INTERLOOP

ANNUAL REPORT 2024

FULL FAMILY CLOTHING PARTNER OF CHOICE

FULL FAMILY CLOTHING PARTNER OF CHOICE

With a steadfast commitment to fulfilling our customer promise of world-class products and timely delivery, we are actively working towards achieving our Vision 2025; to become a full family clothing partner of choice. Our strategic focus is on elevating the customer experience by providing value-added services and offering a diverse range of multi-category products. These products cater to all ages, genders, and abilities, and are manufactured responsibly, meeting the highest environmental and social standards.

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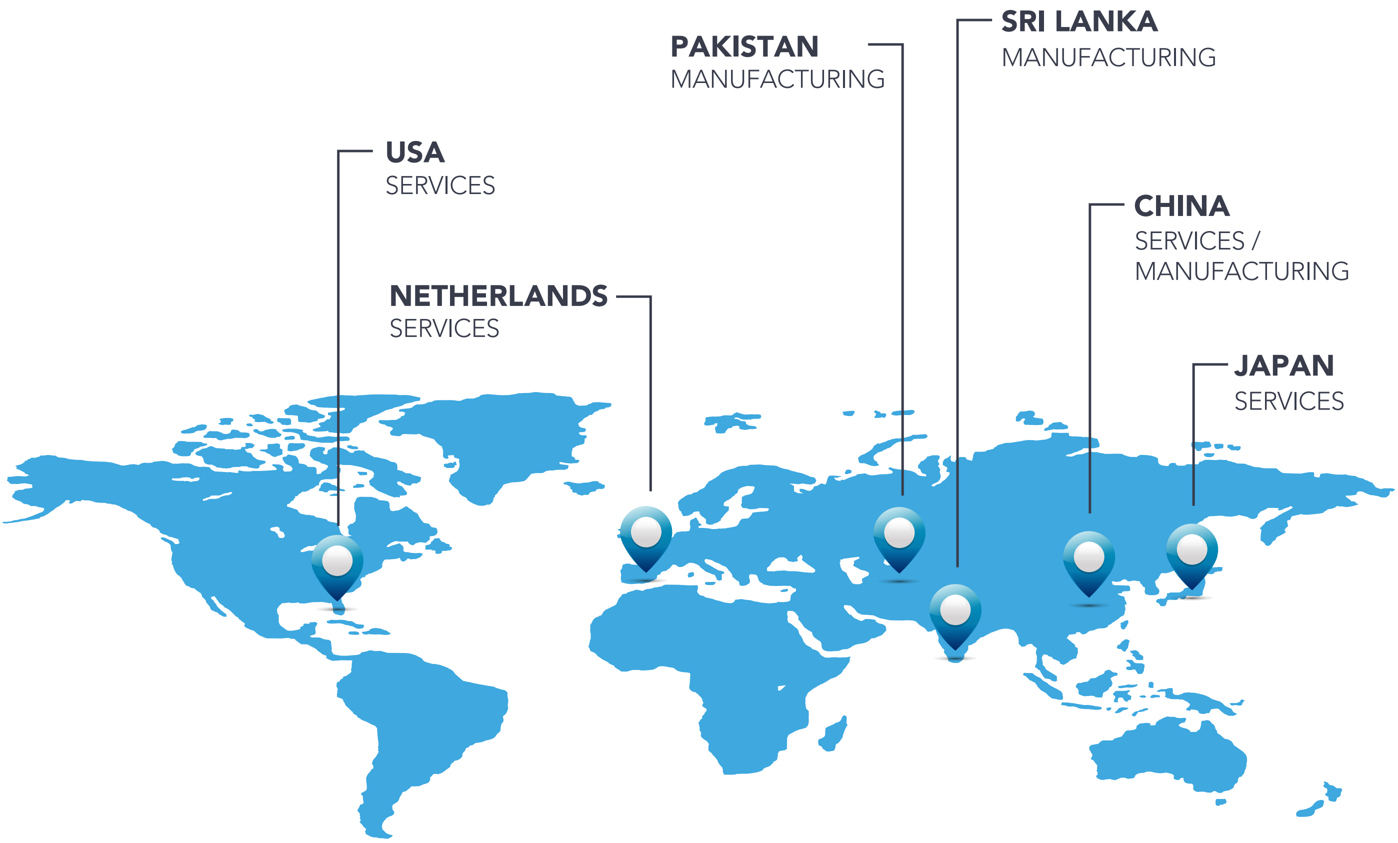
COMPANY OVERVIEW

OUR
FOOTPRINT

Global Presence Through
Affiliates & Associates



COMPANY PROFILE

Interloop Limited, headquartered in Pakistan, is a vertically integrated Full Family Clothing company, manufacturing Hosiery, Denim, Knitted Apparel & Seamless Activewear products, for top international brands and retailers, aiming to become a Partner of Choice.

Being the largest listed textile company on Pakistan Stock Exchange by market capitalization and the only textile company from Pakistan on the main Morgan Stanley Frontier Market Index (MSCI), Interloop is also the leading textile exporter from Pakistan, with annual sales of PKR 156,129 Million. It employs 34,000+ highly motivated and engaged people from 15 nationalities, working across an organizational network operating from 6 countries, including an extensive, well-equipped industrial infrastructure base in Pakistan, an associate manufacturing facility in Sri Lanka, a manufacturing facility and sourcing office in China, and marketing services offices in USA, Europe and Japan.

Renowned globally for its manufacturing excellence, Interloop is also a pioneer in environmental consciousness and at the forefront of social change. Aiming for Race to Zero, it focuses on circular by choice, reducing its carbon footprint, and using less water. Elevating its commitment to environment, Interloop became Pakistan's First manufacturing organization in Large Enterprise Category to have its Science Based Targets approved. With installed solar energy generation capacity of 12.6MW, Interloop is aiming to click 25MW by 2025-26. Adding cleaner fuel to its energy generation, Interloop has switched from coal to biomass fuel for steam generation by installing a 55TPH Biomass Boilers Project. It has also installed a water recycling plant at Interloop Apparel Park with the goal to significantly enhance its capacity in the coming years. The company's commitment to sustainable material sourcing is reflected in the IC-2 certification for Interloop Organic Kapas (ILOK), while all its hosiery, denim, and apparel manufacturing facilities are ZDHC (Supplier to Zero) Progressive Level certified. Loomshake; banana fiber extracted from banana waste is being blended with cotton to create hosiery and denim products, rooted in sustainability and innovation.

Interloop is on a digital transformation journey. Along with continuous improvement and development in its ERP landscape, it has developed an MES software layer under project foglight with a combination of machine to machine integration and use of IoT devices to capture real time data from the production floor. Furthermore, a number of artificial intelligence based use cases have been deployed for swift product development and improved quality. A few AI/ML based solutions are in pilot phase for optimized production scheduling, computer vision based quality and GenAI based informational bots. IT Governance is crucial for an enterprise as it ensures that IT Investments support business goals. An IT Governance department has been established with an IT PMO and IT Security Governance to ensure that critical infrastructure assets and data are secure.

As a Business with Purpose, Interloop follows the Triple Bottom Line approach focused on Planet, People and Prosperity. Rooted in its Mission, Interloop's reason for existence is to bring about a positive change for the stakeholders and the community. Interloop's ambition to transform lives and improve wellbeing of its people and communities through targeted interventions, build a diverse, engaged and inclusive workforce, and conserve the environment, is reflected in its business decisions, practices and initiatives. Being a participant of United Nations Global Compact, and signatory to the UN Fashion Industry Charter for Climate Action to drive net-zero GHG emissions by 2050, Interloop is fully committed to sustainable development.

Largest listed Textile Company on Pakistan Stock Exchange by market capitalization

Only Textile Company from Pakistan on the main Morgan Stanley Frontier Market Index (MSCI)

34,000+

engaged people from 15 nationalities

OUR
MISSION

**To be an agent of positive change
for the stakeholders and community
by pursuing an ethical and sustainable business**

OUR
CORE VALUES

INTEGRITY | CARE | ACCOUNTABILITY

RESPECT | EXCELLENCE

Vision 2025 is our growth-led strategy centered around our customer-first approach, positioning Interloop as the preferred Full Family Clothing Partner of Choice.

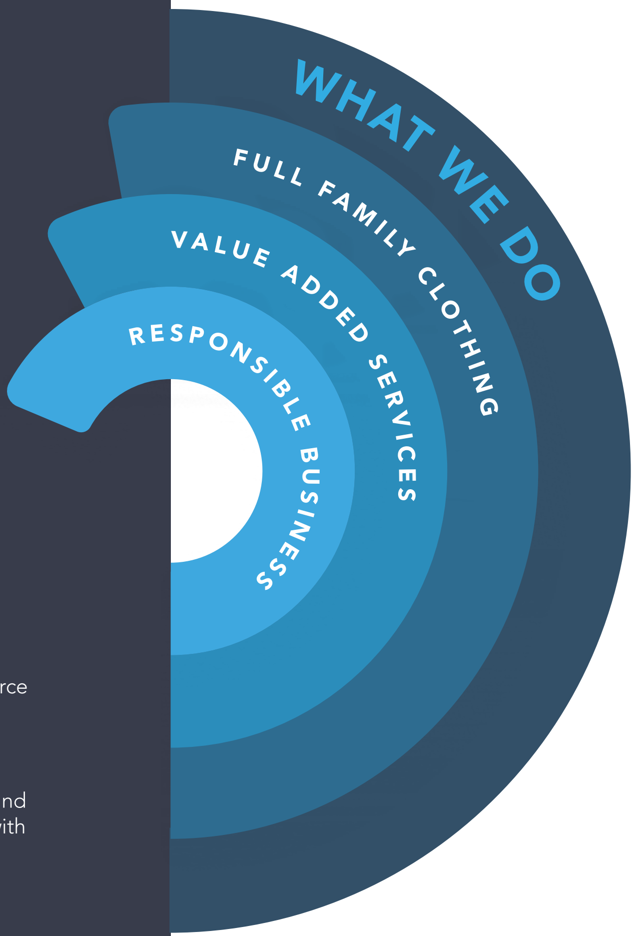
This roadmap, spanning July 2021 to June 2026, emphasizes delivering responsibly manufactured, multi-category products that meet the highest environmental and social performance standards. Our goal is to maintain leadership in hosiery and build credibility of our denim, knitted apparel, and seamless activewear products, catering to our customers, for all ages, genders, and abilities.

To effectively implement this strategy, we are unlocking the true potential of our people by fostering a diverse, inclusive, and engaged work environment that drives high performance. This transformation is supported by our commitment to digital innovation and an agile and lean mindset across all aspects of our operations. By providing exceptional customer service through value-added offerings and responsible business practices, we aim to be the partner of choice for our clients.

OUR
VISION 2025

To Become a

Full Family Clothing Partner of Choice



HOW WE'LL DO IT

PEOPLE
A diverse, inclusive and engaged workforce creating a high performing organization

DIGITAL TRANSFORMATION
Drive efficiencies through digitalization and provide transparency to our customers with real time information

AGILE MANUFACTURING
Drive an agile organization retaining our competitive position as a responsive high quality manufacturer

$700M
REVENUE BY FY2026
Transforming into a full family clothing business will build further credibility with our customers

2.5x
REVENUE THROUGH VALUE ADDED SERVICES
Providing value added services creating strong lasting partnerships

25%
LOWER CARBON FOOTPRINT AND RESOURCE CONSUMPTION
Lead the way in responsible manufacturing meeting highest standards of environmental and social performance

KEY PERFORMANCE INDICATORS

Total Sales PKR'B
156.13
119.20 FY2023

Earning Per Shares PKR
11.25
14.39 FY2023

Profit after Tax PKR'B
15.77
20.17 FY2023

Current Ratio Times
1.14
1.14 FY2023

Return on Equity
29.46%
46.05 FY2023

Cash Dividend per Share in PKR
4.50*
5.00 FY2023

* Including final dividend PKR 2.50 per share subject to approval of shareholders

2024 HIGHLIGHTS

REVENUE GROWTH

31%*

Year-on-Year

LEADING TEXTILE EXPORTER

$529**

Million

DIVERSITY & INCLUSION

44%

Board Membership Comprising of Women Directors

55TPH CAPACITY BIOMASS BOILERS

50,000

Tons CO_2 Emissions Reduction Annually

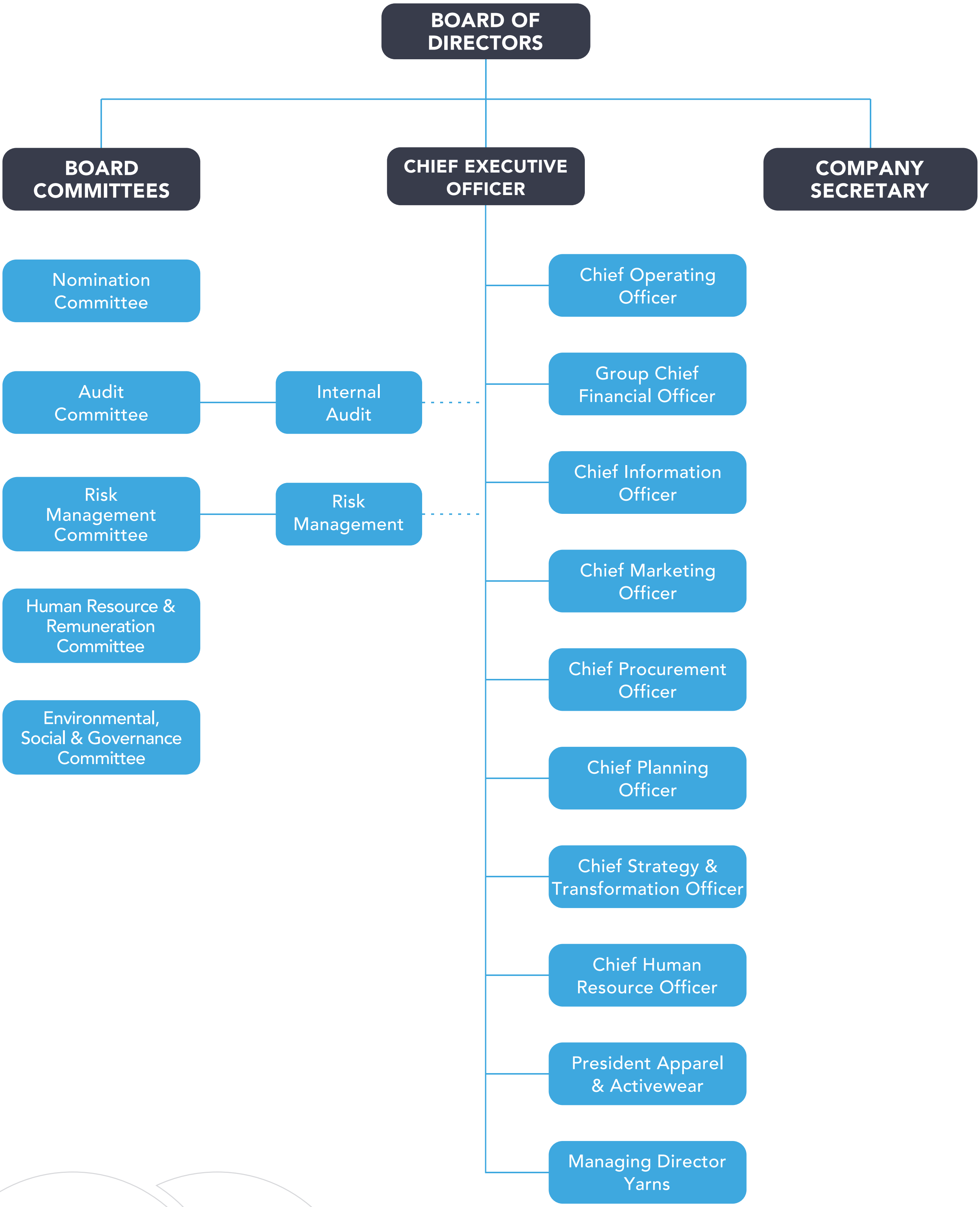
RESPONSIBLE CHEMICAL MANAGEMENT

ZDHC CERTIFICATION

Achieved ZDHC Supplier to Zero Progressive Level Certification

* Net sales
** Export sales

ORGANIZATIONAL STRUCTURE



2024
RECOGNITIONS

People Award From adidas

Interloop proudly received the People Award at the adidas Partner Summit 2024 in Shanghai, highlighting our commitment to employee well-being and a supportive workplace environment.

HR Pinnacle Award 2024

Interloop was honored at the inaugural HR Pinnacle Awards organized in collaboration with the World Happiness Foundation and TMI USA, celebrating our focus on empathetic leadership and holistic employee growth.

Tax Excellence Award 2024

Interloop was thrilled to win the Tax Excellence Award 2024, acknowledging our superior tax strategy and governance, reinforcing our commitment to financial responsibility and transparency.

Best Place To Work Award (BPTW Award 2023)

Interloop was named "Top Choice Employer in the Textile Industry" at the 2023 BPTW Awards, underscoring our commitment to fair policies and an inclusive work environment.

Supplier Award 2023

Interloop received the Best EHS Compliance Award, reflecting our dedication to environmental, health, and safety standards while inspiring us to lead the industry in ethical practices.

OSHE Award 2023

Interloop earned 2nd prize at the 17th EFP Best Practices Award for OSHE, recognizing our high standards in occupational safety, health, and environmental practices.

BUSINESS CATEGORIES

HOSIERY

873M

Pairs of Socks Annual Production Capacity

For more than three decades, Interloop has solidified its reputation as a leading global supplier of socks, partnering with renowned brands such as Nike, adidas, STICHD, Target, H&M, C&A, Amazon, and Uniqlo, among others. With a robust manufacturing network that including five vertically integrated facilities in Pakistan, alongside a facility each in Sri Lanka and China, we combine large-scale production capabilities with a strong focus on innovation and sustainable practices.

Equipped with cutting-edge knitting technologies including auto-linking, infant machines, double-cylinder knitting machines, and specialized processing systems like Jeanologia and Tonello, Interloop produces a wide range of athletic, performance, fashion, and casual socks for all genders and sizes. We use the finest natural, man-made, and recycled fibers, incorporating innovative materials that provide features like extreme breathability, anti-blistering, anti-friction, and ultra-grip for optimal comfort and performance. Additionally, we have one of the largest capacities for infant socks, ensuring we meet the diverse needs of our global customers.

Interloop is committed to a responsible manufacturing trajectory, ensuring sustainability at every stage, from farm to factory and throughout our supply chain. As we continue to evolve into a full-service partner for our clients, we leverage in-house, end-to-end capabilities, including product development, quality assurance, research and innovation, and digital sampling. Our aggressive investment in digital technologies is transforming our operations across product design, development, manufacturing, and customer service, enhancing both efficiency and responsiveness to meet the dynamic demands of our global clientele.

DENIM

7M

Garments Annual Production Capacity

Interloop Denim is a model of responsible manufacturing, seamlessly blending conscious craftsmanship with cutting-edge fashion. Since its inception in December 2019, the facility has grown into one of the largest LEED Platinum-certified denim plants in the world, leading the industry in environmentally friendly, high-tech, and resource-efficient production. With a production capacity now reaching 7 million garments annually, the plant is on track to further expand to 1.5 million pieces per month by 2026.

Rooted in sustainability, we utilize advanced technologies and precision processes to produce innovative, eco-conscious denim products. By embracing Industry 4.0 and integrating low-impact solutions, we optimize efficiency through ERP systems and digital sampling, while ensuring our jeans are crafted to last. Our extreme low-impact jeans incorporate technologies like nano-bubble finishing, waterless bleaching using ozone, and auto-nebulization, reducing water use by up to 70% with a consistent 1:3 liquor ratio.

The plant features advanced cutting-edge machinery, including auto spreaders, auto cutters, and high-efficiency sewing and laundry equipment such as Jeanologia and Tonello systems, Atmos, and state-of-the-art finishing machines for rivet and button attachment, heat transfer, and more. With one of the largest in-house laser facilities in the region and a comprehensive light-sensitive fabrics library, we deliver a broad product range including bottoms, shorts, skirts, jackets, and cargos for all genders, ages, and sizes.

Serving globally recognized brands like Guess, Hugo Boss, Mustang, Diesel, and Target, Interloop Denim continues to push the boundaries of innovation and sustainability, setting a new standard for denim manufacturing.

APPAREL

33.57M

Garments Annual Production Capacity

Interloop's new apparel plant is a high-tech, vertically integrated facility that manages the entire product cycle, from development and raw material procurement to processing and packaging. This end-to-end process includes yarn spinning, fabric processing, knitting, dyeing, garment laundry, cutting, sewing, and embellishment. With automation at scale, we aim to expand our annual production capacity to 69.76 million pieces by 2026.

By maintaining control over the entire production process, we offer unparalleled customization, speed, and flexibility in our manufacturing operations. Our commitment to quality is unwavering and we ensure that all our products are rigorously tested and meet all applicable global compliance standards. With a people inspired mindset, there is a strong emphasis on skill and capability development. Our dedicated technical training school focuses on developing key technical and trade skills including knitting, stitching, and machine maintenance as well as training on behavioural competencies based on Interloop's core values.

Our apparel line includes a variety of knitted garments, made from diverse fabrics ranging from single jersey to fleece. Committed to sustainability, the plant integrates renewable energy, water recycling, and a wetland bird sanctuary. It is designed to achieve LEED platinum certification, with an emphasis on energy efficiency and environmental sustainability.

ACTIVEWEAR

4M*

Garments Annual Production Capacity

Interloop proudly presents a cutting-edge vertically integrated seamless activewear manufacturing facility located at the Interloop Industrial Park. With an annual production capacity of 4 million pieces, our offerings range from high-performance activewear to basic underwear, available in ten different sizes to cater to a diverse customer base. Our seamless activewear is engineered for elevated performance, enhancing flexibility, durability, and style. Each garment is designed to move with your body, built to last while seamlessly integrating innovative blends, construction techniques, and performance finishes for unparalleled comfort. Utilizing body mapping technology, our designs offer unrestricted 360-degree stretch, ensuring optimal freedom of movement. We utilize 54 Santoni knitting machines, 5 Tonello dyeing machines, and 225 sewing machines in our state-of-the-art facility. Our product line includes a wide array of garments, from underwear such as bras, thongs, and briefs to hybrid activewear including compression leggings, sports bras, tank tops, and tees, all made from various knitting techniques and synthetic fibers.

Interloop is committed to sustainability, utilizing recycled yarns in different blends and implementing waterless dyeing techniques with dope dyes. We also use water-efficient piece-dyed materials that employ low liquor ratio technology by Tonello, and we hold a shared Global Recycled Standard (GRS) certification with Plant 2, along with Oeko-Tex certification. Innovation is at the heart of our production, with a variety of garment washes, aesthetic materials such as lurex and shiny nylon, and diverse fabric constructions enhanced with body mapping technology. Interloop Activewear is dedicated to delivering top-quality products while maintaining strong partnerships with world-leading brands and retailers, including adidas, Reebok, Guess, Zara, H&M, K-Mart, and Dillard. Our focus on quality, innovation, and customer satisfaction has established us as a trusted supplier in the activewear industry.

*** Based on Standard Product Mix of 70/30 UW/AW**

YARNS

32M

LBS Annual Production Capacity (Converted into 20/s)

SPINNING

Interloop produces 32 million lbs of top-quality yarn annually, converted into 20/s, for a range of textile customers. The automated spinning plants are equipped with advanced European and Japanese machines, ensuring strict testing standards. The raw materials used include virgin fibers like Pak and imported cottons, various synthetic and acrylic fibers, viscose-based fibers such as Modal, Bamboo, Lyocell, and cellulosic fibers like hemp and linen/flax. Additionally, Interloop utilizes recycled and sustainable fibers, including organic cotton, BCI, PSCP, CMIA, recycled (PIW/PCW) cottons, and various recycled or sustainable polyester and viscose fibers.

The company produces a wide variety of yarns, including plain, slub, multi-count, slub lycra, siro slub core, siro compact, polyamide core, and blended yarns. More than 50% of the yarn is consumed in-house, while the remaining serves renowned weavers, apparel, denim, knitters, and towel manufacturers.

YARN DYEING & AIR COVERING

A state-of-the-art Yarn Dyeing & Elastomeric Yarn facility, equipped with modern machines including highly automated dyeing operations, automatic dyestuff, chemical dispensing system, etc., is providing a wide variety of colors in Spun and Filament Yarns. With an annual dyeing capacity of 5.5 million kgs, Interloop offers a diverse range of colors in yarns, including Polyester, Nylon, Acrylic, Coolmax, Modal, Tencel, Viscose, Wool, Bamboo, Blended, Microfibers, and Recycled Yarns. Modern Italian Air Covering Machines, with annual production capacity of 1 million kgs, are being used for covering all types of in-house dyed, dope dyed, and raw white yarns, with various brands of spandexes like Lycra and Creora, at different customized percentages. Interloop has planned to install a spun yarn dyeing unit with a capacity of 20 tonnes per day at Interloop Apparel Park. The project is currently in the construction phase and is expected to begin production in the first half of FY 2026.

CUSTOMERS

Some of our top clients across Europe, USA and Asia

CORPORATE INFORMATION

BOARD OF DIRECTORS

Musadaq Zulqarnain
Chairperson / Non-Executive Director

Navid Fazil
Chief Executive Officer / Executive Director

Muhammad Maqsood
Executive Director / Group CFO

Farwa Hasnain
Independent Director

Fatima Asad Khan
Independent Director

Romana Abdullah
Independent Director

Tariq Iqbal Khan
Independent Director

Faryal Sadiq
Executive Director

Jahan Zeb Khan Banth
Non-Executive Director

CHIEF FINANCIAL OFFICER
Muhammad Maqsood

COMPANY SECRETARY
Rana Ali Raza

HEAD OF INTERNAL AUDIT
Jamshaid Iqbal

CHIEF INFORMATION OFFICER
Muhammad Yaqub Ahsan Bhatti

LEGAL ADVISOR
Haidermota & Co.

AUDITORS
Kreston Hyder Bhimji & Co.
Chartered Accountants

AUDIT COMMITTEE

Tariq Iqbal Khan
Chairperson

Romana Abdullah
Member

Jahan Zeb Khan Banth
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Fatima Asad Khan
Chairperson

Navid Fazil
Member

Farwa Hasnain
Member

Faryal Sadiq
Member

Jahan Zeb Khan Banth
Member

NOMINATION COMMITTEE

Musadaq Zulqarnain
Chairperson

Navid Fazil
Member

Muhammad Maqsood
Member

RISK MANAGEMENT COMMITTEE

Tariq Iqbal Khan
Chairperson

Muhammad Maqsood
Member

Fatima Asad Khan
Member

Romana Abdullah
Member

ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

Navid Fazil
Chairperson

Farwa Hasnain
Member

Faryal Sadiq
Member

SHARE REGISTRAR / TRANSFER AGENT

CDC Share Registrar Services Limited

KARACHI OFFICE:

Share Registrar Department CDC House, 99-B, Block B, S.H.C.H.S,
Main Shahra-e-Faisal, Karachi – 74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326031

LAHORE OFFICE:

Mezzanine Floor, South Tower, LSE Plaza,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (92-42) – 36362061-66

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank Pak Limited
The Bank of Punjab
United Bank Limited

E- COMMUNICATION

Website: www.interloop-pk.com
LinkedIn: Interloop Limited
Twitter: @InterloopLtd
Instagram: interlooplimited
YouTube: Interloop Limited

REGISTERED OFFICE

Interloop Limited
Al-Sadiq Plaza, P-157, Railway Road,
Faisalabad, Pakistan
Phone: (92-41) 2619724
Fax: (92-41) 2639400
Email : info@interloop.com.pk
Website: www. interloop-pk.com

CORPORATE OFFICE

Interloop Limited
1 KM, Khurrianwala- Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan
Phone: (92-41) 4360400
Fax: (92-41) 2428704

PLANT LOCATIONS

Plant 1
1 KM Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

Plant 2 & 4
7 KM Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

Plant 3
8 KM, Manga-Raiwind Road, Distt. Kasur,
Lahore, Pakistan.

Plant 5 & 6
6 KM, By Pass Road, Khurrianwala,
Faisalabad, Pakistan.

Denim Plant
8 KM, Manga-Raiwind Road,
Lahore, Pakistan.

GOVERNANCE


INTERLOOP

BOARD OF DIRECTORS

MUSADAQ ZULQARNAIN, T.I.

Chairperson / Non-Executive Director

Musadaq Zulqarnain is the Chairperson of Interloop Limited, Interloop Holdings & its subsidiaries. He also serves on the boards of Karandaaz; a not-for-profit organization promoting financial inclusion and The Citizens Foundation (TCF); the largest not-for-profit organization providing education to underprivileged children in Pakistan. He is also the President of Interloop Welfare Trust and Chairperson of Lyallpur Literary Council.

In recognition of his contributions towards generating employment opportunities and his philanthropic endeavors for the well-being of society, the Government of Pakistan has conferred upon him one of the highest civilian awards; Tamgha-e-Imtiaz.

Through his vision and commitment, he has successfully led Interloop over the last 32 years to become one of the world's largest hosiery manufacturers and a full family clothing supplier, the largest listed apparel company on Pakistan Stock Exchange, and the only textile company from Pakistan on the main Morgan Stanley Frontier Market Index (MSCI). Besides the flagship company of the group, Musadaq has established 21 organizations in Pakistan and abroad covering Logistics, Dairy and Dairy products, Packaging, Apparel, Health Care, IT & Public Service. Musadaq has training in Mechanical Engineering and an Honorary Doctorate from the University of Engineering and Technology, Lahore, Pakistan.

A social development enthusiast and philanthropist, Musadaq is actively engaged in nurturing the youth of Pakistan through education, women empowerment, sports, and cultural & literary activities. He has always been at the forefront in providing free health care for poor patients, and relief activities during natural disasters including the Pandemic and floods.

NAVID FAZIL

Chief Executive Officer / Executive Director

Navid Fazil, a Founding Director and CEO of Interloop Limited, enjoys over three decades' experience as an entrepreneur and has played a key role in developing Interloop Limited as one of the world's largest Hosiery manufacturers, one of the top exporters of Pakistan, and a Full Family Clothing supplier to leading international brands and retailers. His strategic vision and leadership have positioned Interloop as a key player in the global textile market, contributing significantly to Pakistan's economic development. Navid also serves on the Boards of Texlan Center (Pvt.) Limited and Interloop Holdings (Pvt.) Limited, and is the Vice President of Interloop Welfare Trust, engaged in numerous philanthropic activities across the country.

An electrical engineer by training and a Masters in Management from Oxford, Navid puts great emphasis on lean manufacturing, research & innovation, sustainability and workers' well-being, setting high standards for ethical business practices within the industry.

A strong supporter of diversity, equity & inclusion, Navid is actively involved in many social responsibility programs and is part of the global Champions of Change Coalition; nurturing gender equality, women leadership, and respectful and inclusive workplaces.

Aligned with his passion for protecting the environment for future generations, Interloop has become Pakistan's First Large Scale manufacturing organization to have its emission reduction targets approved by the Science Based Targets Initiative. Navid is also an avid farmer, and keenly follows developments in regenerative agriculture worldwide.

MUHAMMAD MAQSOOD

Executive Director

Muhammad Maqsood is an Executive Director on the Board of Interloop Limited. He is also a member of the Boards of Interloop Holdings (Pvt.) Limited, Interloop Dairies, Texlan Center (Pvt.) Limited, Interloop Assets Management Limited, and Interloop Welfare Trust. With an overall experience of 30 years, Maqsood's association with Interloop spans 22 years. He is also performing his duties as the Group CFO.

His current responsibility portfolio includes group finances, budgeting, financial reporting, and taxation matters of the group. Maqsood is a Fellow Member of the Institute of Chartered Accountants of Pakistan, Associate Member of the Institute of Chartered Accountant of England & Wales, Fellow Member of the Institute of Financial Accountants, UK, and the Institute of Public Accountants Australia. He got trained at INSEAD on Strategic Financial Management in Global Markets.

FARWA HASNAIN

Independent Director

Farwa Hasnain serves as an Independent Director on the Board of Interloop Limited, and on the HR and ESG Committees of the Board. She is a seasoned professional with deep expertise in Institutional Development with a focus on People, Processes and Corporate Governance. Farwa's career spans across the International Development and Commercial/Financial sectors of Pakistan, bringing a wealth of diverse experience to the table.

Before joining Interloop's Board, Farwa led Governance, Operations, and People Management at Karandaaz; a non-profit organization focused on financial inclusion, funded by UKAid and the Bill & Melinda Gates Foundation. In this role, she also served as a Nominee Director on the Boards of Karandaaz-owned NBFCs, NCGC and PFSL, where she played a vital role in early operationalization and set up of these entities.

Currently, Farwa is the Chief of Staff at Rayn Holdings, a Singapore and Pakistan based tech company. She is highly passionate about Diversity and Inclusion, having consistently built diverse and impactful teams, and crafted successful strategies throughout her career. Farwa is a certified director from the Pakistan Institute of Corporate Governance (PICG) and holds an Advanced Leadership Certificate from the Judge Business School, University of Cambridge, UK. She also earned an MBA from NUST Business School.

FATIMA ASAD KHAN

Independent Director

Fatima Asad Khan is an Independent Director on the Board of Interloop Limited, and brings over 25 years of leadership experience in corporate governance, digital transformation, strategic change, human capital management, and enterprise technology solutions. She is part of the top leadership at Abacus Consulting; a leading international professional services firm providing world-class technology, outsourcing, consulting, and training solutions. Fatima has also served as an Independent Director on the boards of LUMS, Faysal Bank, Kashf Foundation, Bata Pakistan, and Kaarvan Crafts Foundation.

Fatima is deeply committed to social responsibility and her engagement with not-for-profit organizations such as Kashf Foundation and Kaarvan Crafts Foundation has provided wonderful opportunities to create value and positive impact for the communities. She has also provided pro bono professional advice to multiple institutions including SIUT, Imran Khan Foundation, and TCF, and has made valuable contributions to Pink Ribbon, SKMT, TCF, UNICEF, etc.

An MBA from Lahore University of Management Sciences (LUMS), Fatima started her career with Coopers & Lybrand International and later joined PricewaterhouseCoopers. Fatima is a certified director from the Harvard Business School and is a member of the Harvard Corporate Directors, Diversity & Inclusion Hub Leadership Council, and Women Executives on Boards forums.

ROMANA ABDULLAH

Independent Director

Romana Abdullah is an Independent Director on the Board of Interloop Limited. She is the co-founder and CEO of Hopscotch; a rapidly growing kidswear brand started in 2014. She serves on the Boards of Nestle, Systems Limited and Karandaaz, and was selected as a Young Global Leader by the World Economic Forum in 2016.

In her early career, Romana was part of the management teams at MCB and Soneri Bank, leading their strategy function. She has also worked at The Boston Consulting Group and Merrill Lynch Investment Banking in New York, focusing on strategic, financial, and operational assignments for Fortune 500 financial services and consumer clients.

Romana has a BSc in Financial Engineering from Princeton University and an MBA from the Harvard Business School.

TARIQ IQBAL KHAN

Independent Director

Tariq Iqbal Khan is an Independent Director on the Board of Interloop Limited and also serves as the Chairperson of Interloop Asset Management Limited. He is currently a member of the Audit Oversight Board (AOB) and has previously served as its Chairperson. He is also the Chairperson of Packages Converters Limited and serves on the boards of various prominent listed and non-listed companies. In the past, he has been on the boards of multiple banks, as well as pharmaceutical, chemical, and petroleum companies, and has held the position of Chairperson at SNGPL and ARL, among others.

A fellow member of the Institute of Chartered Accountants of Pakistan, Tariq has served the country for more than four decades by holding prominent positions in the private and public sectors. He played a pivotal role in founding the Islamabad Stock Exchange and subsequently served as its President. He also served as Member of Tax Policy & Co-ordination at the Central Board of Revenue, followed by working as founder Commissioner, Securities & Exchange Commission of Pakistan (SECP), and later as Chairperson SECP (acting) for a brief period where he was instrumental in restructuring SECP. Tariq served as the Chairperson & MD of NIT for more than g years, which played a key role in establishing and stabilizing the capital markets.

He also served as Chairperson and Managing Director of Investment Corporation of Pakistan (ICP) for 3 years and Chairperson of KP Energy Board and KPOGDCL.

FARYAL SADIQ
Executive Director

Faryal Sadiq serves as an Executive Director on the Board of Interloop Limited, and is the Chief Marketing Officer (CMO) at Interloop, responsible for all aspects of business development, sales and customer service. She also spearheads Sustainability, ensuring that Interloop leads the way in responsible manufacturing meeting the highest standards of environmental and social performance. Faryal plays a prominent role as a business leader, promoting awareness around gender dynamics and advocating strategies for accelerating gender equity.

Before joining Interloop in 2016, Faryal worked for over a decade as a management consultant with Deloitte and Ernst & Young, UK, specializing in the consumer products and retail industry. Faryal is a certified director, holds an MBA from the University of Oxford, and an Economics degree from the London School of Economics, UK.

JAHAN ZEB KHAN BANTH
Non-Executive Director

Jahan Zeb Khan Banth is a Non-executive Director on the Board of Interloop Limited and contributes a wealth of strategic insight through extensive industry experience. He is also a member of the Boards of Interloop Holdings, Interloop Dairies, Interloop Welfare Trust, and IRC Dairy Products Pvt. Ltd. With background in chemical engineering, he has a strong record of success in his previous role as Director Technical for Interloop Limited.

During his 26 years illustrious tenure with the company, Jahan Zeb has led critical areas including maintenance of the plants, expansion projects, business process re-engineering (BMR), and the energy division. With over four decades of professional expertise, Jahan Zeb is a valuable asset to Interloop's leadership team.

BOARD COMMITTEES

AUDIT COMMITTEE

TARIQ IQBAL KHAN
CHAIRPERSON

ROMANA ABDULLAH
MEMBER

JAHAN ZEB KHAN BANTH
MEMBER

HUMAN RESOURCE & REMUNERATION COMMITTEE

FATIMA ASAD KHAN
CHAIRPERSON

NAVID FAZIL
MEMBER

FARWA HASNAIN
MEMBER

FARYAL SADIQ
MEMBER

JAHAN ZEB KHAN BANTH
MEMBER

NOMINATION COMMITTEE

MUSADAQ ZULQARNAIN
CHAIRPERSON

NAVID FAZIL
MEMBER

MUHAMMAD MAQSOOD
MEMBER

RISK MANAGEMENT COMMITTEE

TARIQ IQBAL KHAN
CHAIRPERSON

MUHAMMAD MAQSOOD
MEMBER

FATIMA ASAD KHAN
MEMBER

ROMANA ABDULLAH
MEMBER

ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

NAVID FAZIL
CHAIRPERSON

FARWA HASNAIN
MEMBER

FARYAL SADIQ
MEMBER

MANAGEMENT COMMITTEE

NAVID FAZIL
CHIEF EXECUTIVE OFFICER

AZHAR SADIQ
CHIEF OPERATING OFFICER

TARIQ RASHID MALIK
MANAGING DIRECTOR YARNS

MUHAMMAD MAQSOOD
GROUP CHIEF FINANCIAL OFFICER

FARYAL SADIQ
CHIEF MARKETING OFFICER

FEROZE AHMED
CHIEF STRATEGY & TRANSFORMATION OFFICER

SAIRA KHAN
CHIEF HUMAN RESOURCE OFFICER

YAQUB AHSAN BHATTI
CHIEF INFORMATION OFFICER

AQEEL AHMED
PRESIDENT APPAREL & ACTIVE WEAR

ZAIN SADIQ
VICE PRESIDENT OPERATIONS (HOSIERY)

MASOOMA ZAIDI
VICE PRESIDENT SALES & MARKETING

AMJAD ALI
CHIEF PLANNING OFFICER

SHERAZ KASHIF
CHIEF PROCUREMENT OFFICER

CHAIRPERSON'S REVIEW REPORT

Dear Shareholders,

I am pleased to present the Chairperson's review in accordance with section 192 of Companies Act, 2017, on overall performance of the Board and effectiveness of the role played by the Board in achieving Company's objectives.

Interloop Limited successfully completed election of its Board of Directors in October 2023. I would like to express sincere gratitude to the outgoing directors for their invaluable contributions to Interloop's growth and success. At the same time, I extend a warm welcome to our new Board members and look forward to their expertise and leadership in guiding the Company into the future.

The newly elected Board, comprised of nine members, reflects a diverse range of educational and professional backgrounds, ensuring a robust and well-rounded governance structure. As the Chairperson of the Board, I am proud to highlight the significant representation of women on the Board. Four women directors now comprise 44% of the total Board membership, demonstrating the Company's commitment to gender diversity and inclusion. The new directors were appointed based on their proven expertise, industry knowledge, and alignment with Interloop's corporate values. Their addition to the Board will further strengthen the Company's ability to provide effective oversight and strategic direction. Furthermore, Ms. Farwa Hasnain was appointed as an Independent Director on January 12, 2024, to fill a casual vacancy that arose during the year.

Our Board members are deeply committed to their fiduciary responsibilities to the Company and its shareholders. They adhere to the strictest standards of corporate governance and ensure strict compliance with all applicable laws and regulations. As we strive for long-term sustainable growth, the Board provides unwavering oversight of critical areas, including adherence to our mission, vision, and values. They also offer strategic guidance and establish high benchmarks for the Management. In my role as the Chairperson of the Board, I witnessed during the past term that:

- The Board receives timely, accurate, and comprehensive information for thorough discussion making.
- Significant matters are promptly communicated to the Board.
- Directors are encouraged to engage in strategic and governance discussions, with inputs from independent directors and experts where needed.

- The Board contributes effectively to strategy and policy development, and efficient implementation by the Management.
- An effective corporate governance framework is in place.
- Effective communication with shareholders is maintained, and the Board fully understands the perspectives of major shareholders.
- The Boardroom environment fosters constructive and open debates.
- Board decisions are made in the Company's best interest.

Our Board Committees have consistently provided invaluable insights and support, operating with exceptional professionalism. We have clearly defined Terms of Reference (TORs) for each Committee and appointed members based on their specific skills and experience. Throughout the year, the Board and its Committees have met regularly to thoroughly deliberate on all matters presented to them.

To ensure effectiveness, we have established a formal process for annual self-evaluation that aligns with the Listed Companies (Code of Corporate Governance) Regulations, 2019, and global best practices. This evaluation helps us assess the performance, effectiveness, and contributions of the Board and its Committees. We recently concluded the evaluation for fiscal year 2024 and are pleased to report that the overall performance has been highly satisfactory.

