

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. Muhammad Mushtaq Qadri (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, 2023.

The Company achieved a sales turnover of Rs. 3,486 million during the period as compared to Rs. 3,077 million of the corresponding period of last year. The Company managed to earn a net profit after tax of Rs. 5.34 million as compared to Rs. 90.25 million of the comparative period.

This year, we anticipate a better cotton production in the country, with an estimated output of around 9 million bales. The quality of the fibers is also expected to improve, leading to higher cotton yields. Despite these positive developments, the textile industry faces challenges such as weak consumer demand, rising commodity prices, increasing fuel and power rates, and higher markup rates. These factors are contributing to economic slowdown, impacting the demand for textile products.

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, policy making, 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 that reads "Naila Zahid".

Karachi:
November 28, 2023

Naila Zahid
Chairperson

چیرمین کی جائزہ رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز کی جانب سے آپ کے سامنے ۳۰ ستمبر ۲۰۲۳ کو اختتام پذیر ہونے والی پہلی سہ ماہی کے لئے چیرمین کی جائزہ رپورٹ پیش کرنا میرے لئے باعث مسرت ہے۔

دوران مدت کمپنی کی فروخت 3,486 ملین روپے رہی جبکہ پچھلے سال کے اسی عرصے کی فروخت 3,077 ملین روپے تھی۔ دوران مدت کمپنی نے 5.34 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو کہ تقابلی مدت کے دوران 90.25 ملین روپے تھا۔

اس سال ملک میں کمپاس کی بہتر پیداوار متوقع ہے جس کا تخمینہ تقریباً 9 ملین بیلز کا ہے۔ کمپاس کے ریشے کی کوالٹی میں بہتری کی بھی توقع ہے جو کہ بہتر پیداواری صلاحیت کا باعث ہوگی۔ ان مثبت پیش رفت کے باوجود ٹیکسٹائل کی صنعت کو صارفین کی طلب میں کمی، اشیائے صرف کی بڑھتی ہوئی قیمتوں، ایندھن اور بجلی کے نرخوں اور شرح سود میں اضافے جیسے چیلنجوں کا سامنا ہے۔ یہ عوامل معاشی ست روی کا باعث ہے جو ٹیکسٹائل مصنوعات کی طلب کو متاثر کر رہے ہیں۔

کمپنی کے بورڈ آف ڈائریکٹرز میں نو اراکین شامل ہیں جن کے پاس کمپنی کے کاروبار سے متعلق بنیادی صلاحیتیں، 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، مینٹننگ، اور طریقہ کار سے متعلق کمپنیز ایکٹ 2017 اور سٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تمام متعلقہ تقاضوں کی پابندی کرتی ہے جو بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، اجلاس اور طریقہ کار سے متعلق ہے۔

رپورٹنگ کی مدت کے دوران بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی کو مؤثر اور تسلی بخش قرار دیا گیا۔ یہ تشخص اسٹریٹیجک 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 تشخص کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی کارکردگی کمپنی کے مجموعی کاروباری اہداف اور گورننس کے تناظر میں ناپا جائے۔

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

مخانب بورڈ آف ڈائریکٹرز

Naila Zahid

نالکہ زاہد

چیر پرسن

کراچی 28 نومبر 2023

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, 2023.

FINANCIAL RESULTS

The following are the Company's financial highlights for the 1st quarter ended September 30, 2023, as well as the comparative figures from the previous year:

	Sept. 30, 2023 Rs. In Million	Sept. 30, 2022 Rs. In Million
Sales – net	3,485.72	3,077.12
Gross Profit	317.74	435.67
Gross Profit %	9.12%	14.15%
Profit before Tax	47.14	134.17
Profit after tax	5.34	90.24
Profit after tax %	0.15%	2.93%
Earning per share	Rs. 0.25	Rs. 4.20

OVERVIEW

Despite of the economic slowdown prevailing in the country as well as in the international markets, the company managed to earn a sales turnover of Rs. 3,486 million during the first quarter ended on September 30, 2023 as compared to Rs. 3,077 million during the corresponding period of last year. The company's after-tax profit is Rs. 5.34 million at 0.25% of the sales turnover.

