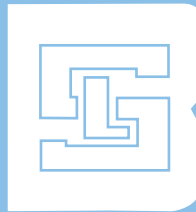


Nine Months  
Report  
Period Ended  
March 31,  
2024

BIBOJEE GROUP



**JANANA DE MALUCHO TEXTILE  
MILLS LIMITED**

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**COMPANY'S PROFILE**

<b>BOARD OF DIRECTORS</b>	MR. AHMAD KULI KHAN KHATTAK	Chairman
	LT. GEN. (RETD.) ALI KULI KHAN KHATTAK	Chief Executive
	MRS. SHAHNAZ SAJJAD AHMAD	
	DR. SHAHIN KULI KHAN KHATTAK	
	MRS. ZENAB ADNAN AURANGZEB	
	MAJ. GEN. (RETD.) SAEED AHMED WAHLA	
	COL. (RETD.) SYED YUNUS ALI RAZA	
<b>AUDIT COMMITTEE</b>	MAJ. GEN. (RETD.) SAEED AHMED WAHLA	Chairman
	MR. AHMAD KULI KHAN KHATTAK	Member
	COL. (RETD.) SYED YUNUS ALI RAZA	Member
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	COL. (RETD.) SYED YUNUS ALI RAZA	Chairman
	LT. GEN. (RETD.) ALI KULI KHAN KHATTAK	Chief Executive / Member
	MR. AHMAD KULI KHAN KHATTAK	Member
	MRS. SHAHNAZ SAJJAD AHMAD	Member
<b>CHIEF FINANCIAL OFFICER</b>	MR. AMIN-UR-RASHEED B. Com. (Hons.) FICS Sr. Gen. Manager (Fin., Com. & Corporate Affairs)	
<b>COMPANY SECRETARY</b>	MR. ABID RAZA, M.(Accounting & Finance), APFA	
<b>HEAD OF INTERNAL AUDIT</b>	MR. BILAWAL IRSHAD, CIA(Pak)	
<b>AUDITORS</b>	SHINEWING HAMEED CHAUDHRI & CO., Chartered Accountants	
<b>BANKERS</b>	NATIONAL BANK OF PAKISTAN THE BANK OF KHYBER PAK OMAN INVESTMENT COMPANY LTD. BANK ALFALAH LIMITED MEEZAN BANK LIMITED HABIB METROPOLITAN BANK LTD.	
<b>LEGAL ADVISOR</b>	HASSAN & HASSAN (ADVOCATES) PAAF BUILDING, 7 D, KASHMIR ROAD, LAHORE	
<b>TAX CONSULTANTS</b>	M. NAWAZ KHAN & CO. GROUND FLOOR, FARRAH CENTRE, 2-MOZZANG ROAD, LAHORE	
<b>REGISTRARS &amp; SHARES REGISTRATION OFFICE</b>	VISION CONSULTING LIMITED 5-C, LDA FLATS, 1ST FLOOR, LAWRENCE ROAD, LAHORE TEL. 042-36283096-97, FAX. 042-36312550 EMAIL: info@vcl.com.pk	
<b>REGISTERED OFFICE &amp; MILLS</b>	HABIBABAD, KOHAT (KPK) TEL. 0922 - 862161 - 862163 FAX. 0922 - 510474 E-MAIL: janana@brain.net.pk, janana.textile@gmail.com WEB SITE: www.jdm.com.pk	

## **DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS**

On behalf of the Board of Directors, we are pleased to present the Directors' Review along with the condensed interim financial statements of the Company for the 3<sup>rd</sup> quarter & nine months Period ended 31<sup>st</sup> March 2024.

### **FINANCIAL HIGHLIGHTS**

	<b>Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>Mar. 31, 2024</b>	<b>Mar. 31, 2023</b>	<b>Mar. 31, 2024</b>	<b>Mar. 31, 2023</b>
	----- <b>Rs. in thousands</b> -----			
<b>Sales-net</b>	<b>1,515,630</b>	1,436,632	<b>4,529,507</b>	4,807,719
<b>Gross (loss) / profit</b>	<b>(15)</b>	12,938	<b>141,803</b>	271,463
<b>(Loss) / profit from operations</b>	<b>(49,459)</b>	(31,470)	<b>58,222</b>	174,449
<b>Loss before taxation</b>	<b>(125,710)</b>	(109,514)	<b>(184,698)</b>	(65,052)
<b>Loss after taxation</b>	<b>(118,334)</b>	(75,605)	<b>(150,404)</b>	(77,284)
	----- <b>Rupees</b> -----			
<b>Loss per share</b>	<b>(17.11)</b>	(10.93)	<b>(21.75)</b>	(11.17)