During the fiscal year 2024, Interloop achieved significant progress across various performance metrics, reflecting robust financial results driven by strategic initiatives and operational efficiencies. Our revenue increased to Rs. 156,129 Million, marking a growth of 31 % over the previous year, while generating a net profit of Rs. 15,771 Million. These results highlight our resilience and strategic acumen in a competitive market and our dedication to enhancing shareholder value. We remain committed to sustaining this positive trend and adapting to evolving market conditions. On behalf of the Board of Directors, I extend profound gratitude to the Management, particularly the Chief Executive Officer, whose exceptional leadership and dedication have been instrumental in achieving notable milestones.

The Company is dedicated to lead and enhance its sustainability practices, actively working to protect the environment and support our community. We are making substantial investments in renewable energy projects, which have reduced our carbon footprint and lowered production costs. We are also enhancing health and safety practices within our organization and are committed to contributing to the social development. Our focus areas comprise of education, health, and women empowerment, with various projects underway to achieve these objectives.

In conclusion, your Company has made significant progress this year, along with restructuring of the Board and its Committees, particularly aimed at enhancing governance and strategic oversight. We are confident that the new Board structure, along with our emphasis on sustainability and performance, will drive ongoing success and create further value for our esteemed shareholders.

I extend my gratitude to our Management, staff, regulatory authorities, and government officials for their unwavering support. To our shareholders, your continued trust remains the foundation of our success. We anticipate maintaining our growth momentum in the years to come.

Musadaq Zulqarnain
Chairperson

September 26, 2024
Faisalabad.

DIRECTORS' REPORT

The Board of Directors ("Board") of Interloop Limited ('the Company' or 'ILP') is delighted to present the Annual Report of the Company, along with the Annual Audited Financial Statements (Consolidated & Unconsolidated) for the year ended June 30, 2024 and the accompanying Auditors' Report.

This report has been prepared in accordance with section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019.

GLOBAL ECONOMY

The global economy faced a complex and evolving landscape marked by a mix of challenges and gradual recovery. The year began with continued repercussions from previous geopolitical tensions, particularly the ongoing conflict in Ukraine, which exerted persistent pressure on energy prices and global supply chains. Inflation remained a significant concern across many regions. The U.S. economy experienced moderate growth amid tight labor markets and evolving monetary policies, while the Eurozone faced slower growth due to energy price fluctuations and economic uncertainty stemming from both geopolitical tensions and structural issues within member states. Global economic growth expected to remain subdued at 3.2% in 2024, nearly matching the 3.3% growth rate of 2023. Despite these ongoing issues, the global economy has demonstrated resilience, with inflation showing signs of moderation, declining from 6.8% in Fiscal Year 2023 (FY 2023) to 5.9% in Fiscal Year 2024 (FY 2024). This easing in inflationary pressures could enhance the likelihood of central banks implementing rate cuts.

PAKISTAN'S ECONOMY

In FY 2024, Pakistan's economy grew by 2.4%, recovering from a slight contraction of 0.2% in FY 2023. This modest rebound is largely due to renewed support from multilateral and bilateral partners, including the successful completion of a USD 3 Billion IMF Stand-by Agreement. The current account deficit saw a substantial improvement, shrinking by 79% to USD 0.7 Billion compared to the previous year. The import bills slightly decreased by 0.72% to USD 54.79 Billion in contrast to USD 55.19 Billion in the previous year. The country's exports, on the other hand, witnessed commendable growth of 10.65% to USD 30.67 Billion compared to USD 27.72 Billion. Similarly, workers' remittances also increased by 10.7%, recording an inflow of USD 30.25 Billion compared to USD 27.33 Billion in the last year, thus Central Bank's foreign exchange reserves increased significantly, rising by USD 5.0 Billion to reach USD 9.4 Billion from USD 4.4 Billion in FY 2023. This boost in reserves positively impacted the PKR/USD exchange rate, leading to a 3% appreciation of the Pakistani Rupee against the US Dollar, closing at 278.3. Inflation also decreased notably to 12.2% in June 2024, down from 28.3% in June 2023, enabling the State Bank of Pakistan to reduce the policy rate by 150 basis points to 20.5% in June 2024, with a further reduction of 300 basis points to 17.5% till September 2024.

TEXTILE INDUSTRY

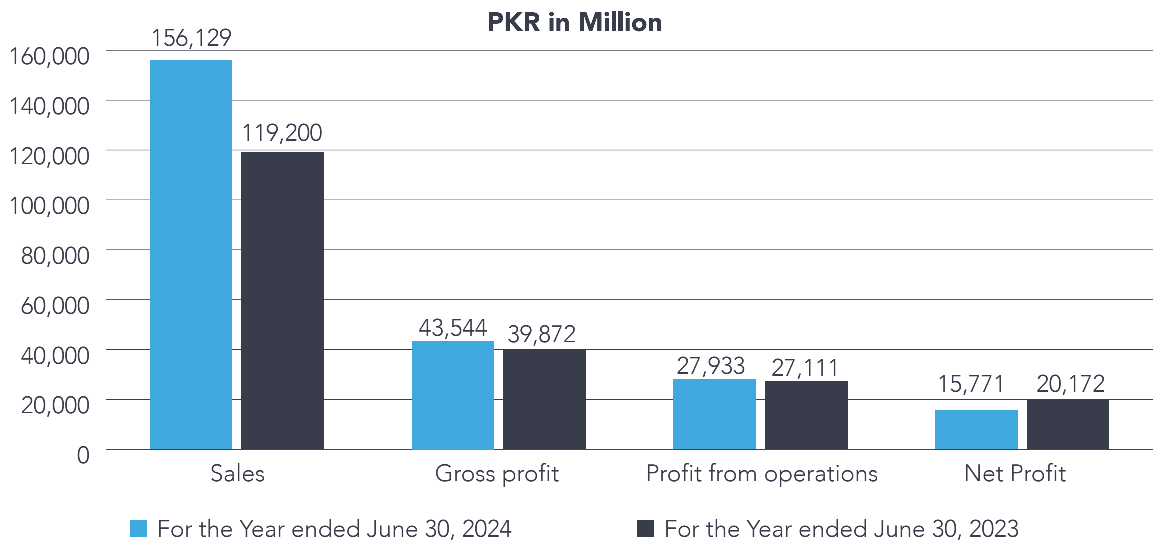
Pakistan's textile sector faced ongoing challenges, primarily due to sluggish recovery in global economies, stringent monetary policies aimed at curbing high inflation, and rising energy costs. Textile exports grew marginally by 0.9% year-on-year (YoY) to USD 16.7 Billion. Within the sector, Knitwear exports declined by 0.7% to USD 4.4 Billion, while Ready-Made Garments saw a modest increase of 2.1% to USD 3.6 Billion. Cotton production surged to a record 10.22 Million bales, up from 4.9 Million bales in FY 2023, however, cotton arrivals in Pakistan plunged to a 40-year low as of September 15, 2024, down by 64%, according to the Pakistan Cotton Ginners Association (PCGA). Total arrivals this year stand at 1.434 Million bales compared to 3.933 Million bales during the same period last year. The sector struggled with high costs for imported raw materials, the phasing out of the Export Finance Scheme, elevated interest rates, weak external demand, and heightened competition from China. Overall, FY 2024 was a challenging year for Pakistan's textile industry, marked by both internal and external pressures.

FINANCIAL AND OPERATIONAL PERFORMANCE - STANDALONE

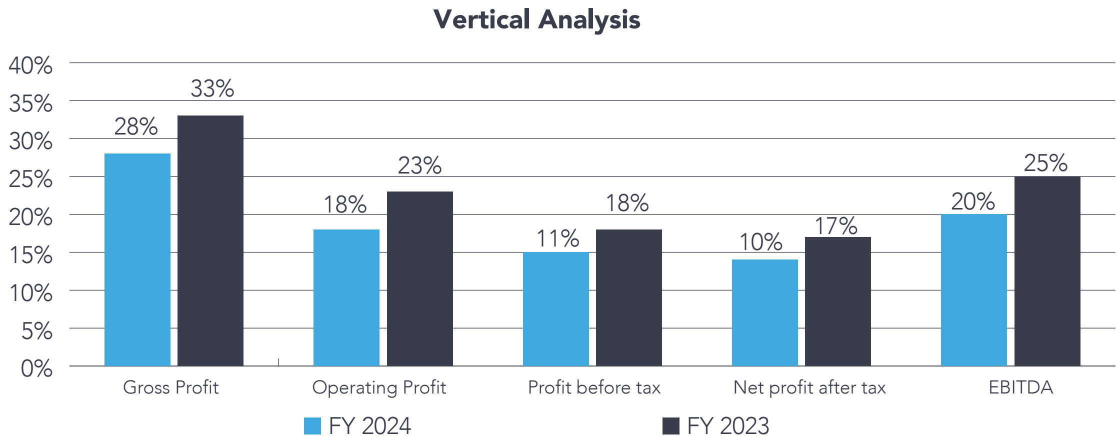
In the fiscal year ending June 30, 2024, the Management of ILP demonstrated a steadfast commitment to driving growth through strategic customer engagement. This focus resulted in the company achieving its highest-ever sales and becoming Pakistan's leading exporter. Driven by demand stabilization and targeted initiatives, ILP's net sales surged to Rs. 156,129 Million, reflecting a 31% increase from Rs. 119,200 Million in the previous year. This sales growth translated into a gross profit of Rs. 43,544 Million, a 9% improvement over the previous year's Rs. 39,872 Million. Operating profit also saw a 3% rise, reaching Rs. 27,933 Million compared to Rs. 27,111 Million. However, despite these gains, net profit experienced a 22% decline, falling from Rs. 20,172 Million to Rs. 15,771 Million. This decrease was primarily attributed to trial run losses associated with the apparel master project during its ramp-up phase, an exchange loss of Rs. 743 Million compared to an exchange gain of Rs. 8,410 Million in the previous year, and an increase in average finance costs due to new borrowings at standard rates and the repayment of subsidized loans.

The operating results of the Company are summarized as follows:

	year ended June 30, 2024	year ended June 30, 2023
	(Rupees '000)	
Net sales	156,129	119,200
Gross profit	43,544	39,872
EBITDA	31,910	30,093
Profit before tax	17,807	21,584
Profit after tax	15,771	20,172
Other comprehensive loss	(460)	(1,688)
Total comprehensive income	15,311	18,484
Unappropriated profit brought forward	26,641	17,428
Accumulated profit available for appropriations	**41,953**	**35,912**
Appropriations		
Interim dividend 2023	–	(1,797)
Final dividend 2022	–	(2,803)
Bonus shares 2023	–	(4,671)
Final dividend 2023	(2,803)	–
Interim dividend 2024	(2,803)	–
Forfeited share options 2024	10	–
Unappropriated profit carried forward	**36,357**	**26,641**
Earning per share - Baisc (PKR)	11.25	14.39
Earning per share - Diluted (PKR)	11.25	14.39



VERTICAL ANALYSIS	2024	2023
Gross profit	28%	33%
Operating profit	18%	23%
Profit before tax	11%	18%
Net profit after tax	10%	17%
EBITDA	20%	25%



FINANCIAL AND OPERATIONAL PERFORMANCE – CONSOLIDATED

The Company has annexed consolidated financial statements for the year ended June 30, 2024, in accordance with the requirements of International Financial Reporting Standards and the Companies Act 2017.

During the FY 2024, ILP has acquired 64% equity stake in a US-based firm Top Circle Hosiery Mills Co. Inc. (“US Top”). Consequently, the consolidated statements include a Rs. 857 Million surplus on the acquisition of subsidiaries due to a favorable purchase price compared to the acquired company’s fair value. The group earned a consolidated revenue of Rs. 158,183 Million, showing a sharp increase of 33% from the corresponding period of last year. Similarly, in comparison to last year, the net profit dropped by 18% from Rs. 20,172 Million (EPS: Rs. 14.39 per share) to Rs. 16,456 Million (EPS 11.78 per share).

Below is a summary of the consolidated financial performance of the group, providing a comprehensive view of the combined operations of the subsidiaries. The results for the year ended June 30, 2024 as against June 30, 2023, are as follows:

	YEAR ENDED JUNE 30		
	2024	2023	Var
	(Rupee ‘000)		%
Net sales	158,183	119,200	33%
Gross Profit	44,166	39,872	11%
EBITDA	32,767	30,093	9%
Profit from Operations	28,648	27,111	6%
Profit Before Tax	18,492	21,584	-14%
Profit After Tax	16,456	20,172	-18%

VERTICAL ANALYSIS	2024	2023
Gross Profit	28%	33%
Profit from Operations	18%	23%
Profit Before Tax	12%	18%
Net Profit After Tax	10%	17%
EBITDA	21%	25%

EARNINGS PER SHARE (EPS)

The Unconsolidated Basic and Diluted earnings per share after tax is Rs. 11.25 per share (2023: Rs. 14.39 per share). The consolidated Basic and Diluted earnings per share after tax is Rs. 11.78 per share (FY 2023: Rs. 14.39 per share)

DIVIDEND DISTRIBUTION TO SHAREHOLDERS

The Company remains committed to both increasing its shareholder's wealth and providing sustainable returns over a longer term. Taking into consideration the current capital and equity investment plans; the Board of Directors has recommended a final cash dividend for the fiscal year ended June 30, 2024, at the rate of Rs. 2.5 per share (i.e., 25%), subject to the approval of the members at the Annual General Meeting to be held on October 24, 2024. Including an interim cash dividend of Rs. 2.0 per share (i.e., 20%) already paid, total cash distribution for the year ended June 30, 2024 stands at Rs. 4.5 (i.e., 45% while no transfers were made to general reserves). These financial statements do not include the effect of the proposed final dividend.

PRINCIPAL ACTIVITIES

Interloop Limited was incorporated in Pakistan on April 25, 1992, and publicly listed on the Pakistan Stock Exchange on April 05, 2019. Interloop is a vertically integrated multi-category Full-Family Clothing Company that manufactures Hosiery, Denim, Knitted Apparel, and Seamless activewear products for prominent international brands and retailers. It also produces Yarn for a range of textile customers. Throughout the year, the Company's core activities remained unchanged.

SUBSIDIARY COMPANY– TOP CIRCLE HOSIERY MILLS CO., INC. USA.

ILP has successfully acquired a 64% equity stake in Top Circle Hosiery Mills Co., Inc. (Top Circle), a company incorporated under U.S. law and registered in the United States. Effective November 1, 2023, Top Circle will operate as a subsidiary of ILP. This strategic acquisition underscores our commitment to enhancing shareholder value and fortifying our position in the global market.

BUSINESS SEGMENTS

The Management has determined the operating segments to align with the information presented to the Board of Directors for strategic resource allocation and performance assessment. The Management actively monitors the financial results of these segments independently to facilitate informed decision-making regarding resource distribution and to evaluate their performance. Based on the internal management reporting framework and the nature of the products manufactured and sold, the company is organized into the following operating segments.

HOSIERY

Interloop Hosiery has the capacity to produces 873 Million pairs of socks annually through five vertically integrated manufacturing facilities. It serves international brands and retailers globally, including Nike, adidas, STICHD, Target, H&M, C&A, Amazon, and Uniqlo, etc. It's Plants 4 and 5 are LEED Gold Certified Socks Manufacturing Facilities. The recent acquisition of Top Circle has also helped the company expand its manufacturing footprint to China. The Company is dedicated to responsible manufacturing, covering farm-to-factory processes. With inhouse services spanning development, quality, and innovation, Interloop's digital investments aim to modernize design, production, and customer relations.

DENIM

Interloop Denim, a cutting-edge facility in Southeast Asia, has a current production capacity of 580,000 units of sustainable denim garments per month, with plans to expand to 1.5 Million pieces by 2026. The plant is renowned for its environmental consciousness, holding LEED Platinum certification and being recognized as one of the world's 7th greenest buildings in 2021. Embracing Industry 4.0 and low-impact solutions, the company enhanced efficiency with integrated ERP and digital sampling. It serves prominent brands like Guess, Hugo Boss, Mustang, Diesel, Levi's Kids, Target, NYDJ, and INDITEX. Interloop Denim leads the way in eco-friendly denim manufacturing, using nano-bubble technology, waterless bleaching with ozone, and auto nebulization.

APPAREL

Interloop Apparel has the capacity to produce 33.6 Million garments annually, attracting brands from North America, Europe, and UK. The newly constructed eco-friendly facility and commenced partial operations at the end of FY 2024 and will achieve LEED Platinum certification. Equipped with state-of-the-art machinery, the facility is poised to increase production capacity to 69.8 million garments annually. It incorporates sustainable features such as renewable energy sources, a wetland area, and a bird sanctuary. The Knitwear Apparel division produces a variety of products including T-Shirts, Underwear, Polo shirts, Sweatshirts, Pants, Fleece Hoodies, and Jackets for renowned brands and retailers.

ACTIVEWEAR

Interloop's vertically integrated Seamless Activewear manufacturing facility, with a staggering annual production capacity of 4 Million pieces, offers a wide variety of styles and sizes. The facility is equipped with the latest machinery, including Italian knitting and dyeing machines, along with Japanese sewing machines, ensuring top-notch quality in fabric handling, dyeing techniques, and stitching operations. These Seamless garments provide an exceptional 360-degree stretch, free from any restrictive seams. Moreover, the Company boasts a dedicated and self-sufficient product development department that ensures a speedy sample turnaround. Simultaneously, their in-house design team keeps pace with the latest trends and fashion.

YARNS

• SPINNING

Interloop produces 32 million pounds (20/1 count) of high-quality yarn annually using state-of-the-art automated spinning plants equipped with the latest European and Japanese machinery. The company utilizes a variety of raw materials, including virgin, recycled, and sustainable fibers, to create different types of yarn. Over 50% of the yarn produced is used internally, while the remainder is supplied to renowned manufacturers across various sectors of the textile industry.

• YARN DYEING & AIR COVERING

Interloop operates an advanced Yarn Dyeing & Elastomeric Yarn facility with automated operations, offering a wide range of colors in Spun and Filament Yarns. Its annual dyeing capacity is 5.5 Million kgs. Interloop also utilizes modern Italian Air Covering Machines with 1 Million kgs annual production capacity for various yarn types of in-house dyed, dope dyed, and raw white yarns with spandexes like Lycra and Creora at customized ratios.

Interloop has planned to install a spun yarn dyeing unit with a capacity of 20 tonnes per day at IL Apparel Park. The project is currently in the construction phase and is expected to begin production in the first half of FY 2026.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company firmly upholds stringent Corporate Governance standards without any deviation. The Directors are delighted to affirm that the Company adheres to the provisions outlined in the Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCG Regulations, 2019) and Companies Act, 2017, issued by the Securities and Exchange Commission of Pakistan (SECP), which are integral to the Listing Regulations of the Pakistan Stock Exchange (PSX).

The Board of Directors confirm that:

i. The Financial Statements, prepared by the Company's management, fairly present the company's state of affairs, the results of its operations, cash flow, and changes in equity.

ii. Proper books of account have been maintained by the Company.

iii. Appropriate accounting policies have been consistently applied in preparing financial statements, and accounting estimates are based on reasonable and prudent judgment.

iv. International Financial Reporting Standards (IFRS) as applicable in Pakistan, and the requirements of the Companies Act 2017, have been duly followed in the preparation of the financial statements. Any departure thereof has been adequately disclosed and explained.

v. The internal control system is sound in design and has been effectively implemented and monitored. Monitoring internal controls will continue to strengthen the controls and improve the system.

vi. There are no significant doubts upon the Company's ability to continue as a going concern.

vii. There has been no material departure from the best practices of Corporate Governance, as detailed in the Pakistan Stock Exchange listing regulations.

viii. Information regarding outstanding taxes and levies, as required by the listing regulations, is disclosed in the notes to the financial statements.

ix. The Company operates a contributory provident fund scheme for all employees and a defined benefit gratuity fund scheme for its Management / non-management employees. The book value of investments as of June 30, 2024 is Rs. 380 Million.

x. Statements regarding the following are annexed in this Annual Report:

- Key financial data for the last six (6) years
- Gender Pay Gap Statement under SECP circular no. 10 of 2024
- Pattern of Shareholding

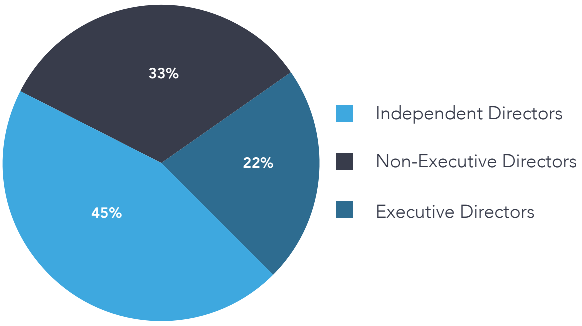
STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Company strictly adheres to the principles of Corporate Governance mandated by SECP and has implemented all the prescribed stipulations. The same have been summarized in statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, duly reviewed by the auditors and annexed with this Annual Report.

COMPOSITION OF BOARD

ILP maintains a Board of Directors consisting of Nine (9) members elected on October 22, 2023, encompassing individuals with a variety of backgrounds, essential skills, insights, and proficiencies pertinent to the Company's operations. Our Board composition as on June 30, 2024 is as below;

TOTAL NUMBER OF DIRECTORS		
a)	Male	5
b)	Female	4
COMPOSITION		
i.	Independent Directors	4
ii.	Non-Executive Directors	2
iii.	Executive Directors	3



S. No	NAME(S) OF DIRECTOR(S)	Category
i.	Farwa Hasnain	Independent Director
ii.	Fatima Asad Khan	
iii.	Romana Abdullah	
iv.	Tariq Iqbal Khan	
v.	Musadaq Zulqarnain	Non-Executive Director
vi.	Jahan Zeb Khan Banth	
vii.	Navid Fazil	Executive Director
viii.	Muhammad Maqsood	
ix.	Faryal Sadiq	

ELECTION OF DIRECTORS / COMPOSITION OF THE BOARD AND ITS COMMITTEES

Fresh election of the Board of Directors was due by October 2023, and accordingly under prudent legal requirements, the Board of Directors fixed the number of Directors to be elected at Nine (9) for the election, which was held on October 13, 2023 at the 31st Annual General Meeting (AGM) of the Company. Consequently, Six (6) retiring Directors were re-elected whereas Three (3) new Directors were elected for the next term of three (3) years which commenced from October 22, 2023. Accordingly, the Board Committees were re-constituted in conformity with the CCG Regulations, 2019.

Subsequent to the election of Directors, Mr. Musadaq Zulqarnain re-appointed as the Chairperson of the Board, Mr. Navid Fazil re-appointed as the Chief Executive Officer of the Company and Ms. Farwa Husnain was appointed as an Independent Director on the Board of Directors and in respective Board Committees, effective January 12, 2024, to fill the vacancy created by the resignation of Ms. Sheeren Aftab, Non-Executive Director.

The Board acknowledges the valuable contributions made by the outgoing Directors and welcomes the new members on the Board.

BOARD COMMITTEES

The Board of Directors has constituted the following Five (5) Committees to assist in carrying out its fiduciary duties. These Committees, along with their membership details and meetings held during the fiscal year 2024, are as follows:

COMMITTEES	NUMBER OF MEETINGS HELD DURING FY24
Audit Committee (AC)	7
Human Resource & Remuneration Committee (HR&RC)	6
Risk Management Committee (RMC)	2
Nomination Committee (NC)	2
Environmental, Social, and Governance Committee (ESGC)	–

	AC	HR&RC	RMC	NC	ESGC
Chairperson	Tariq Iqbal Khan	Fatima Asad Khan	Tariq Iqbal Khan	Musadaq Zulqarnain	Navid Fazil
Member	Romana Abdullah	Navid Fazil	Muhammad Maqsood	Navid Fazil	Farwa Hasnain
Member	Jahan Zeb Khan Banth	Farwa Hasnain	Fatima Asad Khan	Muhammad Maqsood	Faryal Sadiq
Member		Faryal Sadiq	Romana Abdullah		
Member		Jahan Zeb Khan Banth			

MEETINGS OF THE BOARD & COMMITTEES

During fiscal year 2024, Six (6) Board of Directors meetings were conducted along with requisite Committee meetings, as mentioned above, to cover its complete cycle of activities. The names of Directors and the number of meetings attended by each Director are presented below:

NAME(S) OF DIRECTOR(S)		AGM	BODM	ACM	HR&RC	RMC	NC
Musadaq Zulqarnain	Chairperson/Non-Executive Director	1/1	6/6				2/2
Navid Fazil	CEO/Executive Director	1/1	6/6		5/6		2/2
Muhammad Maqsood	Executive Director	1/1	6/6			2/2	2/2
Farwa Hasnain	Independent Director		3/3		5/5		
Fatima Asad Khan	Independent Director		4/4		5/5		
Romana Abdullah	Independent Director		4/4	4/4			
Tariq Iqbal Khan	Independent Director	1/1	6/6	7/7		2/2	
Faryal Sadiq	Executive Director		3/4		5/5		
Jahan Zeb Khan Banth	Non-Executive Director	1/1	6/6	7/7	5/6		
*Saeed Ahmad Jabal	Ex-Independent Director	1/1	2/2	2/2	1/1		
**Shereen Aftab	Ex- Non-Executive Director	0/1	1/3				

*Retired as on October 22, 2023
**Resigned as on January 12, 2024

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Board evaluation mechanisms have been developed in conformity with the CCG Regulations, 2019 and Global best practices to facilitate the Board of Directors in evaluating and assessing its performance and ability to provide strategic leadership and oversight to the senior Management of the Company. Accordingly, appropriate procedures have been developed based on emerging and leading practices to assist in the assessment of the Board and its Committees. Specific questionnaires have been designed based on the relevant criteria such as effectiveness, accountability, planning, leadership and strategy formulation by the Board and also for its Committees. Directors are also asked to fill out a self-evaluation questionnaire that focuses on their participation and satisfaction with different proceedings of the Board. The core areas of focus are:

- Alignment of corporate goals and objectives with the vision and mission of the Company;
- Strategy formulation for sustainable operation;
- Board's independence; and
- Evaluation of Board's Committees' performance in relation to discharging their responsibilities set out in the respective terms of reference.

In addition, a separate evaluation questionnaire for Chief Executive Officer and Chief Financial Officer has also been developed for assessing their performances. The performance evaluation of the CEO and CFO is carried out by all the Directors except themselves. These questionnaires are circulated annually and are filled out by the Directors anonymously. The collected answers are then compiled by the Company Secretary. The Board's and its Committees' overall performance measured on the basis of approved criteria remained satisfactory.

DIRECTORS' REMUNERATION

The Board has implemented a formal policy supported by transparent procedures for fixing Directors' remuneration. In accordance with the Code of Corporate Governance, no Director is involved in the determination of his/her own remuneration package. The Company does not pay remuneration to the Non-Executive Directors except fees for attending the meetings as prescribed under the Companies Act, 2017. To retain the best talent, the Company's remuneration policies are structured in line with the prevailing industry trends and business practices.

For detailed information on the remuneration of Directors and CEO during the fiscal year 2024, please refer to the notes to the Financial Statements.

DIRECTORS' TRAINING PROGRAM

The Directors on the Board are well aware of their duties and responsibilities, in compliance with the CCG Regulations, 2019. All our Directors, including the Chief Executive Officer, are either certified under the Directors' Training Program or exempted from the Directors' Training Program based on their experience. The Board is kept up-to-date on legal, regulatory, and governance matters through regular papers and briefings from the Company Secretary, and presentations by internal and external advisors. Directors are responsible for upholding Corporate Governance and giving the Company a strategic direction. To optimize the effectiveness of the Board, it is pertinent for new members to learn about the dynamics and operations of the Company. Your Company conducts various training programs to ensure that the entire Board is aligned with the Organization's Mission and Corporate Governance.

REVIEW OF CEO'S PERFORMANCE

The Board of Directors conducts routine assessments of the CEO's performance, utilizing a set of defined quantitative and qualitative metrics. These metrics encompass a range of financial and non-financial Key Performance Indicators (KPIs). The primary KPIs used in this evaluation encompass financial performance, operational processes, regulatory compliance, operational excellence, and human resource management. This evaluation also considers the CEO's achievements related to goals such as profit generation, organizational development, succession planning, and overall corporate success.

CHAIRPERSON'S REVIEW

The Chairperson's review included in the Annual Report deals inter-alia with the performance of the Company and role and responsibility of the Board. The Board endorses the contents of the review.

ROLES AND RESPONSIBILITIES OF CHAIRPERSON AND CEO

In order to promote transparency and effective governance, we ensure that the roles of the Chairperson of the Board of Directors and the Chief Executive Officer are distinct, each with well-defined and clear demarcation of roles and responsibilities. The Chairperson of the Board provides strategic leadership and direction to ensure the Board effectively fulfills its governance responsibilities.
This role involves presiding over Board meetings, setting agendas, facilitating discussions, and ensuring that the Board operates efficiently and in accordance with corporate governance standards. The Chairperson also acts as a liaison between the Board and executive Management, representing the Company in external matters and ensuring that the Board's decisions are implemented effectively. On the other hand, the Chief Executive Officer, assumes the position of the Company's Management Leader and is responsible for the day-to-day operations of the Company. This role involves executing the Board's strategic vision and Board's policies within specified boundaries, managing and ensuring that the Company meet its financial and operational goals, drives business growth, and manages key stakeholder relationships.

REVIEW OF RELATED PARTIES TRANSACTIONS

All related party transactions are executed on arm's length basis in the ordinary course of business, and are in compliance with the applicable laws and regulations, and the policies approved by the Board. All related party transactions during the fiscal year 2024 were placed before the Audit Committee and subsequently the Board, for their review, and approved accordingly. Certain Related Party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. For information on the transaction with the related party in fiscal year 2024, please refer to the notes to the Financial Statements.

WEB PRESENCE

Company's periodic financial statements for the current financial year including previous Annual, Half yearly and/or Quarterly Reports are available on the Company's website i.e., www.interloop-pk.com for the information of the investors and shareholders of the Company.

CODE OF CONDUCT

In order to put in place professional standards and corporate values for promotion of integrity of the Board, senior Management and other employees, the Board has approved and disseminated a Code of Conduct, defining therein acceptable and unacceptable behaviors.

TRADING IN THE SHARES OF THE COMPANY

The trading and holding of Company's shares by the Directors & their Spouses or Executives, along with the price, the number of shares and nature of the transaction, were notified by the Company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings have been disclosed in the enclosed Pattern of Shareholding.

EMPLOYEE STOCK OPTION SCHEME

The Company had introduced "Interloop Limited Employees Stock Option Scheme, 2016 (ESOS or Scheme)" to offer Company's Shares to its eligible Executive Employees, pursuant to the Public Companies (Employees Stock Option Scheme) Rules, 2001 (repealed), transforming them from Stakeholders to Shareholders. The Scheme is flexible, voluntary, and focused on long term growth and prosperity of the employees. These shares under ESOS rank pari passu in all respects with the existing ordinary shares of the Company.

We consider our employees to be our most valuable asset and to ensure their commitment and efforts, we firmly believe in providing them with a conducive environment and sense of security. The Scheme had originally been approved by the members in the General Meeting held on December 31, 2015 and by SECP through its letter no. SMD/CIW/ESOS/01/2016 dated September 01, 2016. Later, upon listing of Company's stock on the Pakistan Stock Exchange (PSX) during the year 2019, certain amendments to the Scheme with the context of listed Companies regulations, had been approved by the Shareholders of the Company in its Annual General Meeting held on October 15, 2020 and by SECP through its letter no. SMD/CIW/ESOS/01/2016/184 dated February 25, 2021.

The Core objective of the Scheme is to provide incentives to the Management & Executive & Non- Executive employees of the Company which will eventually provide them a sense of ownership of the Company and encourage greater performance in the direction of the Company's overall growth. The Management shall determine and recommend to the Board of Directors about Eligible Employees who are entitled to grant of Options for the Financial Year preceding the Date of Entitlement, and the proposed terms and conditions and quantum of each Option, and shall be subject to such other requirements and modalities, as the Company may prescribe from time to time.

During FY24, the Board of Directors on January 22, 2024 approved the 1st allotment of 262,604 equity shares at Rs. 63.80/- each in the share capital of the Company under the approved Employees Stock Option Scheme (ESOS). These shares were declared to be allotted to those eligible employees who had chosen to exercise their options under the ESOS and eventually been credited with ordinary shares of the Company, on January 26, 2024 in respective accounts of eligible employees.

The Company has not made any fresh grant of options this year owing to the fact that it is in the process of redesigning /revamping the Scheme as per the latest requirements and trends in the industry.

EMPLOYEES' RETIREMENT BENEFITS

The Company established an 'Employees' Provident Fund Trust' to manage and control its financial affairs independently. Trust is recognized under Income Tax Laws and its income and contributions are exempt from tax. It receives subscription from employees with equal contribution from the Company. The value of investments of fund as per its financial statement as on June 30, 2024 was Rs. 380 Million.

CREDIT RATING

The Management holds a strong commitment to ensure transparency and reliability in the financial information. As part of this commitment, ILP engaged VIS Credit Rating Company Limited (VIS), a reputable rating agency in Pakistan offering independent rating services. In a press release dated July 18, 2024, VIS has upgraded the entity ratings assigned to ILP from **A+/A-1' ('Single A Plus/A-One') to AA-/A-1 ('Double A minus/A-one').** The outlook for these ratings is 'Stable Long-term.'

These assigned ratings accurately mirror Interloop's solid financial position, stemming from a well-established capital structure, minimal expected credit risk, and a powerful ability to make timely financial commitments. This capacity is not significantly vulnerable to foreseeable events.

RISK GOVERNANCE AND INTERNAL CONTROLS

The Board of Directors oversees risk management through a comprehensive policy aligned with ISO 31000 standards developed under Risk Management Committee (RMC). To ensure effective risk governance, the Board has established a rigorous system of internal controls designed to safeguard the Company's assets, reputation, and financial integrity. This system promotes efficient operations, compliance with applicable laws and regulations, and reliable financial reporting. The RMC, reporting directly to the Board, to check supervises and guides the Management on effective mitigation, and monitoring of key risks.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board is aware of its responsibility and has established an efficient system of internal financial controls, safeguarding Company's assets, compliance with applicable laws and regulations and reliable financial reporting. The Board meets frequently to consider ILP's financial performance, financial and operating budgets and forecasts, business growth and development plans, capital expenditure proposals and other key performance indicators. The Company's independent Internal Audit function regularly monitors financial control implementation, whereas the Audit Committee and Risk Committee continuously review the internal control framework and financial statements' effectiveness. There is a Company-wide policy governing appraisals and approval of investment expenditure and asset disposals.

INTERNAL AUDIT AND CONTROL

The Board has set up an independent Internal Audit Function. The Audit Committee regularly reviews the appropriateness of resources and authority of this function. The Head of Internal Audit functionally reports to the Audit Committee and carries out reviews on the financial, operational and compliance controls, and reports on findings to the Audit Committee and Chief Executive Officer and the Divisional Management.

PATTERN OF SHAREHOLDING

The pattern of shareholding as of June 30, 2024, is annexed to this report in accordance with the reporting framework's disclosure requirements.

DEBTS SERVICING

Your Company has an effective cash flow strategy in place whereby inflows and outflows are projected and monitored regularly. This comprehensive strategy has always empowered your Company in smooth settlement of its financial commitments and hopes to cater to any and every challenge that will come its way. In compliance with the above, the Management has made constant endeavors to rationalize borrowing costs by managing a balanced portfolio of sources of funds and efficient financing arrangements. The Company has a practice of settling obligations timely, and accordingly, there is no history of any default concerning payment of debts, including this year.

COMMUNICATION

The Company places significant emphasis on effective communication with all of its stakeholders, ensuring timely distribution of Annual, Half-yearly and Quarterly Reports, as well as notices for the General Meetings as mandated under the Companies Act, 2017. To further engage with the shareholders and analysts, the Company conducts annual briefing session. Additionally, the Company ensures timely updating its activities on its website, which can be accessed at www.interloop-pk.com

CORPORATE BRIEFING SESSION (CBS)

ILP held a Corporate Briefing Session via Zoom and in person briefing, on October 26, 2023. The session focused on the financial results for the year ended June 30, 2023, offering insights into operational performance and future prospects. Attendees included investors, analysts, fund managers, and Company representatives. The Chief Financial Officer presented the current year's performance, followed by Question & Answer session. The Management has planned to hold a Corporate Briefing Session for the year ended June 30, 2024, in November 2024.

BUSINESS CONTINUITY MANAGEMENT

The Board of Directors has adopted a robust Business Continuity Management (BCM) framework aligned with ISO 22301 standards. This comprehensive policy outlines a systematic approach to planning, preparation, and operational management, ensuring the continuity of business operations amidst potential challenges. BCM is a critical component of the Company's crisis management plan, designed to mitigate the impact of disruptive incidents and facilitate a swift recovery. By maintaining a comprehensive BCM program the management is committed to protecting the continuity of our critical products and services, even during unforeseen challenges or physical disasters. Additionally, the Company has implemented a comprehensive insurance program to provide financial protection and minimize losses.

APPOINTMENT OF STATUTORY AUDITORS

M/s. Kreston Hyder Bhimji & Co. Chartered Accountants, have concluded their tenure for the fiscal year 2024 and will retire after the upcoming Annual General Meeting. Meeting the eligibility criteria, they have expressed their willingness to be considered for re-appointment for fiscal year 2025. The Board has recommended the appointment of M/s Kreston Hyder Bhimji & Co. Chartered Accountants as auditors for the forthcoming year, as recommended by the Audit Committee, subject to the approval of the members at the upcoming 32nd Annual General Meeting.

HEALTH, SAFETY & ENVIRONMENT

ILP is steadfast in its commitment to maintain a healthy environment by rigorously following environmental standards across our production facilities. We understand our significant responsibility and prioritize sustainability through effective efforts to reduce our carbon footprint and implement water and energy conservation initiatives. Our commitment to responsible business practices permeates our entire value chain. Additionally, we are devoted to provide a safe and secure work environment for our employees, aiming to foster a workplace that supports their well-being and sense of security. In line with these principles, ILP's Environment, Health, and Safety (EHS) department has developed policies to prevent industrial accidents, safeguard employee health, and conduct mandatory annual medical checkups. We act promptly on any deviations from standard health parameters to ensure the ongoing well-being of our workforce.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Through a diverse range of impactful CSR initiatives, the company aims to create a positive impact within our sphere of influence, benefiting both, the dedicated employees and the communities. From promoting sustainable business practices to championing diversity and inclusion, every endeavor is rooted in making a meaningful difference. Providing insight into our CSR commitments, here are some noteworthy initiatives:

Community Support

Sponsorship of the Pakistan Blind Cricket Team and the Pakistan Wheelchair Cricket League shows our dedication to supporting athletes with disabilities. ILP also promote inclusivity through a 24/7 online interpretation desk for the deaf community.

Women's Empowerment

ILP have partnered with the Female Exclusive Training Institute (FETI) to provide skills-based training, resulting in over 100 women joining our workforce. Additionally, the Company established a long-term endowment fund through the Interloop Welfare Trust in collaboration with the Kashf Foundation to support women's empowerment projects. The commitment extends to supporting women in sports with the first-ever National Level Women's Championship held in Faisalabad.

Sports Sponsorships

ILP championed the spirit of women's sports through the 1st Interloop Women T20 Cricket Championship 2023, featuring 8 teams from different clubs, including the Interloop cricket team; the championship brought together a diverse array of talent. ILP also sponsored Hope Football Camp by Karishma Ali Foundation where young women athletes from Chitral, Hunza and refugee communities went through training lead by experienced foreign coaches. ILP also sponsored the 2nd Interloop Pakistan Champions League (PCL), a groundbreaking wheelchair cricket event that featured professional broadcasting, showcased local talent, and fostered community engagement.

Health and Wellbeing

ILP partnered with organizations serving the specially-abled, including the Syeda Khatoon-e-Jannat Trust Hospital & Special Education Center, Roshni Homes Trust, Al Faisal & Bashir Nabeena Center, Vocational Training Institute for especially abled children, Government Hearing Impaired Schools, and Child Protection & Welfare Bureau. Additionally, the Company actively participated in fundraising for children with congenital heart disease through the Mending Kids' Hearts Aga Khan University Golf Tournament, contributing to life-saving surgeries.

Education

Interloop has pledged Rs 100 Million in partnership with The Citizens Foundation (TCF) for lifetime school education support and is set to construct two primary schools. Additionally, the company joined the School Khana Program, providing nutritious meals to over 1500 children across seven schools, fostering well-being and academic success.

These efforts underscore the management's commitment to environmental stewardship, diversity, and community support.

SUSTAINABILITY INITIATIVES

Sustainability is a core value deeply ingrained the Company's ethos. The Management recognizes its responsibility to protect the environment, support thriving communities, and ensure equitable practices throughout the operations. By integrating sustainability into every aspect of our business, the Company strives to create a positive and enduring impact on the planet and its people. The commitment to sustainability is reflected in a range of initiatives that address environmental stewardship, social responsibility, and ethical governance.

Water Stewardship

Adherence to the Alliance for Water Stewardship (AWS) standard , tackling shared water challenges to drive sustainability, demonstrates our commitment to responsible water use.

Eco-Friendly Materials

Collaboration with Simply Suzette and the use of Loomshake technology to make yarn from banana plant waste highlights our focus on sustainable and traceable materials.

Renewable Energy

The installation of 4 MW of solar capacity, increasing our total to 12.6 MW, will reduce CO_2 emissions by 2,500 tons annually. Additionally, our new 55 TPH biomass boilers will cut CO_2 emissions by 50,000 tons per year.

Traceability

Launch of Loopkisan, an innovative agricultural management platform, optimizes local farming practices through advanced features like leveraging GPS technology, real-time data collection, and predictive analytics. The pilot with 15 organic cotton farmers has yielded great results, guiding future improvements and scaling our sustainable sourcing efforts.

Forest Stewardship

ILP has achieved Forest Stewardship Council (FSC) certification for the plant-based fibres and yarns that derived from responsibly managed forests, ensuring compliance with stringent environmental, social, and economic standards. This certification underscores the dedication to transparency and ethical practices throughout our supply chain

DIVERSITY, EQUITY AND INCLUSION

The Management is committed in creating a positive impact by promoting diversity and inclusion, enhancing women's representation in all roles, and supporting the well-being of our employees. Women now represent 44% of the company's board, 25% of the management committee, and 40% of roles in STEM, highlighting our commitment to gender balance across the organization. ILP embraces a diverse workforce across all age groups, believing that diversity fuels innovation and leads to better decision-making. The Company maintains a non-discriminatory approach to salary and benefits, which are determined by employment contracts, individual performance, and role. The detail on Diversity, Equity and Inclusion is annexed in the report. To further advance workplace inclusivity, Interloop has introduced gender sensitization training programs and a robust anti-harassment policy, complemented by designated women Management Representatives at each plant to address and resolve concerns. The Reconnect Program supports women returning to their careers after extended breaks, and enhanced parental leave policies benefit both male and female employees. Additionally, ILP's commitment to a people-first approach has been recognized with the People Award by Adidas for six consecutive years.