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

PRESENT AND FUTURE OUTLOOK

Textile industry of Pakistan is facing a number of challenges including global weakening demand, high inflation, high energy and labour costs, increased competition from regional competitors etc. High energy cost, inflation, raw cotton shortage and high borrowing cost, are the most critical factors for the textile sector. However, the appreciation of Pak Rupee can counterbalance these challenges and assist in achieving economic stability. The present government has expressed its commitment to work on these problems and make the economy grow. The company is hopeful about the future and is ready to take advantage of new business opportunities.

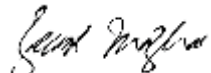
ACKNOWLEDGEMENT

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:
November 28, 2023

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۲۳ 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 کرتا ہے۔

مالیاتی نتائج

۳۰ ستمبر ۲۰۲۳ 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 2022	30 ستمبر 2023	
روپے ملین میں	روپے ملین میں	
3,077.12	3,485.72	خالص فروخت
435.67	317.74	مجموعی منافع
14.15%	9.12%	مجموعی منافع %
134.17	47.14	منافع قبل از ٹیکس
90.25	5.34	منافع بعد از ٹیکس
2.93%	0.15%	منافع بعد از ٹیکس %
Rs. 4.20	Rs. 0.25	فی حصص آمدن

جائزہ

ملکی اور بین الاقوامی مارکیٹوں میں موجود اقتصادی سست روی کے باوجود کمپنی کی فروخت ۳۰ ستمبر ۲۰۲۳ کو اختتام پذیر پہلی سہ ماہی کے دوران 3,486 ملین روپے کی رہی جبکہ گزشتہ سال کی پہلی سہ ماہی کی فروخت 3,077 ملین روپے تھی۔ کمپنی کا بعد از ٹیکس منافع 5.34 ملین روپے رہا جو کہ فروخت کا 0.25% ہے۔

کمپنی کی انتظامیہ مارکیٹنگ کی حکمت عملیوں کے ذریعہ مقامی اور بین الاقوامی مارکیٹوں میں اپنے حصے میں اضافہ کر کے بہترین ممکنہ نتائج حاصل کرنے کے لئے پرعزم ہے۔

موجودہ اور مستقبل کا نقطہ نظر

پاکستان کی ٹیکسٹائل کی صنعت کو کئی چیلنجز درپیش ہیں جن میں مصنوعات کی طلب میں عالمی کمی، مہنگائی، توانائی اور مزدوری کی زیادہ لاگت، علاقائی حربوں سے بڑھتا ہوا مقابلہ وغیرہ شامل ہیں۔ توانائی کی زیادہ لاگت، مہنگائی، خام کپاس کی پیداوار میں کمی اور قرض کی زیادہ لاگت ٹیکسٹائل سیکٹر کے لئے سب سے اہم عوامل ہیں۔ تاہم، پاکستانی روپے کی پذیرائی ان چیلنجز کا مقابلہ کر سکتی ہے اور اقتصادی استحکام حاصل کرنے میں مددگار ثابت ہو سکتی ہے۔ موجودہ حکومت نے ان مسائل پر کام کرنے اور معیشت کو ترقی دینے کے لئے اپنے عزم کا اظہار کیا ہے۔ کینی مستقبل کے بارے میں پر امید ہے اور کاروبار کے نئے مواقع سے فائدہ اٹھانے کے لئے تیار ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے ملازمین کی کاوشوں اور صارفین، سپلائرز اور بینکرز کے مسلسل تعاون کو قدر کی نگاہ سے دیکھتا ہے اور ان کا شکر گزار ہے۔