During the period under report, the turnover of the Company has decreased by Rs.278.212 million as compared to the previous period. Further, the Company, in the period under report, has incurred a loss before tax amounting to Rs.184.698 million and loss after tax of Rs.150.404 million in comparison with loss before tax amounting to Rs.65.052 million and loss after tax amounting to Rs.77.284 million respectively, in the previous comparative period.

The Company has incurred the loss due to enormous increase of 118% in the gas prices (i.e. from Rs.1,100 to Rs.2,400 per MMBtu) from the month of November, 2023 and a further increase of around 15% (from Rs.2,400 to Rs.2,750 per MMBtu) from the month of February, 2024; increase in raw material costs due to high exchange rates and increase in finance costs due to a historical rise in interest rates.

### **GENERAL MARKET CONDITIONS AND FUTURE OUTLOOK**

According to the Asian Development Bank's (ADB) new report i.e. "Asian Development Outlook (ADO) April 2024", Pakistan's economic outlook is uncertain, with high risks on the downside, as political uncertainty would remain a key risk to the sustainability of stabilization and reform efforts.

According to the report, Pakistan's GDP is expected to grow by 1.9 per cent in FY2024, driven by a rebound in private sector investment linked to progress on reform measures and transition to a new and more stable government. The report further projected that economic growth in the FY2025 would reach 2.8 per cent, driven by higher confidence, reduced macro-economic imbalances, adequate progress on structural reforms, greater political stability, and improved external conditions. Inflation will remain high—at about 25%

in FY2024, driven by higher energy prices, but is expected to ease to 15% in FY2025 as inflation expectations moderate and progress on macroeconomic stabilization restores confidence. The central bank has maintained a tightened monetary policy, keeping the policy interest rate at 22% in response to persistent inflationary pressures and external imbalances.

The report pointed out that Pakistan would continue to face challenges from substantial new external financing requirements and the rollover of old debt, exacerbated by tight global financial conditions.

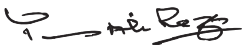
Textile industry in the Country is facing significant challenges due to soaring energy costs after recent hikes in gas prices, leading to a downturn in profitability and complete shutdowns across the sector. Other major issues that have compounded the industry's difficulties include, rising production costs, frequent energy shortages, burden of cross subsidies on energy costs imposed by the regulator, and a shortfall in the domestic cotton crop, that has necessitated the import of cotton bales to meet industry demands.

Adhering to the terms of the IMF's Stand-by Facility, the government has implemented significant hikes in gas prices, leading to a marked increase in the cost of conducting business. These conditions are likely to result in a notable economic deceleration and contraction in export volumes in the coming months.

#### **ACKNOWLEDGMENT**

The Board places on record its appreciation for the support of its bankers who have consistently facilitated the Company in financially difficult times. We would also like to highlight the hard work and diligence of the Company's senior management, support staff and the production workers. We look forward to same dedication and cooperation from them in the future as well.

**On behalf of the Board of Directors**



**Col. (Retd.) Syed Yunus Ali Raza**  
Director



**Lt. Gen. (Retd.) Ali Kuli Khan Khattak**  
Chief Executive Officer

**Dated: April 22, 2024**

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، 31 مارچ 2024 کی نو ماہ کی ختم ہونے والی مدت پر کمپنی کی مالیاتی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

کارکردگی کا جائزہ۔

آپ کی کمپنی کی مالیاتی نتائج کے اہم جھلکیاں مندرجہ ذیل ہیں۔

نوماسی۔۔۔۔۔		سدماسی۔۔۔۔۔		
31 مارچ 2023	31 مارچ 2024	31 مارچ 2023	31 مارچ 2024	
----- روپے ہزاروں میں -----				
4,529,507	<b>4,529,507</b>	1,436,632	<b>1,515,630</b>	فروخت
271,463	<b>141,803</b>	12,938	<b>(15)</b>	عموری (نقصان) / منافع
174,449	<b>58,222</b>	(31,470)	<b>(49,459)</b>	آپریشن کے بعد (نقصان) / منافع
(65,052)	<b>(184,698)</b>	(109,514)	<b>(125,710)</b>	ٹیکس سے پہلے نقصان
(77,284)	<b>(150,404)</b>	(75,605)	<b>(118,334)</b>	ٹیکس کے بعد نقصان
----- روپے -----				
(11.17)	<b>(21.75)</b>	(10.93)	<b>(17.11)</b>	نقصان فی شیئر