GENDER PAY GAP STATEMENT

As required under the SECP circular no. 10 of 2024, the following is the Gender Pay Gap calculated for the year ended June 30, 2024;. The pay gap has been calculated for all full-time employees' based on gross hourly salary.

FY 2024	Mean	Median
Gender pay gap	10.2%	4.6%

Men and women performing equal work receive equal remuneration across Interloop. Representation at different organisation levels and in different job families is the main cause of our pay gap. Our hiring practices and reward principles ensure that we are setting pay looking at both external market data and internal parity to ensure equity and consistency. Our focus on hiring, retaining and promoting women in leadership roles, as well as across the organisation in more diverse roles, will support the structural changes needed to reduce our pay gaps. In addition, we will continue to focus on pay transparency which will help reduce our pay gaps over time

RISKS AND UNCERTAINTIES

Risks and Opportunities are discussed in detail in the Annual Report.

MATERIAL CHANGES DURING THE CURRENT YEAR

There are no material changes and commitments other than already disclosed which affect the Company's financial position between the end of fiscal year 2024 and the date of this report

EVENTS AFTER REPORTING PERIOD

The Board of Directors, in its meeting held on September 26, 2024, has proposed a final cash dividend for the year ended June 30, 2024, @ Rs. 2.5 per share, for approval of the members in the Annual General Meeting.

BUSINESS CHALLENGES AND FUTURE OUTLOOK

The IMF's latest projections forecast a stable global growth rate of 3.3% for the upcoming year, with emerging economies in Asia anticipated to drive much of this expansion. Global commodity prices are experiencing a downturn, which is expected to help manage inflation across the world. As inflationary pressures gradually ease and interest rates potentially decrease, the medium to long-term outlook for the global economy appears stable. Despite ongoing tight monetary conditions, global economic activity remains relatively resilient, with a continued decline in inflation.

Domestically, economic indicators have shown notable improvement, with a stable currency, a reduced current account deficit, easing inflation, and increased foreign exchange reserves. These favourable conditions have contributed to a decrease in inflation, resulting in positive real interest rates and prompting the SBP to cut interest rates. To further bolster economic and financial stability and manage foreign reserves, the government has secured a staff-level agreement with the IMF for an Extended Fund Facility (EFF) of USD 7 Billion. This program is designed to support government's efforts in stabilizing the economy and fostering conditions for more robust, inclusive, and resilient growth. By mitigating financial uncertainty, the initiative will enhance stability and predictability, benefiting businesses and investors alike.

Nevertheless, the road ahead poses significant challenges for both the economy and the industries. Additionally, recent budgetary measures could further strain the textile industry. The withdrawal of zero-rating for local supplies under the Export Facilitation Scheme (EFS), 2% advance tax, imposition of duties on certain raw material imports, and the shift from the Fixed Tax Regime (FTR) to the Normal Tax Regime (NTR) may exacerbate cash flow issues and add complexity to business operations. These changes could also potentially undermine the export competitiveness of the industry, posing further obstacles to growth. In addition to this, the textile sector faces persistent challenges, notably the continual rise in energy costs, high markup rates, and the lowest local cotton crop.

ILP's management has been vigilant in the continuously changing business environment, proactively taking measures to mitigate any potential business risk, and remains committed to its customers and stakeholders. The strategic focus is to ensure a profitable customer mix and responsible and sustainable business practices to achieve steady growth. Despite the challenges ahead, the management is committed to the Company's expansion plans, notably investing in Hosiery Plant 6, expansion in Denim, expansion in Spun Yarn Dying and Solar Energy Expansion in FY'25.

ACKNOWLEDGEMENT

The Board would like to thank, recognize and value the support and collaboration of all our stakeholders, including the government, business partners, customers, suppliers, shareholders, and bankers, for their invaluable assistance and backing. The Board also conveys its heartfelt thanks to our Management and employees across all levels for their exceptional dedication and contributions. Their enthusiasm and commitment have been instrumental to the Company, and we anticipate continuing this devoted spirit going forward.

On Behalf of the Board of Directors

NAVID FAZIL
Chief Executive Officer

JAHAN ZEB KHAN BANTH
Director

Faisalabad
September 26, 2024

سب کچھ کے باوجود آگے معیشت اور صنعت کے لیے خاطر خواہ مشکلات ہیں۔ علاوہ ازیں، حالیہ بجٹ اقدامات ٹیکسٹائل کی صنعت پر مزید دباؤ ڈال سکتے ہیں۔ ایکسپورٹ فیسلیٹیشن سکیم (EFS) کے تحت مقامی سپلائرز کے لیے صفر ریٹنگ کی واپسی، 2% ایڈوانس ٹیکس، بعض خام مال کی درآمدات پر ڈیوٹیوں کا نفاذ اور فکسڈ ٹیکس رجیم (FTR) سے نارمل ٹیکس رجیم (NTR) میں تبدیلی کیش فلو کے مسائل کو بڑھا سکتی ہے اور بزنس آپریشنز میں پیچیدگیاں شامل کر سکتی ہے۔ اس کے علاوہ، ٹیکسٹائل سیکٹر کو قابل ذکر طور پر توانائی کی لاگتوں میں مسلسل اضافے، مارک اپ کی بلند شرحوں اور کپاس کی بہت کم مقامی فصل کے باعث مستقل مشکلات کا سامنا ہے۔

مسلسل تبدیل ہوتے ہوئے کاروباری ماحول میں ILP کی انتظامیہ چوکنا ہے، کسی امکانی کاروباری خطرے کو کم کرنے کے لیے فعال طریقے سے اقدامات کر رہی ہے اور اپنے کسٹمرز اور سٹیک ہولڈرز کے ساتھ پرعزم ہے۔ تزویراتی توجہ اس بات پر ہے کہ مسلسل افزائش کے حصول کے لیے منافع بخش کسٹمر مکس اور پائیدار کاروباری طور طریقوں کو یقینی بنایا جائے۔ آگے مشکلات کے باوجود انتظامیہ کمپنی کے توسیعی منصوبوں، جن میں 2025 میں ہوزری پلانٹ 6 میں سرمایہ کاری، ڈینم میں توسیع، Spun یارن ڈائنگ اور سولر انرجی توسیع قابل ذکر ہیں، کے بارے میں پرعزم ہے۔

اظہار تشکر

بورڈ حکومت، کاروباری شراکت داروں، کسٹمرز، سپلائرز، شیئر ہولڈرز اور بینکرز سمیت اپنے تمام سٹیک ہولڈرز کا ان کی اصولی معاونت اور حمایت پر شکر گزار ہے، ان کی مدد اور تعاون کا معترف ہے اور اسے گراں قدر سمجھتا ہے۔ بورڈ بے مثال لگن اور خدمات پر اپنی انتظامیہ اور ہر سطح کے ملازمین کا بھی تہہ دل سے شکریہ ادا کرتا ہے۔ ان کا جوش و خروش اور عزم کمپنی کے لیے بنیادی اہمیت کا حامل رہا ہے اور ہمیں امید ہے کہ آگے بڑھتے ہوئے یہ پرخلوص جذبہ برقرار رہے گا۔

ازطرف بورڈ آف ڈائریکٹرز

Jahan Zeb

جہانزیب خان بانٹھ
ڈائریکٹر

نوید فاضل
چیف ایگزیکٹو آفیسر

فیصل آباد
26 ستمبر، 2024

گروپوں کی ایک متنوع ورک فورس اپناتے ہوئے ہے اور وہ اس بات پر یقین رکھتی ہے کہ تنوع جدت طرازی کو آگے بڑھاتا اور بہتر فیصلہ سازی کی راہ ہموار کرتا ہے۔ کمپنی تنخواہ اور مراعات کے بارے میں غیر امتیازی سوچ پر عمل کرتی ہے، جن کا تعین ملازمت کے معاہدوں، انفرادی کارکردگی اور کردار سے کیا جاتا ہے۔ تنوع، برابری اور شمولیت کے بارے میں تفصیل اس رپورٹ کے ساتھ منسلک ہے۔ انٹرلوپ نے کام کی جگہ پر شمولیت کو مزید آگے بڑھانے کے لیے صنفی حساسیت ترقی پروگرام اور ہراسگی کے خلاف ایک سخت پالیسی متعارف کرائی ہے اور اس کے ساتھ خدشات دور کرنے کے لیے ہر پلانٹ پر خواتین انتظامی نمائندے مقرر کیے گئے ہیں۔ ری کنیکٹ پروگرام طویل وقفوں کے بعد واپس اپنے کیریئر کی طرف آنے والی خواتین کی مدد کرتا ہے اور پیرنٹل رخصت کی بہتر بنائی گئی پالیسیاں عورت اور مرد دونوں ملازمین کے لیے فائدہ مند ہیں۔ اس کے علاوہ، ایڈیا اس کی طرف سے مسلسل چھٹے سال People Award سے ILP کی پیپلز فرسٹ سوچ کے بارے میں عزم کا اعتراف کیا گیا ہے۔

تنخواہ میں صنفی خلا کا تخمینہ

جیسا کہ SECP کے سرکلر نمبر 10 آف 2024 کے تحت ضروری ہے، جینڈر پے گیپ سٹیٹمنٹس اس رپورٹ کے ساتھ الگ منسلک ہیں۔

FY 2024	Mean	Median
Gender pay gap	10.2%	4.6%

انٹرلوپ میں مرد اور عورتیں جو مساوی کام انجام دیتے ہیں، انہیں برابر معاوضہ دیا جاتا ہے۔ مختلف تنظیمی سطحوں اور مختلف ملازمت کے شعبوں میں نمائندگی ہمارے تنخواہ کے فرق کی بنیادی وجہ ہے۔ ہماری بھرتی کے طریقے اور انعامی اصول یہ یقینی بناتے ہیں کہ ہم تنخواہیں بیرونی مارکیٹ کے ڈیٹا اور اندرونی مساوات کو مدنظر رکھتے ہوئے طے کر رہے ہیں تاکہ انصاف اور مستقل مزاجی کو یقینی بنایا جا سکے۔ ہماری توجہ خواتین کو قیادت کے کرداروں میں، اور تنظیم کے مختلف شعبوں میں زیادہ متنوع کرداروں میں بھرتی کرنے، برقرار رکھنے اور ترقی دینے پر مرکوز ہے، جو ہمارے تنخواہ کے فرق کو کم کرنے کے لیے ضروری ڈھانچہ جاتی تبدیلیوں کی حمایت کرے گی۔ اس کے علاوہ، ہم تنخواہوں میں شفافیت پر توجہ مرکوز رکھیں گے، جو وقت کے ساتھ ہمارے تنخواہ کے فرق کو کم کرنے میں مددگار ثابت ہوگی

خطرات اور غیر یقینی

اس سالانہ رپورٹ میں خطرات اور مواقع پر تفصیل سے بات کی گئی ہے۔

رواں سال کے دوران مادی تبدیلیاں

ان کے علاوہ جو پہلے ہی ظاہر کی جا چکی ہیں، مالی سال 2024 کے آخر اور اس رپورٹ کے درمیانی عرصے میں ایسی کوئی مادی تبدیلی اور وعدے نہیں ہوئے، جن کا کمپنی کی مالی پوزیشن پر اثر پڑے۔

رپورٹنگ مدت کے بعد واقعات

بورڈ آف ڈائریکٹرز نے 26 ستمبر، 2024 کو منعقدہ اپنے اجلاس میں 30 جون، 2024 کو ختم ہونے والے سال کے لیے 2.50/- روپے فی شیئر کی شرح سے حتمی نقد منافع منقسمہ کی تجویز دی ہے، جس کی ممبرز کی طرف سے سالانہ اجلاس عام میں منظوری دی جائے گی۔

کاروباری حکمت عملی اور مستقبل کا نقطہ نظر

آنے والے سال کے لیے IMF کے تازہ ترین اندازے 3.3% کی مستحکم عالمی شرح نمو کی پیش گوئی کرتے ہیں، جس سے ایشیا میں ابھرتی ہوئی معیشتوں میں اس سے کہیں زیادہ پھیلاؤ آئے گا۔ کموڈیٹی کی عالمی قیمتیں گراوٹ کے تجربے سے دوچار ہیں، جس سے امید ہے کہ پوری دنیا میں مہنگائی سے نمٹنے میں مدد ملے گی۔ مہنگائی کا دباؤ بتدریج کم ہونے اور شرح سود میں امکانی طور پر کمی سے عالمی معیشت کا درمیانے سے لمبی مدت کا نقطہ نظر مستحکم دکھائی دیتا ہے۔ موجودہ سخت مالیاتی حالات کے باوجود عالمی معاشی سرگرمی مہنگائی میں مسلسل کمی کے ساتھ نسبتاً لچکدار رہی ہے۔

داخلی طور پر معاشی اشاریوں نے مستحکم کرنسی، اخراجات جاریہ کے کم خسارے، مہنگائی میں کمی اور غیر ملکی زرمبادلہ کے زیادہ ذخائر کے ساتھ قابل ذکر بہتری دکھائی ہے۔ ان موافق حالات نے مہنگائی کم کرنے میں کردار ادا کیا، جس کے نتیجے میں سود کی اصل مثبت شرحوں کی صورت میں نکلا اور اسٹیٹ بینک آف پاکستان نے فوری طور پر سود کی شرح کم کر دی۔ حکومت نے معاشی اور مالیاتی استحکام کو مزید مضبوط بنانے اور غیر ملکی مخفوظات کے انتظام کی غرض سے 7 بلین امریکی ڈالر Extended فنڈ فیسلٹی (EFF) کے لیے آئی ایم ایف کے ساتھ سٹاف لیول ایگریمنٹ کیا۔ اس پروگرام کا مقصد معیشت کے استحکام اور زیادہ طاقت ور، ہمہ گیر اور لچکدار افزائش کے لیے حالات بہتر بنانے میں حکومتی کوششوں کی مدد کرنا ہے۔ مالیاتی غیر یقینی کو کم کرتے ہوئے یہ کاوش استحکام اور پیش گوئی کو بڑھائے گی، جس سے کاروبار اور سرمایہ کاروں کو یکساں فائدہ ہوگا۔

صحت اور بہبود

ILP نے خصوصی افراد کی خدمت کرنے والی تنظیموں کے ساتھ شراکت داری کی، جن میں سیدہ خاتون جنت ٹرسٹ ہسپتال اور خصوصی تعلیم مرکز، روشنی ہوم ٹرسٹ، افضل اور شیر جیدہ سینٹر خصوصی بچوں کے لیے پیشہ ورانہ تربیتی ادارے، حکومت کے ساتھ سے محروم اسکول، اور بچوں کے تحفظ و فلاح کے بیورو شامل ہیں۔ اس کے علاوہ، کمپنی نے دل کی بیماری میں مبتلا بچوں کے لیے فنڈ ریزنگ میں بھی فعال حصہ لیا، جیسے کہ سیونگ لٹل ہارٹس، آغا خان یونیورسٹی گالف ٹورنامنٹ میں، جو جان بچانے والی سرجریوں میں معاونت فراہم کرتا ہے۔

تعلیم

انٹرلوپ نے لائف ٹائم اسکول ایجوکیشن سپورٹ کے لیے The Citizens Foundation (TCF) کے ساتھ شراکت میں 100 ملین روپے کا وعدہ کیا ہے اور وہ دو پرائمری اسکول تعمیر کرنے کے لیے تیار ہے۔ مزید برآں، کمپنی نے سکول خانہ پروگرام میں شمولیت اختیار کی، سات سکولوں میں 1500 سے زائد بچوں کو غذائیت سے بھرپور کھانا فراہم کیا جاتا ہے، جس سے فلاح و بہبود اور تعلیمی کامیابی کو فروغ دیا گیا۔

یہ کوششیں ماحولیاتی ذمہ داری، تنوع، اور کمیونٹی سپورٹ کے لیے انتظامیہ کے عزم کو واضح کرتی ہیں۔

پائیداری کے اقدامات

پائیداری ایک بنیادی قدر ہے جو کمپنی کی اخلاقیات میں گہرائی سے جڑی ہوئی ہے۔ انتظامیہ ماحول کی حفاظت، ترقی پذیر کمیونٹیز کی حمایت، اور تمام کارروائیوں میں مساوی طرز عمل کو یقینی بنانے کی اپنی ذمہ داری کو تسلیم کرتی ہے۔ ہمارے کاروبار کے ہر پہلو میں پائیداری کو ضم کر کے، کمپنی سیارے اور اس کے لوگوں پر ایک مثبت اور پائیدار اثر پیدا کرنے کی کوشش کرتی ہے۔ پائیداری سے وابستگی ان اقدامات کی ایک حد سے ظاہر ہوتی ہے جو ماحولیاتی ذمہ داری، سماجی ذمہ داری، اور اخلاقی حکمرانی کو شامل کرتے ہیں۔

واٹر اسٹیورڈشپ

الائنس فار واٹر اسٹیورڈشپ (AWS) کے معیار کی پابندی، پائیداری کو آگے بڑھانے کے لیے مشترکہ پانی کے چیلنجوں سے نمٹنے، ذمہ دارانہ پانی کے استعمال کے لیے ہماری وابستگی کو ظاہر کرتا ہے۔

ماحول دوست مواد

کیلی سوزیٹ کے ساتھ تعاون اور لوم ٹیک ٹیکنالوجی سے کیلے کے فضلے سے بنے دھاگے کا استعمال کمپنی کے ماحول دوست مواد کے استعمال کے رجحان کی عکاسی کرتا ہے۔

قابل تجدید توانائی

شمسی صلاحیت کے 4 میگاواٹ کی تنصیب، ہمارے کل کو 12.6 میگاواٹ تک بڑھا کر، CO_2 کے اخراج کو سالانہ 2,500 ٹن تک کم کرے گی۔ مزید برآں، ہمارے نئے TPH55 بائیوماس بوائلر CO_2 کے اخراج میں سالانہ 50,000 ٹن کی کمی کریں گے۔

زرعی پہل

لوکسان کا آغاز، ایک جدید زرعی انتظامی پلیٹ فارم، GPS ٹیکنالوجی کا فائدہ اٹھانا، ریئل ٹائم ڈیٹا اکٹھا کرنا، اور پیشین گوئی کرنے والے تجزیات جیسے جدید خصوصیات کے ذریعے مقامی کاشتکاری کے طریقوں کو بہتر بناتا ہے۔ 15 نامیاتی کپاس کے کاشتکاروں کے ساتھ پائلٹ نے شاندار نتائج حاصل کیے ہیں، جو مستقبل میں بہتری کی رہنمائی کرتے ہیں اور ہماری پائیدار سورسنگ کی کوششوں کو بڑھاتے ہیں۔

Forest کی ذمہ داری

ILP نے پلانٹ پر مبنی ریشوں اور یارن کے لیے فاریسٹ اسٹیورڈشپ کونسل (FSC) سرٹیفیکیشن حاصل کیا ہے جو ذمہ دارانہ طور پر منظم جنگلات سے حاصل کیے گئے ہیں، سخت ماحولیاتی، سماجی اور اقتصادی معیارات کی تعمیل کو یقینی بناتے ہوئے یہ سرٹیفیکیشن ہماری سپلائی چین میں شفافیت اور اخلاقی طریقوں کے لیے لگن کو واضح کرتا ہے

تنوع، برابری اور شمولیت

انتظامیہ تنوع اور شمولیت کے فروغ، تمام ذمہ داریوں میں خواتین کی نمائندگی بڑھاتے ہوئے اور اپنے ملازمین کی بہبود میں مدد دیتے ہوئے ایک مثبت اثر مرتب کرنے کے لیے پرعزم ہے۔ اب خواتین، کمپنی کے بورڈ پر 44%، انتظامی کمیٹیوں میں 25% اور STEM میں roles کے 40% کی نمائندگی کرتی ہیں، جس سے ادارے میں صنفی توازن کے بارے میں ہمارے عزم کی عکاسی ہوتی ہے۔ ILP ہر عمر کے

کاروباری تسلسل کا انتظام

بورڈ آف ڈائریکٹرز نے ISO 22301 : معیارات سے ہم آہنگ ایک مضبوط بزنس Continuity مینجمنٹ (BCM) فریم ورک اپنایا ہے۔ اس جامع پالیسی میں امکانی مشکلات کی موجودگی میں کاروباری آپریشنز کے تسلسل کو یقینی بناتے ہوئے منصوبہ بندی، تیاری اور آپریشنل مینجمنٹ کے بارے میں منظم سوچ کے خدوخال بتائے گئے ہیں۔ BCM بحران سے نمٹنے کے لیے کمپنی کے انتظامی منصوبے کا اہم جزو ہے، جو خلل انگیز واقعات کے اثر کو کم کرنے اور پرسکون بحالی میں مدد دینے کے لیے وضع کیا گیا ہے۔ انتظامیہ ایک جامع BCM پروگرام کو برقرار رکھتے ہوئے ہماری اہم مصنوعات و خدمات کے تسلسل، حتیٰ کہ شدید مشکلات یا طبعی آفتوں کے دوران بھی تحفظ کے لیے پرعزم ہے۔ اس کے علاوہ کمپنی نے مالی تحفظ فراہم کرنے اور نقصانات کو کم سے کم کرنے کے لیے ایک جامع انشورنس پروگرام پر بھی عمل درآمد کیا ہے۔

قانونی آڈیٹرز کا تقرر

میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے مالی سال 2024 کے لیے اپنی میعاد مکمل کر لی ہے اور اگلے سالانہ اجلاس عام کے بعد سبکدوش ہو جائیں گے۔ انہوں نے اہلیت کے طریقہ کار پر پورا اترتے ہوئے مالی سال 2025 کے لیے دوبارہ تقرر کی خواہش ظاہر کی ہے۔ بورڈ نے، جیسا کہ آڈٹ کمیٹی نے سفارش کی ہے، میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو اگلے 32 ویں سالانہ اجلاس عام میں ممبرز کی منظوری سے مشروط، اگلے سال کے لیے آڈیٹرز مقرر کرنے کی سفارش کی ہے۔

صحت، تحفظ اور ماحول

ILP اپنی پیداواری فیسلٹیز میں ماحولیاتی معیارات پر سختی سے عمل کرتے ہوئے ایک صحت مند ماحول برقرار رکھنے کے اپنے عزم پر ثابت قدم ہے۔ ہم اپنی اہم ذمہ داری سمجھتے ہیں اور طریقے کاربن کے نقش پا کو کم کرنے کی کوششوں کے ذریعے اور پانی و توانائی محفوظ کرنے کی کاوشوں پر عمل درآمد سے پائیداری کو ترجیح دیا جائے۔ ذمہ دارانہ کاروباری طور طریقوں کے بارے میں ہمارا عزم ہماری پوری ویلیو چین کو فروغ دیتا ہے۔ اس کے علاوہ ہم اپنے ملازمین کو کام کا صحت مند اور محفوظ ماحول فراہم کرنے کے پابند ہیں، جس کا مقصد کام کی ایک ایسی جگہ کو منظم کرنا ہے جو ان کی بہبود اور احساس تحفظ کی مدد فراہم کرے۔ ILP کے انوائرمنٹ، ہیلتھ اینڈ سیفٹی ڈیپارٹمنٹ (EHS) نے حتمی حادثات کی روک تھام، ملازمین کی صحت کے تحفظ اور سالانہ لازمی طبی معائنوں کے لیے پالیسیاں تیار کی ہیں۔ ہم اپنی ورک فورس کی بہبود کو یقینی بنانے کے لیے صحت کی ان معیاری حدود سے کسی بھی انحراف پر فوری کارروائی کرتے ہیں۔

کارپوریٹ سماجی ذمہ داری (CSR)

اثر انگیز CSR اقدامات کی متنوع رینج کے ذریعے، کمپنی کا مقصد ہمارے اثر و رسوخ کے دائرے میں ایک مثبت اثر پیدا کرنا ہے، جس سے سرشار ملازمین اور کمیونٹیز دونوں کو فائدہ پہنچے گا۔ پائیدار کاروباری طریقہ کار کو فروغ دینے سے لے کر تنوع اور شمولیت کو چیمپئن بنانے تک، ہر کوشش کی جڑیں ایک بامعنی فرق لانے پر مرکوز ہیں۔ ہمارے CSR وعدوں کے بارے میں بصیرت فراہم کرتے ہوئے، یہاں کچھ قابل ذکر اقدامات ہیں:

کمیونٹی سپورٹ

پاکستان بلائنڈ کرکٹ ٹیم اور پاکستان وہیل چیئر کرکٹ لیگ کی سپانسرشپ معذور کھلاڑیوں کی مدد کے لیے ہماری لگن کو ظاہر کرتی ہے۔ ہم بہری برادری کے لیے 24/7 آن لائن ترجمانی ڈیسک کا قیام کیا۔

خواتین کو بااختیار بنانا

ہم نے مہارت پر مبنی تربیت فراہم کرنے کے لیے خواتین کے خصوصی تربیتی ادارے (FETI) کے ساتھ شراکت کی ہے، جس کے نتیجے میں 100 سے زیادہ خواتین ہماری افرادی قوت میں شامل ہو رہی ہیں۔ مزید برآں، ہم نے انٹرلوپ ویلفیئر ٹرسٹ کے ذریعے کشف فاؤنڈیشن کے ساتھ مل کر خواتین کو بااختیار بنانے کے منصوبوں میں تعاون کے لیے ایک طویل مدتی اینڈوومنٹ فنڈ قائم کیا۔ ہمارا عزم فیصل آباد میں منعقد ہونے والی پہلی قومی سطح کی خواتین کی چیمپئن شپ کے ساتھ کھیلوں میں خواتین کو سپورٹ کرنے کا ہے۔

کھیلوں کی کفالت

ILP نے پہلی انٹرلوپ ویمن T20 کرکٹ چیمپئن شپ 2023 کے ذریعے خواتین کے کھیلوں کے جذبے کو فروغ دیا، جس میں انٹرلوپ کرکٹ ٹیم سمیت مختلف کلبوں کی 8 ٹیمیں شامل تھیں۔ چیمپئن شپ نے ٹیلنٹ کی ایک متنوع صف کو اکٹھا کیا۔ ILP نے کرشن علی فاؤنڈیشن کی طرف سے ہوپ فٹ بال کیمپ کو بھی اسپانسر کیا جہاں چترال، ہنزہ اور چناگرین کمیونٹی سے تعلق رکھنے والی نوجوان خواتین کھلاڑی تجربہ کار غیر ملکی کوچز کی تربیت سے گزریں۔ ILP نے 2nd Interloop Pakistan Champions League (PCL) کو بھی سپانسر کیا، جو ایک اہم وہیل چیئر کرکٹ ایونٹ ہے جس میں پیشہ ورانہ تجربات، مقامی ٹیلنٹ کی نمائش، اور کمیونٹی کی مصروفیت کو فروغ دیا گیا تھا۔

رسک گورننس اور انٹرنل کنٹرولز

بورڈ آف ڈائریکٹرز ISO 31000 معیارات سے ہم آہنگ پالیسی کے ذریعے، جو رسک مینجمنٹ کمیٹی (RMC) کے تحت تیار کی گئی ہے، رسک مینجمنٹ کی نگرانی کرتا ہے۔ بورڈ نے موثر رسک گورننس کو یقینی بنانے کے لیے انٹرنل کنٹرولز کا ایک ہمہ گیر سسٹم قائم کیا ہے، جو کمپنی کے اثاثوں، ساکھ اور مالی سالمیت کی حفاظت کے لیے وضع کیا گیا ہے۔ یہ سسٹم با صلاحیت آپریشنز، قابل اطلاق قوانین اور ضابطوں کی تعمیل اور قابل اعتبار فنانشل رپورٹنگ کو فروغ دیتا ہے۔ RMC براہ راست بورڈ، بورڈ آف ڈائریکٹرز، سپروائزرز کو رپورٹ کرتی ہے اور بڑے خطرات کو موثر طریقے سے کم کرنے اور ان کی نگرانی کے بارے میں انتظامیہ کی رہنمائی کرتی ہے۔

انٹرنل فنانشل کنٹرولز کی موزونیت

بورڈ انٹرنل فنانشل کنٹرولز کے ضمن میں اپنی ذمہ داری سے آگاہ ہے اور اس نے انٹرنل فنانشل کنٹرولز، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین اور ضابطوں کی تعمیل اور قابل اعتماد فنانشل رپورٹنگ کا ایک موثر سسٹم قائم کیا ہے۔ ILP کی مالی کارکردگی، فنانشل اور آپریٹنگ حکمت عملی اور پیش گوئیوں، کاروباری افزائش اور ترقی کے منصوبوں، کیپیٹل خرچ کی تجاویز اور کارکردگی کے دیگر اہم اشاریوں پر غور وخوض کے لیے بورڈ کا تواتر کے ساتھ اجلاس ہوتا ہے۔ کمپنی کا آزاد انٹرنل آڈٹ فنکشن باقاعدگی سے فنانشل کنٹرول عمل درآمد کی نگرانی کرتا ہے، جب کہ آڈٹ کمیٹی اور رسک کمیٹی، انٹرنل کنٹرول فریم ورک اور فنانشل اسٹیٹمنٹس کے موثر ہونے کا باقاعدگی سے جائزہ لیتی ہیں۔ کمپنی کی ایک پالیسی ہے جو سرمایہ کاری کے خرچ اور اثاثوں کو ٹھکانے لگانے کی تخصیص اور منظوری کا احاطہ کرتی ہے۔

انٹرنل آڈٹ اینڈ کنٹرول

بورڈ نے ایک آزاد انٹرنل آڈٹ فنکشن قائم کیا ہے۔ آڈٹ کمیٹی باقاعدگی کے ساتھ اس فنکشن کے وسائل کے مناسب ہونے اور اختیار کا جائزہ لیتی ہے۔ انٹرنل آڈٹ کمیٹی کا سربراہ آڈٹ کمیٹی کو رپورٹ کرتا ہے اور فنانشل، آپریشنل اور کمپلائنس کنٹرولز کا جائزہ لیتا ہے اور نتائج سے آڈٹ کمیٹی، چیف ایگزیکٹیو آفیسر اور ذیلی مینجمنٹ کو آگاہ کرتا ہے۔

شیئر ہولڈنگ کا پیٹرن

شیئر ہولڈنگ کا پیٹرن، جیسا کہ 30 جون، 2024 کو تھا، رپورٹنگ فریم ورک کی ڈسکلوژر ضروریات کے مطابق اس رپورٹ کے ساتھ منسلک ہے۔

Debts

آپ کی کمپنی کے پاس کیش فلو کی ایک موثر حکمت عملی ہے جس کے تحت باقاعدگی کے ساتھ متوقع ان فلوز اور آؤٹ فلوز کے بارے میں بتایا جاتا ہے اور ان پر نظر رکھی جاتی ہے۔ اس جامع حکمت عملی نے ہمیشہ آپ کی کمپنی کو اس کے مالی وعدوں کی آسانی سے تکمیل کے قابل بنایا ہے امید ہے کہ وہ ہر ایسی مشکل پر قابو پائے گی جو اس کے راستے میں آئے گی۔

مذکورہ بالا کی تکمیل کے لیے انتظامیہ نے وسائل اور فنڈز کے ایک متوازن پورٹ فولیو کا انتظام کرتے ہوئے اور فنانسنگ کے موثر انتظامات کے ذریعے قرض کی لاگت کو معقول بنانے کے لیے مسلسل کوششیں کی ہیں۔ ذمہ داریوں کو بروقت پورا کرنا کمپنی کا معمول ہے، چنانچہ اس سال سمیت قرضوں کی ادائیگی سے متعلق ڈیفالٹ کی کوئی تاریخ نہیں ہے۔

رابطہ

کمپنی، سالانہ، ششماہی اور سہ ماہی رپورٹوں اور عام اجلاسوں کے لیے نوٹسوں کی بروقت تقسیم کو یقینی بناتے ہوئے، جیسا کہ کمپنیز ایکٹ، 2017 کے تحت ضروری ہے، اپنے تمام اسٹیک ہولڈرز کے ساتھ موثر رابطے کو بہت اہمیت دیتی ہے۔ کمپنی شیئر ہولڈرز اور تجزیہ کاروں کے ساتھ مزید تعاون کے لیے سالانہ بریفنگ سیشن بھی منعقد کرتی ہے۔ کمپنی اپنی ویب سائٹ پر اپنی سرگرمیوں کو اپ ڈیٹ کرنے کو یقینی بناتی ہے، جن تک www.interloop-pk.com کے ذریعے رسائی حاصل کی جا سکتی ہے۔

کارپوریٹ بریفنگ سیشن (CBS)

ILP نے 26 اکتوبر، 2023 کو زوم اور ذاتی طور سے بریفنگ کا کارپوریٹ بریفنگ سیشن منعقد کیا۔ اس سیشن میں آپریشنل پرفارمنس اور مستقبل کے امکانات کے بارے میں بصیرت افروز معلومات پیش کرتے ہوئے 30 جون، 2023 کو ختم ہونے والے سال کے مالی نتائج پر توجہ مرکوز کی گئی۔ شرکاء میں سرمایہ کار، تجزیہ کار، فنڈ منیجرز اور کمپنی کے نمائندے شامل تھے۔ چیف فنانشل آفیسر نے رواں سال کی کارکردگی پیش کی، جس کے بعد سوال اور جواب کا سیشن ہوا۔ کمپنی کا ارادہ ہے کہ 30 جون، 2024 کو ختم ہونے والے سال کے لیے دسمبر 2024 میں کارپوریٹ بریفنگ سیشن منعقد کیا جائے۔

ضابطہ اخلاق

بورڈ، سینئر انتظامیہ اور دوسرے ملازمین کی نیک نامی کو فروغ دینے کے لیے پیشہ ورانہ معیارات اور کارپوریٹ اقدار برقرار رکھنے کی خاطر بورڈ نے ایک ضابطہ اخلاق کی منظوری دی ہے اور اسے تقسیم کیا گیا ہے جس میں قابل قبول اور ناقابل قبول طرزِ عمل کی صراحت کی گئی ہے۔

کمپنی کے شیئرز کی خرید و فروخت

کمپنی کے سیکریٹری نے ڈائریکٹرز اور ان کی شریکِ حیات کی طرف سے کمپنی کے شیئرز کی خرید و فروخت اور ہولڈنگ، مع قیمت، شیئرز کی تعداد اور لین دین کی نوعیت کے بارے میں صراحت کردہ مدت کے اندر بورڈ، SECP اور PSX کو مطلع کیا۔ ساتھ منسلک پیٹرن آف شیئرز ہولڈنگ میں اس قسم کی تمام ہولڈنگز کے بارے میں بتایا گیا ہے۔

ایمپلائز اسٹاک آپشن اسکیم

کمپنی نے پبلک کمپنیز (ایمپلائز اسٹاک آپشن اسکیم) رولز، 2001 (منسوخ شدہ) کی رو سے کمپنی کے حق دار ایگزیکٹیو ملازمین کو کمپنی کے شیئرز کی پیشکش کے لیے "انٹرلوپ لمیٹڈ ایمپلائز اسٹاک آپشن اسکیم، 2016" متعارف کروائی تاکہ انھیں اسٹیک ہولڈرز سے شیئر ہولڈرز میں تبدیل کیا جائے۔ یہ اسکیم ایک بار رضاکارانہ اور ملازمین کی طویل المدت افزائش اور خوشحالی پر مرکز ہے۔ ESOS کے تحت یہ شیئرز ہر لحاظ سے کمپنی کے موجودہ عام شیئرز کے مساوی ہیں۔

ہم اپنے ملازمین کو اپنا گرانقدر ترین اثاثہ سمجھتے ہیں اور ان کے عزم اور کوششوں کے اعتراف میں انھیں سازگار ماحول فراہم کرنے اور ان میں احساس تحفظ پیدا کرنے پر پختہ یقین رکھتے ہیں۔ ممبرز کی طرف سے ان کے اجلاس عام منعقدہ 31 دسمبر، 2015 اور ایس ای سی پی کی طرف سے اس کے لیٹر نمبر SMD/CIW/ESOS/01/2016 مورخہ 01 ستمبر 2016 کے ذریعے اس اسکیم کی منظوری دی گئی۔ بعد میں سال 2019 کے دوران کمپنی کے اسٹاک کا پاکستان اسٹاک ایکسچینج (PSX) میں اندراج پر شیئر ہولڈرز کی طرف سے کمپنی کے سالانہ اجلاس عام منعقدہ 15 اکتوبر، 2020 اور ایس ای سی پی کی طرف سے اس کے لیٹر نمبر SMD/CIW/ESOS/01/2016/184 مورخہ 25 فروری، 2021 کے ذریعے لسٹڈ کمپنیز ریگولیشنز کے حوالے سے اس اسکیم میں بعض ترامیم کی منظوری دی گئی۔

اس اسکیم کا بنیادی مقصد کمپنی کے مینجمنٹ اور ایگزیکٹیو اور نان ایگزیکٹیو ملازمین کو ترغیبات فراہم کرنا ہے، جس سے بالآخر ان میں کمپنی کی ملکیت کا احساس پیدا ہوگا اور کمپنی کی مجموعی افزائش کی سمت میں زیادہ بہتر کارکردگی کی حوصلہ افزائی ہوگی۔ انتظامیہ ایسے اہل ملازمین کے بارے میں طے کرے گی اور بورڈ آف ڈائریکٹرز کو سفارش کرے گی جو استحقاق کی تاریخ سے پچھلے مالی سال کے لیے آپشنز کے حق دار ہوں گے اور ہر آپشن کے مجوزہ قواعد و ضوابط اور دوسری ایسی ضروریات اور طریقہ کار سے مشروط ہوں گی جو کمپنی وقتاً فوقتاً تجویز کرے گی۔

مالی سال 24 کے دوران بورڈ آف ڈائریکٹرز نے منظور شدہ ایمپلائز اسٹاک آپشن اسکیم (ESOS) کے تحت 22 جنوری، 2024 کو کمپنی کے شیئر کیپٹل میں -/63.80 فی شیئر پر 262,604 عام شیئرز کی پہلی الاٹمنٹ کی منظوری دی۔ ان شیئرز کے بارے میں اعلان کیا گیا کہ یہ ایسے اہل ملازمین کو الاٹ کیے جائیں گے جنھیں ESOS کے تحت اپنی آپشنز استعمال کرنے کے لیے چنا گیا ہے اور اس کے بعد 26 جنوری، 2024 کو کمپنی کے عام شیئرز اہل ملازمین کے اکاؤنٹس میں کریڈٹ کر دیے گئے۔

کمپنی نے اس سال اس حقیقت کے پیش نظر آپشنز کی کوئی نئی گرانٹ نہیں کی کہ وہ انڈسٹری میں تازہ ترین ضروریات اور رجحانات کے مطابق تشکیل نو / تنظیم نو کے عمل میں ہے۔

ملازمین کے ریٹائرمنٹ کے فوائد

کمپنی نے اپنے مالی امور کا آزادی کے ساتھ انتظام چلانے اور کنٹرول کرنے کے لیے "ایمپلائز پراویڈنٹ فنڈ ٹرسٹ" قائم کیا۔ یہ ٹرسٹ انکم ٹیکس قوانین کے تحت تسلیم شدہ ہے اور اس کی آمدنی اور کنٹری بیوشنز ٹیکس سے مستثنیٰ ہیں۔ اسے ملازمین کی طرف سے سیلری کنٹری بیوشن ملتا ہے اور کمپنی اس میں برابر کا حصہ ڈالتی ہے۔ جون 2024 کو مالیاتی بیان کے مطابق فنڈ کی سرمایہ کاری کی قیمت 380 ملین روپے تھی۔

کریڈٹ ریٹنگ

انتظامیہ مالی معلومات میں شفافیت اور بھروسے کو یقینی بنانے کا پختہ عزم رکھتی ہے۔ ILP نے اپنے اس عزم کے حصے کے طور پر پاکستان میں غیر جانبداری سے ریٹنگ سروسز کی پیشکش کرنے والی شہرت یافتہ ریٹنگ ایجنسی، VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) کی خدمات حاصل کیں۔ وی آئی ایس نے اپنے ایک پریس ریلیز مورخہ 18 جولائی، 2024 میں ILP کو تفویض کردہ entity ریٹنگز A+/A-1 (سنگل اے پلس / اے-ون) سے اپ گریڈ کر کے AA-/A-1 (ڈبل اے مائنس / اے-ون) کر دی۔ ان ریٹنگز کا نقطہ نظر "مستحکم طویل المدت" ہے۔

تفویض کردہ یہ ریٹنگ مضبوطی سے استوار کیپٹل اسٹرکچر، کم سے کم متوقع کریڈٹ رسک اور مالی وعدوں کو بروقت پورا کرنے کی طاقتور صلاحیت کی بنا پر انٹرلوپ کی مضبوط مالی پوزیشن کی درست عکاسی کرتی ہیں۔ یہ استعداد نظر آنے والے واقعات کے لیے کسی بڑے خطرے کی زد میں نہیں ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ، ڈائریکٹروں کا مشاہرہ مقرر کرنے کے لیے ایک باضابطہ پالیسی پر عمل کرتا ہے، جسے شفاف طریقہ ہائے کار کی مدد حاصل ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق، اپنے مشاہرے کے پیکیج کے تعین میں کوئی ڈائریکٹر شامل نہیں ہوتا۔ کمپنی، نان ایگزیکٹیو ڈائریکٹرز کو اجلاسوں میں ان کی شرکت کے لیے فیس کے علاوہ کوئی مشاہرہ ادا نہیں کرتی جیسا کہ کمپنیز ایکٹ، 2017 میں تجویز کیا گیا ہے۔ بہترین ٹیلنٹ کو ساتھ رکھنے کے لیے کمپنی کی مشاہرہ پالیسیاں انڈسٹری کے موجودہ رجحانات اور کاروباری طور طریقوں کے مطابق ہیں۔

مالی سال 2024 کے دوران ڈائریکٹرز اور CEO کے مشاہرہ کے بارے میں تفصیلی معلومات کے لیے براہ مہربانی فنانشل سٹیٹمنٹس کے notes دیکھئے۔