منجانب بورڈ آف ڈائریکٹرز

Zahid Mughal
زاہد مظہر
چیف ایگزیکٹو

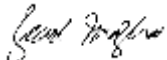
Zahid Mughal
عمر بن زاہد
ڈائریکٹر

کراچی 28 نومبر 2023

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

	NOTE	Un-Audited Sep. 30, 2023 RUPEES	Audited Jun. 30, 2023 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	3	3,590,540,488	3,646,539,872
Long term deposits		26,262,288	33,031,245
Deferred taxation - net		-	47,289,353
		<u>3,616,802,776</u>	<u>3,726,860,470</u>
CURRENT ASSETS			
Stores, spares and loose tools		247,595,199	225,979,175
Stock in trade	4	1,393,147,083	2,131,080,589
Trade debtors - unsecured, considered good		2,557,154,469	1,661,921,437
Investments - at amortized cost		167,576,878	158,867,171
Loans and advances		334,166,269	76,090,504
Other receivables		18,406,352	34,645,635
Tax refunds due from Government		47,482,634	112,544,688
Cash and bank balances		45,296,153	150,111,183
		<u>4,810,825,037</u>	<u>4,551,240,382</u>
		<u>8,427,627,813</u>	<u>8,278,100,852</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Authorized share capital			
33,000,000 ordinary shares of Rs. 10/- each		330,000,000	330,000,000
Issued, subscribed and paidup capital			
21,266,735 (June 30, 2023: 21,266,735) ordinary shares of Rs. 10/- each		212,667,350	212,667,350
Capital reserve			
Share premium		388,683,536	388,683,536
Surplus on revaluation of property, plant & equipment		1,256,161,205	1,260,116,348
Unappropriated profits		1,675,949,490	1,666,651,399
		<u>3,533,461,581</u>	<u>3,528,118,633</u>
Contribution from associated undertaking		340,000,000	340,000,000
		<u>3,873,461,581</u>	<u>3,868,118,633</u>
NON CURRENT LIABILITIES			
Long term financing		542,635,520	602,365,548
Deferred liabilities		73,837,588	112,653,943
		<u>616,473,108</u>	<u>715,019,491</u>
CURRENT LIABILITIES			
Trade and other payables		1,285,064,627	1,261,544,921
Accrued mark-up		149,046,278	130,953,689
Short term borrowings	5	2,258,174,541	2,085,566,552
Unclaimed dividend		1,506,408	1,506,408
Loan from directors		94,800,000	97,800,000
Current portion of long term financing		114,051,270	79,391,158
Loan from associated undertakings		35,050,000	38,200,000
		<u>3,937,693,124</u>	<u>3,694,962,728</u>
Contingencies and Commitments	6		
TOTAL EQUITY AND LIABILITIES		<u>8,427,627,813</u>	<u>8,278,100,852</u>

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



Chief Executive
November 28, 2023



Director



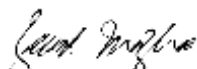
Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

	30-SEP-2023	30-SEP-2022
	RUPEES	RUPEES
Sales - net	3,485,720,692	3,077,122,451
Cost of sales	<u>(3,167,982,349)</u>	<u>(2,641,455,306)</u>
Gross profit	317,738,343	435,667,145
Administrative expenses	<u>(48,290,870)</u>	<u>(45,215,585)</u>
Distribution costs	<u>(53,091,768)</u>	<u>(53,333,561)</u>
	<u>(101,382,638)</u>	<u>(98,549,146)</u>
Operating profit	216,355,705	337,118,001
Finance costs	<u>(177,036,629)</u>	<u>(144,388,456)</u>
Other operating expenses	<u>(921,737)</u>	<u>(63,711,600)</u>
Other operating income	<u>8,741,220</u>	<u>5,159,577</u>
	<u>(169,217,146)</u>	<u>(202,940,479)</u>
Profit before taxation	47,138,559	134,177,522
Taxation for the period	<u>(41,795,357)</u>	<u>(43,930,395)</u>
Profit after taxation	<u>5,343,202</u>	<u>90,247,127</u>
Earnings per share - basic and diluted	<u>0.25</u>	<u>4.20</u>