زیر جائزہ مدت کے دوران، کمپنی کے کاروبار میں گزشتہ مدت کے مقابلے میں 278.212 ملین روپے کی کمی واقع ہوئی ہے۔ مزید، کمپنی کا زیر جائزہ مدت میں ٹیکس سے پہلے نقصان 184.698 ملین روپے اور ٹیکس کے بعد کا خسارہ 150.404 ملین روپے رہا جبکہ اس کے مقابلے میں گزشتہ تقابلی مدت میں بالترتیب ٹیکس سے پہلے کا نقصان 65.052 ملین روپے اور ٹیکس کے بعد کا نقصان 77.284 ملین روپے تھا۔ نقصان کی اہم وجوہات میں نومبر 2023 سے ٹیکس کی قیمتوں میں 118% کا بے پناہ اضافہ (یعنی 1,100 روپے سے 2,400 روپے فی MMBtu) اور فروری 2024 میں تقریباً 15% (2,400 روپے سے 2,750 روپے فی MMBtu) کا مزید اضافہ شامل ہیں جن کی وجہ سے کمپنی کو نقصان اٹھانا پڑا ہے۔ مزید، پاکستانی روپے کی قدر میں بے مثال کمی، یعنی امریکی ڈالر، خام مال کی قیمتوں اور شرح سود میں اضافہ کی وجہ سے مالیاتی اخراجات میں اضافہ ہوا ہے۔

عمومی مارکیٹ کی حالت اور مستقبل کا نقطہ نظر

ایشیئن ڈیولپمنٹ بینک کی نئی رپورٹ یعنی "ایشیئن ڈیولپمنٹ آؤٹ لک اپریل 2024" کے مطابق، پاکستان کا معاشی نقطہ نظر غیر یقینی ہے، جس کے ضمنی پہلو بہت زیادہ ہیں، کیونکہ سیاسی غیر یقینی صورتحال، استحکام کی پائیداری کے لیے ایک اہم خطرہ رہے گی۔ رپورٹ کے مطابق، مالی سال 2024 میں پاکستان کی جی ڈی پی میں 1.9 فیصد اضافہ متوقع ہے، جو کہ نئی اور زیادہ مستحکم حکومت کی منتقلی سے، اس کی اصلاحاتی اقدامات پر پیش رفت کی وجہ سے ٹھی شے کی سرمایہ کاری میں بحالی کا باعث ہوگی۔ رپورٹ میں مزید پیش گوئی کی گئی ہے کہ مالی سال 2025 میں معاشی نمو 2.8 فیصد تک پہنچ جائے گی، جو کہ اعلیٰ اعتماد، میکرو اکنامک عدم توازن میں کمی، ڈھانچہ جاتی اصلاحات پر کافی پیش رفت، زیادہ سیاسی استحکام، اور بہتر بیرونی حالات کی وجہ سے ہوگا۔ مالی سال 2024 میں افراط زر بلند رہے گا، یعنی تقریباً 25 فیصد، یہ توانائی کی بلند قیمتوں کے باعث ہوگا۔ لیکن مالی سال 2025 میں اس کے 15 فیصد تک کم ہونے کی توقع ہے کیونکہ افراط زر کی توقعات معتدل اور معاشی استحکام پر پیش رفت اعتماد کو بحال کرتی ہے۔ مرکزی بینک نے مسلسل افراط زر کے دباؤ اور بیرونی عدم توازن کے جواب میں پالیسی سود کی شرح کو 22 فیصد پر رکھتے ہوئے ایک سخت مائیکرو پالیسی برقرار رکھی ہے۔