ڈائریکٹرز کا ترقی پروگرام

بورڈ پر ڈائریکٹرز سی سی جی ریگولیشنز، 2019 کے مطابق اپنے فرائض اور ذمہ داریوں سے بخوبی آگاہ ہیں۔ چیف ایگزیکٹیو آفیسر سمیت ہمارے سب ڈائریکٹرز یا تو ڈائریکٹرز ٹریننگ پروگرام کے تحت سند یافتہ ہیں یا اپنے تجربے کی بنیاد پر ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔ بورڈ کو کمپنی سیکریٹری کی طرف سے ریگولر پیپرز اور بریفنگ کے ذریعے اور اندرونی اور بیرونی مشیروں کی طرف سے پریزنٹیشنز کے ذریعے قانونی، ریگولیٹری اور گورننس کے معاملات کے بارے میں باخبر رکھا جاتا ہے۔ ڈائریکٹرز، کارپوریٹ گورننس کی پاسداری اور کمپنی کو تزویراتی سمت دینے کے ذمہ دار ہیں۔ بورڈ کی افادیت زیادہ سے زیادہ بڑھانے کے لیے نئے ممبرز کے لیے ضروری ہے کہ وہ کمپنی کی حرکیات اور آپریشنز کے بارے میں جانیں۔ آپ کی کمپنی اس بات کو یقینی بنانے کے لیے مختلف ترقی پروگراموں کا اہتمام کرتی ہے کہ پورا بورڈ ادارے کے مشن اور کارپوریٹ گورننس کے ساتھ ہم آہنگ رہے۔

سی ای او کی کارکردگی کا جائزہ

بورڈ آف ڈائریکٹرز صراحت کردہ مقداری اور معیاری پیمانوں کا مجموعہ استعمال کرتے ہوئے سی ای او کی کارکردگی کا معمول کا تجزیہ کرتا ہے۔ ان پیمانوں میں مختلف عملیاتی کمال Key Performance Indicators (KPIs) شامل ہیں۔ اس جانچ میں جو بنیادی KPIs استعمال کیے جاتے ہیں، وہ مالی کارکردگی، آپریشنل پراسیس، ریگولیٹری تعمیل، آپریشنل کا سلسلہ اور انسانی وسائل کے انتظام پر محیط ہیں۔ اس جانچ میں منافع کے حصول، ادارے کی ترقی، succession منصوبہ بندی اور مجموعی کارپوریٹ کامیابی جیسے مقاصد سے متعلق سی ای او کی کامیابیوں پر بھی غور کیا جاتا ہے۔

چیئرپرسن کا جائزہ

سالانہ رپورٹ میں شامل چیئرپرسن کا جائزہ دیگر امور کے ساتھ ساتھ کمپنی کی کارکردگی اور بورڈ کے کردار اور ذمہ داریوں سے متعلق ہے۔ بورڈ اس جائزے کے مندرجات کی توثیق کرتا ہے۔

چیئرپرسن اور سی ای او کا کردار اور ذمہ داریاں

ہم شفافیت اور موثر گورننس کو فروغ دینے کے لیے یقین دلاتے ہیں کہ کردار اور ذمہ داریوں کی بخوبی صراحت اور واضح حد بندی کے ساتھ بورڈ آف ڈائریکٹرز کے چیئرپرسن اور چیف ایگزیکٹیو آفیسر کا کردار الگ الگ ہے۔ اس بات کو یقینی بنانے کے لیے کہ بورڈ اپنی گورننس کی ذمہ داریاں موثر طریقے سے پوری کرے بورڈ کا چیئرپرسن تزویراتی قیادت اور رہنمائی فراہم کرتا ہے۔ اس کردار میں بورڈ کے اجلاسوں کی صدارت کرنا، ایجنڈا طے کرنا، بات چیت کی سہولت دینا اور یہ یقینی بنانا شامل ہے کہ بورڈ کارپوریٹ گورننس معیارات کے مطابق موثر طریقے سے کام کرے۔ چیئرپرسن بورڈ اور ایگزیکٹیو مینجمنٹ کے درمیان رابطے کا کام بھی کرتا ہے، بیرونی معاملات میں کمپنی کی نمائندگی کرتا ہے اور یقینی بناتا ہے کہ بورڈ کے فیصلوں پر موثر طریقے سے عمل درآمد ہو۔ دوسری طرف چیف ایگزیکٹیو آفیسر کمپنی کے مینجمنٹ لیڈر کی پوزیشن پر فائز ہوتا ہے اور کمپنی کے روزمرہ آپریشنز کا ذمہ دار ہوتا ہے۔

اس کردار میں مخصوص حدود کے اندر بورڈ کی تزویراتی سوچ اور بورڈ کی پالیسیوں پر عمل کرنا، اس امر کا انتظام کرنا اور یقینی بنانا کہ کمپنی اپنے مالی اور کاروباری مقاصد پورے کرے، کاروباری افزائش کو آگے بڑھانا اور اہم سٹیک ہولڈرز کے ساتھ تعلقات شامل ہیں۔

تعلق دار فریقوں کے ساتھ لین دین کا جائزہ

تعلق دار فریقوں کے ساتھ تمام لین دین عام کاروباری طریقے سے کاروباری مفاد کے مطابق کیا جاتا ہے اور یہ قابل اطلاق قوانین وضابطوں اور بورڈ کی منظور کردہ پالیسیوں کی تعمیل کے مطابق ہوتے ہیں۔ مالی سال 2024 کے دوران تعلق دار فریقوں کے ساتھ تمام لین دین غور وخوض کے لیے آڈٹ کمیٹی اور پھر بورڈ کے سامنے رکھا گیا اور اس کی منظوری دی گئی۔ کچھ متعلقہ پارٹی لین دین، جن میں زیادہ تر ڈائریکٹرز کا مفاد شامل ہے، کمپنیز ایکٹ 2017 کے سیکشن 207 اور 208 (جہاں تک قابل اطلاق ہو) اور لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) ریگولیشنز 2019 کے ریگولیشن 15 کے ساتھ پڑھتے ہوئے، اراکین کی منظوری درکار ہے۔ مالی سال 2024 میں تعلق دار فریق کے ساتھ لین دین کے بارے میں معلومات کے لیے مالی حسابات میں notes ملاحظہ کیجئے۔

ویب پر موجودگی

انویسٹرز اور کمپنی کے شیئر ہولڈرز کی معلومات کے لیے گزشتہ سالانہ، ششماہی اور سہ ماہی رپورٹس سمیت رواں مالی سال کے لیے کمپنی کے وقتا فوقتا فنانشل سٹیٹمنٹس کمپنی کی ویب سائیٹ www.interloop-pk.com پر دستیاب ہیں۔

بورڈ اور کمیٹیوں کے اجلاس

مالی سال 2024 کے دوران اپنی سرگرمیوں کے دائرے کو مکمل کرنے کے لیے مطلوبہ کمیٹی اجلاسوں کے ساتھ بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس منعقد ہوئے۔ ڈائریکٹرز کے نام اور ہر ڈائریکٹر کی طرف سے شرکت کردہ اجلاسوں کی تعداد مندرجہ ذیل ہے:

NC	RMC	HR&RC	ACM	BODM	AGM		ڈائریکٹر کا نام
2/2				6/6	1/1	چیئرپرسن / نان ایگزیکٹیو ڈائریکٹر	صدیق ذوالقرنین
2/2		5/6		6/6	1/1	سی ای او/ایگزیکٹیو ڈائریکٹر	نوید فاضل
2/2	2/2			6/6	1/1	ایگزیکٹیو ڈائریکٹر	محمد منصور
		5/5		3/3		انڈیپینڈنٹ ڈائریکٹر	فروا حسنین
		5/5		4/4		انڈیپینڈنٹ ڈائریکٹر	فاطمہ اسد خان
			4/4	4/4		انڈیپینڈنٹ ڈائریکٹر	رومانہ عبداللہ
	2/2		7/7	6/6	1/1	انڈیپینڈنٹ ڈائریکٹر	طارق اقبال خان
		5/5		3/4		ایگزیکٹیو ڈائریکٹر	فریال صادق
		5/6	7/7	6/6	1/1	نان ایگزیکٹیو ڈائریکٹر	جہانزیب خان بانٹھ
		1/1	2/2	2/2	1/1	سابق انڈیپینڈنٹ ڈائریکٹر	* سعید احمد جمل
				1/3	0/1	سابق نان ایگزیکٹیو ڈائریکٹر	** شیریں آفتاب

*22 اکتوبر، 2023 کو ریٹائر ہوئے۔

**12 جنوری، 2024 کو مستعفی ہو گئیں۔

بورڈ آف ڈائریکٹرز اور بورڈ کی کمیٹیوں کی کارکردگی کی جانچ

بورڈ آف ڈائریکٹرز کو کمپنی کی سینئر مینجمنٹ کو تزویراتی قیادت اور نگرانی فراہم کرنے کے لیے، اس کی کارکردگی اور اہلیت جانچنے اور اندازہ لگانے میں مدد دینے کی غرض سے CCG ریگولیشنز، 2019 اور بہترین عالمی طور طریقے کار کی مطابقت سے بورڈ ایویلیوایشن میکنزم وضع کیے گئے ہیں۔ چنانچہ، بورڈ اور اس کی کمیٹیوں کی اسیسمنٹ میں مدد دینے کے لیے ابھرتے ہوئے اور ممتاز طور طریقوں کی بنیاد پر مناسب طریقہ ہائے کار وضع کیے ہیں۔ بورڈ اور اس کی کمیٹیوں کی طرف سے بھی اقدار، احتساب، منصوبہ بندی، لیڈر شپ اور حکمت عملی کی تیاری جیسے متعلقہ طریقہ ہائے کار کی بنیاد پر مخصوص سوالنامے تیار کیے گئے ہیں۔ ڈائریکٹروں سے بھی کہا جاتا ہے کہ وہ خود تشخیصی سوالنامہ پر کریں جو بورڈ کی مختلف کارروائیوں میں ان کی شرکت اور ان کے اطمینان پر مرکوز ہے۔ توجہ کے بنیادی شعبے یہ ہیں:

- ☆ کمپنی کے ویژن اور مشن کے ساتھ کارپوریٹ گولز اور مقاصد کی ہم آہنگی؛
- ☆ پائیدار آپریشن کے لیے حکمت عملی کی تیاری؛
- ☆ بورڈ کی آزادی؛ اور
- ☆ متعلقہ شرائط و ضوابط میں طے کردہ ذمہ داریاں انجام دینے کے حوالے سے بورڈ کی کمیٹیوں کی کارکردگی کی جانچ۔

اس کے علاوہ چیف ایگزیکٹیو آفیسر اور چیف فنانشل آفیسر کے لیے ان کی کارکردگی جانچنے کی خاطر ایک علیحدہ سوالنامہ تیار کیا گیا ہے۔ CEO اور CFO کی کارکردگی کی جانچ، ان کے سوا تمام ڈائریکٹروں کی طرف سے کی جاتی ہے۔ یہ سوالنامے سالانہ تقسیم کیے جاتے ہیں اور ڈائریکٹرز گمنام طریقے سے انھیں پر کرتے ہیں۔ اس کے بعد کمپنی سیکریٹری کی طرف سے سوالوں کو اکٹھا اور مرتب کیا جاتا ہے۔ بورڈ اور اس کی کمیٹیوں کی مجموعی کارکردگی، منظور شدہ طریقہ ہائے کار کی بنیاد پر پرکھی جاتی ہے، جو اطمینان بخش ہوتی ہے۔

نمبر شمار	ڈائریکٹرز کا نام	کیٹگری
.i	فرد احسنین	انڈیپنڈنٹ ڈائریکٹر
.ii	فاطمہ اسد خان	
.iii	رومانہ عبداللہ	
.iv	طارق اقبال خان	
.v	صدق ذوالقرنین	نان ایگزیکٹیو ڈائریکٹر
.vi	جہانزیب خان بانگش	
.vii	نوید فاضل	ایگزیکٹیو ڈائریکٹر
.viii	محمد منصور	
.ix	فریال صادق	

ڈائریکٹرز کا انتخاب / بورڈ اور اس کی کمیٹیوں کی ساخت

بورڈ آف ڈائریکٹرز کا نیا انتخاب اکتوبر، 2023 میں ہونا تھا، چنانچہ قانونی تقاضوں کے تحت بورڈ آف ڈائریکٹرز نے نئے انتخاب کے لیے ڈائریکٹرز کی تعداد نو (9) مقرر کی، جو 13 اکتوبر، 2023 کو کمپنی کے 31 ویں سالانہ اجلاس عام (AGM) میں ہوا۔ اس کے نتیجے میں اگلی تین (3) سالہ مدت کے لیے جو 22 اکتوبر، 2023 سے شروع ہوئی، چھ (6) ریٹائرنگ ڈائریکٹرز دوبارہ اور تین (3) نئے ڈائریکٹر منتخب کیے گئے۔ چنانچہ، CCG ریگولیشنز، 2019 کی مطابقت سے بورڈ کی کمیٹیاں نئے سرے سے قائم کی گئیں۔

الیکشن کے نتیجے میں جناب صدق ذوالقرنین کو دوبارہ بورڈ کا چیئرپرسن مقرر کیا گیا۔ جناب نوید فاضل کو دوبارہ کمپنی کا چیف ایگزیکٹیو آفیسر مقرر کیا گیا اور محترمہ فرد احسنین کو محترمہ شیریں آفتاب، نان ایگزیکٹیو ڈائریکٹر کے استعفے سے خالی ہونے کو پر کرنے کے لیے بورڈ آف ڈائریکٹرز پر انڈیپنڈنٹ ڈائریکٹر اور بورڈ کی متعلقہ کمیٹیوں میں مقرر کیا گیا۔ یہ تقرر 12 جنوری، 2024 سے موثر ہے۔

بورڈ سبکدوش ہونے والوں کی گراں قدر خدمات کو سراہتا ہے اور بورڈ پر نئے ممبرز کا خیر مقدم کرتا ہے۔

بورڈ کی کمیٹیاں

بورڈ آف ڈائریکٹرز نے اپنے فرائض کی انجام دہی میں مدد کے لیے مندرجہ ذیل پانچ (5) کمیٹیاں قائم کی ہیں۔ ان کمیٹیوں مع ان کی رکنیت اور مالی سال 2024 کے دوران منعقدہ اجلاسوں کی تفصیل حسب ذیل ہے:

کمیٹیاں	FY24 کے دوران منعقدہ اجلاس
آڈٹ کمیٹی (AC)	7
انسانی وسائل اور معاوضہ کمیٹی (HR&RC)	6
رسک مینجمنٹ کمیٹی (RMC)	2
نامزدگی کمیٹی (NC)	2
ماحولیاتی، سماجی اور گورننس کمیٹی (ESGC)	-

	AC	HR&RC	RMC	NC	ESCGC
چیئرپرسن	طارق اقبال خان	فاطمہ اسد خان	طارق اقبال خان	صدق ذوالقرنین	نوید فاضل
ممبر	رومانہ عبداللہ	نوید فاضل	محمد منصور	نوید فاضل	فرد احسنین
ممبر	جہانزیب خان بانگش	فرد احسنین	فاطمہ اسد خان	محمد منصور	فریال صادق
ممبر		فریال صادق	رومانہ عبداللہ		
ممبر		جہانزیب خان بانگش			

بورڈ آف ڈائریکٹرز تصدیق کرتے ہیں کہ

i. کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالی حسابات کمپنی کے معاملات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکوئٹی میں تبدیلیوں کو شفاف طریقے سے پیش کرتے ہیں۔

ii. کمپنی کی طرف سے حساب کتاب کے مناسب کھاتے رکھے جاتے ہیں۔

iii. مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا جاتا ہے اور اکاؤنٹنگ کے تخمینوں کی بنیاد معقول اور محتاط فیصلے پر ہوتی ہے۔

iv. مالی حسابات کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز (آئی ایف آر ایس) جیسا کہ پاکستان میں قابل اطلاق ہیں اور کمپنیز ایکٹ، 2017 کے تقاضوں پر مناسب طریقے سے عمل کیا گیا ہے۔ ان سے کسی انحراف کو صحیح طریقے سے ظاہر کیا گیا ہے اور وضاحت کی گئی ہے۔

v. انٹرنل کنٹرول سسٹم اپنی وضع میں مستحکم ہے، اس پر موثر طریقے سے عمل کیا جاتا ہے اور اس کی نگرانی کی جاتی ہے۔ کنٹرولز کو مضبوط اور سسٹم کو بہتر بنانے کے لیے انٹرنل کنٹرولز کی نگرانی برقرار رہے گی۔

vi. ایک ترقی کرنے والے ادارے کی حیثیت سے کمپنی کی اہلیت کے بارے میں کوئی بڑا شبہ نہیں ہے۔

vii. کارپوریٹ گورننس، جیسا کہ پاکستان سٹاک ایکسچینج کے لسٹنگ ریگولیشنز میں تفصیل بیان کی گئی ہے، کے بہترین طور طریقے کار سے کوئی مادی انحراف نہیں کیا گیا۔

viii. مالی حسابات کے notes میں واجب الادا ٹیکسوں اور لیویز کے بارے میں معلومات ظاہر کر دی گئی ہیں، جیسا کہ لسٹنگ ریگولیشنز کے تحت ضروری ہے۔

ix. کمپنی تمام ملازمین کے لیے کنٹری بیوٹری پراویڈنٹ فنڈ سکیم اور اپنے مینجمنٹ اور نان مینجمنٹ ملازمین کے لیے صراحت کردہ گریچوئٹی فنڈ سکیم چلاتی ہے۔ 30 جون، 2024 کے مطابق ان سرمایہ کاریوں کی بک ویلیو 380 ملین روپے ہے۔

x. مندرجہ ذیل کے بارے میں اسٹیٹمنٹس اس سالانہ رپورٹ کے ساتھ منسلک ہیں:

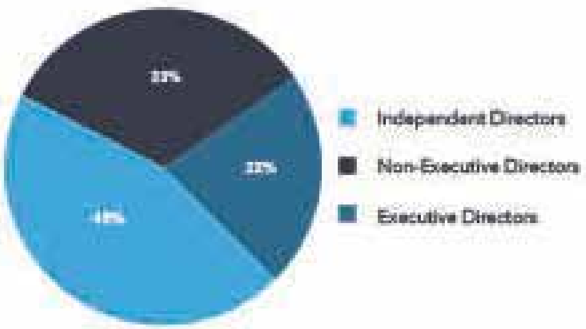
- ☆ پچھلے چھ (6) سالوں کا اہم فنانشل ڈیٹا
- ☆ ایس ای سی پی کے 2024 کے سرکلر نمبر 10 کے تحت جینڈر پے گیپ (تنخواہ کا صنفی خلا) کا سٹیٹمنٹ
- ☆ شیئر ہولڈنگ کا پیٹرن

کوڈ آف کارپوریٹ گورننس کی تعمیل کے بارے میں اسٹیٹمنٹ

کمپنی، SECP کی طرف سے لازمی قرار دیے گئے کارپوریٹ گورننس کے اصولوں پر سختی سے عمل پیرا ہے اور اس نے تجویز کردہ تمام شرائط پر عمل درآمد کیا ہے۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل کے اسٹیٹمنٹ میں اس کا خلاصہ دیا گیا ہے، جس پر آڈیٹرز نے مناسب نظرثانی کی اور یہ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ کی تشکیل

ILP کا بورڈ آف ڈائریکٹرز نو (9) ارکان پر مشتمل ہے جن کا انتخاب 22 اکتوبر، 2023 کو ہوا تھا اور یہ افراد الگ الگ پس منظر، لازمی مہارت، بصیرت اور کمپنی کے آپریشنز سے متعلق صلاحیتوں کے حامل ہیں۔ 30 جون، 2024 کے مطابق ہمارے بورڈ کی تشکیل حسب ذیل ہے:



ڈائریکٹرز کی کل تعداد	
الف) مرد	5
ب) خواتین	4
ساخت	
انڈیپینڈنٹ ڈائریکٹرز	4
نان ایگزیکٹیو ڈائریکٹرز	2
ایگزیکٹیو ڈائریکٹرز	3

ڈینم

جنوبی ایشیا میں معیار طے کرنے والی انٹرلوپ ڈینم فیسلٹی کی موجودہ پیداواری استعداد پائیدار ڈینم گارمنٹس کے ماہانہ 580,000 یونٹس ہے اور 2026 تک اسے 1.5 ملین یونٹس تک کرنے کا منصوبہ ہے۔ یہ پلانٹس ماحول سے اپنی حساسیت کے لیے شہرت رکھتے ہیں، ان کے پاس LEED پلاٹینم سرٹیفکیشن ہے اور انھیں 2021 کی دنیا کی ساتویں سبز ترین عمارت کی حیثیت سے تسلیم کیا جاتا ہے۔ کمپنی نے انڈسٹری 4.0 کے اور low-impact عمل اختیار کرتے ہوئے مربوط ERP اور ڈیجیٹل سیمپلنگ کے ساتھ صلاحیت کار کو بڑھایا۔ یہ Guess, Hugo Boss, Mustang, Diesel, Levi's Kids, Target, NYDJ, and INDITEX جیسے نمایاں برانڈز کی ضروریات پوری کرتی ہے۔ انٹرلوپ ڈینم ماحول دوست ڈینم مینوفیکچرنگ میں رہنمائی کرتا ہے، نئی ٹیکنالوجی کا استعمال کرتے ہوئے، اوزون کے ساتھ بغیر پانی کے فنشنگ، اور آٹومیٹڈ لائزیشن۔

اپیرل

انٹرلوپ اپیرل کی سالانہ پیداواری صلاحیت 33.6 ملین ملبوسات ہے، جو شمالی امریکہ، یورپ اور برطانیہ کے برانڈز کو اپنی طرف راغب کرتا ہے۔ نیا تعمیر شدہ ماحول دوست فیکٹری LEED پلاٹینم سرٹیفکیشن حاصل کرے گا اور مالی سال 2024 کے آخر میں جزوی طور پر آپریشن شروع کر چکا ہے۔ جدید ترین مشینری سے لیس یہ فیکٹری پیداواری صلاحیت کو بڑھا کر سالانہ 69.7 ملین ملبوسات تک لے جانے کے لیے تیار ہو گی۔ اس میں پائیدار خصوصیات شامل ہیں جیسے قابل تجدید توانائی کے ذرائع، ایک ویٹ لینڈ ایریا، اور ایک پرندوں کی پناہ گاہ۔ نٹ ویئر اپیرل ڈویژن مختلف اقسام کی مصنوعات تیار کرتا ہے جن میں ٹی شرٹس، ٹاپس، ویسٹس، پولو شرٹس، سویٹ شرٹس، جیکٹس، ٹائٹس، جوگرز اور ہوڈیز شامل ہیں، جو مشہور برانڈز اور ریٹیلرز کے لیے تیار کی جاتی ہیں۔

ایکٹیو ویئر

انٹرلوپ کی عمودی طور پر مربوط seamless ایکٹیو ویئر مینوفیکچرنگ فیسلٹی سالانہ 4 ملین pieces کی پیداواری استعداد کے ساتھ اسٹائل اور سائز کی ایک وسیع ورائٹی کی پیشکش کرتی ہے۔ یہ فیسلٹی اٹلی کی نٹنگ اور ڈائنگ مشینوں اور جاپان کی سلائی مشینوں سمیت جدید ترین مشینری سے آراستہ ہے، جو فیبرک ویلڈنگ، ڈائیکٹ ٹیکنکس اور سیملیس آپریشنز میں اعلیٰ معیار کو یقینی بناتی ہے۔ کسی نشان سے عاری یہ گارمنٹس رکاوٹ بننے والی کسی سلائی سے آزاد 360 ڈگری کا غیر معمولی کمفرٹ فراہم کرتے ہیں۔ اس کے علاوہ، کمپنی کے پاس ایک قابل فخر ان ہاؤس پراڈکٹ ڈیولپمنٹ ڈیپارٹمنٹ ہے جو تیزی سے مکمل تبدیلی کو یقینی بناتا ہے۔ اس کے ساتھ ہی ان کی ان ہاؤس ڈیزائن ٹیم جدید ترین رجحانات اور فیشن کے ساتھ چلتی ہے۔

دھاگہ

☆ اسپننگ

انٹرلوپ، اپنی مثال آپ خودکار اسپننگ پلانٹس کو استعمال کرتے ہوئے جو جدید ترین یورپی اور جاپانی مشینری سے آراستہ ہیں، سالانہ اعلیٰ معیار کا 32 ملین پونڈز (20/1) دھاگہ تیار کرتی ہے۔ کمپنی مختلف اقسام کا دھاگہ تخلیق کرنے کے لیے ورجن، ری سائیکلڈ اور پائیدار سمیت کئی اقسام کا خام مال استعمال کرتی ہے۔ تیار کردہ 50% سے زیادہ دھاگہ داخلی طور پر استعمال ہوتا ہے اور باقی ٹیکسٹائل انڈسٹری کے مختلف سیکٹرز کے ممتاز مینوفیکچررز کو سپلائی کیا جاتا ہے۔

☆ دھاگے کی رنگائی اور ایئر کورنگ

انٹرلوپ مکمل خودکار آپریشنز کے ساتھ ایک جدید یارن ڈائنگ اینڈ Elastomeric یارن فیسلٹی آپریٹ کرتی ہے جو Spun اور Filament دھاگے میں رنگوں کی وسیع رینج کی پیشکش کرتی ہے۔ اس کی سالانہ ڈائنگ گنجائش 5.5 ملین کلوگرام ہے۔ انٹرلوپ، معیاری ریشوں پر Lycra اور Creora جیسے spandexes کے ساتھ ان ہاؤس ڈائیڈ، ڈوپ ڈائیڈ اور خام سفید دھاگے کی مختلف اقسام کے لیے سالانہ ایک ملین کلوگرام کی پیداواری استعداد کے ساتھ جدید اطالوی ایئر کورنگ مشینیں بھی استعمال کرتی ہے۔ انٹرلوپ نے آئی ایل اپیرل پارک میں 20 ٹن یومیہ صلاحیت کے ساتھ ایک اسپن یارن ڈائنگ یونٹ نصب کرنے کا منصوبہ بنایا ہے۔ یہ منصوبہ اس وقت تعمیراتی مرحلے میں ہے اور توقع ہے کہ مالی سال 2026 کی پہلی ششماہی میں پیداوار شروع ہو جائے گی۔

کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک

کمپنی کسی انحراف کے بغیر کارپوریٹ گورننس کے تحت معیارات کی سختی سے پاسداری کرتی ہے۔ ڈائریکٹرز کو اس بات کی توثیق کرتے ہوئے خوشی ہے کہ کمپنی، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی طرف سے جاری کردہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019، (سی سی جی ریگولیشنز، 2019) اور کمپنیز ایکٹ، 2017 میں صراحت کردہ دفعات کی پابندی کرتی ہے، جو پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کے لسٹنگ ریگولیشنز کا لازمی حصہ ہیں۔

مارجن تجزیہ	2024	2023
مجموعی منافع	28%	33%
کاروباری منافع	18%	23%
منافع قبل از ٹیکس	12%	18%
ٹیکس کے بعد خالص منافع	10%	17%
EBITDA	21%	25%

فی شیئر آمدنی (EPS)

ٹیکس کے بعد غیر مربوط بنیادی اور تحلیل شدہ فی شیئر آمدنی 11.25 روپے فی شیئر ہے (2023: Rs. 14.39 per share) ٹیکس کے بعد مربوط بنیادی اور تحلیل شدہ آمدنی فی شیئر 11.78 روپے فی شیئر ہے (FY 2023: Rs. 14.39 per share)

شیئر ہولڈرز کو منافع منقسمہ کی تقسیم

کمپنی، اپنے شیئر ہولڈرز کی دولت بڑھانے اور ایک طویل عرصے کے لیے انہیں پائیدار منافع فراہم کرنے کے لیے بدستور پرعزم ہے۔ موجودہ کیپٹل اور ایکوئٹی انویسٹمنٹ منصوبوں کے پیش نظر بورڈ آف ڈائریکٹرز نے 30 جون، 2024 کو ختم ہونے والے مالی سال کے لیے 2.5 روپے فی شیئر (یعنی 25%) نقد منافع منقسمہ کی سفارش کی ہے۔ سالانہ اجلاس عام میں ممبرز کی منظوری سے مشروط، جو 24 اکتوبر، 2024 کو منعقد ہوگا۔ 2.0 روپے فی شیئر (یعنی 20%) عبوری نقد منافع منقسمہ کے ساتھ جو پہلے ہی ادا کیا جا چکا ہے، 30 جون، 2024 کو ختم ہونے والے سال کے لیے کل نقد تقسیم 4.5 روپے (یعنی 45%) ہو جائے گی جبکہ عمومی ذخائر میں کوئی منتقلی نہیں کی گئی۔ ان مالی حسابات میں مجوزہ حتمی منافع منقسمہ کا اثر شامل نہیں ہے۔

بنیادی سرگرمیاں

انٹرلوپ لمیٹڈ 25 اپریل، 1992 کو پاکستان میں قائم کی گئی تھی اور اسے 05 اپریل، 2019 کو باضابطہ طور پر پاکستان اسٹاک ایکسچینج میں درج کروایا گیا۔ انٹرلوپ عمودی طور پر مربوط کثیر زمرہ مکمل خاندانی کپڑوں کی کمپنی ہے جو ممتاز بین الاقوامی برانڈز اور ریٹیلرز کے لیے ہوزری، ڈینم، ایتھلیژر اور سیملیس اپیرل اور سلائی کے کسی نشان کے بغیر ایکٹیو ویئر پراڈکٹس تیار کرتی ہے۔ یہ مختلف ٹیکسٹائل کسٹمرز کے لیے دھاگہ بھی تیار کرتی ہے۔ سارا سال کمپنی کی بنیادی سرگرمیوں میں کوئی تبدیلی نہیں آئی۔

ذیلی کمپنی - ٹاپ سرکل ہوزری ہولڈنگ کمپنی انکارپوریشن، امریکا

ILP نے ٹاپ سرکل ہوزری ہولڈنگ کمپنی انکارپوریشن (ٹاپ سرکل) میں کامیابی کے ساتھ 64% ایکوئٹی سٹیک حاصل کیا ہے۔ یہ کمپنی امریکی قانون کے تحت قائم اور امریکا میں رجسٹرڈ ہے۔ 1 نومبر، 2023 سے موثر، ٹاپ سرکل ILP کے ذیلی ادارے کے طور پر کام کر رہا ہے۔ انتظامیہ وسائل کی تقسیم کے بارے میں اور ان کی کارکردگی جانچنے کے لیے درست فیصلہ سازی کی خاطر ان سیگمنٹس کے مالی نتائج پر سرگرمی سے نظر رکھتی ہے۔ انٹرنل مینجمنٹ رپورٹنگ فریم ورک اور تیار اور فروخت کی جانے والی مصنوعات کی بنیاد پر کمپنی مندرجہ ذیل آپریٹنگ سیگمنٹس میں تقسیم ہے۔

بزنس سیگمنٹس

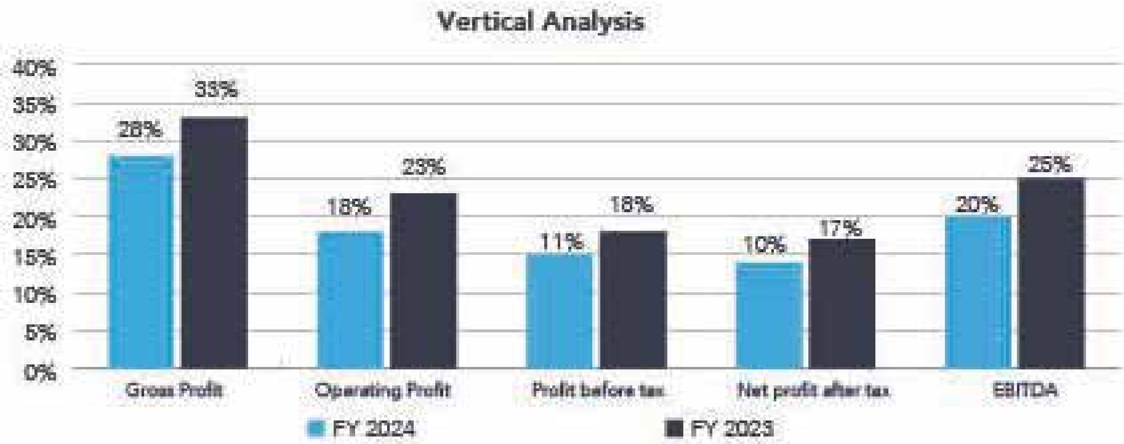
انتظامیہ نے ترجیحاتی وسائل تخصیص اور کارکردگی کے تخمینے کے لیے بورڈ آف ڈائریکٹرز کو پیش کردہ معلومات کے ساتھ ہم آہنگ کرنے کی غرض سے آپریٹنگ سیگمنٹس متعین کیے ہیں۔ انتظامیہ وسائل کی تقسیم اور ان کی کارکردگی جانچنے کے بارے میں درست فیصلہ سازی میں مدد دینے کی خاطر ان سیگمنٹس کے مالی نتائج پر فعال انداز میں نظر رکھتی ہے۔

انٹرنل مینجمنٹ رپورٹنگ فریم ورک اور تیار کردہ اور فروخت کردہ مصنوعات کی نوعیت کی بنیاد پر کمپنی مندرجہ ذیل آپریٹنگ سیگمنٹس میں منظم ہے۔

ہوزری

انٹرلوپ ہوزری عمودی طور پر مربوط پانچ مینوفیکچرنگ فسیلٹیز کے ذریعے موزوں کے سالانہ 873 ملین جوڑے تیار کرنے کی استعداد رکھتی ہے۔ یہ Nike, Adidas, STICHD, Target, H&M, C&A, Amazon, and Uniqlo وغیرہ سمیت پوری دنیا میں انٹرنیشنل برانڈز اور ریٹیلرز کی خدمت کرتی ہے۔ اس کا پلانٹ 4 اور 5، LEED گولڈ سرٹیفائیڈ سوکس مینوفیکچرنگ فسیلٹیز ہیں۔ ٹاپ سرکل کے حالیہ حصول نے کمپنی کو مینوفیکچرنگ کے اپنے نقوش یونین تک وسیع کرنے میں مدد دی ہے۔ کمپنی، کھیت سے فیکٹری کے پراسس تک ذمہ دارانہ مینوفیکچرنگ کے لیے وقف ہے۔ ان ہاؤس سروسز کے ساتھ جو ڈیویلپمنٹ، کوالٹی اور جدت طرازی پر محیط ہیں، انٹرلوپ کی ڈیجیٹل انوویشنس کا مقصد جدید ڈیزائن، پراڈکشن اور کسٹمر ریلیشنز ہے۔

مجموعی تجزیہ	2024	2023
مربوط منافع	28%	33%
کاروباری منافع	18%	23%
منافع قبل از ٹیکس	11%	18%
کاروبار سے منافع	10%	17%
EBITDA	20%	25%



مربوط مالیاتی اور کاروباری کارکردگی

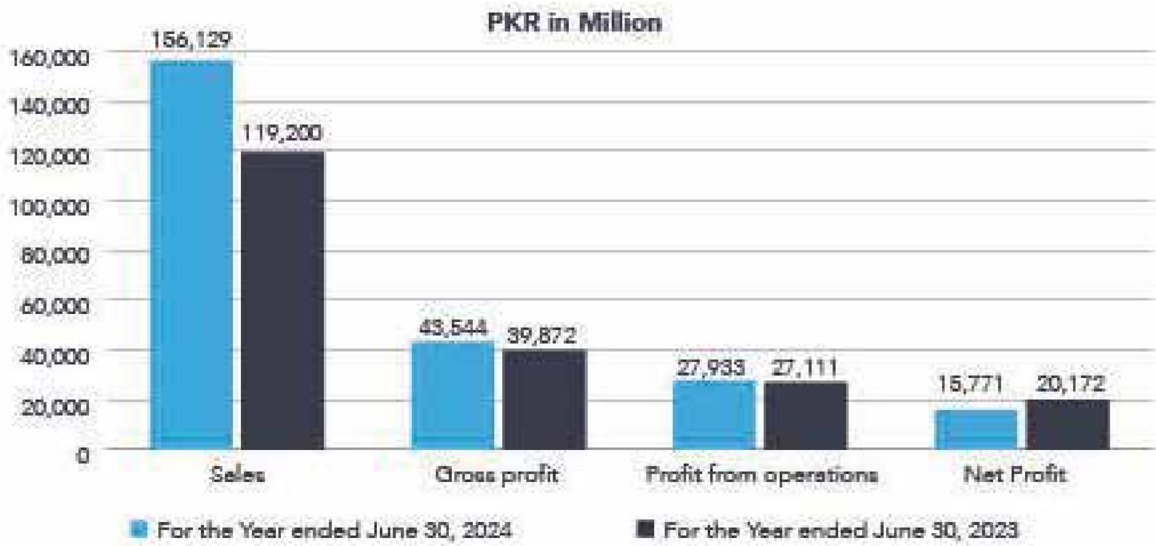
کمپنی نے 30 جون، 2024 کو اختتام پذیر ہونے والے سال کے لیے انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز اور کمپنیز ایکٹ کی ضروریات کے مطابق مربوط مالی گوشوارے مرتب کیے ہیں۔

ILP نے مالی سال 24 کے دوران امریکہ میں قائم فرم ٹاپ سرکل ہوزری فو کمپنی انکارپوریشن ("US Top") میں 64% کنٹرولنگ سٹیک حاصل کیا۔ نتیجتاً مربوط گوشواروں میں کمپنی کی حاصل کردہ منصفانہ قدر کے مقابلے میں مواقف قیمت خرید کے باعث سبسڈریز کے حصول کی مد میں 827 ملین پاکستانی روپے کا سرپلس شامل ہے۔ گروپ نے 158,183 ملین روپے کا مجموعی ریونیو حاصل کیا، جو گزشتہ سال کے مقابلے میں 33% کا بڑا اضافہ ظاہر کرتا ہے۔ اسی طرح پچھلے سال کے مقابلے میں خالص منافع 20,172 ملین روپے (EPS: Rs. 14.39 per share) سے 18% کم ہو کر 16,455 ملین روپے (EPS: 11.78 per share) رہا۔

ذیل میں گروپ کی مربوط مالی کارکردگی کا خلاصہ دیا گیا ہے جو ہماری سبسڈریز کے مشترکہ آپریشنز کا جامع منظر فراہم کرتا ہے۔ 30 جون، 2023 کے مقابلے میں 30 جون، 2024 کو ختم ہونے والے سال کے لیے مربوط مالی نتائج کا خلاصہ:

	30 جون، 2024 کو ختم ہونے والا سال 2024	 2023	VAR %
	روپے ملین میں		
خالص سیلز	158,183	119,200	33%
مجموعی منافع	44,166	39,872	11%
EBITDA	32,767	30,093	9%
کاروبار سے منافع	28,648	27,111	6%
قبل از ٹیکس منافع	18,492	21,584	-14%
بعد از ٹیکس منافع	16,456	20,172	-18%

	2024	2023 روپے ملین میں
خالص سیلز	156,129	119,200
مجموعی منافع	43,544	39,872
EBITDA	31,910	30,093
منافع قبل از ٹیکس	17,807	21,544
بعد از ٹیکس منافع	15,771	20,172
دیگر جامع نقصان	(460)	(1,688)
کل جامع آمدنی	15,311	18,484
غیر تخصیص شدہ منافع جو آگے لایا گیا	26,641	17,429
تخصیصات کے لیے دستیاب مجموعی منافع	**41,953**	**35,912**
تخصیصات		
عبوری منافع منقسمہ	–	(1,797)
حتمی منافع منقسمہ 2022	–	(2,803)
بونس شیئرز 2023	–	(4,671)
حتمی منافع منقسمہ 2023	(2,803)	–
عبوری منافع منقسمہ 2024	(2,803)	–
Forfeited شیئر آپشنز 2024	10	–
ضائع شدہ شیئرز کے اختیارات	**36,357**	**26,641**
فی شیئر آمدنی - بنیادی (پاکستانی روپے)	11.25	14.39
فی شیئر آمدنی - تحلیل شدہ (پاکستانی روپے)	11.25	14.39



ڈائریکٹرز صاحبان کی جائزہ رپورٹ

برائے سال اختتام 30 جون، 2024

انٹرلوپ لمیٹڈ ("دی کمپنی" یا "ILP") کے بورڈ آف ڈائریکٹرز کو 30 جون، 2024 کو ختم ہونے والے مالی سال کے لیے کمپنی کی سالانہ رپورٹ بمع سالانہ آڈٹ شدہ مالی حسابات (مربوط اور غیر مربوط) اور اس کے ساتھ آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی ہے۔

یہ رپورٹ کمپنیز ایکٹ، 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی مطابقت سے تیار کی گئی ہے۔

عالمی معیشت

عالمی معیشت کو ایک پیچیدہ اور ارتقاء پذیر منظرنامے کا سامنا رہا جس میں مختلف مشکلات اور بتدریج بحالی نمایاں تھی۔ سال کا آغاز گزشتہ جغرافیائی و سیاسی کشیدگی، خاص طور سے یوکرائن کے تنازع کے مسلسل اثرات کے ساتھ ہوا، جس نے توانائی کی قیمتوں اور عالمی سپلائی چین پر مستقل دباؤ ڈالا۔ متعدد خطوں میں مہنگائی اہم تشویش رہی۔ امریکی معیشت کو سخت لیبر مارکیٹوں اور ارتقاء پذیر مالیاتی پالیسیوں کے درمیان معتدل نمو کا تجربہ ہوا، جب کہ یوروزون کو توانائی کی قیمت میں اتار چڑھاؤ اور جغرافیائی و سیاسی تناؤ اور ممبر ریاستوں کے اندر ساختی مسائل سے پیدا ہونے والی غیر یقینی کے باعث سست نمو کا سامنا رہا۔ 2024 میں عالمی معاشی شرح نمو 3.2% کی کم سطح پر رہنے کی امید ہے، جو 2023 کی 3.3% کی شرح نمو سے مطابقت رکھتی ہے۔ ان جاری مسائل کے باوجود، عالمی معیشت نے لچک کا مظاہرہ کیا ہے، مہنگائی میں اعتدال کے آثار نظر آرہے ہیں، جو مالی سال 2023 میں 6.8% سے کم ہوکر مالی سال 2024 میں 5.9% ہوگئی ہے۔