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


Chief Executive
 November 28, 2023

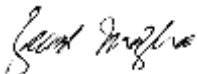

Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

	Sep. 30, 2023 RUPEES	Sep. 30, 2022 RUPEES
Profit for the period	5,343,202	90,247,127
Other comprehensive income	3,955,143	4,667,507
Total comprehensive income for the period	<u>9,298,345</u>	<u>94,914,634</u>

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


Chief Executive
November 28, 2023

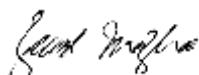

Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

	SEP. 30, 2023	SEP. 30, 2022
	RUPEES	RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	47,138,559	134,177,522
Adjustment for non-cash and other items:		
Depreciation on operating fixed assets	60,351,525	50,464,802
Provision for gratuity	14,023,523	12,205,268
(Gain) / Loss on disposal on disposal of operating fixed assets	(1,528,409)	(991,694)
Finance costs	177,036,629	144,388,456
	249,883,269	206,066,832
Operating profit before working capital changes	297,021,828	340,244,354
(Increase) / decrease in current assets		
Stores, spares and loose tools	(21,616,024)	(22,724,553)
Stock in trade	737,933,506	408,951,604
Loans and advances	(258,075,765)	(445,506,059)
Investment, deposits and other receivables	7,529,576	(1,764,949)
Sales tax refundable	36,618,261	-
Trade debts	(895,233,032)	(505,740,533)
	(392,843,478)	(566,784,490)
(Decrease) / Increase in current liabilities		
Trade and other payables	23,519,706	(347,644,970)
	(72,301,944)	(574,185,106)
Taxes paid	(11,593,912)	(14,787,952)
Gratuity paid	(7,308,441)	(5,553,440)
Finance cost paid	(158,944,040)	(95,791,385)
	(177,846,393)	(116,132,777)
Net cash generated from/ (used in) operating activities	(250,148,337)	(690,317,883)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(4,844,723)	(291,345,382)
Long term deposits	6,768,957	377,846)
Proceeds from disposal of operating fixed assets	2,021,000	20,137,692
Net cash (used in) /generated from investing activities	3,945,234	(271,585,536)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained / (repaid) - net	(25,069,916)	218,951,130
Loan obtained / (repaid) from directors - net	(3,000,000)	-
Loan obtained / (repaid) from associate - net	(3,150,000)	(5,350,000)
Net Cash generated from financing activities	(31,219,916)	213,601,130
Net Increase / (Decrease) in Cash & Cash Equivalents	(277,423,019)	(748,302,289)
Cash & cash equivalents at the beginning of the period	(1,935,455,369)	(1,692,391,887)
Cash & cash equivalents at the end of the period	(2,212,878,388)	(2,440,694,176)
Cash and cash equivalents comprise of:		
Cash and bank balance	45,296,153	99,813,780
Short term borrowings	(2,258,174,541)	(2,540,507,956)
	(2,212,878,388)	(2,440,694,176)

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



Chief Executive
November 28, 2023



Director



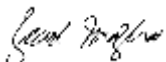
Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

Issued subscribed and paid-up capital	Share Premium	Unappropriated profit	Revaluation surplus on property, plant & equipment	Contribution from associated undertaking	Total
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RUPEES

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 first 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 Sep. 30, 2022	215,119,850	274,197,289	2,454,694,181	1,273,616,215	-	4,217,627,535
Balance as at July 01, 2023	212,667,350	388,683,536	1,666,651,145	1,260,116,348	340,000,000	3,868,118,379
Total comprehensive income for the 1st qtr. ended September 30, 2023	-	-	5,343,202	-	-	5,343,202
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	3,955,143	(3,955,143)	-	-
Balance as at September 30, 2023	212,667,350	388,683,536	1,675,949,490	1,256,161,205	340,000,000	3,873,461,581



Chief Executive
November 28, 2023



Director



Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

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, 2023.