رپورٹ میں اس بات کی نشاندہی کی گئی ہے کہ پاکستان کوئی بیرونی ضروریات اور پرانے قرضوں کے رول اور سے چیلنجز کا سامنا کرنا پڑے گا، جو سخت عالمی مالیاتی حالات کی وجہ سے بڑھ گئے ہیں۔ ٹیکس کی قیمتوں میں حالیہ اضافے کے بعد توانائی کی قیمتوں میں اضافے کی وجہ سے ملک میں ٹیکسٹائل کی صنعت کو نمایاں چیلنجز کا سامنا ہے، جس کی وجہ سے منافع میں کمی اور پورے شعبے میں مکمل شٹ ڈاؤن ہے۔ دیگر بڑے مسائل جنہوں نے صنعت کی مشکلات میں اضافہ کیا ہے، ان میں پیداواری لاگت میں اضافہ، توانائی کی بار بار قلت، ریگولیٹری طرف سے عائد توانائی کی اخراجات پر کراس سبسڈی کا بوجھ، اور ملکی کپاس کی فصل میں کمی، جس کو پورا کرنے کے لیے روٹی کی گانھوں کی درآمد کی ضرورت ہے۔

آئی ایم ایف کی اسٹیٹمنٹ بانی ٹیم نے اپنی کی شرائط پر عمل کرتے ہوئے، حکومت نے ٹیکس کی قیمتوں میں نمایاں اضافہ نافذ کیا ہے، جس سے کاروبار چلانے کی لاگت میں واضح اضافہ ہوا ہے۔ ان حالات کے نتیجے میں آنے والے مہینوں میں قابل ذکر معاشی تیزی اور برآمدات کے حجم میں کمی آنے کا امکان ہے۔

اعتراف

بورڈ آف ڈائریکٹرز کمپنی کے بینکاروں کی قدر کرتا ہے جو کہ مسلسل کمپنی کی مالی مشکلات میں بروقت مدد کرتے ہیں۔ اسکے علاوہ کمپنی کی انتظامیہ اور کارکنوں کی محنت کو بے مثال مشکل حالات میں بہتر نتائج حاصل کرنے پر شاباش دیتا ہے۔ اور امید کرتا ہے کہ مستقبل میں تمام کارکنان اسی لگن اور محنت سے کام کرتے رہیں گے۔

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے

تاریخ: 22 اپریل 2024

*for Mr. Khan*

لینڈمنٹ جنرل (ریٹائرڈ) علی قلی خان بنگ  
چیف ایگزیکٹو آفیسر


*for Mr. Khan*

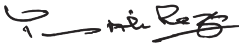
کنٹرول (ریٹائرڈ) سید یونس علی رضا  
ڈائریکٹر

**Condensed Interim Statement of Financial Position as at March 31, 2024 (Un-audited)**

<b>Assets</b>	<b>Note</b>	<b>Mar. 31, 2024 Un-audited</b>	<b>June 30, 2023 Audited</b>
<b>--Rupees in thousand--</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	7,466,546	7,592,697
Intangible assets		845	1,040
Investments in an Associated Company	6	95,082	71,693
Loans to employees		826	1,236
Security deposits		14,598	14,346
		<u>7,577,897</u>	<u>7,681,012</u>
<b>Current assets</b>			
Stores, spares and loose tools		73,726	90,099
Stock-in-trade		1,333,366	1,465,380
Trade debts - unsecured, considered good		10,250	62,405
Advances to employees		1,507	1,588
Advance payments		41,899	19,998
Trade deposits and prepayments	7	87,702	77,271
Other receivables		692	622
Income tax refundable, advance tax and tax deducted at source		173,298	197,372
Cash and bank balances		26,660	40,639
		<u>1,749,100</u>	<u>1,955,374</u>
<b>Total assets</b>		<u><b>9,326,997</b></u>	<u><b>9,636,386</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Authorised capital		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital		69,158	69,158
Treasury shares		(3,410)	(3,410)
Capital reserves			
- other capital reserves		23,803	23,803
- revaluation surplus on property, plant and equipment		5,081,259	5,110,134
Revenue reserves			
- general reserve		371,530	371,530
- unappropriated profit		875,385	996,914
<b>Shareholders' equity</b>		<u><b>6,417,725</b></u>	<u><b>6,568,129</b></u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities		0	2,034
Long term finances	8	894	138,691
Staff retirement benefits - gratuity		115,562	100,467
Deferred taxation		440,305	531,218
		<u>556,761</u>	<u>772,410</u>
<b>Current liabilities</b>			
Trade and other payables	9	540,758	421,680
Contract liabilities		212,868	77,675
Unclaimed dividends		2,715	2,715
Accrued mark-up		64,213	1,017
Short term finances		1,287,357	1,556,639
Current portion of non-current liabilities	10	186,790	159,723
Taxation	11	56,619	75,207
Preference shares redemption account		1,191	1,191
		<u>2,352,511</u>	<u>2,295,847</u>
<b>Total liabilities</b>		<u><b>2,909,272</b></u>	<u><b>3,068,257</b></u>
<b>Contingencies and commitments</b>	12		
<b>Total equity and liabilities</b>		<u><b>9,326,997</b></u>	<u><b>9,636,386</b></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
Lt. Gen. (Retd.)  
Ali Kuli Khan Khattak  
Chief Executive


