
		Loan repaid	1,850,000	1,800,000
		Balance outstanding at period end Payable to related party	57,455,204	30,950,204
Naila Zahid	Director	Balance outstanding at period end Payable to related party	-	10,400,000
Zahid Mazhar	Chief Executive Officer	Loan received	-	-
		Loan repaid	-	-
		Balance outstanding at period end Payable to related party	100,000	50,300,000

8 OPERATING SEGMENT

These interim financial statements have been prepared on the basis of a single reportable segment as the Company's asset allocation decisions are based on a single and integrated business strategy.

All non-current assets of the Company at September 30, 2022 are located in Pakistan.


9 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements have been authorized by the Board of Directors of the Company for issue in their meeting held on October 28, 2022

10 GENERAL

10.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of applicable financial reporting framework and for the purpose of comparison and better presentation.

10.2 Figures have been rounded off to the nearest rupee.


Chief Executive
October 28, 2022


Director


Chief Financial Officer

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