پاکستان کی معیشت

مالی سال 2024 (FY24) میں پاکستان کی معیشت، مالی سال 2023 میں 0.2% کے معمولی انحطاط سے نکل کر 2.4% بڑھی۔ اس معتدل واپسی کی بڑی وجہ 3 بلین امریکی ڈالر کے آئی ایم ایف اسٹینڈ بائی اگریمنٹ کی کامیاب تکمیل سمیت کئی طرفہ اور دوطرفہ شراکت داروں کی جانب سے ازسرنو مدد ہے۔ اخراجات جاریہ کے خسارے میں خاطر خواہ بہتری آئی، جو اس سے پچھلے سال کے مقابلے میں 79% سے کم ہوکر 0.7 بلین ڈالر رہ گیا۔ درآمدی اخراجات 0.72% کی معمولی کمی کے ساتھ 54.79 بلین امریکی ڈالر پر آگئے جو اس سے پچھلے سال 55.19 بلین امریکی ڈالر تھے۔ دوسری طرف ملکی برآمدات 10.65% کی قابل تعریف افزائش کے ساتھ 27.72 بلین امریکی ڈالر کے مقابلے میں 30.67 بلین امریکی ڈالر۔ اسی طرح سے، ملازمین کی ترسیلات زر میں بھی 10.7% اضافہ ہوا، جو گزشتہ سال 27.33 بلین امریکی ڈالر کے مقابلے میں بڑھ کر 30.25 بلین امریکی ڈالر ہوگئیں۔ چنانچہ مرکزی بینک پر پہنچ گئے زرمبادلہ کے محفوظات میں بڑی حد تک اضافہ ہوا۔ جو مالی سال 2023 میں 4.4 امریکی ڈالر سے 5.0 بلین امریکی ڈالر کے اضافے کے ساتھ 9.4 بلین ڈالر ہوگئے۔ محفوظات میں اس اضافے نے پاکستانی روپے امریکی ڈالر کی شرح تبادلہ پر مثبت اثر ڈالا، جس سے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر 3% بڑھ کر 278.3 پر بند ہوئی۔ مہنگائی میں بھی قابل ذکر کمی ہوئی اور یہ جون 2023 میں 28.3% سے کم ہوکر جون 2024 میں 12.2% رہ گئی۔ اس سے اسٹیٹ بینک آف پاکستان سودی شرح میں 150 بیسز پوائنٹ کم کرنے کے قابل ہوا، جو جون، 2024 میں 20.5% بیسز پوائنٹس ہوگئی اور ستمبر 2024 میں مزید 300 پوائنٹس کی کمی کے ساتھ 17.5% پر آگیا۔

ٹیکسٹائل کی صنعت

پاکستان کے ٹیکسٹائل سیکٹر کو ایک طویل عرصے سے مشکلات کا سامنا ہے، جس کی بنیادی وجہ عالمی معیشتوں میں سست رفتار بحالی، سخت گیر زری پالیسیاں جن کا مقصد مہنگائی پر قابو پانا اور توانائی کی بڑھتی ہوئی لاگت ہے۔ ٹیکسٹائل کی برآمدات میں سال کی بنیاد پر 0.9% کا معمولی اضافہ ہوا اور یہ 16.7 بلین امریکی ڈالر پر پہنچ گئیں۔ ٹیکسٹائل سیکٹر کے اندر نٹ وئر کے شعبے کی برآمدات میں 0.7% کی کمی آئی اور یہ 4.4 بلین امریکی ڈالر پر آگئیں، جب کہ ریڈی میڈ گارمنٹس میں 2.1% کا معمولی اضافہ ہوا اور یہ 3.6 بلین امریکی ڈالر پر پہنچ گئی۔ اگرچہ کپاس کی پیداوار میں ریکارڈ اضافہ ہوا اور یہ مالی سال 2023 میں 4.9 ملین گانٹھ سے بڑھ کر 10.22 ملین گانٹھ ہوگئی تاہم، 15 ستمبر 2024 تک پاکستان میں کپاس کی آمد 40 سال کی کم ترین سطح پر پہنچ گئی، جس میں 64 فیصد کمی واقع ہوئی ہے۔ پاکستان کاٹن جنرز ایسوسی ایشن (PCGA) کے مطابق، اس سال کی مجموعی آمد 1.434 ملین گانٹھوں تک رہی، جبکہ گزشتہ سال کے اسی عرصے میں یہ تعداد 3.933 ملین گانٹھیں تھی۔ مگر اس کے باوجود درآمد شدہ خام مال ایکسپورٹ فائنانس سکیم کے خاتمے، سود کی زیادہ شرحوں، کمزور بیرونی مانگ اور چین کے ساتھ بڑھتی ہوئی مسابقت کی وجہ سے اس سیکٹر کو مشکلات کا سامنا رہا۔ مالی سال 2024 داخلی اور خارجی دونوں قسم کے دباؤ کے ساتھ پاکستان کی ٹیکسٹائل انڈسٹری کے لیے مشکلات کا سال رہا۔

مالیاتی اور کاروباری کارکردگی

30 جون، 2024 کو ختم ہونے والے سال کے دوران ILP کی انتظامیہ نے اسٹرٹیجک کسٹمر انگیجمنٹ کے ذریعے افزائش کو آگے بڑھانے کے لیے مثبت قدمی کا مظاہرہ کیا۔ توجہ کے اس ارتکاز کا نتیجہ کمپنی کی طرف سے اب تک کی سب سے زیادہ سیلز اور پاکستان کے ممتاز برآمد کنندہ کا مقام حاصل کرنے کی صورت میں نکلا۔ مانگ کے اختتام اور ہدف کے مطابق کاوشوں کے باعث ILP کی خالص سیلز بڑھ کر 156,129 ملین روپے پر پہنچ گئیں، جو اس سے پچھلے سال کی 119,200 ملین روپے کے مقابلے میں 31% اضافہ ظاہر کرتی ہیں۔ سیلز میں یہ افزائش 43,544 ملین روپے کے مجموعی منافع میں ڈھلی، جو پچھلے سال کی 39,872 ملین روپے کے مقابلے میں 9% زیادہ ہے۔ کاروباری منافع میں بھی 3% اضافہ ہوا جو 27,111 ملین روپے کے مقابلے میں 27,933 ملین روپے ہوگیا۔ تاہم، ان فوائد کے باوجود خالص منافع میں 20% گراوٹ آئی، جو 20,172 ملین روپے سے کم ہوکر 16,147 ملین روپے ہوگیا۔ اس کمی کی بنیادی وجہ ابتدائی مرحلے میں اپیرل ماسٹر پراجیکٹ کے ساتھ جڑے ہوئے نقصانات، پچھلے سال 8,409 ملین روپے کے زرمبادلہ سے حاصل ہونے والے نفع کے مقابلے میں 743 ملین روپے کا چلنے کا خسارہ اور معیاری شرحوں پر نئے قرضے اور رعایتی قرضوں کی واپسی ادائیگی ہے۔

STATEMENT OF COMPLIANCE

LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Interloop Limited
Year Ended: June 30, 2024

Interloop Limited (the "Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "Regulations") for the year ended June 30, 2024 in the following manner:

1. The total number of Directors are Nine (9) as per the following:
    a) Male : Five (5)
    b) Female : Four (4)

2. The composition of Board is as follows:

CATEGORY	NAMES
Independent Directors	Farwa Hasnain Fatima Asad Khan Romana Abdullah Tariq Iqbal Khan
Non-Executive Directors	Musadaq Zulqarnain Jahan Zeb Khan Banth
Executive Directors (excluding Female Director)	Navid Fazil Muhammad Maqsood
Female Director (Executive)	Faryal Sadiq

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;

4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the "Act") and the Regulations;

7. The meetings of the Board were presided over by the Chairperson and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of Directors, in accordance with the Act and the Regulations;

9. All the Directors are either exempt or have acquired the prescribed certification under Directors' Training Program (DTP) specified and approved by the Commission. Supplemental to that, the Code encourages to arrange trainings for female executives and the head of the department. Accordingly, the DTP certification for one of our Female Executive/Head of Department is underway, and will be completed by the end of September 2024.

10. The Board has approved the appointment of the Chief Financial Officer, Company Secretary, and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed its Board committees comprising of members given below:

A) AUDIT COMMITTEE

Tariq Iqbal Khan	Chairperson
Romana Abdullah	Member
Jahan Zeb Khan Banth	Member

B) HUMAN RESOURCE AND REMUNERATION COMMITTEE

Fatima Asad Khan	Chairperson
Navid Fazil	Member
Farwa Hasnain	Member
Faryal Sadiq	Member
Jahan Zeb Khan Banth	Member

C) NOMINATION COMMITTEE

Musadaq Zulqarnain	Chairperson
Navid Fazil	Member
Muhammad Maqsood	Member

D) RISK MANAGEMENT COMMITTEE

Tariq Iqbal Kha	Chairperson
Muhammad Maqsood	Member
Fatima Asad Khan	Member
Romana Abdullah	Member

E) ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

Navid Fazil	Chairperson
Farwa Hasnain	Member
Faryal Sadiq	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

14. The frequency of meetings (quarterly/half yearly/yearly) of the committees was as follows:

    a) Audit Committee – Quarterly and on requirement basis
    b) Human Resource and Remuneration Committee – Annually/On requirement basis
    c) Nomination Committee - On requirement basis
    d) Risk Management Committee – On requirement basis
    e) Environmental, Social & Governance Committee - On requirement basis

15. The Board has set up an effective Internal Audit function which comprises of professionals suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

NAVID FAZIL
Chief Executive Officer / Director

JAHAN ZEB KHAN BANTH
Director

Faisalabad
September 26, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE

Review Report on the Statement of Compliance Contained In Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of Interloop Limited (the Company) for the year ended June 30, 2024, in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our Responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control system sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' Statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendations of the Audit Committee place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Kreston Hyder Bhimji & Co

Date: September 26, 2024
Place: Faisalabad

UDIN: CR202410475h01CygHzM

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNANTS
Engagement Partner: Syed Aftab Hameed

Office No.1, 2nd Floor, Legacy Tower, Kohinoor City, Faisalabad-Pakistan. Phone: + 92-41-8731632, 8731650
Email: hyderbhimjifsd@gmail.com Website: www.krestonhb.com
Other offices: Karachi, Lahore, Islamabad.
A member of Kreston International- A Global Network of Independent Accounting Firms

RISK MANAGEMENT

RISK MANAGEMENT

Risk Management encompasses the identification, evaluation, controlling and reporting risk factors that form part of Interloop Limited's processes and systems. Interloop understands that effective Risk Management means controlling future outcomes as much as possible by acting proactively rather than reactively and therefore, reducing both the possibility of occurring of a risk, and its potential impact.

RISK GOVERNANCE

The Board of Directors approves and periodically reviews the Risk Management Policy. It provides oversight to ensure that the policies, processes, and systems are implemented effectively at all decision levels.

The Risk Management Committee (RMC) assists the Board in development and monitoring the Risk Management framework. RMC is also responsible for reviewing strategic and operational controls and ensuring robust mitigation measures.

The Risk Management Policy adopts the three lines of defense model, and clarifies roles among the Board, RMC and Senior Management, including the Risk Management Department.

The Board has set up a dedicated Risk Management department (RMD) for effective implementation of Risk Management Policy, Risks & Mitigation Strategies and associated framework. RMD is responsible for providing support and monitoring for the development, implementation, and continuous improvement of risk management practices including internal controls at all levels. It also collaborates with other departments to identify and evaluate risks related to their areas and devise suitable mitigating strategies. In addition, RMD also promotes the risk and responsible culture across ILP where risk can be identified and mitigated, effectively.

RISK MITIGATION

The Management, in collaboration with Risk Management Department, carries out an in-depth analysis of the major risks faced by the company business that could threaten the business model, future performance, solvency or liquidity of the company. Risks are identified along with the nature of their impact and likelihood of occurrence, and mitigation strategies are deployed to manage these risks.

INADEQUACY IN THE CAPITAL STRUCTURE AND PLANS TO ADDRESS SUCH INADEQUACY

The Company manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets. For further details, related to the Company's capital risk management, please refer to note in the financial statement.

LIQUIDITY RISK STRATEGY

LIQUIDITY AND CASH FLOW MANAGEMENT STRATEGY

The Company is diligently managing its cash flow stream and has thoughtfully crafted its portfolio of investment and borrowing. The Management meticulously reviews key financial ratios and adjusts the Company strategy, maintaining financial discipline. In addition to that, the Company maintains enough reserves along with sufficient funded lines from the financial institutions.

LIQUIDITY GENERATION

Internal cash generation is ensured through revenues and income from deposits / short term investments. Receipts from customers are effectively managed through optimized control on customers' credit. The Management diligently monitors operating cash flow needs through effective cash flow forecasting. It periodically evaluates planned vs actual results and takes steps to keep it in line with plans. Furthermore, before taking external financing, the company carries out in-depth cash flow forecasting and considers optimal returns. This ensures optimum weighted average cost of capital and minimal reliance over external sources.

INVESTMENTS AND PLACEMENT OF FUNDS

The Company has strategically diversified its portfolio overtime to maintain maximum returns while taking prudent levels of risks and exposure. The Company prefers premium credit-rated institutions for investment and placement of funds to minimize liquidity and credit risk, and profitable returns are ensured by investments in the money-market / government securities, term deposits with banks / financial institutions, and any other investment schemes to enhance profitability and increase shareholders' return. Further liquidity risk-related information is given in the financial statement.

PERFORMANCE & POSITION


LECTRA
Spread Initial
Vector

KEY
FINANCIAL HIGHLIGHTS

Particulars		2024	2023	2022	2021	2020	2019
Profitability Ratios							
Gross Profit Margin	%	27.89	33.45	28.68	25.86	21.66	31.90
Net Profit Margin	%	10.10	16.92	13.60	11.45	4.95	13.86
Return on Equity	%	29.46	46.05	41.28	30.67	10.40	29.05
Liquidity Ratios							
Current Ratio	Times	1.14	1.14	1.30	1.22	1.14	1.27
Quick/Acid Test Ratio	Times	0.72	0.75	0.77	0.77	0.59	0.84
Investment/Market Ratios							
Earnings per share - basic & Diluted	Rs	11.25	14.39	8.82	4.49	1.28	3.71
Dividend Yield Ratio	%	6.35	14.18	6.56	3.57	4.55	6.78
Cash dividend per share - declared	Rs	4.50	5.00	4.00	2.50	2.00	3.00
Market Price - at year end	Rs	70.83	35.26	61.00	70.03	43.92	44.27
Break up value per share	Rs	38.19	31.26	33.33	23.52	19.81	20.50
Capital Structure							
Gearing Ratio	%	56.25	57.57	63.12	59.62	55.53	48.15
Interest Cover	Times	2.85	5.20	7.16	8.29	3.15	7.09
Operating Cycle	Days	127.33	156.20	151.97	135.56	144.66	124.04

LAST SIX YEARS STATEMENT OF FINANCIAL POSITION

Particulars	2024	2023	2022	2021	2020	2019
			(Rupees '000)			
ASSETS						
Non Current Assets						
Property, plant and equipment	67,804,680	58,650,853	34,730,382	26,193,029	22,744,239	18,256,474
Intangible Asset	454,557	394,618	227,457	209,623	171,459	66,161
Long term investments	1,727,763	–	–	–	1,853,735	1,008,735
Long term loans	176,873	147,858	179,626	144,673	113,823	65,762
Long term deposits	89,451	81,701	86,955	60,478	38,337	28,019
Deferred taxation - net	350,141	–	–	–	–	–
Total non current assets	**70,603,465**	**59,275,030**	**35,224,420**	**26,607,803**	**24,921,593**	**19,425,151**
Current Assets						
Stores and spares	3,184,425	2,490,975	1,866,417	1,199,116	1,062,524	887,659
Stock in trade	26,360,852	19,728,810	23,142,048	11,276,308	8,810,625	6,282,491
Trade debts	41,193,604	34,138,665	28,603,965	15,052,940	7,207,391	8,247,740
Loan and advances	1,924,171	2,112,755	1,633,562	1,034,836	485,930	1,063,342
Deposit, prepayment and other receivables	347,722	671,874	998,491	318,708	193,182	194,544
Derivative financial instruments	59,248	21,672	–	–	–	–
Accrued Income	1,497	1,623	4,570	2,131	2,239	10,441
Refunds due from Government and statutory authorities	7,128,807	4,758,814	4,224,938	4,328,555	2,408,014	1,925,439
Short term investments	500,000	500,000	500,000	500,000	125,044	1,207,251
Cash and bank balances	370,386	1,544,502	117,119	374,442	150,787	1,538,564
Total current assets	**81,070,712**	**65,969,690**	**61,091,110**	**34,087,036**	**20,445,736**	**21,357,471**
Total Assets	**151,674,177**	**25,244,720**	**96,315,530**	**60,694,839**	**45,367,329**	**40,782,622**
EQUITY & LIABILITIES						
Equity						
Issued, subscribed and paid up capital	14,017,095	14,014,469	8,983,635	8,721,975	8,721,975	8,721,975
Reserves	3,158,734	3,150,573	3,528,149	3,791,602	3,791,602	3,791,602
Unappropriated profit	36,356,646	26,641,364	17,428,486	8,001,035	4,766,115	5,366,207
Total equity	**53,532,475**	**43,806,406**	**29,940,270**	**20,514,612**	**17,279,692**	**17,879,784**
Non current liabilities						
Long term financing	16,194,813	15,348,901	14,396,116	8,213,978	6,861,130	3,628,745
Lease liabilities	190,965	57,011	93,973	152,969	102,158	–
Deferred liabilities	10,786,348	7,999,204	5,048,654	3,816,001	3,140,682	2,482,623
Total non current liabilities	**27,172,126**	**23,405,116**	**19,538,743**	**12,182,948**	**10,103,970**	**6,111,368**
Current liabilities						
Trade and other payables	15,536,209	12,003,908	9,084,790	5,551,641	3,031,231	3,576,861
Unclaimed dividend	3,077	4,074	3,006	4,004	2,952	130,935
Accrued mark up	2,689,232	1,830,013	702,689	221,674	191,136	110,483
Short term borrowings	49,903,571	42,148,912	35,007,908	19,636,066	14,354,861	11,726,000
Derivative financial instruments	–	–	94,154	33,074	–	–
Current portion of non current liabilities	2,837,487	2,046,291	1,943,970	2,550,820	403,487	1,247,191
Total current liabilities	**70,969,576**	**58,033,198**	**46,836,517**	**27,997,279**	**17,983,667**	**16,791,470**
Total equity and liabilities	**151,674,177**	**125,244,720**	**96,315,530**	**60,694,839**	**45,367,329**	**40,782,622**

HORIZONTAL ANALYSIS ON STATEMENT OF FINANCIAL POSITION

Particulars	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019	2019 vs 2018
	PERCENTAGE					
ASSETS						
Non Current Assets						
Property, plant and equipment	16%	69%	33%	15%	25%	18%
Intangible Asset	15%	73%	9%	22%	159%	56%
Long term investments	100%	0%	0%	-100%	84%	165%
Long term loans	20%	-18%	24%	27%	73%	8%
Long term deposits	9%	-6%	44%	58%	37%	12%
Deferred taxation - net	100%	0%	0%	0%	0%	0%
Total non current assets	**19%**	**68%**	**32%**	**7%**	**28%**	**22%**
Current Assets						
Stores and spares	28%	33%	56%	13%	20%	14%
Stock in trade	34%	-15%	105%	28%	40%	23%
Trade debts	21%	19%	90%	109%	-13%	13%
Loan and advances	-9%	29%	58%	113%	-54%	72%
Deposit, prepayment and other receivables	-48%	-33%	213%	65%	-1%	8%
Derivative financial instruments	173%	100%	–	–	–	–
Accrued Income	-8%	-64%	114%	-5%	-79%	100%
Refunds due from Government and statutory authorities	50%	13%	-2%	80%	25%	-21%
Short term investments	0%	0%	0%	300%	-90%	719%
Deferred employee share option compensation expense	0%	0%	0%	0%	0%	-100%
Cash and bank balances	-76%	1219%	-69%	148%	-90%	694%
Total current assets	**23%**	**8%**	**79%**	**67%**	**-4%**	**27%**
Total Assets	**21%**	**30%**	**59%**	**34%**	**11%**	**25%**
EQUITY & LIABILITIES						
Equity						
Issued, subscribed and paid up capital	0%	56%	3%	0%	0%	359%
Reserves	0%	-11%	-7%	0%	0%	9656%
Unappropriated profit	36%	53%	118%	68%	-11%	-25%
Total equity	**22%**	**46%**	**46%**	**19%**	**-3%**	**97%**
Non current liabilities						
Long term financing	6%	7%	75%	20%	89%	61%
Lease liabilities	235%	-39%	-39%	50%	100%	-100%
Deferred liabilities	35%	58%	32%	22%	27%	29%
Total non current liabilities	**16%**	**20%**	**60%**	**21%**	**65%**	**46%**
Current liabilities						
Trade and other payables	29%	32%	64%	83%	-15%	31%
Unclaimed dividend	-24%	36%	-25%	36%	-98%	-72%
Accrued mark up	47%	160%	217%	16%	73%	-20%
Short term borrowings	18%	20%	78%	37%	22%	-23%
Derivative financial instruments	0%	-100%	185%	100%	0%	0%
Current portion of non current liabilities	39%	5%	-24%	532%	-68%	29%
Total current liabilities	**22%**	**24%**	**67%**	**56%**	**7%**	**-14%**
Total equity and liabilities	**21%**	**30%**	**59%**	**34%**	**11%**	**25%**

VERTICAL ANALYSIS ON STATEMENT OF FINANCIAL POSITION

Particulars	2024	2023	2022	2021	2020	2019
			PERCENTAGE			
ASSETS						
Non Current Assets						
Property, plant and equipment	45%	47%	36%	43%	50%	44%
Intangible Asset	0%	0%	0%	0%	0%	0%
Long term investments	1%	0%	0%	0%	4%	2%
Long term loans	0%	0%	0%	0%	0%	0%
Long term deposits	0%	0%	0%	0%	0%	0%
Deferred taxation - net	0%	0%	0%	0%	0%	0%
Total non current assets	**47%**	**47%**	**36%**	**43%**	**54%**	**46%**
Current Assets						
Stores and spares	2%	2%	2%	2%	2%	2%
Stock in trade	17%	16%	24%	19%	19%	15%
Trade debts	27%	27%	30%	25%	16%	21%
Loan and advances	1%	2%	2%	2%	1%	3%
Deposit, prepayment and other receivables	0%	1%	1%	0%	1%	1%
Derivative financial instruments	0%	0%	–	–	–	–
Accrued Income	0%	0%	0%	0%	0%	0%
Refunds due from Government and statutory authorities	5%	4%	4%	7%	5%	5%
Short term investments	0%	0%	1%	1%	1%	3%
Deferred employee share option compensation expense	0%	0%	0%	0%	0%	0%
Cash and bank balances	0%	1%	0%	1%	1%	4%
Total current assets	**53%**	**53%**	**64%**	**57%**	**46%**	**54%**
Total Assets	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
EQUITY & LIABILITIES						
Equity						
Issued, subscribed and paid up capital	9%	11%	9%	14%	19%	21%
Reserves	2%	3%	4%	6%	8%	9%
Unappropriated profit	24%	21%	18%	13%	11%	13%
Total equity	**35%**	**35%**	**31%**	**33%**	**38%**	**43%**
Non current liabilities						
Long term financing	11%	12%	15%	14%	15%	9%
Lease liabilities	0%	0%	0%	0%	0%	0%
Deferred liabilities	7%	6%	6%	7%	7%	7%
Total non current liabilities	**18%**	**18%**	**21%**	**21%**	**22%**	**16%**
Current liabilities						
Trade and other payables	10%	10%	9%	9%	7%	9%
Unclaimed dividend	0%	0%	0%	0%	0%	0%
Accrued mark up	2%	2%	1%	1%	0%	0%
Short term borrowings	33%	34%	36%	32%	32%	29%
Derivative financial instruments	0%	0%	0%	0%	0%	0%
Current portion of non current liabilities	2%	2%	2%	4%	1%	3%
Total current liabilities	**47%**	**47%**	**48%**	**46%**	**40%**	**41%**
Total equity and liabilities	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

LAST SIX YEARS STATEMENT OF PROFIT OR LOSS

PARTICULARS	2024	2023	2022	2021	2020	2019
	(Rupees '000)					
Net sales	156,128,865	119,200,293	90,894,049	54,962,265	36,302,794	37,478,321
Gross Profit	43,544,183	39,872,372	26,066,169	14,212,280	7,863,718	11,954,714
Operating expenses	(15,611,680)	(12,760,981)	(10,149,751)	(6,192,379)	(4,610,725)	(5,538,024)
Profit from operations	27,932,503	27,111,391	15,916,418	8,019,901	3,252,993	6,416,690
Finance cost	(10,125,154)	(5,527,536)	(2,492,950)	(1,147,038)	(1,137,162)	(995,707)
Profit before taxation	17,807,349	21,583,855	13,423,468	6,872,863	2,115,831	5,420,983
Taxation	(2,036,078)	(1,412,009)	(1,063,972)	(581,292)	(319,428)	(226,216)
Profit for the year	15,771,267	20,171,846	12,359,496	6,291,571	1,796,403	5,194,767

HORIZONTAL ANALYSIS ON STATEMENT OF PROFIT OR LOSS

Particulars	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019	2019 vs 2018
	PERCENTAGE					
Net sales	31%	31%	65%	51%	-3%	20%
Gross Profit	9%	53%	83%	81%	-34%	31%
Operating expenses	22%	26%	64%	34%	-17%	19%
Profit from operations	3%	70%	98%	147%	-49%	43%
Finance cost	83%	122%	117%	1%	14%	106%
Profit before taxation	-17%	61%	95%	225%	-61%	35%
Taxation	44%	33%	83%	82%	41%	89%
Profit for the year	-22%	63%	96%	250%	-65%	34%

VERTICAL ANALYSIS ON
STATEMENT OF PROFIT OR LOSS

Particulars	2024	2023	2022	2021	2020	2019
			PERCENTAGE			
Net sales	100%	100%	100%	100%	100%	100%
Gross Profit	**27.89%**	**33.45%**	**28.68%**	**25.86%**	**21.66%**	**31.90%**
Operating expenses	-10.00%	-10.71%	-11.17%	-11.27%	-12.70%	-14.78%
Profit from operations	**17.89%**	**22.74%**	**17.51%**	**14.59%**	**8.96%**	**17.12%**
Finance cost	-6.49%	-4.64%	-2.74%	-2.09%	-3.13%	-2.66%
Profit before taxation	**11.41%**	**18.11%**	**14.77%**	**12.50%**	**5.83%**	**14.46%**
Taxation	-1.30%	-1.18%	-1.17%	-1.06%	-0.88%	-0.60%
Profit for the year	**10.10%**	**16.92%**	**13.60%**	**11.45%**	**4.95%**	**13.86%**

LAST SIX YEARS
STATEMENT OF CASH FLOWS

PARTICULARS	2024	2023	2022	2021	2020	2019
			(Rupees '000)			
Cash Flows from Operating Activities	10,279,358	25,358,188	(7,205,843)	(707,684)	2,602,454	5,856,137
Cash Flows from Investing Activities	(15,090,977)	(27,349,129)	(11,390,899)	(4,618,250)	(7,283,840)	(5,224,627)
Cash Flows from Financing Activities	3,637,503	3,418,324	18,339,419	5,413,852	2,477,398	1,654,622
Net (decrease) / increase in cash and cash equivalents	**(1,174,116)**	**1,427,383**	**(257,323)**	**87,918**	**(2,203,988)**	**2,286,132**

SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY

PLANET

ENVIRONMENT & SOCIAL GOAL 2025

Lead the way in responsible manufacturing meeting highest standards of environmental & social performance.

ENVIRONMENTAL TARGETS 2025

REDUCE CARBON FOOTPRINT BY

25%

REDUCE WATER CONSUMPTION BY

25%

INCREASE USE OF SUSTAINABLE RAW MATERIALS UPTO

70%

DIVERT WASTE FROM LANDFILLS

100%

ZDHC (SUPPLIER TO ZERO)

100%

(ASPIRATIONAL LEVEL COMPLIANT FACILITIES)

ACHIEVEMENTS VS TARGETS 2024

IMPACT AREAS	TARGETS	ACHIEVEMENTS
WATER (Liters/KG)	-15%	-16%
GHG EMISSIONS (KG CO_2 /KG)	-15%	-15%
SOLID WASTE (Diversion from landfills)	80%	80%
SUSTAINABLE MATERIAL (% of total material procured)	70%	68%
CHEMICAL MANAGEMENT	ZDHC (Supplier to Zero) Progressive Level Compliant Facilities	Achieved

PEOPLE

GOAL 2025

A diverse, inclusive and engaged workforce creating a high performing organization.

PEOPLE TARGETS 2025

INCREASE WORKFORCE DIVERSITY	BOOST EMPLOYEE ENGAGEMENT	TRAIN WORKFORCE ON RELEVANT & FUTRE COMPETENCIES
30%	70%	80%

ACHIEVEMENTS VS TARGETS 2024

IMPACT AREAS		TARGETS	ACHIEVMENTS		
WORKFORCE DIVERSITY		15%	11.3%		Women Ratio
*EMPLOYEE ENGAGEMENT		64.8%	64.3%		
WORKFORCE TRAINING	Events	63	69	110%	For Executives only
	Man Hours	12,983	13,787	106%	For Executives only
	IDPs	137	81	59.1%	It is based on Formal / Blended learning and Cochin & Mentoring

* The figure is for FY 2022, as the engagement survey is conducted every two years. This year, we are conducting the survey, and the results will be announced next year.

HIGHLIGHTS

DOMAIN	AREA	DETAILS
Organization Design	Project North Star	Launched a year ago, Project North Star aims to redesign our organizational structure to better align with our vision of becoming the preferred full-family clothing partner. Like the guiding North Star, this initiative sets Interloop on the path to becoming one of the world's leading multi-category clothing manufacturers, targeting 2.5X growth and fostering an entrepreneurial, energetic workforce. The project, completed in three phases (Wave-1, Wave- 2, and Wave-3), covered key functions including Sales, Operations, Planning, HR, Finance, IT, Strategy & Transformation, Yarns & Procurement Function creating new growth opportunities. Our investment in people development remains key to meeting customer demands and delivering exceptional results.

COMMUNITY

SOCIAL TARGET 2025

INVEST IN
COMMUNITY WELL-BEING

4%
OF PROFIT

ACHIEVEMENT VS TARGET 2024

IMPACT AREA	TARGET	ACHIEVEMENT	INITIATIVES
Invest % of profit in Community Well-Being	4%	4%	• Affordable, equitable quality education for over 5,500* children in Pakistan by sponsoring 39 TCF schools • Technical & higher education scholarships for 700+* young women & men • Equal access to education & rehabilitation for 5,000+* children with special abilities • Sports events at grassroots for enabling 5000+* local Talent • Literary and cultural activities organized for 20,000+*people • Free Healthcare services for 120,000+* deserving patients at various hospitals across Pakistan • Independent mobility for 2,347 women by empowering them through motorbike training, anti-harassment and road safety workshops, and subsidized bikes under Women on Wheels Faisalabad • Free nutritious meals daily for children of 14 schools in underprivileged areas of Faisalabad, under School Khana Program, uplifting their physical and mental well-being • Autism Unit in Faisalabad in coordination with the District Government. Serves 30 Autistic children and aims for continued growth

*** Approximate Figure**

PROSPERITY

ECONOMIC PERFORMANCE

PARTICULARS		FY 2024 PKR Million	FY 2023 PKR Million
Direct Economic Value Generated			
Revenue	a	157,583	120,499
Direct Economic Value Distributed			
Operating Cost	b	92,679	65,797
Employee Wages/Benefits	c	34,041	25,588
Payment to Providers of Capital	d	16,402	11,107
Payment to Government	e	4,824	4,337
Investments in Community	f	633	792
Economic Value Retained	**g=a-b-c-d-e-f**	**9,005**	**12,878**

CERTIFICATIONS

ENVIRONMENTAL

**Hosiery Plant 4 & Plant 5 **Denim Plant*

SOCIAL

COMMITMENTS & COLLABORATIONS

CHEMICAL MANAGEMENT PORTALS

OTHERS

MEMBERSHIPS

FINANCIAL STATEMENTS

UNCONSOLIDATED FINANCIAL STATEMENTS

KRESTON
HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERLOOP LIMITED

Report on the Audit of Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Interloop Limited ("the Company"), which comprise the unconsolidated statement of financial position as at June 30, 2024, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated financial statements comprising material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the Accounting and Reporting Standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the unconsolidated financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	**Borrowings:** (Refer notes 24, 26.2 and 29 to the unconsolidated financial statements)	
	The Company has significant amounts of borrowings from Banks and other financial institutions amounting to Rs. 68.943 billion, being 70.25% of total liabilities, as at reporting date. Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in unconsolidated financial statements and compliance with various loan covenants, this is considered to be a key audit matter.	Our audit procedures included: • Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate levels. • Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP. • Verification of repayments made by the Company during the year on sample basis to confirm that repayments are being made on time and no default has been made.

<table>
<tr><th>S. No</th><th>Key Audit Matter(s)</th><th>How the Matter was addressed in audit</th></tr>
<tr><td></td><td></td><td>Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis.
Obtaining direct confirmations from Banks of the Company to confirm balances, terms & conditions stated in the facility offer letters and compliance thereof.
Performing analytical procedures, recalculations and other related procedures for verification of finance costs.
Ensuring that the outstanding liabilities have been properly classified and related securities and other terms are adequately disclosed in the unconsolidated financial statements.</td></tr>
<tr><td>2.</td><td colspan="2">Capital expenditures: (Refer notes 6 to the unconsolidated financial statements)</td></tr>
<tr><td></td><td>The Company is investing significant amounts in its operations and there is a number of areas where management's judgment impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among others the decision to capitalize costs; and review of useful life of the assets.

The Company's material accounting policy information on operating fixed assets and capital work in progress are disclosed in notes – 5.1 and 5.2 to the unconsolidated financial statements.

We focused on this area since the amounts have a significant impact on the financial position of the Company and there is significant management judgment required that has significant impact on the reporting of the financial position for the Company. Therefore, considered as one of the key audit matters.</td><td>Our audit procedures in relation to capitalization of property, plant and equipment, amongst others include the following:
Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system.
Testing, on sample basis, the costs incurred on projects with supporting documents and contracts.
Assessing the nature of costs incurred for capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards.
Checked the reasonableness of management's assessment of categories of assets and working of reclassification in categories of assets including impact of reclassification on both cost of assets and accumulated depreciation in each category.
Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including the calculation of related depreciation.</td></tr>
</table>

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
3.	**Inventory existence and valuation:** (Refer notes 12 and 13 to the unconsolidated financial statements)	
	The Company has significant levels of inventories amounting to Rs. 29.545 billion as at the reporting date, being 19.48% of the total assets of the Company. There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete. The Company's material accounting policy information on stores and spares and stock in trade are disclosed in notes – 5.6 and 5.7 to the unconsolidated financial statements. The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.	Our audit procedures over existence and valuation of inventory include, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management; • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets; • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice; • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and reperformed the calculation of the inventory write down, if any; • We also made enquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
4.	**Revenue recognition:** (Refer note 32 to the unconsolidated financial statements)	
	We identified recognition of revenue of the Company as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. The Company earns revenue from multiple business lines which operate as distinct business segments with significant volume of revenue transactions. Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers. The Company's material accounting policy information on revenue recognition is disclosed in notes – 5.20 to the unconsolidated financial statements.	We performed a range of audit procedures in relation to revenue including the following: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period; • We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.

Information Other than the Unconsolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated financial statements and auditors' report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Unconsolidated financial statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Syed Aftab Hameed - FCA.

Kreston Hyder Bhimji & Co.

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Date: September 26, 2024
Place: Faisalabad
UDIN: AR202410475w9UIhjyDJ

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	67,804,680	58,650,853
Intangible assets	7	454,557	394,618
Long term investment	8	1,727,763	–
Long term loans	9	176,873	147,858
Long term deposits	10	89,451	81,701
Deferred taxation - net	11	350,141	–
		70,603,465	59,275,030
CURRENT ASSETS			
Stores and spares	12	3,184,425	2,490,975
Stock in trade	13	26,360,852	19,728,810
Trade debts	14	41,193,604	34,138,665
Loans and advances	15	1,924,171	2,112,755
Deposit, prepayments and other receivables	16	347,722	671,874
Derivative financial instruments		59,248	21,672
Accrued income	17	1,497	1,623
Refunds due from Government and statutory authorities	18	7,128,807	4,758,814
Short term investments	19	500,000	500,000
Cash and bank balances	20	370,386	1,544,502
		81,070,712	65,969,690
TOTAL ASSETS		151,674,177	125,244,720
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	21	50,000,000	15,000,000
Issued, subscribed and paid up share capital	22	14,017,095	14,014,469
Reserves	23	3,158,734	3,150,573
Unappropriated profit		36,356,646	26,641,364
		53,532,475	43,806,406
NON CURRENT LIABILITIES			
Long term financing	24	16,194,813	15,348,901
Lease liabilities	25	190,965	57,011
Deferred liabilities	26	10,786,348	7,999,204
		27,172,126	23,405,116
CURRENT LIABILITIES			
Trade and other payables	27	15,536,209	12,003,908
Unclaimed dividend		3,077	4,074
Accrued mark up	28	2,689,232	1,830,013
Short term borrowings	29	49,903,571	42,148,912
Current portion of non current liabilities	30	2,837,487	2,046,291
		70,969,576	58,033,198
CONTINGENCIES AND COMMITMENTS	31	–	–
TOTAL EQUITY AND LIABILITIES		151,674,177	125,244,720

The annexed notes 1 to 53 form an integral part of these unconsolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Net sales	32	156,128,865	119,200,293
Cost of sales	33	(112,584,682)	(79,327,921)
Gross profit		43,544,183	39,872,372
Operating expenses			
Distribution cost	34	(5,627,791)	(3,952,564)
Administrative expenses	35	(8,582,768)	(6,245,370)
Other operating expenses	36	(2,041,452)	(2,721,284)
		(16,252,011)	(12,919,218)
Other income	37	640,331	158,237
Profit from operations		27,932,503	27,111,391
Finance cost	38	(10,125,154)	(5,527,536)
Profit before income tax and final taxes		17,807,349	21,583,855
Final taxation	39	(2,046,211)	(1,374,947)
Profit before income tax		15,761,138	20,208,908
Income tax	40	10,129	(37,062)
Profit for the year		15,771,267	20,171,846
Earnings per share - basic and diluted (Rupees)	41	11.25	14.39

The annexed notes 1 to 53 form an integral part of these unconsolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Profit for the year		15,771,267	20,171,846
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on remeasurement of post retirement benefits obligations	26.1.4	(753,756)	(1,687,858)
Related effect of deferred tax		293,965	–
		(459,791)	(1,687,858)
Total comprehensive income for the year		15,311,476	18,483,988

The annexed notes 1 to 53 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2024

	Share Capital	Capital Reserves: Share Premium	Capital Reserves: Employee Share Option Compensation Reserve	Revenue Reserve: Unappropriated Profit	Total
	(Rupees '000)				
Balance as at July 01, 2022	8,983,635	3,528,149	–	17,428,486	29,940,270
Profit for the year	–	–	–	20,171,846	20,171,846
Other comprehensive loss	–	–	–	(1,687,858)	(1,687,858)
Total comprehensive income for the year	–	–	–	18,483,988	18,483,988
Transaction cost on issuance of bonus shares	–	(25,199)	–	–	(25,199)
Employee share option scheme (ESOS)	–	–	6,968	–	6,968
Transactions with owners:					
Bonus shares issued during the year	5,030,834	(359,345)	–	(4,671,489)	–
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2022	–	–	–	(1,796,727)	(1,796,727)
Interim cash dividend @ Rs. 3 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	(2,802,894)
Balance as at June 30, 2023	14,014,469	3,143,605	6,968	26,641,364	43,806,406
Profit for the year	–	–	–	15,771,267	15,771,267
Other comprehensive loss	–	–	–	(459,791)	(459,791)
Total comprehensive income for the year	–	–	–	15,311,476	15,311,476
Transaction cost on issuance of cash shares	–	(34)	–	–	(34)
Employee share option scheme (ESOS)	–	–	4,187	–	4,187
Forfeited share options	–	–	(10,119)	10,119	–
Transactions with owners:					
Shares issued under employee share option scheme	2,626	15,163	(1,036)	–	16,753
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	(2,802,894)
Interim cash dividend @ Rs. 2 per share for the year ended June 30, 2024	–	–	–	(2,803,419)	(2,803,419)
Balance as at June 30, 2024	14,017,095	3,158,734	–	36,356,646	53,532,475

The annexed notes 1 to 53 form an integral part of these unconsolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2024

	2024 (Rupees '000)	2023 (Rupees '000)
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and final taxes	17,807,349	21,583,855
Adjustments for:		
Depreciation	4,320,377	3,213,744
Amortization	73,273	62,205
Depreciation on right of use assets	95,501	96,677
Workers' welfare fund	363,416	440,487
Workers' profit participation fund	943,788	1,150,770
Staff retirement gratuity	2,796,402	1,649,159
Employee share option compensation expense	4,187	6,968
Loss on disposal of non current assets	32,659	49,143
Exchange loss/(gain) - net	20,769	(41,197)
Balances written off	–	14,995
Provision for obsolete inventory	48,274	–
Realized (gain)/loss on derivative financial instruments	(442,679)	274,060
Unrealized gain on derivative financial instruments	(59,248)	(21,672)
Profit on term finance certificates (TFCs)	(118,072)	(95,030)
Dividend income	(19,794)	–
Finance cost	10,125,154	5,527,536
Operating cash flows before working capital changes	35,991,356	33,911,700
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(693,450)	(624,558)
Stock in trade	(6,680,316)	3,413,238
Trade debts	(7,054,939)	(5,534,700)
Loans and advances	210,345	(427,178)
Deposit, prepayments and other receivables	324,152	326,617
Refunds due from Government and statutory authorities	(2,190,538)	(598,853)
Increase in current liabilities		
Trade and other payables	3,351,956	2,049,347
	(12,732,790)	(1,396,087)
Cash generated from operations	23,258,566	32,515,613
Finance cost paid	(9,203,381)	(4,357,365)
Income tax paid	(2,271,714)	(1,347,032)
Staff retirement gratuity paid	(734,428)	(351,023)
Workers' profit participation fund paid	(1,154,741)	(748,441)
Long term loans paid	(50,776)	(31,801)
Long term deposits (paid)/received	(7,750)	5,254
Settlement of derivative financial instruments	442,679	(274,060)
Exchange gain/(loss) - net	903	(52,957)
Net cash generated from operating activities	10,279,358	25,358,188

		2024 (Rupees '000)	2023 (Rupees '000)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in:			
Property, plant and equipment		(13,517,609)	(27,296,865)
Intangible assets		(133,212)	(229,364)
Proceeds from disposal of non current assets		149,615	82,564
Long term investments		(1,727,763)	–
Profit on term finance certificates (TFCs) received		118,198	94,536
Dividend received from long term investment		19,794	–
Net cash used in investing activities		(15,090,977)	(27,349,129)
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		3,568,165	10,895,588
Repayment of long term financing		(1,974,071)	(9,874,900)
Payment of lease rentals		(120,659)	(119,616)
Changes in short term borrowings - net		7,754,659	7,141,004
Share capital issued		2,626	–
Share premium net of transaction cost		14,093	(25,199)
Dividend paid		(5,607,310)	(4,598,553)
Net cash generated from financing activities		3,637,503	3,418,324
Net (decrease) / increase in cash and cash equivalents	(a+b+c)	(1,174,116)	1,427,383
Cash and cash equivalents at the beginning of the year		1,544,502	117,119
Cash and cash equivalents at the end of the year		370,386	1,544,502

The annexed notes 1 to 53 form an integral part of these unconsolidated financial statements.