  
Col. (Retd.) Syed Yunus Ali Raza  
Director

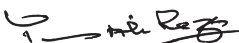
  
Amin-ur-Rasheed  
Chief Financial Officer

**Condensed Interim Statement of Profit or Loss & Other  
Comprehensive Income (Un-audited)  
For the Quarter and Nine Months Period Ended March 31, 2024**

	Quarter ended		Nine months period ended	
	Mar. 31, 2024	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2023
Note				
	----- Rupees in thousand -----			
Sales - net	1,515,630	1,436,632	4,529,507	4,807,719
Cost of sales	1,515,645	1,423,694	4,387,704	4,536,256
Gross (loss) / profit	(15)	12,938	141,803	271,463
Distribution cost	18,674	13,988	59,186	43,993
Administrative expenses	34,624	33,150	104,091	86,668
Other expenses	0	0	3,709	4,845
Other income	(3,854)	(2,730)	(83,405)	(38,492)
	49,444	44,408	83,581	97,014
(Loss) / profit from operations	(49,459)	(31,470)	58,222	174,449
Finance cost	76,251	78,044	266,309	216,357
	(125,710)	(109,514)	(208,087)	(41,908)
Share of profit of an Associated Company	0	0	708	4,957
Impairment loss on investments in an Associated Company reversed / (recognised)	0	0	22,681	(28,101)
	0	0	23,389	(23,144)
Loss before taxation	(125,710)	(109,514)	(184,698)	(65,052)
Taxation				
- current	11 18,946	17,957	56,619	60,096
- prior year	0	0	0	(3,227)
- deferred	(26,322)	(51,866)	(90,913)	(44,637)
	(7,376)	(33,909)	(34,294)	12,232
Loss after taxation	(118,334)	(75,605)	(150,404)	(77,284)
Other comprehensive income	0	0	0	0
Total comprehensive loss for the period	(118,334)	(75,605)	(150,404)	(77,284)
	----- Rupees -----			
Loss per share	(17.11)	(10.93)	(21.75)	(11.17)

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
Lt. Gen. (Retd.)  
Ali Kuli Khan Khattak  
Chief Executive

  
Col. (Retd.) Syed Yunus Ali Raza  
Director

  
Amin-ur-Rasheed  
Chief Financial Officer




**Condensed Interim Statement of Changes in Equity (Un-audited)  
For the Nine Months Period Ended March 31, 2024**

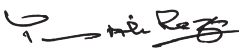
Share capital	Treas-ury shares	Reserves							Total
		Capital					Revenue		
		Capital redemption	Tax holiday	Share premium	Revaluation surplus on property, plant and equipment	Merger reserve	General	Unappropriated profit	