The comparative figures presented in these condensed interim financial statements as at September 30, 2023 has been extracted from the audited financial statements of the Company for the year ended June 30, 2023, 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, 2022.

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, 2023.

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 statements of the Company for the year ended June 30, 2023.

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, 2023.

	Un-Audited Sep. 30, 2023	Audited June 30, 2023
	----- Rupees-----	
3. PROPERTY PLANT & EQUIPMENT		
Operating fixed assets	3,565,145,239	3,576,148,224
Capital work in progress	25,395,249	70,391,648
	<u>3,590,540,488</u>	<u>3,646,539,872</u>

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

	First qt. ended Sep. 30, 2023 (Un-Audited)		Year ended June 30, 2023 (Audited)	
	Additions/transfers	Disposal (at NBV)	Additions/transfers	Disposal (at NBV)
	-----Rupees-----		-----Rupees-----	
Building and godown on freehold land	-	-	16,237,833	-
Plant and Machinery	48,899,616	-	161,697,712	(34,822,645)
Office equipment	-	-	325,839	-
Furniture and fixture	893,511	-	1,447,691	-
Computer equipment	-	-	1,643,617	-
Vehicles	48,000	(492,591)	15,090,000	(2,803,711)
	<u>49,841,127</u>	<u>(492,591)</u>	<u>196,442,692</u>	<u>(37,626,356)</u>

4 STOCK IN TRADE

Raw material	283,642,116	585,319,746
Work in process	100,786,732	98,450,984
Finished goods	970,428,301	1,220,096,730
Waste	38,289,934	51,241,362
Stock in transit	-	175,971,767
	<u>1,393,147,083</u>	<u>2,131,080,589</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, 2023: 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, 2023.

	Un-Audited Sep. 30, 2023	Audited June 30, 2023
----- Rupees -----		
6.2 Commitments		
Against letters of credit	225,163,566	271,249,137
Bank guarantee to Excise and Taxation department	135,975,753	135,975,753
Revolving letter of credit to SSGC	89,159,850	87,219,100

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 period and period end balances	Un-audited Sept. 30, 2023	Un-audited Sept. 30, 2022
----- Rupees -----				
Nadeem International (Pvt.) Ltd.	Associated company by virtue of common directorship	Weighbridge	45,000	45,000
		Loan received	-	-
		Loan repaid	3,150,000	3,500,000
		Contribution from associated undertaking	340,000,000	-
		Balance outstanding at period end Payable to related party	35,050,000	396,500,000
Nadeem Power Generation (Pvt.) Ltd.	Associated company by virtue of common directorship	Electricity purchased	-	68,746,025
		Rental Income	-	10,000
		Loan received	-	-
		Loan repaid	-	1,850,000
		Balance outstanding at period end Payable to related party	-	57,455,204
Zahid Mazhar	Chief Executive Officer	Loan received	-	-
		Loan repaid	-	-
		Balance outstanding at period end Payable to related party	82,000,000	10,000,000
Hassan Bin Zahid	Director	Loan received	-	-
		Loan repaid	3,000,000	-
		Balance outstanding at period end Payable to related party	12,800,000	-

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, 2023 are located in Pakistan.

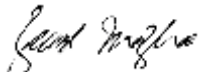
9 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements have been authorized by the Board of Directors of the Company for issue in their meeting held on November 28, 2023.

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.

A handwritten signature in black ink, appearing to read "Saeed Mughal".

Chief Executive
November 28, 2023

A handwritten signature in black ink, appearing to read "S. Q. U.". The signature is stylized and somewhat illegible.

Director

A handwritten signature in black ink, appearing to read "S. Q. U.". The signature is stylized and somewhat illegible.

Chief Financial Officer



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