Chief Executive Officer | **Director** | **Chief Financial Officer**

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2024

1. LEGAL STATUS AND OPERATIONS

Interloop Limited (the Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are 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 from the IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policy information notes. In these unconsolidated financial statements, all the transactions are recorded on actual basis except for the statement of cash flows.

2.3 Functional and presentation currency

These unconsolidated financial statements are presented in Pakistani Rupee which is also the Company's functional currency.

3. NEW AND REVISED STANDARDS, INTERPRETATIONS, PRONOUNCEMENTS AND APPLICATION GUIDANCES

3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There are certain amendments to the accounting and reporting standards which became effective during the year and are adopted by the Company for the financial year beginning on July 01, 2023. However, these amendments do not have any significant impact on the Company's financial reporting, and therefore have not been presented in these unconsolidated financial statements, except for the following:

- **IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes', Issued by the Institute of Chartered Accountants of Pakistan (ICAP):**

  This guidance is issued in the context of provisions of Income Tax Ordinance, 2001 and should be applied by Companies obliged to use accounting and reporting standards as applicable in Pakistan. This application guidance describes the accounting treatment for minimum taxes and final taxes.

Before the issuance of this guidance, minimum taxes and final taxes are accounted for and presented as income taxes within the scope of IAS 12, "Income Taxes". As required under this guidance, the minimum taxes and final taxes are not calculated on the 'taxable profits' as defined in IAS 12 but calculated on turnover or other basis (as per relevant sections of Income Tax Ordinance, 2001), it should be accounted for under IAS 37/IFRIC 21 as levies and not under IAS 12 as income taxes.

The companies will apply the requirements of this guidance retrospectively which will result in reclassification of amounts previously classified as 'current income tax' in the statement of profit or loss to 'levy' and 'final taxes'.

The application of this guidance has no impact on the measurement and recognition of income taxes under the provisions of the Income Tax Ordinance, 2001 except for the presentation of amounts into levy, final taxes and income tax in these unconsolidated financial statements.

3.2 Standards, interpretations and amendments to approved accounting standards that are issued but not yet effective and have not been early adopted by the Company

The following standards, amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below and have not been early adopted by the Company:

Standards	Standards, Interpretations and Amendments	Effective date (Annual periods beginning on or after)
IAS 1	'Presentation of financial statements', Classification of liabilities as current or non-current — (Amendments)	01 January 2024
IAS 7	'Statement of cash flows', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IAS 21	'The Effects of Changes in Foreign Exchange Rates', Lack of exchangeability — (Amendments)	01 January 2025
IFRS 7	'Financial instruments: Disclosures', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IFRS 9	'Financial instruments: Disclosures', To address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 — (Amendments)	01 January 2026
IFRS 16	'Leases', Sale and Leaseback transactions — (Amendments)	01 January 2024
IFRS 17	'Insurance contracts'	01 January 2026

Further, the following new standards have been issued by IASB and ISSB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

Standard	
IFRS 1	First-time adoption of International Financial Reporting Standards
IFRS 18	Presentation and disclosure in financial statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
IFRS S1	General requirements for disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related disclosures

The management expects that the adoption of above standards and amendment will not have any material impact on the Company's unconsolidated financial statements except for presentation and disclosures.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unconsolidated financial statements in conformity with the approved accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's unconsolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets - note 5.1
- Estimated useful life of intangible assets - note 5.3
- Impairment of non-financial assets - note 5.5
- Stores and spares - note 5.6
- Stock-in-trade - note 5.7
- Estimates for expected credit loss (ECL) of financial assets i.e. trade debts and other receivables-note 5.8
- Estimation used in right of use asset and corresponding lease liability - note 5.10
- Staff retirement benefits - note 5.12
- Provisions - note 5.17
- Contingencies - note 5.18
- Estimates as to expected value or most likely amount method for determination of variable consideration of transaction price - note 5.20
- Taxation - note 5.22
- Derivative financial instruments - note 5.27
- Impairment of Financial Assets - note 5.27

5. MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the unconsolidated financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the unconsolidated financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these unconsolidated financial statements.

5.1 Operating fixed assets and depreciation

Operating fixed assets, except freehold land which is stated at cost, are stated at cost less accumulated depreciation and identified accumulated impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is calculated on reducing balance method at the rates stated in note - 6.1 of these unconsolidated financial statements. The useful life and residual value of major components of operating fixed assets are reviewed annually to determine that expectations are not significantly different from the previous estimates. Adjustment in depreciation rate for current and future periods is made if expectations are significantly different from the previous estimates. Depreciation is charged from the month when an asset becomes available for use, whereas no depreciation is charged in the month of its disposal.

Expenditure, which enhances or extends the performance of operating fixed assets beyond its original specification and its useful life, is recognized as a capital expenditure and is added to the cost of the relevant category of operating fixed assets. These are depreciated on reducing balance method at the rate mentioned in note - 6.1.

An item of operating fixed asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising on derecognition of an item of operating fixed asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of profit or loss.

5.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant category of property, plant and equipment as and when assets are available for its intended use.

5.3 Intangible assets - Computer software

Intangible assets are recognized if it is probable that future economic benefits attributable to the assets will flow to the Company and that the cost of such assets can be measured reliably. These are stated at cost less accumulated amortization and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognized as intangible asset at the time of initial recognition. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Expenditure, which enhances or extends the performance of computer software beyond its original specification and useful life, is recognized as a capital expenditure and added to the cost of the software.

Intangible assets are amortized using the reducing balance method at the rates given in note - 7.1 of these unconsolidated financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use, while no amortization is charged for the month in which intangible asset is disposed off.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

5.3.1 Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as development cost in intangible assets. Directly attributable costs that are capitalized as part of the software include advance payments for the software. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

5.4 Investment in subsidiary

Investment in subsidiary is recognized at cost less impairment loss, if any, in accordance with IAS-27 'Consolidated and separate financial statements'. Cost in relation to investment made in foreign currency is determined by translating the consideration paid in foreign currency into Pak Rupees at exchange rate prevailing on the date of transaction.

At each reporting date, the recoverable amount is estimated to determine the extent of impairment loss, if any, and carrying amount of investment is adjusted accordingly. Impairment loss is recognized as expense. Where impairment loss subsequently reverse, the carrying amount of the investment is increased to the revised recoverable amount but limited to the extent of initial cost of investment. A reversal of impairment loss is recognized in the unconsolidated statement of profit or loss. The profits and losses of subsidiary are not dealt within these unconsolidated financial statements except to the extent of dividend declared by the subsidiary. Gain and loss on disposal of investment is included in other income.

5.5 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than stock in trade and stores & spares, are assessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is assessed at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized as expense in unconsolidated statement of profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

5.6 Stores and spares

Stores and spares are carried at moving average cost. Provision is made for slow moving and obsolete store items when so identified. Stores and spares held for capital expenditure are included in capital work in progress.

5.7 Stock-in-trade

These are stated at the lower of cost and net realizable value (NRV). The methods used for the calculation of cost are as follows:

Raw material - At factory	Moving average cost
- In transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods	Prime cost including a proportion of production overheads.

Wastes are valued at net realizable value.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable value. Net realizable value signifies the selling price in the ordinary course of business less costs necessary to be incurred to affect such sale.

5.8 Trade debts and other receivables

Trade debts are recognized and carried at the original invoice amounts, being the fair value, less allowance for expected credit losses, if any. For measurement of loss allowance for trade debts, the Company applies simplified approach to measure the expected credit losses as required by IFRS 9.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

5.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques in hand/cheques overdrawn, balances with banks and include short term highly liquid investments with original maturities of three months or less. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

5.10 Leases

Right of use assets

At inception, the Company assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Company obtains substantially all the economic benefits from the use of the asset and whether the Company has a right to direct the use of the asset. The Company recognizes right of use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation of RoU is charged to statement of profit or loss. Residual value and the useful life of an RoU are reviewed at least at each financial year-end and the impact on depreciation is adjusted in the statement of profit or loss. Depreciation on additions to RoU is charged from the month in which an asset is acquired, while no depreciation is charged for the month in which the asset is disposed off.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The related payment obligations, net of finance costs are classified as current and long term liability depending upon the timing of the payment.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and leases of low value items.

5.11 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

5.12 Staff retirement benefits

The Company operates an unfunded gratuity scheme for all its employees (executives and non executives) and also a contributory provident fund for only executive employees of the Company. Executive employees of the Company can avail contributory provident fund along with 50% of their entitlement for gratuity.

(a) Defined Benefit Plan

The Company operates an un-funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in Note 26.1 of these unconsolidated financial statements.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees would have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of the benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in unconsolidated statement of profit or loss. Past service costs are immediately recognized in unconsolidated statement of profit or loss.

(b) Defined Contribution Plan

The Company also operates a contributory provident fund scheme for only executive staff of the Company for which contributions are charged to profit or loss as and when incurred.

Equal monthly contributions are made to the fund, both by the Company and the employees at the rate of 7.5% of the monthly basic pay. However, employees have the option to contribute more than 7.5% but not exceeding 12.5% of the basic pay subject to the written approval of the Board. The assets of the fund are held separately under the control of trustees.

(c) Compensated absences

The Company provides leave encashment benefit to its executive employees as per the company policy. The executive employees are entitled to 14 days annual leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days, any un availed leaves over 28 days lapse. The company has made provision against accumulated leaves of employees on the basis of last drawn salary.

5.13 Employees' Share Option Scheme (ESOS)

Equity settled share based payments to the employees are measured at fair value at grant date. The fair value determined at grant date of equity settled share based payments is recognized as an employee compensation expense on a straight line basis over the vesting period.

Fair value is measured using the Black-Scholes Pricing model. The expected life used in the model has been adjusted, based on the management's best estimate for the effects of exercise restrictions.

When a vested option lapses on expiry of exercise period. employee compensation expense already recognized in statement of profit and loss is transferred to unappropriated profit from employee share option compensation reserve in the statement of changes in equity.

When options are exercised, employee share option compensation reserve relating to these options is transferred to share capital and share premium. An amount equivalent to the face value of related shares is transferred to share capital. Any amount over and above the share capital is transferred to share premium.

5.14 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants. Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is initially recognized and subsequently measured at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred income - Government grant. In subsequent periods, the loan amount would be accreted by the amortized amount of Government grant. The accretion would increase the carrying value of the loan with a corresponding effect on the carrying value of Government grant. As per IFRS 9, the loan liability and related Government grant shall be derecognized when it is extinguished i.e., these amounts are paid-off.

5.15 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.16 Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

5.17 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

5.18 Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

5.19 Foreign currency translation

Transactions in foreign currency during the period are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency at the rate of exchange prevailing at the reporting date. All non-monetary assets and liabilities are translated into rupees at exchange rates prevailing on the date of transaction or on date when fair values are determined. Exchange differences are recognized in statement of profit or loss.

5.20 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Otherwise, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- the Company's performance creates and enhances an asset that the customer controls as the Company performs; or
- the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

b) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered.

c) Interest income

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

d) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

5.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to statement of profit or loss in the period of as and when incurred.

5.22 Taxation

Income tax

The charge for current income tax is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

The Company designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

Levies

The Company recognize the charge for minimum and final taxes, calculated under the provisions of the Income Tax Ordinance, 2001, as levies. The charge for levies are not based on 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis as per provisions and applicable tax rates under minimum and final tax regime. The charge for levies also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the unconsolidated financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax is charged or credited in the unconsolidated statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

5.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

5.24 Dividend

Dividend is recognized as a liability in the period in which it is declared. Movement in reserves is recognized in the year in which it is approved.

Final dividend distributions to the Company's shareholders are recognized as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors.

5.25 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes the strategic decisions.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

5.26 Related party transactions

All transactions with related parties are carried out at arm's length prices. Each transaction is evaluated to be characterized as an "arm's length transaction" and approximated to the arm's length criteria using one of the following methodologies:

- Market-based pricing
- Negotiated pricing
- Cost-based pricing

5.27 Financial instruments:

5.27.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

A. Classification and measurement of financial assets

Investments and other financial assets

Classification:

The Company classifies its financial assets in the following measurement categories:

– those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

– those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other operating expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other operating expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other operating expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

B. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

C. Impairment

The Company record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

D. Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value, with all gains or losses, realized and unrealized, recognized in the statement of profit or loss.

5.27.2 Financial liabilities

A. Classification and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

ii) Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

B. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

5.27.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the unconsolidated financial statements when there is a legally enforceable right to set off and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	46,610,901	33,588,068
Capital work in progress	6.2	20,951,344	24,959,464
Right of use assets	6.3	242,435	103,321
		67,804,680	58,650,853

6.1 Operating fixed assets

2024										
Description	Cost				Depreciation				W.D.V	Rate %
	As On July 1, 2023	Additions	Deletions	As on June 30, 2024	As on July 1, 2023	For the year	Adjustments	As on June 30, 2024	As on June 30, 2024	
	(Rupees '000)									
Owned										
Freehold land	2,651,715	25,240	–	2,676,955	–	–	–	–	2,676,955	–
Buildings on freehold land	11,121,222	8,638,517	(390)	19,759,349	4,250,473	1,188,205	(68)	5,438,610	14,320,739	10
Buildings on leasehold land	233,051	1,140	(8,380)	225,811	47,929	18,399	(3,844)	62,484	163,327	10
Plant and machinery	30,264,956	6,885,230	(192,123)	36,958,063	12,733,111	2,174,353	(159,215)	14,748,249	22,209,814	10
Tools and equipment	2,357,623	273,945	(4,837)	2,626,731	813,529	169,552	(2,227)	980,854	1,645,877	10
Office equipment	1,127,693	259,726	(20,973)	1,366,446	533,096	140,674	(12,567)	661,203	705,243	20
Electric installations	3,767,795	392,403	(5,344)	4,154,854	1,215,359	261,336	(2,558)	1,474,137	2,680,717	10
Furniture and fixtures	1,038,088	204,264	(12,388)	1,229,964	336,198	81,984	(7,325)	410,857	819,107	10
Vehicles	1,408,380	845,264	(267,457)	1,986,187	452,760	285,874	(141,569)	597,065	1,389,122	20
Total	53,970,523	17,525,729	(511,892)	70,984,360	20,382,455	4,320,377	(329,373)	24,373,459	46,610,901	

2023										
Description	Cost				Depreciation				W.D.V	Rate %
	As On July 1, 2022	Additions	Deletions	As on June 30, 2023	As on July 1, 2022	For the year	Adjustments	As on June 30, 2023	As on June 30, 2023	
	(Rupees '000)									
Owned										
Freehold land	2,564,800	86,915	–	2,651,715	–	–	–	–	2,651,715	–
Buildings on freehold land	9,251,024	1,906,308	(36,110)	11,121,222	3,613,930	641,280	(4,737)	4,250,473	6,870,749	10
Buildings on leasehold land	187,066	46,056	(71)	233,051	29,314	18,622	(7)	47,929	185,122	10
Plant and machinery	27,110,144	3,164,586	(9,774)	30,264,956	10,954,965	1,785,087	(6,941)	12,733,111	17,531,845	10
Tools and equipment	1,905,021	455,287	(2,685)	2,357,623	675,176	138,997	(644)	813,529	1,544,094	10
Office equipment	929,337	208,830	(10,474)	1,127,693	413,284	126,378	(6,566)	533,096	594,597	20
Electric installations	3,162,597	615,064	(9,866)	3,767,795	983,638	238,654	(6,933)	1,215,359	2,552,436	10
Furniture and fixtures	840,674	200,348	(2,934)	1,038,088	270,308	67,113	(1,223)	336,198	701,890	10
Vehicles	983,965	617,677	(193,262)	1,408,380	361,565	197,613	(106,418)	452,760	955,620	20
Total	46,934,628	7,301,071	(265,176)	53,970,523	17,302,180	3,213,744	(133,469)	20,382,455	33,588,068	

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2024

6.1.1 The detail of operating fixed assets disposed / written off during the year are as follows:

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Assets having book value exceeding Rs. 500,000 each								
Buildings								
Refurbishment of Rented Building	8,275	3,793	4,482	4,482	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Plant and Machinery								
Humidification Plant	4,150	2,662	1,488	618	(870)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Steam Boiler – 200 Sq Ft	900	137	763	306	(457)	Negotiation	Independent Third Party	Muhammad Safdar, Faisalabad
Metal Detector – Hashima–Hm–6000–200	1,817	1,230	587	14	(573)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Diesel Generator 60Kva – Cummins – C66D5	1,749	895	854	854	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Automatic Boarding Machine – Techopea	2,125	1,534	591	254	(337)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Automatic Boarding Machine – Techopea	2,125	1,534	591	254	(337)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Sub Total	45,289	32,422	12,867	4,078	(8,789)			
Tools and equipments								
Belt Conveyor – Roller/Railing Trolly	914	409	505	73	(432)	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Electric installations								
Hvac System For Nbdu Lahore	3,993	2,055	1,938	1,938	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Furniture and fixtures								
Iron Rack	5,266	4,348	918	1,383	465	Negotiation	Independent Third Party	Al–Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Vehicles								
Toyota – Corolla Xli WVTI	2,047	1,385	662	492	(170)	Company Policy	Company Employee	Mr. Khalid Ishaq
Kia Sportage	5,089	2,098	2,991	2,991	–	Company Policy	Company Employee	Mr. Shakeel Akhtar
Toyota Corolla Altis	3,292	1,961	1,331	1,113	(218)	Company Policy	Company Employee	Mr. Syed Mustafa Ali
Honda – Civic 1.8	3,416	224	3,192	3,192	–	Company Policy	Company Employee	Mr. Ahsan Pervaiz
Suzuki Cultus	1,782	1,032	750	698	(52)	Company Policy	Company Employee	Mr. Tanveer Abbas
Suzuki Cultus	2,014	1,167	847	698	(149)	Company Policy	Company Employee	Mr. Zubair Khan
Toyota Yaris 1.5 CVT	3,012	1,110	1,902	2,000	98	Company Policy	Company Employee	Mr. Sheikh Arslan Shaukat
Honda City I–Vtec 1.5L Prosmatec	2,611	1,319	1,292	762	(530)	Company Policy	Company Employee	Ms. Saadia Hayat
Honda BRV	3,344	1,910	1,434	1,113	(321)	Company Policy	Company Employee	Mr. Saeed Ahmed
Hyundai Tucson 2WD	7,126	1,041	6,085	6,085	–	Company Policy	Company Employee	Mr. S.M.Hasnain Abbas
Honda City Aspire	2,775	1,584	1,191	1,013	(178)	Company Policy	Company Employee	Ms. Saima Zaidi
Toyota Corolla Gli 1300 CC	1,885	1,298	587	587	–	Company Policy	Company Employee	Mr. Tayab Masood
Toyota Corolla Gli (1.3) Automatic 1300 CC	2,300	1,543	757	335	(422)	Company Policy	Company Employee	Mr. Faizan Ul Haq
Toyota Corolla Land Cruiser Prado	13,241	9,046	4,195	4,195	–	Company Policy	Company Employee	Mr. Navid Fazil
Honda Civic 1.5	5,591	1,025	4,566	4,566	–	Company Policy	Company Employee	Mr. Ijaz Hussain
Toyota Corolla Gli 1.3 Automatic	2,527	1,509	1,018	856	(162)	Company Policy	Company Employee	Ms. Quratulain Shahid
Toyota Corolla Altis	2,802	1,654	1,148	856	(292)	Company Policy	Company Employee	Mr. M. Usman Khalid
Honda City Cvt	2,870	842	2,028	2,028	–	Company Policy	Company Employee	Mr. Azhar Mahmood
Toyota Corolla Altis Automatic 1.6L	2,699	1,594	1,105	932	(173)	Company Policy	Company Employee	Mr. Muhammad Shahid Butt
Honda – City – Mts 1339 CC	1,750	1,177	573	325	(248)	Company Policy	Company Employee	Mr. Saqib Waqar
Suzuki Cultus VXR	1,782	1,052	730	698	(32)	Company Policy	Company Employee	Mr. Shafqat Rasool
Honda City 1339 CC	1,893	1,273	620	325	(295)	Company Policy	Company Employee	Mr. Nauman Aslam
Honda Civic I–Vtec Cvt 1.8L	3,632	2,130	1,502	1,406	(96)	Company Policy	Company Employee	Ms. Saira Taimoor Khan
Changan Alsvin 1.5L DCT	2,459	777	1,682	1,682	–	Company Policy	Company Employee	Mr. Muhammad Junaid
Toyota Corolla Xli Automatic	2,199	1,415	784	784	–	Company Policy	Company Employee	Mr. Rashid Hussain
Suzuki Cultus VXR	2,874	553	2,321	2,321	–	Company Policy	Company Employee	Mr. Khurram Shahzad
Suzuki Cultus VXR 998 CC	2,293	550	1,743	1,743	–	Company Policy	Company Employee	Mr. Muhammad Ishtiaq
Suzuki Swift Gl Manual	3,250	471	2,779	2,779	–	Company Policy	Company Employee	Mr. Rashid Ali Khan

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Toyota Corolla Altis	3,292	1,955	1,337	698	(639)	Company Policy	Company Employee	Mr. Nadeem Ahmad
Suzuki Cultus VXL	1,893	1,124	769	698	(71)	Company Policy	Company Employee	Mr. Aman Zaib
Honda City	2,631	1,499	1,132	1,021	(111)	Company Policy	Company Employee	Mr. Muhammad Kashif
Suzuki Cultus VXL	1,893	1,079	814	698	(116)	Company Policy	Company Employee	Mr. Naveed Zafar
Honda City	2,399	1,386	1,013	798	(215)	Company Policy	Company Employee	Mr. Tayyab Hussain
Honda City	2,632	1,520	1,112	798	(314)	Company Policy	Company Employee	Mr. Qasim Noor Ellahi
Suzuki Cultus VXL	1,566	1,026	540	353	(187)	Company Policy	Company Employee	Mr. Abdul Samad
Suzuki Cultus VXR	1,782	1,043	739	698	(41)	Company Policy	Company Employee	Mr. Syed Mehdi Murtaza
Suzuki Swift	2,043	1,148	895	798	(97)	Company Policy	Company Employee	Mr. Naveed Alam
Suzuki Cultus	1,500	650	850	353	(497)	Company Policy	Company Employee	Mr. Ahsan Ali Shah
Suzuki Swift Dlx	2,043	1,180	863	798	(65)	Company Policy	Company Employee	Mr. Shahbaz Ahmad
Kia – Sorento 3.5 FWD	8,940	1,961	6,979	6,979	–	Company Policy	Company Employee	Mr. Muhammad Rizwan Mohsin
Suzuki – Cultus – VXL	1,565	1,036	529	353	(176)	Company Policy	Company Employee	Mr. Ahmad Masood
Suzuki Swift	2,043	1,196	847	798	(49)	Company Policy	Company Employee	Mr. Khawar Shahzad
Toyota Corolla Gli	2,967	1,736	1,231	1,021	(210)	Company Policy	Company Employee	Mr. Salman Tahir
Toyota Corolla Altis 1.6L Automatic	3,291	1,876	1,415	798	(617)	Company Policy	Company Employee	Mr. Waqar Ahmad Siddiq
Toyota Corolla Gli	2,969	1,715	1,254	1,021	(233)	Company Policy	Company Employee	Mr. Muhammad Imran Sadiq
Toyota Corolla Gli	2,867	1,546	1,321	1,001	(320)	Company Policy	Company Employee	Mr. Maqbool Ahmad
Honda City Mts 1339 CC	1,966	1,290	676	353	(323)	Company Policy	Company Employee	Mr. Kamran Zahid
Toyota Corolla Gli	2,865	1,677	1,188	698	(490)	Company Policy	Company Employee	Mr. Syed Muhammad Ali Shah
Honda City Aspire	2,263	1,499	764	519	(245)	Company Policy	Company Employee	Mr. Awais Ashraf
Toyota Corolla Xli Automatic 1.3L	2,186	1,487	699	519	(180)	Company Policy	Company Employee	Mr. Shahid Hussain Zia
Kia Sportage Fwd	5,090	2,472	2,618	6,450	3,832	Company Policy	Company Employee	Mr. M. Naeem Javaid
Toyota Corolla Altis	3,252	1,902	1,350	798	(552)	Company Policy	Company Employee	Mr. Muhammad Awais
Suzuki Swift Dlx	2,044	1,181	863	798	(65)	Company Policy	Company Employee	Mr. Maqbool Ahmed
Toyota Corolla Altis	3,289	1,925	1,364	798	(566)	Company Policy	Company Employee	Mr. Azam Tahir
Suzuki Cultus VXL	1,903	1,114	789	746	(43)	Company Policy	Company Employee	Mr. Muhammad Asaf Raza
Suzuki Cultus VXL	1,903	1,071	832	698	(134)	Company Policy	Company Employee	Mr. Muhammad Asif
Suzuki Swift	2,042	1,196	846	798	(48)	Company Policy	Company Employee	Mr. Imran Tahir
Toyota Corolla Xli M/T 1.3L	2,123	1,419	704	519	(185)	Company Policy	Company Employee	Mr. M. Imran Ashraf
Toyota Fortuner	7,646	4,359	3,287	1,597	(1,690)	Company Policy	Company Employee	Mr. Aqeel Ahmad
Honda City	2,397	1,422	975	798	(177)	Company Policy	Company Employee	Mr. Syed Abid Hussain
Toyota Corolla Gli 1.3	2,967	1,760	1,207	1,121	(86)	Company Policy	Company Employee	Mr. Irfan Nazir
Toyota Corolla Gli Automatic	2,985	1,720	1,265	1,021	(244)	Company Policy	Company Employee	Mr. Zubair Ahmed
Suzuki Swift Gl Cvt	4,489	449	4,040	4,040	–	Company Policy	Company Employee	Mr. Muhammad Waqas
Toyota Corolla Altis 1.6L	3,258	1,930	1,328	1,021	(307)	Company Policy	Company Employee	Mr. Muhammad Ilyas Kanwal
Suzuki Cultus Vxl	1,566	1,047	519	353	(166)	Company Policy	Company Employee	Mr. Farhan Afzal
Hyundai Tucson Awd	5,597	2,354	3,243	3,243	–	Company Policy	Company Employee	Mr. Nasrullah Akhtar
Suzuki Cultus VXL	1,585	1,052	533	360	(173)	Company Policy	Company Employee	Mr. Tahir Nazir
Toyota Fortuner	8,207	5,445	2,762	2,762	–	Company Policy	Company Employee	Mr. Muhammad Maqsood
Suzuki Swift	1,593	1,066	527	389	(138)	Company Policy	Company Employee	Ms. Javeria Ali
Honda City	2,402	1,374	1,028	798	(230)	Company Policy	Company Employee	Mr. Muhammad Irfan Akmal
Toyota Corolla Gli	2,459	1,645	814	583	(231)	Company Policy	Company Employee	Mr. Abdul Mateen
Suzuki Swift DLX	1,956	1,275	681	476	(205)	Company Policy	Company Employee	Mr. Mohammad Rizwan Niaz
Suzuki Swift 1328 CC	1,624	1,088	536	396	(140)	Company Policy	Company Employee	Mr. Muhammad Umer Ali
Suzuki Cultus AGS	2,024	1,189	835	698	(137)	Company Policy	Company Employee	Mr. Mudassar Mansoor
Suzuki Cultus VXR	1,499	998	501	360	(141)	Company Policy	Company Employee	Mr. Waqas
Honda City	2,635	1,551	1,084	1,001	(83)	Company Policy	Company Employee	Mr. Kashif Zaman
Suzuki Cultus VXL	1,869	665	1,204	1,225	21	Negotiation	Independent Third Party	Mr. Osama Masood Khan House No. 149/A TIP Society ECHS Phase-II Khyaban Amin, Lahore
Suzuki Cultus VXR	2,802	506	2,296	2,300	4	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris Gli 1.3L	2,565	1,212	1,353	1,375	22	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Suzuki Cultus VXR	1,792	1,049	743	850	107	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Suzuki Cultus VXL	1,869	748	1,121	1,125	4	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Honda City 1.2	3,334	978	2,356	2,375	19	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Land Cruiser – 4600C	11,208	9,533	1,675	2,000	325	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P-231, Street No. 1 Muhammad Pura Faisalabad.
Suzuki – APV	2,557	1,801	756	800	44	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Sub Total	256,682	133,865	122,817	113,018	(9,799)			
Other assets having book value below Rs. 500,000 each	191,473	152,481	38,992	24,643	(14,349)			
Total – 2024	511,892	329,373	182,519	149,615	(32,904)			
Total – 2023	265,176	133,469	131,707	82,564	(49,143)			

		Note	2024 (Rupees '000)	2023 (Rupees '000)
6.1.2	**Depreciation expense for the year has been allocated as under;**			
	Cost of sales	33	3,753,104	2,786,041
	Administrative expenses	35	567,273	427,703
			4,320,377	3,213,744
6.2	**Capital work in progress**			
	Civil works	6.2.1	3,650,569	7,790,908
	Plant and machinery	6.2.1	12,226,029	11,365,158
	Capital stores	6.2.2	4,134,937	1,330,125
	Advances to suppliers		939,809	4,473,273
			20,951,344	24,959,464

6.2.1 Civil works and plant and machinery includes borrowing cost capitalized during the year, calculated at the rate of 4.50% to 24.14% per annum (2023: 1.75% to 23.23% per annum).

	2024 (Rupees '000)	2023 (Rupees '000)
Civil works	649,819	435,394
Plant and machinery	612,075	842,117
	1,261,894	1,277,511

6.2.2 Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
6.3	**Right of use assets**			
	Buildings			
	Cost:			
	Opening Balance		324,521	258,082
	Additions during the year		236,558	66,439
	Disposal during the year		(4,825)	–
	Closing balance		556,254	324,521
	Accumulated depreciation:			
	Opening balance		221,200	124,523
	Depreciation for the year	6.3.1	95,501	96,677
	Adjustment on disposal		(2,882)	–
	Closing balance		313,819	221,200
	Net book value		242,435	103,321
6.3.1	**Depreciation on right of use assets has been allocated as under;**			
	Cost of sales	33	89,293	70,635
	Administrative expenses	35	6,208	26,042
			95,501	96,677

6.4 Details of immovable property in the name of the Company:

Usage	Location	Area
Plant 1	Chak # 76 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	19 Acres 7 Kanals 12 Marlas
	Chak # 194 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	3 Acres 13 Marlas
	Chak # 108 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	9 Marlas
Interloop Industrial Park - (Plant 2, Plant 4 & Spinning unit)	Chak # 103 RB, 7 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	142 Acres 4 Kanals 7 Marlas 5 Sarsai
Plant 3	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	41 Acres 3 Kanals 8 Marlas
Denim Division	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	26 Acres 7 Kanals 14 Marlas
Apparel Industrial Park - (Plant 5 & Apparel unit)	Chak # 106 RB, 6 - KM, By Pass Road, Khurrianwala, Faisalabad.	247 Acres 4 Kanals 8 Sarsai
Land	Chak # 200 RB, Near Toll Plaza Gatwala, Lathianwala, Faisalabad.	2 Acres 13 Marlas 5 Sarsai
	Chak # 33/10-R, Tehsil & District Khanewal.	13 Acres 7 Kanals 3 Marlas 5 Sarsai

	Note	2024 (Rupees '000)	2023 (Rupees '000)
7. INTANGIBLE ASSETS			
Computer software	7.1	299,594	361,555
Development cost - in progress		154,963	33,063
		454,557	394,618
7.1 Computer Software			
Cost:			
Opening balance		562,825	357,124
Addition during the year		11,312	205,701
		574,137	562,825
Amortization:			
Opening balance		201,270	139,065
For the year amortization	7.2	73,273	62,205
		274,543	201,270
Net book value		299,594	361,555
Amortization rate		20%	20%
7.2 Amortization on intangible assets has been allocated as under;			
Cost of sales	33	–	666
Administrative expenses	35	73,273	61,539
		73,273	62,205

	Note	2024 (Rupees '000)	2023 (Rupees '000)
8. LONG TERM INVESTMENT			
Unquoted equity - at cost			
Subsidiary company			
Top Circle Hosiery Mills Co., Inc.	8.1	1,727,763	–

8.1 This represents investment in 640 fully paid ordinary shares of $ 1 each of Top Circle Hosiery Mills Co., Inc., which is incorporated under the laws of the United States of America. This investment represents 64% of issued subscribed and paid up capital of Top Circle Hosiery Mills Co., Inc.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
9. LONG TERM LOANS			
Considered good - Secured			
Loans to employees	9.1	174,373	144,205
Loan to director	9.2	2,500	3,653
		176,873	147,858
9.1 Loans to employees			
Opening balance		342,047	305,630
Add: disbursement made during the year		463,885	1,550,906
		805,932	1,856,536
Less: amount received during the year		(408,493)	(1,514,489)
		397,439	342,047
Less: receivable within twelve months	15	(223,066)	(197,842)
		174,373	144,205

9.1.1 These represent loans given to executives and other employees as per the Company's policy for house building and general purposes. The loan balances except for housing finance are interest free. The loans are recoverable in equal monthly installments from respective employees based on the tenor of the loan. The loans are secured against the employees' respective retirement benefits. These loans have not been carried at amortized cost as the effect of discounting is not considered material.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
9.2 Loan to director			
Opening balance		8,269	12,885
Less: amount received during the year		(4,616)	(4,616)
		3,653	8,269
Less: receivable within twelve months	15	(1,153)	(4,616)
		2,500	3,653

9.2.1 This represents loan paid to executive director of the Company as per house building finance policy of the Company. Under the first policy, home ownership grant is Rs. 2.5 million and mortgage assistance is Rs. 23.25 million. Tenure of the home ownership grant and mortgage assistance is for a period of six years. Mortgage assistance is repayable in 60 equal monthly installments along with markup thereon.

9.2.2 The maximum aggregate amount of loan to director at the end of any month during the year was Rs. 7.89 million (2023: Rs. 12.50 million).

		Note	2024 (Rupees '000)	2023 (Rupees '000)
10.	**LONG TERM DEPOSITS**			
	Considered good:			
	Security deposits - unsecured		89,451	81,701
11.	**DEFERRED TAXATION - NET**			
	Deferred tax asset	11.1	350,141	–
11.1	This comprise of following:			
	Taxable temporary differences arising in respect of;			
	Accelerated tax depreciation allowance		(4,709,175)	–
	Right of use assets		(94,550)	–
	Intangibles		(49,792)	–
	Derivative financial instruments		(23,107)	–
	Deductible temporary differences arising in respect of;			
	Staff retirement gratuity		4,170,905	–
	Lease liabilities		107,139	–
	Provision for obsolete inventory		18,827	–
	Provision for workers' welfare fund		492,086	–
	Provision for infrastructure cess		437,808	–
			350,141	–
12.	**STORES AND SPARES**			
	Stores		1,120,474	932,770
	Spares		2,063,951	1,558,205
			3,184,425	2,490,975
13.	**STOCK IN TRADE**			
	Raw materials		14,673,464	10,610,676
	Work in process		4,466,813	3,124,698
	Finished goods		7,268,849	5,993,436
			26,409,126	19,728,810
	Less: Provision for obsolete inventory	36	(48,274)	–
			26,360,852	19,728,810
14.	**TRADE DEBTS**			
	Considered good:			
	Foreign			
	- Secured	14.1	18,317,679	14,503,120
	- Unsecured		21,189,023	18,332,668
			39,506,702	32,835,788
	Local			
	- Unsecured	14.1	1,686,902	1,302,877
			41,193,604	34,138,665

14.1 It includes receivables from following related parties;

	2024 (Rupees '000)	2023 (Rupees '000)
Foreign		
Texlan Center (Pvt) Limited	526,313	476,478
Interloop Europe	79,875	165,489
Local		
Socks & Socks (Pvt) Limited	184,530	161,972
	790,718	803,939

14.2 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 1,301.287 million (2023: Rs. 1,555.361 million).

14.3 At June 30, 2024, trade debts due from related parties aggregating to Rs. 181.496 million (2023: Rs. 156.874 million) were past due but not impaired. The aging analysis of receivables from related parties is as follows:

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Not yet due		609,222	647,065
Upto 1 month		30,298	14,264
More than 1 month		151,198	142,610
		790,718	803,939

15. LOANS AND ADVANCES

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Considered good:			
Loans - secured			
Current portion of loans to employees	9.1	223,066	197,842
Current portion of loan to director	9.2	1,153	4,616
Advances - unsecured			
Advances to suppliers	15.1	1,678,337	1,883,376
Advances to employees	15.2	21,615	26,921
		1,924,171	2,112,755

15.1 It includes advances to following related parties;

	2024	2023
Socks & Socks (Pvt) Limited	22,865	37,111

15.1.1 The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 229.289 million (2023: Rs. 37.111 million). The aging analysis of this advances payment is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
Less than 3 months	22,865	37,111

15.2 Advances to employees are given to meet business expenses and are settled as and when expenses are incurred.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
16.	DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES			
	Deposit			
	LC margin		61,755	406,625
	Prepayments			
	Insurance premium		16,905	29,675
	Prepaid expenses		195,276	69,838
	Other receivables - considered good			
	Subsidy on gas	16.1	60,619	155,321
	Others		13,167	10,415
			347,722	671,874

16.1 This represents the subsidy receivable against sui gas consumption from Government of Pakistan (GoP) amounting to nil (2023: Rs. 86.53 million) and Sui Northern Gas Pipelines Limited (SNGPL) amounting to Rs. 60.619 million (2023: Rs. 68.79 million). During the year, the GoP has withdrawn the announced subsidy, whereas SNGPL allowed 25% system gas adjustment capped at initial contractual load.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
17.	ACCRUED INCOME			
	Profit on term finance certificates (TFCs)		1,497	1,623
18.	REFUNDS DUE FROM GOVERNMENT AND STATUTORY AUTHORITIES			
	DDT		1,328,799	1,183,158
	Sales tax refundable		5,204,048	3,159,151
	Income tax refundable		595,960	416,505
			7,128,807	4,758,814
19.	SHORT TERM INVESTMENTS			
	Term Finance Certificates (TFCs) - Amortized cost:			
	Habib Bank Limited	19.1	500,000	500,000

19.1 This represents investment as fully paid-up, rated, privately placed, perpetual, unsecured, subordinated, noncumulative, contingent convertible, additional Tire 1, capital eligible 5,000 term finance certificates (TFCs) of Habib Bank Limited having face value of Rs. 100,000/- each aggregating to Rs. 500 million (2023: Rs. 500 million). TFCs carry profit at the rate of 3 months KIBOR + 1.60% per annum payable quarterly in arrears.

		2024 (Rupees '000)	2023 (Rupees '000)
20.	CASH AND BANK BALANCES		
	Cash in hand	25,880	15,577
	Cash at banks		
	In current accounts	35,206	60,973
	In foreign currency accounts	309,300	1,467,952
		344,506	1,528,925
		370,386	1,544,502

21. AUTHORIZED SHARE CAPITAL

2024 (Number of shares in '000)	2023 (Number of shares in '000)		2024 (Rupees '000)	2023 (Rupees '000)
5,000,000	1,500,000	Ordinary shares of Rs. 10 each	50,000,000	15,000,000

22. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024 (Number of shares in '000)	2023 (Number of shares in '000)		2024 (Rupees '000)	2023 (Rupees '000)
132,429	132,166	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,321,663
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,447		14,017,095	14,014,469

	Ordinary shares of Rs. 10 each	
	Fully paid in cash	Fully paid bonus shares
	Number of shares in '000	
22.1 Movement in issued, subscribed and paid up share capital		
Opening balance	132,166	1,269,281
Issued during the year	263	–
Closing balance	132,429	1,269,281

22.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
23. RESERVES			
Capital reserves			
Share premium	23.1	3,158,734	3,143,605
Employee share option compensation reserve	23.2	–	6,968
		3,158,734	3,150,573

23.1 This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO) and employees of the Company through employees stock option scheme (ESOS). This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

23.2 Employees Share Option Scheme (ESOS)

The Company had introduced "Interloop Limited Employees Stock Option Scheme, 2016 (the "Scheme") to offer Company shares to its eligible employees, pursuant to the Public Companies (Employees Stock Option Scheme) Rules, 2001 (repealed), transforming them from stakeholders to shareholders. The Scheme is flexible, voluntary, and focused on long term growth and prosperity of the employees. These shares under ESOS rank pari passu in all respects with the existing ordinary shares of the Company.

The Scheme had originally been approved by the members in the Annual General Meeting (AGM) held on December 31, 2015 and by SECP vide its letter no. SMD/CIW/ESOS/01/2016 dated September 01, 2016. Upon listing on the Pakistan Stock Exchange (PSX) during the year 2019, certain amendments to the Scheme with the context of listed companies regulations, had been approved by the shareholders of the Company in its AGM as on October 15, 2020 and via SECP through its letter no. SMD/CIW/ESOS/01/2016/184 dated February 25, 2021.

On November 15, 2022, the Company had successfully offered to grant 8.085 million stock options (less than 1% of the paid up capital of the Company at that time) to its eligible employees at an exercise price of Rs. 63.80 per share after the Scheme has been updated. These options had a vesting period of one year and an exercise period of six months, from the expiry of such vesting period, as laid down in the Scheme. Upon vesting, employees were eligible to apply and secure allotment of the Company's shares at an exercise price determined on the date of grant of options and/or determined by the Board of Directors of the Company. The employees' were willing to exercise 262,604 stock options, at the time and remaining options lapsed after the expiry of six months period, from the date at which such options become exercisable.