----- Rupees in thousand -----

Balance as at June 30, 2023 (audited)	69,158	(3,410)	6,694	350	11,409	5,110,134	5,350	371,530	996,914	6,568,129
Total comprehensive loss for the period of nine months ended March 31, 2024	0	0	0	0	0	0	0	0	(150,404)	(150,404)
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation for the period - net of deferred taxation	0	0	0	0	0	(28,875)	0	0	28,875	0
Share of revaluation surplus on property, plant and equipment of an Associated Company	0	0	0	0	0	0	0	0	0	0
<b>Balance as at March 31, 2024 (un-audited)</b>	<b>69,158</b>	<b>(3,410)</b>	<b>6,694</b>	<b>350</b>	<b>11,409</b>	<b>5,081,259</b>	<b>5,350</b>	<b>371,530</b>	<b>875,385</b>	<b>6,417,725</b>
Balance as at June 30, 2022 (audited)	69,158	(3,410)	6,694	350	11,409	5,124,591	5,350	371,530	1,035,997	6,621,669
Total comprehensive loss for the period of nine months ended March 31, 2023	0	0	0	0	0	0	0	0	(77,284)	(77,284)
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation for the period - net of deferred taxation	0	0	0	0	0	(28,199)	0	0	28,199	0
Share of revaluation surplus on property, plant and equipment of Associated Company	0	0	0	0	0	(33,956)	0	0	33,956	0
<b>Balance as at March 31, 2023 (un-audited)</b>	<b>69,158</b>	<b>(3,410)</b>	<b>6,694</b>	<b>350</b>	<b>11,409</b>	<b>5,062,436</b>	<b>5,350</b>	<b>371,530</b>	<b>1,020,868</b>	<b>6,544,385</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
Lt. Gen. (Retd.)  
Ali Kuli Khan Khattak  
Chief Executive


  
Col. (Retd.) Syed Yunus Ali Raza  
Director

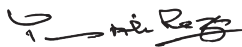
  
Amin-ur-Rasheed  
Chief Financial Officer

**Condensed Interim Statement of Cash Flows (Un-audited)  
For the Nine Months Period Ended March 31, 2024**

	Nine months period ended	
	Mar. 31, 2024	Mar. 31, 2023
	(Rupees in thousand)	
<b>Cash flows from operating activities</b>		
Loss for the period - before taxation and share of profit on investments in an Associated Company	(208,087)	(41,908)
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	120,938	124,053
Amortisation on intangible assets	195	195
Depreciation on right of use assets	1,274	426
Gain on sale of operating fixed assets	(266)	(3,021)
Staff retirement benefits - gratuity (net)	15,095	5,700
Receivable balances written-off	3,709	4,845
Payable balances written-back	(73,815)	(34,448)
Finance cost	266,309	216,357
<b>Profit before working capital changes</b>	<b>125,352</b>	<b>272,199</b>
<b>Effect on cash flows due to working capital changes</b>		
Decrease / (increase) in current assets:		
Stores, spares and loose tools	16,373	13,651
Stock-in-trade	132,014	218,208
Trade debts	52,155	(64,602)
Loans and advances to employees	491	(511)
Security deposits	(252)	0
Advance payments	(21,901)	(10,392)
Trade deposits and prepayments	(10,431)	(10,621)
Other receivables	(70)	(939)
Increase / (decrease) in trade and other payables	324,377	(189,162)
	<b>492,756</b>	<b>(44,368)</b>
<b>Cash generated from operations</b>	<b>618,108</b>	<b>227,831</b>
Taxes paid	(51,133)	(63,871)
<b>Net cash generated from operating activities</b>	<b>566,975</b>	<b>163,960</b>
<b>Cash flows from investing activities</b>		
Fixed capital expenditure	(8,508)	(81,875)
Sale proceeds of operating fixed assets	12,713	3,968
<b>Net cash generated from / (used in) investing activities</b>	<b>4,205</b>	<b>(77,907)</b>
<b>Cash flows from financing activities</b>		
Lease liabilities	(1,551)	(1,091)
Long term finances - net	(111,213)	54,453
Short term finances - net	(269,282)	79,539
Finance cost paid	(203,113)	(203,827)
<b>Net cash used in financing activities</b>	<b>(585,159)</b>	<b>(70,926)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(13,979)</b>	<b>15,127</b>
<b>Cash and cash equivalents - at beginning of the period</b>	<b>40,639</b>	<b>17,169</b>
<b>Cash and cash equivalents - at end of the period</b>	<b>26,660</b>	<b>32,296</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
Lt. Gen. (Retd.)  
Ali Kuli Khan Khattak  
Chief Executive

  
Col. (Retd.) Syed Yunus Ali Raza  
Director

  
Amin-ur-Rasheed  
Chief Financial Officer

**Notes to the Condensed Interim Financial Statements (Un-audited)  
For the Nine Months Period Ended March 31, 2024**

**1. Legal status and operations**

Janana De Malucho Textile Mills Ltd. (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of yarn. The Company's mills and its registered office are located at Habibabad, Kohat.

**2. Basis of preparation**

**2.1 Statement of compliance**

These condensed 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 of:

- International Accounting Standard (IAS) 34, 'Interim financial reporting', issued by 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.