The management had forecasted up to 35% of the options being exercised and expected an estimated provision of Rs. 11.15 million as a share option compensation reserve over a vesting period of one year based on the fair value of options granted to the employees. However, the employees were only inclined to exercise a certain number of options and the share option compensation expense was recorded at Rs. 1.04 million based on actual number of share options exercised. Nevertheless, the excess provision of Rs. 10.11 million has been reversed on the account of the completion of the relevant Exercise Period. Fair value of options granted was Rs. 3.94 per option, calculated based on the Black Scholes model. The following assumptions have been used in order to calculate the fair value of the options:

- Share price	58.62
- Exercise price	63.80
- Expected volatility	15%
- Expected life of share options	1 Year
- Risk free interest rate	10%

The volatility has been measured as the standard deviation of the quoted share prices over the last year from the respective grant date.

The Company has not made any fresh grant of options this year, owing to the fact that it is in the process of redesigning /revamping the Scheme, as per the latest requirements and trends in the industry.

24. LONG TERM FINANCING

From financial institutions - secured	Pricing	Tenor	Repayment	Note	2024 (Rupees '000)	2023 (Rupees '000)
Islamic banking:						
Islamic long term finance facility - ILTFF	SBP ILTFF rate + 0.75% per annum	10 years including 2 years grace period	32 quarterly payments		2,746,374	3,139,758
Islamic temporary economic refinance facility - ITERF	SBP ITERF rate + 0.95% per annum	10 years including 2 years grace period	32 quarterly payments		39,733	45,061
Islamic finance renewable energy - IFRE	SBP rate + 0.75% per annum	6 years including 1 year grace period	20 quarterly payments		123,880	173,431
Diminishing musharika	3 months KIBOR + 0.05% to 0.15% per annum	6 to 10 years including 1 to 2 years grace period	20 to 32 quarterly payments		6,766,377	6,109,031
Diminishing musharika vehicles	3 months KIBOR + 0.50% per annum	5 years	60 monthly payments		-	20,949
Conventional banking:						
Long term financing facility - LTFF	SBP LTFF rate + 0.50% to 0.75% per annum	10 years including 2 years grace period	32 quarterly payments		2,977,521	3,177,154
Demand finance loan	3 months KIBOR + 0.05% per annum	10 years including 2 years grace period	32 quarterly payments		3,676,993	1,758,828
Temporary economic refinance facility - TERF	SBP TERF rate + 0.75% to 1.25% per annum	10 years including 2 years grace period	32 quarterly payments		2,436,849	2,709,488
SBP renewable energy	SBP rate + 0.75% per annum	12 years including 2 years grace period	40 quarterly payments		149,635	154,382
					18,917,362	17,288,082
Less: Current portion of long term financing				30	(2,722,549)	(1,939,181)
					16,194,813	15,348,901

24.1 The Company has obtained long term finance facilities from various banks for balancing, modernization and expansion of existing projects and establishment of Hosiery Division - V, Apparel Division and Fabric Dye House as well as renewable energy projects. These are secured against 1st Joint Pari Passu (JPP) charge of Rs. 30,860 million, 1st specific charge of Rs. 6,660 million and mortgage charge of Rs. 2,667 million over all present and future fixed assets of the Company (land, building and plant & machinery).

The Government of Pakistan has introduced Islamic Temporary Economic Refinance Facility (ITERF) and Temporary Economic Refinance Facility (TERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and /or expansion of projects / businesses. The Company has availed this facility from various banks at concessional rate of markup. The loan under these facilities was initially recognized at fair value in accordance with IFRS 9 - Financial instruments using an effective interest rate at respective drawdown dates. The difference between the fair value of the loan and loan proceeds has been recognized as deferred income as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
25.	LEASE LIABILITIES			
	Opening balance		128,935	166,659
	Additions during the year		236,558	65,734
	Accretion of interest		32,070	16,158
	Payments during the year		(120,659)	(119,616)
	Termination during the year		(2,188)	–
			274,716	128,935
	Less: Current portion shown under current liabilities	30	(83,751)	(71,924)
			190,965	57,011

25.1 These represent lease contracts for Company manufacturing facility, warehouses, and employees hostel and have estimated lease terms between 3 to 5 years. These are discounted using incremental borrowing rate of the Company.

25.2 The future minimum lease payments to which the Company is committed under the agreements will be due as follows:

	Not later than one year	Later than one year and not later than three years	More than three years
		(Rupees '000)	
At 30 June 2024			
Future minimum lease payments	118,223	225,323	9,482
Less: Un-amortized finance charges	(34,472)	(43,776)	(64)
Present value of future minimum lease payments	83,751	181,547	9,418
At 30 June 2023			
Future minimum lease payments	79,501	59,909	–
Less: Un-amortized finance charges	(7,577)	(2,898)	–
Present value of future minimum lease payments	71,924	57,011	–

		Note	2024 (Rupees '000)	2023 (Rupees '000)
26.	DEFERRED LIABILITIES			
	Staff retirement gratuity	26.1	10,694,629	7,876,298
	Deferred income - Government grant	26.2	91,719	122,906
			10,786,348	7,999,204

26.1 Staff retirement gratuity

This represents an unfunded gratuity scheme which provides termination benefits for all employees of the Company who attain the minimum qualifying period. The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2024 using the Projected Unit Credit (PUC) Actuarial Cost Method. Details of the defined benefit plan are as follows:

		Note	2024 (Rupees '000)	2023 (Rupees '000)
26.1.1	**Movement in the present value of defined benefit obligation**			
	Opening balance		7,876,298	4,890,568
	Expenses recognized in the statement of profit or loss	26.1.2	2,796,402	1,649,159
	Remeasurement of plan obligation chargeable to other comprehensive income	26.1.4	753,756	1,687,858
	Balance transferred from / (to) associated companies		2,601	(264)
	Paid during the year		(734,428)	(351,023)
	Closing balance		10,694,629	7,876,298
26.1.2	**Expenses recognized in the statement of profit or loss**			
	Current service cost		1,613,721	1,012,626
	Interest cost		1,182,681	636,533
			2,796,402	1,649,159
26.1.3	**Amounts charged in the statement of profit or loss are as follows:**			
	Cost of sales	33	2,401,355	1,423,493
	Distribution cost	34	60,518	34,056
	Administrative expenses	35	334,529	191,610
			2,796,402	1,649,159
26.1.4	**Total remeasurement chargeable to other comprehensive income**			
	Remeasurement of plan obligation:			
	Actuarial (gain)/losses from changes in financial assumptions		(274,791)	468,058
	Experience adjustments		1,028,547	1,219,800
			753,756	1,687,858

		2024	2023
26.1.5	**Principal actuarial assumptions used**		
	Discount rate used for profit and loss charge	15.75%	13.50%
	Discount rate for year end obligation	14.00%	15.75%
	Salary increase used for year end obligation		
	Salary increase for FY 2024	N/A	15.50%
	Salary increase for FY 2025	12.00%	15.50%
	Salary increase for FY 2026	12.00%	15.50%
	Salary increase for FY 2027	12.00%	15.50%
	Salary increase for FY 2028	14.00%	15.50%
	Salary increase for FY 2029	14.00%	15.50%
	Salary increase for FY 2030 onward	14.00%	15.50%
	Demographic assumption		
	Mortality rates (for deaths in service)	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
	Retirement assumption	60 years	60 years

26.1.6 The expected contribution to defined benefit obligation for the year ending June 30, 2025 will be Rs. 3,450.191 million.

26.1.7 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of a change in respective assumptions by 100 bps.

	2024 (Rupees '000)	2023 (Rupees '000)
Discount rate + 100 bps	(9,618,138)	(7,100,625)
Discount rate - 100 bps	11,977,603	8,797,476
Salary change + 100 bps	11,994,564	8,808,754
Salary change - 100 bps	(9,583,819)	(7,076,936)

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

26.1.8 Maturity profile

The average duration of defined benefit obligation for the year ended 2024 is 11 years (2023: 11 years).

The expected benefit payment for the upcoming years is as follows;

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Between 1 to 3 years		3,288,112	2,459,792
Between 3 to 5 years		2,715,233	2,176,570
Beyond 5 years		678,814,505	710,138,004
		684,817,850	714,774,366
26.2 Deferred income - Government grant			
Opening balance		158,092	199,383
For the year amortization		(35,186)	(41,291)
		122,906	158,092
Current portion of deferred income	30	(31,187)	(35,186)
Closing balance		91,719	122,906

26.2.1 There are no unfulfilled conditions or other contingencies attaching to these grants.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
27. TRADE AND OTHER PAYABLES			
Trade creditors	27.1	5,393,385	3,345,455
Accrued liabilities	27.2	6,912,256	5,504,218
Contract liabilities - advances from customers	27.3	93,592	96,365
Other payables		607,617	508,027
Payable to employees provident fund trust	27.4	9,001	6,840
Withholding tax payable		288,300	493,891
Workers' profit participation fund	27.5	970,300	1,150,769
Workers' welfare fund		1,261,758	898,343
		15,536,209	12,003,908

		2024 (Rupees '000)	2023 (Rupees '000)
27.1	It includes payable to following related parties;		
	Interloop Holdings (Pvt) Limited	12,313	14,169
	Octans Digital (Pvt) Limited	7,503	5,244
	Printkraft (Pvt) Limited	39,652	27,895
	Momentum Logistics (Pvt) Limited	114,571	83,687
	Zhejiang Top Circle Textiles Co., Limited	221,870	–
		395,909	130,995

27.2 It includes an amount of Rs. 1,122.971 million (2023: Rs. 895.967 million) relating to infrastructure cess payable.

27.2.1 Honourable Sindh High Court in its decision dated September 17, 2008 declared the imposition of infrastructure cess before December 28, 2006 as void and invalid. However, the Excise and Taxation Department filed an appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme court of Pakistan had disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. The Company filed constitutional petition bearing No. 1809 of 2011 before Honourable High Court Sindh. On May 31, 2011, the High Court of Sindh had granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to the extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability fifth version of law and its retrospective application, the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner. In the light of interim relief the Company has paid 50% of the amount of Infrastructure cess. Imports of the Company are being released against 50% payment of Infrastructure cess to Excise and Taxation Department and furnishing of bank guarantee of balance amount. On 4th June 2021, Honorable Sindh High Court passed an order whereby it upheld the contention of Sindh Government and suspend its own order for 90 days. The Company has filed writ petition CPLA NO. 4611 against the said order before the Supreme Court of Pakistan.

The Honourable Supreme Court of Pakistan granted an interim relief on September 01, 2021 against the impugned Judgment of the Sindh High Court. The Honourable Apex Court directed that till further orders, operation of the impugned Judgment of the High Court of Sindh dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioner shall keep the bank guarantee already submitted, pursuant to the order of the Sindh High Court, valid, operative and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future import consignments. However, in the light of the order of the Supreme Court of Pakistan, the Company has issued bank guarantees equivalent to the amount of the levy and no payment is being made subsequent to the order date of the Court.

The full amount of Infrastructure cess forms component of cost of imported items and provision recorded in books. Bank guarantees furnished ragarding imposition of infrastructure cess have been disclosed in note - 31.1 to these unconsolidated financial statements.

27.2.2 The Government of Punjab imposed Punjab Infrastructure Development Levy in terms of the Punjab Infrastructure Development Cess Act, 2015 (the Act) read with PRA Notification No.PRA/IDC/2015 dated May 16, 2016 and PRA order No.PRA/Orders.08/2015 dated May 23, 2016. The Company being aggrieved filed writ petition vide WP No.24536 of 2016 before Honorable Lahore High Court challenging the constitutionality of the Act . The Lahore High Court on July 28, 2016 granted interim relief for clearance of goods subject to payment of 50% of the disputed amount and upon furnishing of a bank guarantee for the balance of 50% of the amount. The case is pending litigation before Honorable Lahore High Court, Lahore, the same has been adjourned without any next date.

27.3 The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is being recognized at point in time when goods are transferred. Out of Rs. 96.365 million recognized in contract liabilities as on June 30, 2023, an amount of Rs. 94.403 million has been adjusted and recognized as revenue during the year.

27.4 The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated in Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
27.5 Workers' profit participation fund			
Opening balance		1,150,769	721,751
Interest on funds utilized in the Company's business	38	30,484	26,689
Expense allocation for the year	36	943,788	1,150,770
		2,125,041	1,899,210
Paid during the year		(1,154,741)	(748,441)
Closing balance		970,300	1,150,769
28. ACCRUED MARK UP			
Mark up on:			
Long term financing		631,078	798,072
Short term borrowings		2,058,154	1,031,941
		2,689,232	1,830,013
29. SHORT TERM BORROWINGS			
From banking companies - Secured			
Under mark up arrangements			
Islamic banking:			
IERS - II		7,030,000	4,930,000
Islamic export finance scheme (IEFS)		2,099,982	2,000,000
Running musharika		6,793,209	6,803,003
Conventional banking:			
ERF - II		29,306,960	20,702,960
Export finance scheme (EFS)		4,671,988	6,518,318
Running finance		1,432	1,194,631
		49,903,571	42,148,912

29.1 These are secured against 1st Joint Pari Passu (JPP) charge of Rs. 108,569 million (2023: Rs. 83,995 million) over all present and future current assets of the Company in favor of all the lending banks. The total limits available to the Company for short term borrowings from all the banks are amounting to Rs. 76,500 million (2023: Rs. 62,996 million).

Mark up is charged as;

ERF - II / IERS - II	SBP Rate + 0.25% to 1% per annum (2023: SBP Rate + 0.25% to 1% per annum)
FAPC - own source	1 to 3 month Kibor + 0.05% to 1% per annum (2023: 1 to 3 month Kibor + 0.05% to 0.10% per annum)
EFS / IEFS	SBP refinance rate for EFS and IEFS
Running finance/musharika	1 to 6 month Kibor + Minus 2.7% to 1% per annum (2023: 1 to 3 month Kibor + 0.05% to 0.75% per annum)

	Note	2024 (Rupees '000)	2023 (Rupees '000)
30. CURRENT PORTION OF NON CURRENT LIABILITIES			
Long term financing	24	2,722,549	1,939,181
Lease liabilities	25	83,751	71,924
Deferred income - Government grant	26.2	31,187	35,186
		2,837,487	2,046,291

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
For the year ended June 30, 2024

31. CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

31.1.1 The Punjab Revenue Authority has created a demand of an amount of Rs. 29.931 million in respect of an alleged default on withholding of provincial sales tax on account of various transport services received by the Company during the period from March 01, 2015 to May 31, 2016 along with default surcharge and penalty under Punjab Sales Tax on Services Act, 2012, rejecting the exemption claim of the taxpayer company. The Company being aggrieved, filed an appeal before Commissioner (Appeals) Punjab Revenue Authority (PRA) which is pending adjudication at the terminal date.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

	2024 (Rupees '000)	2023 (Rupees '000)
31.1.2 Bank guarantees issued by various banks on behalf of the company in favour of:		
Sui Northern Gas Pipelines limited (SNGPL) against supply of gas	1,598,138	806,221
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	942,353	792,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	152,195	143,245
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
State Bank of Pakistan	–	110,112
Total Parco Pakistan Ltd	6,000	6,000
	2,710,219	1,869,464

31.1.2.1 The total limits available to the Company for bank guarantees from all the banks are amounting to Rs. 6,050 million, out of which Rs. 3,650 are available as stand alone limits and Rs. 2,400 million can be availed under sublimits of short term borrowings. These are also secured against cumulative 1st JPP charge as mentioned in note 29.1 of these unconsolidated financial statements.

	2024 (Rupees '000)	2023 (Rupees '000)
31.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods.	9,694,785	7,008,593
31.2 Commitments		
Under letters of credit for:		
Capital expenditure	3,107,762	2,053,832
Raw materials	3,385,803	3,793,848
Stores and spares	65,948	349,329
	6,559,513	6,197,009

31.2.1 The total limits available to the Company for letters of credit - Sight/Usance from all the banks are amounting to Rs. 25,950 million, out of which Rs. 13,550 are available as stand alone limits and Rs. 12,400 million can be availed under sublimits of short term borrowings. Letter of Credit - Sights are secured against lien over valid import documents, whereas the Letter of Credit - Usance are also secured against cumulative 1st JPP charge as mentioned in note 29.1 of these unconsolidated financial statements and lien on import documents.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
32.	NET SALES			
	Export sales	32.1	148,765,593	112,942,064
	Local sales		8,522,195	7,776,228
			157,287,788	120,718,292
	Less:			
	Sales discount		(344,673)	(377,444)
	Sales tax		(814,250)	(1,140,555)
			(1,158,923)	(1,517,999)
			156,128,865	119,200,293

32.1 It includes exchange (loss)/gain amounting to Rs. (742.727) million (2023: Rs. 8,409.697 million).

32.2 Revenue is disaggregated based on geographical locations of our customers. The same is disclosed in note - 47.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
33.	COST OF SALES			
	Raw material consumed	33.1	68,214,884	48,461,949
	Stores and spares consumed	33.2	3,440,277	2,317,762
	Knitting, processing and packing charges		3,332,674	1,445,253
	Salaries, wages and benefits	33.3	23,642,444	16,541,929
	Staff retirement gratuity	26.1.3	2,401,355	1,423,493
	Fuel and power		8,898,497	6,088,391
	Repairs and maintenance		901,848	671,504
	Insurance		164,607	109,195
	Depreciation	6.1.2	3,753,104	2,786,041
	Depreciation on right of use assets	6.3.1	89,293	70,635
	Amortization	7.2	–	666
	Rent, rate and taxes		52,114	110,707
	Other manufacturing costs		311,113	218,021
			115,202,210	80,245,546
	Work in process			
	Opening balance		3,124,698	2,592,821
	Closing balance		(4,466,813)	(3,124,698)
			(1,342,115)	(531,877)
	Cost of goods manufactured		113,860,095	79,713,669
	Finished goods			
	Opening balance		5,993,436	5,607,688
	Closing balance		(7,268,849)	(5,993,436)
			(1,275,413)	(385,748)
			112,584,682	79,327,921

33.1 Raw material consumed

		2024 (Rupees '000)	2023 (Rupees '000)
Opening balance		10,610,676	14,941,539
Purchases		72,277,672	44,131,086
		82,888,348	59,072,625
Closing balance		(14,673,464)	(10,610,676)
		68,214,884	48,461,949

		2024 (Rupees '000)	2023 (Rupees '000)
33.2	**Stores and spares consumed**		
	Opening balance	2,490,975	1,866,417
	Purchases	4,133,727	2,942,320
		6,624,702	4,808,737
	Closing balance	(3,184,425)	(2,490,975)
		3,440,277	2,317,762

33.3 Salaries, wages and benefits include Rs. 16.967 million (2023: Rs. 14.208 million) in respect of the provident fund contribution.

34. DISTRIBUTION COST

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Staff salaries and benefits	34.1	952,896	615,340
Staff retirement gratuity	26.1.3	60,518	34,056
Sea and air freight		507,220	288,454
Shipping expenses		1,589,152	1,353,067
Selling commission		1,815,048	1,124,247
Export development surcharge		374,646	290,817
Marketing and advertisement		328,311	246,583
		5,627,791	3,952,564

34.1 Staff salaries and benefits include Rs. 3.315 million (2023: Rs. 2.096 million) in respect of the provident fund contribution.

35. ADMINISTRATIVE EXPENSES

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Staff salaries and benefits	35.1 & 35.2	4,776,412	3,819,198
Directors' remuneration		145,179	96,927
Staff retirement gratuity	26.1.3	334,529	191,610
Postage and communication		66,065	49,200
Electricity, gas and water		102,723	49,622
Rent, rates and taxes		585,827	331,994
Printing and stationery		244,933	173,231
Travelling and conveyance		194,357	187,857
Vehicles running and maintenance		74,734	64,570
Legal and professional charges		892,302	330,607
Repairs and maintenance		42,042	48,411
Auditors' remuneration	35.3	10,055	7,304
Insurance		36,001	28,168
Entertainment		295,897	167,518
Advertisement		3,276	2,418
Newspapers and periodicals		450	754
Depreciation	6.1.2	567,273	427,703
Depreciation on right of use assets	6.3.1	6,208	26,042
Amortization	7.2	73,273	61,539
Others		131,232	180,697
		8,582,768	6,245,370

35.1 Staff salaries and benefits include Rs. 17.328 million (2023: Rs. 13.673 million) in respect of the provident fund contribution.

35.2 Staff salaries and benefits include Rs. 4.187 million (2023: Rs. 6.968 million) in respect of employees' share option compensation expense.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
35.3 Auditors' remuneration			
Annual audit fee		7,875	5,775
Other certification		105	79
Half yearly review		1,575	1,050
Out of pocket expenses		500	400
		10,055	7,304
36. OTHER OPERATING EXPENSES			
Exchange loss - net		20,769	–
Loss on disposal of non current assets	36.1	32,659	49,143
Balances written off		–	14,995
Provision for obsolete inventory	13	48,274	–
Realized loss on derivative financial instruments		–	274,060
Charity and donations	36.2	632,546	791,829
Workers' profit participation fund	27.5	943,788	1,150,770
Workers' welfare fund		363,416	440,487
		2,041,452	2,721,284
36.1 Loss on disposal of non current assets			
Loss on disposal of operating fixed assets		32,904	49,143
Gain on disposal of right of use assets		(245)	–
		32,659	49,143

36.2 Charity and donations include the following;

Names of donees' in which a director or his spouse has an interest:

Name of Donee	Interest in Donee	Name of Director / Spouse	2024 (Rupees '000)	2023 (Rupees '000)
Interloop Welfare Trust	Trustees	Mr. Navid Fazil Mr. Musadaq Zulqarnain Mrs. Shereen Aftab Mr. Jahanzeb Khan Banth Mr. Muhammad Maqsood	588,107	356,227
Lyallpur Literary Council	Trustees	Mr. Musadaq Zulqarnain Mrs. Nazia Navid	8,000	3,500
			596,107	359,727

		Note	2024 (Rupees '000)	2023 (Rupees '000)
37.	**OTHER INCOME**			
	Income from financial assets			
	Dividend income		19,794	–
	Exchange gain - net		–	41,197
	Realized gain on derivative financial instruments		442,679	–
	Unrealized gain on derivative financial instruments		59,248	21,672
	Profit on term finance certificates (TFCs)		118,072	95,030
	Income from non-financial assets			
	Scrap sales		538	338
			640,331	158,237
38.	**FINANCE COST**			
	Mark up on:			
	Short term borrowings		8,083,365	3,894,317
	Long term financing - net		1,467,703	1,199,465
	Interest on workers' profit participation fund	27.5	30,484	26,689
	Interest on lease liabilities		32,070	16,158
	Bank charges and commission		511,532	390,907
			10,125,154	5,527,536
39.	**FINAL TAXATION**			
	Current year	39.1	2,018,512	1,538,962
	Prior year		27,699	(164,015)
			2,046,211	1,374,947

39.1 This represents final tax under section 154 and 150 of the Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
40.	**INCOME TAX**			
	Current	40.1	46,048	37,062
	Deferred		(56,177)	–
			(10,129)	37,062

40.1 The provision for current income tax is made on taxable income on TFCs at standard rate of 29% and related super tax at the rate of 10%, applicable for the Companies, under the provision of the Income Tax Ordinance, 2001.

40.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in statement of profit or loss is as follows

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Current tax liability for the year as per applicable tax laws	40.2.1	2,064,560	1,576,024
Current tax liability as per tax laws, representing income tax under IAS 12	40	(46,048)	(37,062)
Current tax liability as per tax laws, representing levies in terms of requirements of IFRIC 21/IAS 37	39	(2,018,512)	(1,538,962)
		–	–

40.2.1 The aggregate of final tax and income tax, amounting to Rs. 2,064.560 million represents tax liability of the Company calculated in terms of provision of the Income Tax Ordinance, 2001.

40.3 The relationship between tax expense and accounting profit is not practicable to disclose as almost all the income of the Company except profit on short term investments falls under the ambit of presumptive tax regime.

	2024	2023
41. EARNINGS PER SHARE - BASIC AND DILUTED		
41.1 Earnings per share - Basic		
Profit for the year (Rupees in '000)	15,771,267	20,171,846
Weighted average number of ordinary shares outstanding during the year (Numbers in'000)	1,401,562	1,401,447
Earnings per share - basic (Rupees)	11.25	14.39

41.2 Earnings per share - Diluted

No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

42. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Balance as on July 01, 2023	Non Cash Changes	Cash Flows	Balance as on June 30, 2024
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,014,469	–	2,626	14,017,095
Capital reserve - share premium	3,143,605	1,036	14,093	3,158,734
Long term financing	17,288,082	35,186	1,594,094	18,917,362
Lease liabilities	128,935	266,440	(120,659)	274,716
Short term borrowings	42,148,912	–	7,754,659	49,903,571
Unclaimed dividend	4,074	5,606,313	(5,607,310)	3,077
	76,728,077	5,908,975	3,637,503	86,274,555

	Balance as on July 01, 2022	Non Cash Changes	Cash Flows	Balance as on June 30, 2023
	(Rupees '000)			
Issued, subscribed and paid up share capital	8,983,635	5,030,834	–	14,014,469
Capital reserve - share premium	3,528,149	(359,345)	(25,199)	3,143,605
Long term financing	16,226,103	41,291	1,020,688	17,288,082
Lease liabilities	166,659	81,892	(119,616)	128,935
Short term borrowings	35,007,908	–	7,141,004	42,148,912
Unclaimed dividend	3,006	4,599,621	(4,598,553)	4,074
	63,915,460	9,394,293	3,418,324	76,728,077

	2024	2023
43. NUMBER OF EMPLOYEES		
Average number of employees during the year	32,537	31,794
Number of employees at end of the year	34,736	30,774

		Note	2024 (Rupees '000)	2023 (Rupees '000)
44.	SHARIAH SCREENING DISCLOSURE			
	Loans/advances as per Islamic mode			
	Loans	24, 26.2 & 29	25,599,555	23,221,346
	Shariah compliant bank deposits/bank balances			
	Bank balances		59,325	241,711
	Revenue earned from a shariah compliant business		156,128,865	119,200,293
	Mark up on Islamic mode of financing		(4,097,945)	(2,357,214)
	Exchange gain earned		–	41,197
	Realized gain on derivative financial instruments		442,679	–
	Dividend income		19,794	–
	Profits or interest on any conventional loan or advance			
	Profit on term finance certificates (TFCs)		118,072	95,030
	Interest on workers' profit participation fund		(30,484)	(26,689)
	Interest on lease liabilities		(32,070)	(16,158)
	Interest on other conventional loans		(5,453,123)	(2,736,568)

Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
MCB Islamic Bank	Bank Balance, long term financing and short term borrowing
Allied Bank Limited (Islamic Banking)	Bank balance and long term financing
Meezan Bank Limited	Bank Balance, long term financing and short term borrowing
Bank Alfalah Limited (Islamic)	Bank Balance and short term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank Balance and short term borrowing
Habib Bank Limited (Islamic Banking)	Bank Balance, long term financing and short term borrowing
Faysal Bank Limited	Bank Balance, long term financing and short term borrowing
United Bank Limited - Ameen	Bank Balance and short term borrowing

45. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	48,060	66,691	2,754,136
Directorship fee	–	20,900	–
Reimbursable expenses	–	–	546,252
Bonus	–	–	279,381
Staff retirement gratuity	–	–	128,856
Contribution to provident fund	–	–	28,938
Other allowances	–	9,528	344,764
	48,060	97,119	4,082,327
Number of persons	1	8	640

	2023		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	40,050	41,157	1,879,130
Directorship fee	–	15,410	–
Reimbursable expenses	–	–	386,708
Staff retirement gratuity	–	–	81,619
Contribution to provident fund	–	–	19,916
Other allowances	–	310	243,390
	40,050	56,877	2,610,763
Number of persons	1	6	442

The chief executive officer, executive director and some executives are provided with company maintained cars.

46. TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under the relevant notes to the unconsolidated financial statements. Remuneration to directors and key management personnel is disclosed in note 45. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated financial statements are as follows:

Name	Nature of transaction	2024 (Rupees '000)	2023 (Rupees '000)
Interloop Holdings (Pvt) Limited	Services received	264,908	217,136
	Purchase of assets - net	8,275	9,847
	Gratuity transferred	2,601	–
Texlan Center (Pvt) Limited	Sale of yarn	2,852,716	2,339,816
	Sale of packing material	122,989	90,597
Momentum Logistics (Pvt) Limited	Services received	1,204,122	593,331
PrintKraft (Pvt) Limited	Purchase of packing material	731,832	520,246
	Sale of asset	–	4,130
Octans Digital (Pvt) Limited	Services received	220,965	31,549
	Purchase of assets	46	–
Socks & Socks (Pvt) Limited	Purchase of goods and services - net	33,776	–
	Purchase of assets	838,935	–
	Sale of goods - net	–	124,252
Interloop Europe	Sale of socks	952,990	858,108
ILNA Inc. USA	Services received	1,523,745	–
Zhejiang Top Circle Textiles Co., Ltd	Services received	547,400	–
Top Circle Hosiery Mills Co., Inc.	Dividend income	19,794	–
Interloop Provident Fund Trust	Contribution to the fund	101,346	80,703
Key management personnel and other related parties	Sale of assets	17,550	3,446
	Repayment of housing finance loan	4,616	4,616
	Mark up on house building finance loan	444	188
	Rent expenses	1,712	1,556
	Dividend paid	4,739,070	3,912,939

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
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46.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Interloop Holdings (Pvt) Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Interloop Dairies Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Texlan Center (Pvt) Limited	Associate	Common Directors	Dagonna Road, Minuwangoda, Sri Lanka.
Momentum Logistics (Pvt) Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
PrintKraft (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Shifa Medical Center Islamabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
IRC Dairy products (Pvt) Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Global Veneer Trading Limited	Associate	Common Directors	Bahnhofasteasse22, 6300 Zug, Switzerland.
Interloop Europe	Associate	Subsidiary of Associate	Constructieweg 1, 7451 PS Holten, Netherlands.
IL Bangla Limited	Associate	Common Directors	House # 267, Road # 19, New DOHS Mohakhali, Dhaka.
Interloop Welfare Trust	Trustee	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Interloop Provident Fund Trust	Trustee	Post Employment Benefit Plan	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Octans Digital (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Shifa National Hospital Faisalabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Lyallpur Literary Council	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Socks & Socks (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Interloop Asset Management Limited	Associate	Common Directors	205, Second Floor, The Forum, Clifton Block 9, Khayaban-e-Roomi, Karachi, Pakistan
Top Circle Hosiery Mills Co., Inc.	Subsidiary	64% Shareholdings	329 Franklin St. Weissport,PA, USA.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Shanghai Haolu Trading Co., Limited	Subsidiary	Subsidiary of Subsidiary	Room 808, Pulian Building, No. 98, Rushan Road, Pilot (Shanghai) Free Trading Zone, China.
Pinghu Top Circle Knitting Co., Limited	Subsidiary	Subsidiary of Subsidiary	Southwest side of the third floor, Building 6, No. 671, Xingping 4th Floor, Zhongdai Street, Pinghou City, Jiaxing City, Zhejiang Province, China.
Zhejiang Top Circle Textiles Co., Limited	Subsidiary	Subsidiary of Subsidiary	2nd and 3rd Floors, Northeast Side of Workshop 6, No. 671, Xingping 4th Road,Pinghu Economic and Technological Development Zone, Jiaxing City, Zhejiang Province, China.
Shanghai Chenzhou Industry Co. Limited	Subsidiary	Subsidiary of Subsidiary	Room 3412, No. 800, Quyang Road, Hongkou District, Shanghai, China.
Haolu Trading USA Co., Inc.	Subsidiary	Subsidiary of Subsidiary	329 Franklin St. Weissport, PA, USA.

47. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Based on internal management reporting structure and products produced and sold, the Company is organized into the following operating segments :

a) Hosiery

This segment relates to the sale of socks.

b) Spinning

This segment relates to the sale of yarn and its in-house use.

c) Denim

This segment relates to the sale of denim products and garments.

d) Apparel

This segment relates to the sale of fashion apparels.

e) Other operating segments

These represent various segments of the Company which currently do not meet the minimum reporting threshold mentioned in International financial reporting standards 'Operating Segments' (IFRS 8). These mainly include energy, yarn dyeing and active wear.

47.1 Segment information

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of Intersegment Transactions		Total Company	
	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023
Net sales														
External sales	117,913,274	89,387,698	8,032,795	7,949,083	15,677,548	12,650,763	13,012,020	6,887,701	1,493,228	2,325,049	–	–	156,128,865	119,200,293
Intersegment sales	21,662	227,203	12,374,320	8,516,303	13,689	18,251	58,447	7,896	13,658,814	8,132,873	(26,126,932)	(16,902,526)	–	–
	117,934,936	89,614,901	20,407,115	16,465,386	15,691,237	12,669,014	13,070,467	6,895,597	15,152,042	10,457,922	(26,126,932)	(16,902,526)	156,128,865	119,200,293
Cost of sales	(76,295,767)	(53,266,571)	(18,579,123)	(15,599,713)	(14,740,002)	(10,992,135)	(15,517,733)	(6,560,088)	(13,578,989)	(9,811,940)	26,126,932	16,902,526	(112,584,682)	(79,327,921)
Gross profit/(loss)	41,639,169	36,348,330	1,827,992	865,673	951,235	1,676,879	(2,447,266)	335,509	1,573,053	645,982	–	–	43,544,183	39,872,372
Distribution cost	(3,789,851)	(2,929,377)	(112,517)	(93,512)	(886,624)	(570,299)	(738,250)	(277,207)	(100,549)	(82,169)	–	–	(5,627,791)	(3,952,564)
Administrative expenses	(6,639,030)	(4,991,701)	(177,332)	(115,680)	(616,460)	(607,658)	(1,037,869)	(456,552)	(112,077)	(73,779)	–	–	(8,582,768)	(6,245,370)
	(10,428,881)	(7,921,078)	(289,849)	(209,192)	(1,503,084)	(1,177,957)	(1,776,119)	(733,759)	(212,626)	(155,948)	–	–	(14,210,559)	(10,197,934)
Profit/(loss) before taxation and unallocated income and expenses	31,210,288	28,427,252	1,538,143	656,481	(551,849)	498,922	(4,223,385)	(398,250)	1,360,427	490,034	–	–	29,333,624	29,674,438
Other operating expenses													(2,041,452)	(2,721,284)
Other income													640,331	158,237
Finance cost													(10,125,154)	(5,527,536)
Final taxation													(2,046,211)	(1,374,947)
Income tax													10,129	(37,062)
Profit after taxation													15,771,267	20,171,846
Depreciation and amortization	2,027,235	1,812,857	191,956	208,968	523,200	564,556	1,104,576	336,074	642,184	450,171	–	–	4,489,151	3,372,626

47.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Apparel		Other Segments		Unallocated		Total Company	
	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023
Assets	68,320,454	59,567,351	7,715,957	8,161,674	14,943,787	11,484,774	40,347,253	29,557,715	10,528,827	9,583,087	9,817,899	6,890,119	151,674,177	125,244,720
Liabilities	37,158,345	32,026,395	763,164	754,830	2,504,924	1,486,894	3,945,324	1,700,797	1,174,065	1,490,469	52,595,880	43,978,929	98,141,702	81,438,314
Segment Capital Expenditures	5,890,310	4,392,466	43,815	30,854	255,019	170,109	5,725,436	19,551,142	1,736,241	3,381,658	–	–	13,650,821	27,526,229

47.3 Geographical information

47.3.1 The Company's revenue from external customers by geographical locations is detailed below:

	2024	2023
Australia	75,702	444,108
Asia	8,875,939	11,708,565
Europe	61,222,617	44,414,349
United States	78,246,662	55,997,598
Pakistan	7,707,945	6,635,673
	156,128,865	119,200,293

47.3.2 All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

47.4 The Company earns its revenue from a large mix of customers.

		UOM	2024 (Figures in '000)	2023 (Figures in '000)
48.	**PLANT CAPACITY AND ACTUAL PRODUCTION**			
	Hosiery			
	Installed capacity - knitting	[DZN]	72,724	71,819
	Actual production - knitting	[DZN]	59,958	50,067
	Spinning			
	Installed capacity after conversion into 20/s	[LBS]	31,377	31,377
	Actual production after conversion into 20/s	[LBS]	28,729	25,756
	Yarn Dyeing			
	Installed capacity	[KGs]	6,407	6,284
	Actual production	[KGs]	4,934	4,480
	Denim			
	Installed capacity	[Pieces]	6,975	6,000
	Actual production	[Pieces]	6,116	4,233

Active Wear and Apparel

The plant capacity of these divisions is indeterminable due to multi product plans involving varying processes of manufacturing and run length of order lots.

48.1 The actual production is planned to meet the internal demand and orders in hand.

49. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2024							
	Carrying Amount				Fair Value			
	Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
	(Rupees '000)							
On balance sheet financial instruments								
Financial assets measured at fair value								
Derivative financial instruments	59,248	–	–	59,248	–	59,248	–	59,248
Financial assets not measured at fair value								
Long term loans	–	176,873	–	176,873	–	–	–	–
Long term deposits	–	89,451	–	89,451	–	–	–	–
Trade debts	–	41,193,604	–	41,193,604	–	–	–	–
Loans and advances	–	224,219	–	224,219	–	–	–	–
Other receivables	–	73,786	–	73,786	–	–	–	–
Accrued income	–	1,497	–	1,497	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	370,386	370,386	–	–	–	–
	59,248	42,259,430	370,386	42,689,064	–	59,248	–	59,248
Financial liabilities measured at fair value	–	–	–	–	–	–	–	–
Financial liabilities not measured at fair value								
Long term financing	–	18,917,362	–	18,917,362	–	–	–	–
Lease liabilities	–	274,716	–	274,716	–	–	–	–
Trade and other payables	–	12,922,259	–	12,922,259	–	–	–	–
Unclaimed dividend	–	3,077	–	3,077	–	–	–	–
Accrued mark up	–	2,689,232	–	2,689,232	–	–	–	–
Short term borrowings	–	49,903,571	–	49,903,571	–	–	–	–
	–	84,710,217	–	84,710,217	–	–	–	–

	2023							
	Carrying Amount				Fair Value			
	Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
	(Rupees '000)							
On balance sheet financial instruments								
Financial assets measured at fair value								
Derivative financial instruments	21,672	–	–	21,672	–	21,672	–	21,672
Financial assets not measured at fair value								
Long term loans	–	147,858	–	147,858	–	–	–	–
Long term deposits	–	81,701	–	81,701	–	–	–	–
Trade debts	–	34,138,665	–	34,138,665	–	–	–	–
Loans and advances	–	202,458	–	202,458	–	–	–	–
Other receivables	–	165,736	–	165,736	–	–	–	–
Accrued income	–	1,623	–	1,623	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	1,544,502	1,544,502	–	–	–	–
	21,672	35,238,041	1,544,502	36,804,215	–	21,672	–	21,672
Financial liabilities measured at fair value	–	–	–	–	–	–	–	–
Financial liabilities not measured at fair value								
Long term financing	–	17,288,082	–	17,288,082	–	–	–	–
Lease liabilities	–	128,935	–	128,935	–	–	–	–
Trade and other payables	–	9,364,540	–	9,364,540	–	–	–	–
Unclaimed dividend	–	4,074	–	4,074	–	–	–	–
Accrued mark up	–	1,830,013	–	1,830,013	–	–	–	–
Short term borrowings	–	42,148,912	–	42,148,912	–	–	–	–
	–	70,764,556	–	70,764,556	–	–	–	–

50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

50.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2024 and 2023.

50.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investments in term finance certificates, long term and short term loans, lease liabilities, short term borrowings and long term financing.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
Fixed rate instruments		
Long term financing - Secured	8,473,992	9,399,274
Lease liabilities against right of use assets	274,716	128,935
Short term borrowings - Secured	43,108,930	34,151,278
Variable rate instruments		
Short term investments	500,000	500,000
Loan to director - Secured	1,153	5,769
Long term financing from financial institutions - Secured	10,443,370	7,888,808
Short term borrowings from financial institutions - Secured	6,794,641	7,997,634

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect statement of profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates of 1%, with all other variables held constant, of the Company's profit before tax. The analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting date were outstanding for the whole year.

	2024 (Rupees '000)	2023 (Rupees '000)
Effect on profit and (loss) of an increase in interest rate for short term investments	4,655	4,655
Effect on profit and (loss) of an increase in interest rate for loan to director	11	54
Effect on profit and (loss) of an increase in interest rate for long term financing	(97,228)	(73,445)
Effect on profit and (loss) of an increase in interest rate for short term borrowings	(63,258)	(74,458)
	(155,820)	(143,194)

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

50.1.2 Currency risk / Foreign Exchange risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument, will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

Exposure to Currency Risk

The Company's exposure to currency risk is restricted to the amounts receivable from/payable to the foreign entities and bank balances which are denominated in currency other than the functional currency of the Company. The Company's exposure to currency risk is as follows:

Particulars	Currency	2024 F.Currency	2024 Rupees (Amount '000)	2023 F.Currency	2023 Rupees (Amount '000)
Foreign currency bank accounts	US $	1,122.60	309,300	5,120.84	1,467,937
	EUR €	–	–	0.05	15
			309,300		1,467,952
Trade debts	US $	140,794.83	39,183,202	114,570.09	32,835,788
	EUR €	1,086.01	323,500	–	–
			39,506,702		32,835,788
			39,816,002		34,303,740
Less: Payables - Creditors	US $	(2,086.65)	(581,758)	(479.89)	(137,776)
	EUR €	(135.05)	(40,299)	(308.51)	(96,957)
	GBP £	–	–	(29.69)	(10,849)
			(622,057)		(245,581)
On Balance sheet Exposure			39,193,945		34,058,159
Under letter of credit	US $	9,307.05	2,594,806	13,049.81	3,743,337
	EUR €	7,235.19	2,159,053	2,931.25	920,398
	GBP £	39.30	13,828	291.12	106,283
	JPY ¥	46,834.50	81,047	–	–
	CHF	1,500.00	464,565	53.86	17,267
Off Balance Sheet Exposure			5,313,299		4,787,285

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2024 Selling (Rupees)	2024 Buying (Rupees)	2023 Selling (Rupees)	2023 Buying (Rupees)
US $	278.80	278.30	287.10	286.60
EUR €	298.41	297.88	314.27	313.72
GBP £	351.85	351.22	365.40	364.77
JPY ¥	1.73	1.73	2.00	2.00
CHF	309.71	309.16	320.90	320.34

Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 10% against the foreign currencies with all other variables held constant, the profit before taxation would have increased / (decreased) for the year 2024 and 2023 by the following amounts:

	2024 (Rupees '000)	2023 (Rupees '000)
Foreign Currency		
US $	3,622,590	3,180,850
EUR €	26,366	(9,025)
GBP £	–	(1,010)
	3,648,956	3,170,815

A 10% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

50.1.3 Other price risk:

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant other price risk.