**2.2** These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2023. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

**2.3** These condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017.

**2.4 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (gratuity), which is determined on the present value of defined benefit obligations determined by an independent actuary and property, plant and equipment at revalued amounts assessed by an independent valuer.

**2.5 Functional and presentation currency**

These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

**3. Significant accounting policies**

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited financial statements of the Company as at and for the year ended June 30, 2023.

**3.1 Changes In Accounting Standards, Interpretations And Amendments To Published Approved Accounting Standards**

**a) Standards, interpretations and amendments to published approved accounting standards that are effective**

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting periods which began on July 01, 2023. However, these do not have any significant impact on the Company's financial reporting.

**b) Standards, interpretations and amendments to published approved accounting standards that are not yet effective**

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2024. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

**4. Accounting estimates and judgements**

**4.1** The preparation of these condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

**4.2** In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2023.

		<b>Un-audited Mar. 31, 2024</b>	Audited June 30, 2023
<b>5. Property, plant and equipment</b>	<b>Note</b>	<b>(Rupees in thousand)</b>	
Operating fixed assets - tangible	<b>5.1</b>	<b>7,407,659</b>	7,532,536
Capital work-in-progress		<b>56,025</b>	56,025
Right of use assets		<b>2,862</b>	4,136
		<b><u>7,466,546</u></b>	<u>7,592,697</u>
<b>5.1 Operating fixed assets</b>			
Book value as at June 30, 2023		<b>7,532,536</b>	
Additions made during the period:			
- furniture and fixtures		<b>270</b>	
- computer equipment and accessories		<b>171</b>	
- vehicles		<b>8,067</b>	
		<b>8,508</b>	
Book value of operating fixed assets sold		<b>(12,447)</b>	
Depreciation charge for the period		<b>(120,938)</b>	
Book value as at March 31, 2024		<b><u>7,407,659</u></b>	

	Note	Un-audited Mar. 31, 2024 (Rupees in thousand)
<b>6. Investments in an Associated Company - Quoted</b>		
<b>Bannu Woollen Mills Ltd. (BWM)</b>		
Carrying value of 731,626 shares of Rs.10 each before recognition of impairment loss as at June 30, 2023		305,619
Shareholding held: 7.70%		
Profit for the period - net of taxation		708
		306,327
Less: impairment loss:		
- balance as at June 30, 2023		(233,926)
- loss reversed during the period	6.3	22,681
		(211,245)
Carrying value as at March 31, 2024		95,082
<b>6.1</b> Although the Company has less than 20% voting rights in BWM as at March 31, 2024, BWM has been treated as an Associated Company by virtue of common directorships.		
<b>6.2</b> Market value of the Company's investments in BWM as at March 31, 2024 was Rs.19.015 million (June 30, 2023: Rs.16.374 million).		
<b>6.3</b> The reversal of impairment loss on investments in the Associate as of December 31, 2023 has resulted from the adoption of a revised valuation methodology permitted under IAS 36 (Impairment of Assets) . The Company has been using the Discounted Cash Flow (DCF) method to calculate Value in Use (VIU) under IAS 36. However, economic challenges, such as inflation, currency devaluation and increased assets revaluation, have necessitated a reassessment of the impairment assessment approach. Therefore, keeping in view the requirements of IAS 36, a revised model, known as the Market Value of Net Assets Approach has been adopted as at December 31, 2023 to calculate the VIU. This model provides a more accurate reflection of the investments value, especially for capital-intensive entities. This change in the VIU calculation method has led to reversal of the impairment loss for the period ended December 31, 2023. This change in estimate has been applied prospectively.		
<b>7. Trade deposits and prepayments</b>		
Period end balance includes deposit amounting Rs.75 million and Rs.2.700 million deposited with National Bank of Pakistan (NBP) and Bank Alfalah Ltd. (BAF) respectively against guarantees of similar amounts issued by both the banks in favor of Sui Northern Gas Pipelines Ltd. The guarantees issued by NBP and BAF are valid till December 31, 2024 and July 31, 2024 respectively.		

	<b>Un-audited Mar. 31, 2024</b>	<b>Audited June 30, 2023</b>
	<b>(Rupees in thousand)</b>	
<b>8. Long term finances - secured</b>		
First Habib Modaraba		
- diminishing musharaka (DM I)	2,096	2,906
The Bank of Khyber		
- demand finance - I	3,292	32,917
- demand finance - II	557	5,565
Pak Oman Investment Company Ltd.		
- term finance I	66,667	133,333
- term finance II	100,000	100,000
Sindh Modaraba		
- diminishing musharaka (DM II)	13,150	22,254
	<b>185,762</b>	296,975
Less: current portion grouped under current liabilities	<b>184,868</b>	158,284
	<b>894</b>	138,691
<b>9. Trade and other payables</b>		
Creditors	79,394	79,714
Bills payable against imported raw materials	83,774	57,514
Advance payments	184	184
Accrued expenses	311,885	205,851
Tax deducted at source	14,087	11,329
Sales tax payable	20,862	22,404
Gratuity payable to employees	0	1,000
Due to Waqf-e-Kuli Khan	27,760	28,124
Security deposits repayable on demand - interest free	283	283
Others	2,529	15,277
	<b>540,758</b>	421,680
<b>10. Current portion of non-current liabilities</b>		
Lease liabilities	1,922	1,439
Long term finances	<b>8 184,868</b>	158,284
	<b>186,790</b>	159,723
<b>11. Taxation-net</b>		
11.1	Income tax assessments of the Company have been completed up to the tax year 2023 i.e. accounting year ended June 30, 2023.	
11.2	There has been no significant change in the status of taxation matters during the current period as detailed in note 27 to the audited financial statements of the Company for the year ended June 30, 2023.	

11.3 Income tax expense is recognised in each interim period based on best estimate. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate changes.

**12. Contingencies and commitments**

12.1 There has been no significant change in the status of contingencies as detailed in note 15 to the interim financial statements of the Company for the period ended December 31, 2023.

	<b>Un-audited</b>	<b>Audited</b>
	<b>Mar. 31,</b>	<b>June 30,</b>
	<b>2024</b>	<b>2023</b>
12.2 Commitments against irrevocable letters of credit outstanding at the period / year-end were for: raw materials	<b>(Rupees in thousand)</b> <b>127,161</b>	<b>158,255</b>

**13. Transactions with Related Parties**

Significant transactions made during the period with related parties were as follows:

		<b>Cumulative</b>	
		<b>Nine months period ended</b>	
<b>Name</b>	<b>Nature of transaction</b>	<b>March, 31</b>	
		<b>2024</b>	<b>2023</b>
		<b>(Rupees in thousand)</b>	
<b>Associated Companies</b>			
Bannu Woollen Mills Ltd.	Expenses recovered	<b>330</b>	180
	Salaries and benefits recovered	<b>2,581</b>	1,731
	Sale of yarn		4,128
The Universal Insurance Company Ltd.	Salaries & benefits recovered	<b>2,581</b>	1,731
	Salaries & benefits paid	<b>686</b>	1,218
	Expenses recovered	<b>180</b>	180
Gammon Pakistan Ltd.	Rent paid	<b>0</b>	242
Gandhara Automobiles Ltd.	Salaries & benefits recovered	<b>2,581</b>	1,731
	Purchase of vehicles	<b>0</b>	37,074
	Expenses recovered	<b>290</b>	180
Gandhara Industries Ltd.	---- do ----	<b>290</b>	180
	Salaries & benefits recovered	<b>2,581</b>	1,731
	Purchase of vehicles	<b>0</b>	11,086
<b>Other related parties</b>			
Employees' Provident Fund	Payments made to Provident Fund	<b>29,078</b>	26,248
Key Management Personnel	Salaries & benefits	<b>151,470</b>	153,181
Executive Director Finance & Production	Lease rental (payable) / paid	<b>(2,046)</b>	1,860

**14. Financial risk management**

**14.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at and for the year ended June 30, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

#### **14.2 Fair value estimation**

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Further, there were no reclassifications of financial assets.

#### **15. Corresponding figures**

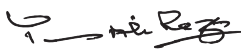
The comparative condensed interim statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss & other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the period ended March 31, 2023.

#### **16. Date of authorisation for issue**

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on April 22, 2024.



Lt. Gen. (Retd.)  
Ali Kuli Khan Khattak  
Chief Executive



Col. (Retd.) Syed Yunus Ali Raza  
Director



Amin-ur-Rasheed  
Chief Financial Officer