50.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows :

	2024 (Rupees '000)	2023 (Rupees '000)
Long term loans	176,873	147,858
Long term deposits	89,451	81,701
Trade debts	41,193,604	34,138,665
Loans and advances	224,219	202,458
Other receivables	73,786	165,736
Accrued income	1,497	1,623
Short term investments	500,000	500,000
Bank balances	344,506	1,528,925
	42,603,936	36,766,966

Loans and advances consist of loans to employees and director. Loans to employees and director are secured against their retirement benefits. Therefore, the Company is not exposed to any significant credit risk on these loans and advances.

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

Trade debts amounting to Rs. 18,318 million (2023: Rs. 14,503 million) out of total debts are secured against letters of credit and insured contract. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Company is not exposed to any significant credit risk.

Other receivables constitute mainly subsidy on gas and receivable from custom authorities. Considering the financial position of and credit quality of the institution, the Company's exposure to credit risk is not significant.

The Company has no material expected credit loss or impairment allowance at the year end regarding trade debts and other receivables.

Short term investments are investments in TFCs. The credit risk on these investments and their accrued profit is limited because counter party is bank with reasonably high credit ratings.

The credit quality of the Company's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Allied Bank Limited	24-Jun-24	AAA	A1+	Stable	PACRA
Askari Bank Limited	24-Jun-24	AA+	A1+	Stable	PACRA
Bank Alfalah Limited	28-Jun-24	AAA	A1+	Stable	PACRA
Faysal Bank Limited	24-Jun-24	AA	A1+	Stable	PACRA
Habib Bank Limited	28-Jun-24	AAA	A-1+	Stable	JCR-VIS
Habib Metropolitan Bank Limited	24-Jun-24	AA+	A1+	Stable	PACRA
MCB Bank Limited	22-Jun-24	AAA	A1+	Stable	PACRA
MCB Islamic Bank Limited	25-Jun-24	A+	A1	Stable	PACRA
Meezan Bank Limited	28-Jun-24	AAA	A-1+	Stable	JCR-VIS
National Bank of Pakistan	22-Jun-24	AAA	A1+	Stable	PACRA
Standard Chartered Bank (Pakistan) Limited	22-Jun-24	AAA	A1+	Stable	PACRA
The Bank of Punjab	15-Apr-24	AA+	A1+	Stable	PACRA
United Bank Limited	26-Jun-24	AAA	A-1+	Stable	JCR-VIS

Due to the Company's long standing relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the risk is minimal.

50.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2024 the Company has Rs. 26,596 million (2023: Rs. 20,847 million) unutilized borrowing limits available from financial institutions and Rs. 370.386 million (2023: Rs. 1,544.502 million) cash and bank balances. The management believes that the Company is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2024 and 2023:

	2024				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
Financial Liabilities :					
Long term financing	18,917,362	27,389,598	4,810,932	15,384,133	7,194,533
Lease liabilities	274,716	353,028	118,223	234,805	–
Trade and other payables	12,922,259	12,922,259	12,922,259	–	–
Unclaimed dividend	3,077	3,077	3,077	–	–
Accrued mark up	2,689,232	2,689,232	2,689,232	–	–
Short term borrowings	49,903,571	49,903,571	49,903,571	–	–
	84,710,217	93,260,765	70,447,294	15,618,938	7,194,533

	2023				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
Financial Liabilities :					
Long term financing	17,288,082	24,772,160	3,725,244	13,422,690	7,624,226
Lease liabilities	128,935	139,410	79,501	59,909	–
Trade and other payables	9,364,540	9,364,540	9,364,540	–	–
Unclaimed dividend	4,074	4,074	4,074	–	–
Accrued mark up	1,830,013	1,830,013	1,830,013	–	–
Short term borrowings	42,148,912	42,148,912	42,148,912	–	–
	70,764,556	78,259,109	57,152,284	13,482,599	7,624,226

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 24, 25 and 29 to these unconsolidated financial statements.

50.4 Capital risk management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of debt to equity ratio, calculated on the basis of total debt to equity.

	2024 (Rupees '000)	2023 (Rupees '000)
Long term financing	18,917,362	17,288,082
Short term borrowings	49,903,571	42,148,912
Debts	68,820,933	59,436,994
Equity	53,532,475	43,806,406
Total capital (equity + debt)	122,353,408	103,243,400
Gearing ratio (percentage)	56.25	57.57

51. EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on September 26, 2024 have proposed a final cash dividend of Rs. 2.5 per share (2023: Rs. 2 per share), amounting to Rs. 3,504.27 million (2023: Rs. 2,802.89 million), for approval of the members at the Annual General Meeting of the Company.

52. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on September 26, 2024 by the Board of Directors of the Company.

53. GENERAL

53.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. However, during the year following reclassifications are made in the corresponding figures.

Particulars	From	To	2023 (Rupees '000)
Final taxes	Income tax	Final taxation	1,538,962
Prior year tax adjustment	Income tax	Final taxation	(164,015)

53.2 Following nomenclature has been changed during the year

Previous year nomenclature	Current year nomenclature
Taxation	Income tax

53.3 Rounding

Figures have been rounded off to the nearest thousand of rupees.

Chief Executive Officer	Director	Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERLOOP LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Interloop Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at June 30, 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements comprising material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	**Borrowings:** (Refer notes 26, 28.2 and 31 to the consolidated financial statements)	
	The Group has significant amounts of borrowings from Banks and other financial institutions amounting to Rs. 69.480 billion, being 70.07% of total liabilities, as at reporting date. Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in consolidated financial statements and compliance with various loan covenants, this is considered to be a key audit matter.	Our audit procedures included: • Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate levels. • Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP. • Verification of repayments made by the Group during the year on sample basis to confirm that repayments are being made on time and no default has been made.

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
		• Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis. • Obtaining direct confirmations from Banks to confirm balances, terms & conditions stated in the facility offer letters and compliance thereof. • Performing analytical procedures, recalculations and other related procedures for verification of finance costs. • Ensuring that the outstanding liabilities have been properly classified and related securities and other terms are adequately disclosed in the consolidated financial statements.
2.	**Capital expenditures:** (Refer note 7 to the consolidated financial statements)	
	The Group is investing significant amounts in its operations and there is a number of areas where management's judgment impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among others the decision to capitalize costs; and review of useful life of the assets. The Group's material accounting policy information on operating fixed assets and capital work in progress are disclosed in notes – 6.1 and 6.2 to the consolidated financial statements. We focused on this area since the amounts have a significant impact on the financial position of the Group and there is significant management judgment required that has significant impact on the reporting of the financial position for the Group. Therefore, considered as one of the key audit matters.	Our audit procedures in relation to capitalization of property, plant and equipment, amongst others include the following: • Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system. • Testing, on sample basis, the costs incurred on projects with supporting documents and contracts. • Assessing the nature of costs incurred for capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards. • Checked the reasonableness of management's assessment of categories of assets and working of reclassification in categories of assets including impact of reclassification on both cost of assets and accumulated depreciation in each category. • Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including the calculation of related depreciation.

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
3.	**Inventory existence and valuation:** (Refer notes 13 and 14 to the consolidated financial statements)	
	The Group has significant levels of inventories amounting to Rs. 30.088 billion as at the reporting date, being 19.46% of the total assets of the Group. There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete. The Group's material accounting policy information on stores and spares and stock in trade are disclosed in notes – 6.5 and 6.6 to the consolidated financial statements. The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.	Our audit procedures over existence and valuation of inventory include, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management; • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets; • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice; • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and reperformed the calculation of the inventory write down, if any; • We also made enquiries of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
4.	**Revenue recognition:** (Refer note 34 to the consolidated financial statements)	
	We identified recognition of revenue of the Group as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. The Group earns revenue from multiple business lines which operate as distinct business segments with significant volume of revenue transactions. Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Group to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers. The Group's material accounting policy information on revenue recognition is disclosed in notes – 6.19 to the consolidated financial statements.	We performed a range of audit procedures in relation to revenue including the following: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period; • We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.

Information Other than the Consolidated Financial Statements and Auditors’ Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the unconsolidated financial statements, the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Syed Aftab Hameed - FCA.

Kreston Hyder Bhimji

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Date: September 26, 2024
Place: Faisalabad
UDIN: AR202410475m38Zc1I9z

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	69,601,770	58,650,853
Intangible assets	8	454,709	394,618
Long term investment	9	191,526	–
Long term loans	10	176,873	147,858
Long term deposits	11	89,451	81,701
Deferred taxation – net	12	349,849	–
		70,864,178	59,275,030
CURRENT ASSETS			
Stores and spares	13	3,184,425	2,490,975
Stock in trade	14	26,903,189	19,728,810
Trade debts	15	41,638,589	34,138,665
Loans and advances	16	1,937,369	2,112,755
Deposits, prepayments and other receivables	17	911,260	671,874
Derivative financial instruments		59,248	21,672
Accrued income	18	1,497	1,623
Refunds due from Government and statutory authorities	19	7,128,807	4,758,814
Short term investments	20	500,000	500,000
Cash and bank balances	21	1,510,910	1,544,502
		83,775,294	65,969,690
TOTAL ASSETS		154,639,472	125,244,720
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	22	50,000,000	15,000,000
Issued, subscribed and paid up share capital	23	14,017,095	14,014,469
Reserves	24	3,048,006	3,150,573
Unappropriated profit		37,096,363	26,641,364
Equity attributable to shareholders of Parent Company		54,161,464	43,806,406
Non – controlling interest	25	1,325,672	–
Total equity		55,487,136	43,806,406
NON CURRENT LIABILITIES			
Long term financing	26	16,194,813	15,348,901
Lease liabilities	27	190,965	57,011
Deferred liabilities	28	10,786,348	7,999,204
		27,172,126	23,405,116
CURRENT LIABILITIES			
Trade and other payables	29	16,010,051	12,003,908
Unclaimed dividend		3,077	4,074
Accrued mark up	30	2,689,751	1,830,013
Short term borrowings	31	50,439,844	42,148,912
Current portion of non current liabilities	32	2,837,487	2,046,291
		71,980,210	58,033,198
CONTINGENCIES AND COMMITMENTS	33	–	–
TOTAL EQUITY AND LIABILITIES		154,639,472	125,244,720

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Net sales	34	158,182,719	119,200,293
Cost of sales	35	(114,017,105)	(79,327,921)
Gross profit		44,165,614	39,872,372
Operating expenses			
Distribution cost	36	(5,814,125)	(3,952,564)
Administrative expenses	37	(9,092,940)	(6,245,370)
Other operating expenses	38	(2,138,230)	(2,721,284)
		(17,045,295)	(12,919,218)
Other income	39	670,831	158,237
Gain on acquisition of subsidiaries		857,304	–
Profit from operations		28,648,454	27,111,391
Finance cost	40	(10,156,373)	(5,527,536)
Profit before income tax and final taxes		18,492,081	21,583,855
Final taxation	41	(2,046,211)	(1,374,947)
Profit before income tax		16,445,870	20,208,908
Income tax	42	10,129	(37,062)
Profit for the year		16,455,999	20,171,846
Attributable to:			
Shareholders of Parent Company		16,510,984	20,171,846
Non – controlling interest		(54,985)	–
		16,455,999	20,171,846
Earnings per share – basic and diluted (Rupees)	43	11.78	14.39

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2024

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Profit for the year		16,455,999	20,171,846
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on remeasurement of post retirement benefits obligations	28.1.4	(753,756)	(1,687,858)
Related effect of deferred tax		293,965	–
		(459,791)	(1,687,858)
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		(173,013)	–
Total comprehensive income for the year		15,823,195	18,483,988
Attributable to:			
Shareholders of Parent Company		15,940,465	18,483,988
Non - controlling interest		(117,270)	–
		15,823,195	18,483,988

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2024

	Share Capital	Equity Attributable to Shareholders of Parent Company					Non - controlling Interest	Total
		Capital Reserves		Revenue Reserves		Sub total		
		Share Premium	Employee Share Option Compensation Reserve	Unappropriated Profit	Translation Reserve			
	(Rupees '000)							
Balance as at July 01, 2022	8,983,635	3,528,149	–	17,428,486	–	29,940,270	–	29,940,270
Profit for the year	–	–	–	20,171,846	–	20,171,846	–	20,171,846
Other comprehensive loss	–	–	–	(1,687,858)	–	(1,687,858)	–	(1,687,858)
Total comprehensive income for the year	–	–	–	18,483,988	–	18,483,988	–	18,483,988
Transaction cost on issuance of bonus shares	–	(25,199)	–	–	–	(25,199)	–	(25,199)
Employee share option scheme (ESOS)	–	–	6,968	–	–	6,968	–	6,968
Transactions with owners:								
Bonus shares issued during the year	5,030,834	(359,345)	–	(4,671,489)	–	–	–	–
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2022	–	–	–	(1,796,727)	–	(1,796,727)	–	(1,796,727)
Interim cash dividend @ Rs. 3 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	–	(2,802,894)	–	(2,802,894)
Balance as at June 30, 2023	14,014,469	3,143,605	6,968	26,641,364	–	43,806,406	–	43,806,406
Non – controlling interest on acquisition of subsidiaries	–	–	–	–	–	–	1,454,100	1,454,100
Profit for the year	–	–	–	16,510,984	–	16,510,984	(54,985)	16,455,999
Other comprehensive loss	–	–	–	(459,791)	(110,728)	(570,519)	(62,285)	(632,804)
Total comprehensive income for the year	–	–	–	16,051,193	(110,728)	15,940,465	(117,270)	15,823,195
Transaction cost on issuance of cash shares	–	(34)	–	–	–	(34)	–	(34)
Employee share option scheme (ESOS)	–	–	4,187	–	–	4,187	–	4,187
Forfeited share options	–	–	(10,119)	10,119	–	–	–	–
Transactions with owners:								
Shares issued under employee share option scheme	2,626	15,163	(1,036)	–	–	16,753	–	16,753
Final cash dividend @ Rs. 2 per share for the year ended June 30, 2023	–	–	–	(2,802,894)	–	(2,802,894)	–	(2,802,894)
Interim cash dividend @ Rs. 2 per share for the year ended June 30, 2024	–	–	–	(2,803,419)	–	(2,803,419)	(11,158)	(2,814,577)
Balance as at June 30, 2024	14,017,095	3,158,734	–	37,096,363	(110,728)	54,161,464	1,325,672	55,487,136

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2024

	2024 (Rupees '000)	2023 (Rupees '000)
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and final taxes	18,492,081	21,583,855
Adjustments for:		
Depreciation	4,464,195	3,213,744
Amortization	73,332	62,205
Depreciation on right of use assets	95,501	96,677
Workers' welfare fund	363,416	440,487
Workers' profit participation fund	943,788	1,150,770
Staff retirement gratuity	2,796,402	1,649,159
Employee share option compensation expense	4,187	6,968
Loss on disposal of non current assets	28,232	49,143
Exchange gain – net	(23,026)	(41,197)
Balances written off	–	14,995
Provision for obsolete inventory	48,274	–
Realized (gain)/loss on derivative financial instruments	(442,679)	274,060
Unrealized gain on derivative financial instruments	(59,248)	(21,672)
Gain on acquisition of subsidiaries	(857,304)	–
Profit on term finance certificates (TFCs)	(118,072)	(95,030)
Finance cost	10,156,373	5,527,536
Operating cash flows before working capital changes	35,965,452	33,911,700
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(693,450)	(624,558)
Stock in trade	(6,758,180)	3,413,238
Trade debts	(6,382,438)	(5,534,700)
Loans and advances	280,822	(427,178)
Deposits, prepayments and other receivables	906,842	326,617
Refunds due from Government and statutory authorities	(2,190,538)	(598,853)
Increase in current liabilities		
Trade and other payables	1,947,953	2,049,347
	(12,888,988)	(1,396,087)
Cash generated from operations	23,076,464	32,515,613
Finance cost paid	(9,234,081)	(4,357,365)
Income tax paid	(2,271,714)	(1,347,032)
Staff retirement gratuity paid	(734,428)	(351,023)
Workers' profit participation fund paid	(1,154,741)	(748,441)
Long term loans paid	(50,776)	(31,801)
Long term deposits (paid)/received	(7,750)	5,254
Settlement of derivative financial instruments	442,679	(274,060)
Exchange gain/(loss) – net	5,311	(52,957)
Net cash generated from operating activities	10,070,964	25,358,188

		2024 (Rupees '000)	2023 (Rupees '000)
b) CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in:			
Property, plant and equipment		(15,544,081)	(27,296,865)
Intangible assets		(133,423)	(229,364)
Proceeds from disposal of non current assets		155,735	82,564
Long term investments		200,257	–
Profit on term finance certificates (TFCs) received		118,198	94,536
Net cash used in investing activities		(15,203,315)	(27,349,129)
c) CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		3,568,165	10,895,588
Repayment of long term financing		(1,974,071)	(9,874,900)
Payment of lease rentals		(120,659)	(119,616)
Changes in short term borrowings – net		7,173,501	7,141,004
Share capital issued		2,626	–
Share premium net of transaction cost		14,093	(25,199)
Dividend paid		(5,618,468)	(4,598,553)
Net cash generated from financing activities		3,045,187	3,418,324
Net (decrease) / increase in cash and cash equivalents	(a+b+c)	(2,087,163)	1,427,383
Cash and cash equivalents at the beginning of the year		1,544,502	117,119
Cash and cash equivalents on acquisition of subsidiaries		2,053,571	–
Cash and cash equivalents at the end of the year		1,510,910	1,544,502

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2024

1. THE GROUP AND ITS OPERATIONS

The "Group" comprises of:

Interloop Limited - The Holding Company

Interloop Limited (the Holding Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Holding Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand Road, Lahore. The Holding Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Holding Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Holding Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

Top Circle Hosiery Mills Co., Inc. - The Subsidiary Company (Holding- 64% (2023: Nil))

Top Circle Hosiery Mills Co., Inc. was incorporated in 1992. The registered office of the company is situated at 329 Franklin St. Weissport, PA, USA and manufacturing facility is loacted in 800 Quyang Road, Shanghai, China. The principle business activity is manufacturing and trading of highest quality hosiery products. The company has 100% equity stake directly and indirectly in following companies;

- Shanghai Haolu Trading Co., Ltd
- Pinghu Top Circle Knitting Co., Ltd
- Zhejiang Top Circle Textiles Co., Ltd
- Shanghai Chenzhou Industry Co., Ltd
- Haolu Trading USA Co., Inc.

During the year Interloop Limited acquired investment in the share capital of Top Circle Hosiery Mills Co., Inc. as on November 29, 2023. Therefore, the financial effects, for the period from November 29, 2023 to June 30, 2024, relating to Top Circle Hosiery Mills Co., Inc. and its subsidiaries have been incorporated in these consolidated financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are 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 from the IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policy information notes. In these consolidated financial statements, all the transactions are recorded on actual basis except for the statement of cash flows.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupee which is also the Holding Company's functional currency.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and is deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

4. NEW AND REVISED STANDARDS, INTERPRETATIONS, PRONOUNCEMENTS AND APPLICATION GUIDANCES

4.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There are certain amendments to the accounting and reporting standards which became effective during the year and are adopted by the Group for the financial year beginning on July 01, 2023. However, these amendments do not have any significant impact on the Group's financial reporting, and therefore have not been presented in these consolidated financial statements, except for the following:

– **IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes', Issued by the Institute of Chartered Accountants of Pakistan (ICAP):**

  This guidance is issued in the context of provisions of Income Tax Ordinance, 2001 and should be applied by Companies obliged to use accounting and reporting standards as applicable in Pakistan. This application guidance describes the accounting treatment for minimum taxes and final taxes.

  Before the issuance of this guidance, minimum taxes and final taxes are accounted for and presented as income taxes within the scope of IAS 12, "Income Taxes". As required under this guidance, the minimum taxes and final taxes are not calculated on the 'taxable profits' as defined in IAS 12 but calculated on turnover or other basis (as per relevant sections of Income Tax Ordinance, 2001), it should be accounted for under IAS 37/IFRIC 21 as levies and not under IAS 12 as income taxes.

  The companies will apply the requirements of this guidance retrospectively which will result in reclassification of amounts previously classified as 'current income tax' in the statement of profit or loss to 'levy' and 'final taxes'.

  The application of this guidance has no impact on the measurement and recognition of income taxes under the provisions of the Income Tax Ordinance, 2001 except for the presentation of amounts into levy, final taxes and income tax in these consolidated financial statements.

4.2 Standards, interpretations and amendments to approved accounting standards that are issued but not yet effective and have not been early adopted by the Group

The following standards, amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below and have not been early adopted by the Group:

Standards	Standards, Interpretations and Amendments	Effective date (Annual periods beginning on or after)
IAS 1	'Presentation of financial statements', Classification of liabilities as current or non-current — (Amendments)	01 January 2024
IAS 7	'Statement of cash flows', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IAS 21	'The Effects of Changes in Foreign Exchange Rates', Lack of exchangeability — (Amendments)	01 January 2025
IFRS 7	'Financial instruments: Disclosures', Changes regarding supplier finance arrangements — (Amendments)	01 January 2024
IFRS 9	'Financial instruments: Disclosures', To address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 — (Amendments)	01 January 2026
IFRS 16	'Leases', Sale and Leaseback transactions — (Amendments)	01 January 2024
IFRS 17	'Insurance contracts'	01 January 2026

Further, the following new standards have been issued by IASB and ISSB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan:

Standard	
IFRS 1	First-time adoption of International Financial Reporting Standards
IFRS 18	Presentation and disclosure in financial statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
IFRS S1	General requirements for disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related disclosures

The management expects that the adoption of above standards and amendment will not have any material impact on the Group's consolidated financial statements except for presentation and disclosures.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements in conformity with the approved accounting standards require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Group's consolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

– Estimate of useful life of operating fixed assets - note 6.1
– Estimated useful life of intangible assets - note 6.3
– Impairment of non-financial assets - note 6.4

- Stores and spares - note 6.5
- Stock-in-trade - note 6.6
- Estimates for expected credit loss (ECL) of financial assets i.e. trade debts and other receivables- note 6.7
- Estimation used in right of use asset and corresponding lease liability - note 6.9
- Staff retirement benefits - note 6.11
- Provisions - note 6.16
- Contingencies - note 6.17
- Estimates as to expected value or most likely amount method for determination of variable consideration of transaction price - note 6.19
- Taxation - note 6.21
- Derivative financial instruments - note 6.26
- Impairment of Financial Assets - note 6.26

6. MATERIAL ACCOUNTING POLICY INFORMATION

The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from July 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the consolidated financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the consolidated financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

6.1 Operating fixed assets and depreciation

Operating fixed assets, except freehold land which is stated at cost, are stated at cost less accumulated depreciation and identified accumulated impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is calculated on reducing balance method at the rates stated in note - 7.1 of these consolidated financial statements. The useful life and residual value of major components of operating fixed assets are reviewed annually to determine that expectations are not significantly different from the previous estimates. Adjustment in depreciation rate for current and future periods is made if expectations are significantly different from the previous estimates. Depreciation is charged from the month when an asset becomes available for use, whereas no depreciation is charged in the month of its disposal.

Expenditure, which enhances or extends the performance of operating fixed assets beyond its original specification and its useful life, is recognized as a capital expenditure and is added to the cost of the relevant category of operating fixed assets. These are depreciated on reducing balance method at the rate mentioned in note - 7.1.

An item of operating fixed asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. The gain or loss arising on derecognition of an item of operating fixed asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of profit or loss.

6.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant category of property, plant and equipment as and when assets are available for its intended use.

6.3 Intangible assets - Computer software

Intangible assets are recognized if it is probable that future economic benefits attributable to the assets will flow to the Group and that the cost of such assets can be measured reliably. These are stated at cost less accumulated amortization and impairment, if any.

Costs that are directly associated with identifiable software and have probable economic benefits exceeding one year, are recognized as intangible asset at the time of initial recognition. Direct costs include the purchase cost of software, implementation cost and related overhead cost.

Expenditure, which enhances or extends the performance of computer software beyond its original specification and useful life, is recognized as a capital expenditure and added to the cost of the software.

Intangible assets are amortized using the reducing balance method at the rates given in note - 8.1 of these consolidated financial statements. Amortization on additions is charged from the month in which an intangible asset is available for use, while no amortization is charged for the month in which intangible asset is disposed off.

The carrying value of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount.

6.3.1 Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as development cost in intangible assets. Directly attributable costs that are capitalized as part of the software include advance payments for the software. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

6.4 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than stock in trade and stores & spares, are assessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is assessed at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized as expense in consolidated statement of profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

6.5 Stores and spares

Stores and spares are carried at moving average cost. Provision is made for slow moving and obsolete store items when so identified. Stores and spares held for capital expenditure are included in capital work in progress.

6.6 Stock-in-trade

These are stated at the lower of cost and net realizable value (NRV). The methods used for the calculation of cost are as follows:

Raw material - At factory	Moving average cost
- In transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods	Prime cost including a proportion of production overheads.

Wastes are valued at net realizable value.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable value. Net realizable value signifies the selling price in the ordinary course of business less costs necessary to be incurred to affect such sale.

6.7 Trade debts and other receivables

Trade debts are recognized and carried at the original invoice amounts, being the fair value, less allowance for expected credit losses, if any. For measurement of loss allowance for trade debts, the Group applies simplified approach to measure the expected credit losses as required by IFRS 9.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

6.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques in hand/cheques overdrawn, balances with banks and include short term highly liquid investments with original maturities of three months or less. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

6.9 Leases

Right of use assets

At inception, the Group assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Group obtains substantially all the economic benefits from the use of the asset and whether the Group has a right to direct the use of the asset. The Group recognizes right of use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation of RoU is charged to statement of profit or loss. Residual value and the useful life of an RoU are reviewed at least at each financial year-end and the impact on depreciation is adjusted in the statement of profit or loss. Depreciation on additions to RoU is charged from the month in which an asset is acquired, while no depreciation is charged for the month in which the asset is disposed off.

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The related payment obligations, net of finance costs are classified as current and long term liability depending upon the timing of the payment.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and leases of low value items.

6.10 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.11 Staff retirement benefits

The Group operates an unfunded gratuity scheme for all its employees (executives and non executives) and also a contributory provident fund for only executive employees of the Group. Executive employees of the Group can avail contributory provident fund along with 50% of their entitlement for gratuity.

(a) Defined Benefit Plan

The Group operates an un-funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in Note 28.1 of these consolidated financial statements.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees would have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of the benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in consolidated statement of profit or loss. Past service costs are immediately recognized in consolidated statement of profit or loss.

(b) Defined Contribution Plan

The Group also operates a contributory provident fund scheme for only executive staff of the Group for which contributions are charged to profit or loss as and when incurred.

Equal monthly contributions are made to the fund, both by the Group and the employees at the rate of 7.5% of the monthly basic pay. However, employees have the option to contribute more than 7.5% but not exceeding 12.5% of the basic pay subject to the written approval of the Board. The assets of the fund are held separately under the control of trustees.

(c) Compensated absences

The Group provides leave encashment benefit to its executive employees as per the Group policy. The executive employees are entitled to 14 days annual leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days, any un availed leaves over 28 days lapse. The Group has made provision against accumulated leaves of employees on the basis of last drawn salary.

6.12 Employees' Share Option Scheme (ESOS)

Equity settled share based payments to the employees are measured at fair value at grant date. The fair value determined at grant date of equity settled share based payments is recognized as an employee compensation expense on a straight line basis over the vesting period.

Fair value is measured using the Black-Scholes Pricing model. The expected life used in the model has been adjusted, based on the management's best estimate for the effects of exercise restrictions.

When a vested option lapses on expiry of exercise period. employee compensation expense already recognized in statement of profit and loss is transferred to unappropriated profit from employee share option compensation reserve in the statement of changes in equity.

When options are exercised, employee share option compensation reserve relating to these options is transferred to share capital and share premium. An amount equivalent to the face value of related shares is transferred to share capital. Any amount over and above the share capital is transferred to share premium.

6.13 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Group recognizes government grants when there is reasonable assurance that grants will be received and the Group will be able to comply with conditions associated with grants. Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is initially recognized and subsequently measured at its fair value in accordance with IFRS 9. The fair value of the loan would be the present value of loan proceeds received, discounted using prevailing market rate of mark-up for a similar instrument. The benefit of below-market mark-up (i.e. differential between the loan proceeds and fair value of the loan) is accounted for as deferred income - Government grant. In subsequent periods, the loan amount would be accreted by the amortized amount of Government grant. The accretion would increase the carrying value of the loan with a corresponding effect on the carrying value of Government grant. As per IFRS 9, the loan liability and related Government grant shall be derecognized when it is extinguished i.e., these amounts are paid-off.

6.14 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Group. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

6.15 Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

6.16 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

6.17 Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

6.18 Foreign currency translation

Transactions in foreign currency during the period are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency at the rate of exchange prevailing at the reporting date. All non-monetary assets and liabilities are translated into rupees at exchange rates prevailing on the date of transaction or on date when fair values are determined. Exchange differences are recognized in statement of profit or loss.

On consolidation, the assets and liabilities of foreign operations are translated into Pak Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average rates prevailing during the year. The exchange differences arising on translation for consolidation are recognized in consolidated other comprehensive income. On disposal of a foreign operation, the component of consolidated other comprehensive income relating to that particular foreign operation is recognized in the consolidated statement of profit or loss.

6.19 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Otherwise, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or

- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

b) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered.

c) Interest income

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

d) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

6.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to statement of profit or loss in the period of as and when incurred.

6.21 Taxation

Income tax

The charge for current income tax is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

The Group designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

Levies

The Group recognize the charge for minimum and final taxes, calculated under the provisions of the Income Tax Ordinance, 2001, as levies. The charge for levies are not based on 'taxable profit' as defined in IAS 12 but calculated on turnover or other basis as per provisions and applicable tax rates under minimum and final tax regime. The charge for levies also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax is charged or credited in the consolidated statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

6.22 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

6.23 Dividend

Dividend is recognized as a liability in the period in which it is declared. Movement in reserves is recognized in the year in which it is approved.

Final dividend distributions to the Group's shareholders are recognized as a liability in the consolidated financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General Meeting, while interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors.

6.24 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Group that makes the strategic decisions.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

6.25 Related party transactions

All transactions with related parties are carried out at arm's length prices. Each transaction is evaluated to be characterized as an "arm's length transaction" and approximated to the arm's length criteria using one of the following methodologies:

- Market-based pricing
- Negotiated pricing
- Cost-based pricing

6.26 Financial instruments:

6.26.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Group makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

A. Classification and measurement of financial assets

Investments and other financial assets

Classification:

The Group classifies its financial assets in the following measurement categories:

– those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

– those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement:

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other operating expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other operating expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other operating expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

B. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

C. Impairment

The Group record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

D. Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value, with all gains or losses, realized and unrealized, recognized in the statement of profit or loss.

6.26.2 Financial liabilities

A. Classification and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

ii) Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

B. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

6.26.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the consolidated financial statements when there is a legally enforceable right to set off and the Group intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	48,407,540	33,588,068
Capital work in progress	7.2	20,951,795	24,959,464
Right of use assets	7.3	242,435	103,321
		69,601,770	58,650,853

7.1 Operating fixed assets

2024													
Description	Cost						Depreciation					W.D.V	Rate %
	As on July 1, 2023	Transfer on acquisition of subsidiaries	Additions	Deletions	Exchange loss	As on June 30, 2024	As on July 1, 2023	Transfer on acquisition of subsidiaries	For the year	Adjustments	As on June 30, 2024	As on June 30, 2024	
	(Rupees '000)												
Owned													
Freehold land	2,651,715	8,374	25,240	-	(368)	2,684,961	-	-	-	-	-	2,684,961	-
Buildings on freehold land	11,121,222	1,190,388	8,638,517	(390)	(40,352)	20,909,385	4,250,473	252,688	1,211,275	(68)	5,714,368	15,195,017	10
Buildings on leasehold land	233,051	-	1,140	(8,380)	-	225,811	47,929	-	18,399	(3,844)	62,484	163,327	10
Plant and machinery	30,264,956	2,002,839	6,938,419	(197,169)	(40,043)	38,969,002	12,733,111	1,060,504	2,273,119	(162,834)	15,903,900	23,065,102	10
Tools and equipment	2,357,623	-	273,945	(4,837)	-	2,626,731	813,529	-	169,552	(2,227)	980,854	1,645,877	10
Office equipment	1,127,693	157,706	259,726	(20,973)	(828)	1,523,324	533,096	133,025	151,925	(12,567)	805,479	717,845	20
Electric installations	3,767,795	-	392,403	(5,344)	-	4,154,854	1,215,359	-	261,336	(2,558)	1,474,137	2,680,717	10
Furniture and fixtures	1,038,088	-	204,264	(12,388)	-	1,229,964	336,198	-	81,984	(7,325)	410,857	819,107	10
Vehicles	1,408,380	293,846	849,254	(272,778)	(2,283)	2,276,419	452,760	238,091	296,605	(146,624)	840,832	1,435,587	20
Total	53,970,523	3,653,153	17,582,908	(522,259)	(83,874)	74,600,451	20,382,455	1,684,308	4,464,195	(338,047)	26,192,911	48,407,540	

Description	Cost				Depreciation				W.D.V	Rate %
2023										
	As On July 1, 2022	Additions	Deletions	As on June 30, 2023	As on July 1, 2022	For the year	Adjustments	As on June 30, 2023	As on June 30, 2023	
	(Rupees '000)									
Owned										
Freehold land	2,564,800	86,915	–	2,651,715	–	–	–	–	2,651,715	–
Buildings on freehold land	9,251,024	1,906,308	(36,110)	11,121,222	3,613,930	641,280	(4,737)	4,250,473	6,870,749	10
Buildings on leasehold land	187,066	46,056	(71)	233,051	29,314	18,622	(7)	47,929	185,122	10
Plant and machinery	27,110,144	3,164,586	(9,774)	30,264,956	10,954,965	1,785,087	(6,941)	12,733,111	17,531,845	10
Tools and equipment	1,905,021	455,287	(2,685)	2,357,623	675,176	138,997	(644)	813,529	1,544,094	10
Office equipment	929,337	208,830	(10,474)	1,127,693	413,284	126,378	(6,566)	533,096	594,597	20
Electric installations	3,162,597	615,064	(9,866)	3,767,795	983,638	238,654	(6,933)	1,215,359	2,552,436	10
Furniture and fixtures	840,674	200,348	(2,934)	1,038,088	270,308	67,113	(1,223)	336,198	701,890	10
Vehicles	983,965	617,677	(193,262)	1,408,380	361,565	197,613	(106,418)	452,760	955,620	20
Total	46,934,628	7,301,071	(265,176)	53,970,523	17,302,180	3,213,744	(133,469)	20,382,455	33,588,068	

7.1.1 The detail of operating fixed assets disposed / written off during the year are as follows:

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Assets having book value exceeding Rs. 500,000 each								
Buildings								
Refurbishment of Rented Building	8,275	3,793	4,482	4,482	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Plant and Machinery								
Humidification Plant	4,150	2,662	1,488	618	(870)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Steam Boiler – 200 Sq Ft	900	137	763	306	(457)	Negotiation	Independent Third Party	Muhammad Safdar, Faisalabad
Metal Detector – Hashima-Hm-6000-200	1,817	1,230	587	14	(573)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Diesel Generator 60Kva – Cummins – C66D5	1,749	895	854	854	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Automatic Boarding Machine – Techopea	2,125	1,534	591	254	(337)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Automatic Boarding Machine – Techopea	2,125	1,534	591	254	(337)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,631	3,541	1,090	254	(836)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Boarding Machine Ghibli – Tecnopea	4,633	3,422	1,211	254	(957)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Sub Total	45,289	32,422	12,867	4,078	(8,789)			
Tools and equipments								
Belt Conveyor – Roller/Railing Trolly	914	409	505	73	(432)	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.
Electric installations								
Hvac System For Nbdu Lahore	3,993	2,055	1,938	1,938	–	Negotiation	Associated Company	Interloop Holdings (Private) Limited
Furniture and fixtures								
Iron Rack	5,266	4,348	918	1,383	465	Negotiation	Independent Third Party	Al-Mushtaq Corporation, Opposite Multan Golf City Sher Shah Road, Multan Cantt.

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Vehicles								
Toyota – Corolla Xli VVTI	2,047	1,385	662	492	(170)	Company Policy	Company Employee	Mr. Khalid Ishaq
Kia Sportage	5,089	2,098	2,991	2,991	–	Company Policy	Company Employee	Mr. Shakeel Akhtar
Toyota Corolla Altis	3,292	1,961	1,331	1,113	(218)	Company Policy	Company Employee	Mr. Syed Mustafa Ali
Honda – Civic 1.8	3,416	224	3,192	3,192	–	Company Policy	Company Employee	Mr. Ahsan Pervaiz
Suzuki Cultus	1,782	1,032	750	698	(52)	Company Policy	Company Employee	Mr. Tanveer Abbas
Suzuki Cultus	2,014	1,167	847	698	(149)	Company Policy	Company Employee	Mr. Zubair Khan
Toyota Yaris 1.5 CVT	3,012	1,110	1,902	2,000	98	Company Policy	Company Employee	Mr. Sheikh Arslan Shaukat
Honda City I-Vtec 1.5L Prosmatec	2,611	1,319	1,292	762	(530)	Company Policy	Company Employee	Ms. Saadia Hayat
Honda BRV	3,344	1,910	1,434	1,113	(321)	Company Policy	Company Employee	Mr. Saeed Ahmed
Hyundai Tucson 2WD	7,126	1,041	6,085	6,085	–	Company Policy	Company Employee	Mr. S.M.Hasnain Abbas
Honda City Aspire	2,775	1,584	1,191	1,013	(178)	Company Policy	Company Employee	Ms. Saima Zaidi
Toyota Corolla Gli 1300 CC	1,885	1,298	587	587	–	Company Policy	Company Employee	Mr. Tayab Masood
Toyota Corolla Gli (1.3) Automatic 1300 CC	2,300	1,543	757	335	(422)	Company Policy	Company Employee	Mr. Faizan Ul Haq
Toyota Corolla Land Cruiser Prado	13,241	9,046	4,195	4,195	–	Company Policy	Company Employee	Mr. Navid Fazil
Honda Civic 1.5	5,591	1,025	4,566	4,566	–	Company Policy	Company Employee	Mr. Ijaz Hussain
Toyota Corolla Gli 1.3 Automatic	2,527	1,509	1,018	856	(162)	Company Policy	Company Employee	Ms. Quratulain Shahid
Toyota Corolla Altis	2,802	1,654	1,148	856	(292)	Company Policy	Company Employee	Mr. M. Usman Khalid
Honda City Cvt	2,870	842	2,028	2,028	–	Company Policy	Company Employee	Mr. Azhar Mahmood
Toyota Corolla Altis Automatic 1.6L	2,699	1,594	1,105	932	(173)	Company Policy	Company Employee	Mr. Muhammad Shahid Butt
Honda – City – Mts 1339 CC	1,750	1,177	573	325	(248)	Company Policy	Company Employee	Mr. Saqib Waqar
Suzuki Cultus VXR	1,782	1,052	730	698	(32)	Company Policy	Company Employee	Mr. Shafqat Rasool
Honda City 1339 CC	1,893	1,273	620	325	(295)	Company Policy	Company Employee	Mr. Nauman Aslam
Honda Civic I-Vtec Cvt 1.8L	3,632	2,130	1,502	1,406	(96)	Company Policy	Company Employee	Ms. Saira Taimur Khan
Changan Alsvin 1.5L DCT	2,459	777	1,682	1,682	–	Company Policy	Company Employee	Mr. Muhammad Junaid
Toyota Corolla Xli Automatic	2,199	1,415	784	784	–	Company Policy	Company Employee	Mr. Rashid Hussain
Suzuki Cultus VXR	2,874	553	2,321	2,321	–	Company Policy	Company Employee	Mr. Khurram Shahzad
Suzuki Cultus VXR 998 CC	2,293	550	1,743	1,743	–	Company Policy	Company Employee	Mr. Muhammad Ishtiaq
Suzuki Swift Gl Manual	3,250	471	2,779	2,779	–	Company Policy	Company Employee	Mr. Rashid Ali Khan
Toyota Corolla Altis	3,292	1,955	1,337	698	(639)	Company Policy	Company Employee	Mr. Nadeem Ahmad
Suzuki Cultus VXL	1,893	1,124	769	698	(71)	Company Policy	Company Employee	Mr. Aman Zaib
Honda City	2,631	1,499	1,132	1,021	(111)	Company Policy	Company Employee	Mr. Muhammad Kashif
Suzuki Custus VXL	1,893	1,079	814	698	(116)	Company Policy	Company Employee	Mr. Naveed Zafar
Honda City	2,399	1,386	1,013	798	(215)	Company Policy	Company Employee	Mr. Tayyab Hussain
Honda City	2,632	1,520	1,112	798	(314)	Company Policy	Company Employee	Mr. Qasim Noor Ellahi
Suzuki Cultus VXL	1,566	1,026	540	353	(187)	Company Policy	Company Employee	Mr. Abdul Samad
Suzuki Cultus VXR	1,782	1,043	739	698	(41)	Company Policy	Company Employee	Mr. Syed Mehdi Murtaza
Suzuki Swift	2,043	1,148	895	798	(97)	Company Policy	Company Employee	Mr. Naveed Alam
Suzuki Cultus	1,500	650	850	353	(497)	Company Policy	Company Employee	Mr. Ahsan Ali Shah
Suzuki Swift Dlx	2,043	1,180	863	798	(65)	Company Policy	Company Employee	Mr. Shahbaz Ahmad
Kia – Sorento 3.5 FWD	8,940	1,961	6,979	6,979	–	Company Policy	Company Employee	Mr. Muhammad Rizwan Mohsin
Suzuki – Cultus – VXL	1,565	1,036	529	353	(176)	Company Policy	Company Employee	Mr. Ahmad Masood
Suzuki Swift	2,043	1,196	847	798	(49)	Company Policy	Company Employee	Mr. Khawar Shahzad
Toyota Corolla Gli	2,967	1,736	1,231	1,021	(210)	Company Policy	Company Employee	Mr. Salman Tahir
Toyota Corolla Altis 1.6L Automatic	3,291	1,876	1,415	798	(617)	Company Policy	Company Employee	Mr. Waqar Ahmad Siddiq
Toyota Corolla Gli	2,969	1,715	1,254	1,021	(233)	Company Policy	Company Employee	Mr. Muhammad Imran Sadiq
Toyota Corolla Gli	2,867	1,546	1,321	1,001	(320)	Company Policy	Company Employee	Mr. Maqbool Ahmad
Honda City Mts 1339 CC	1,966	1,290	676	353	(323)	Company Policy	Company Employee	Mr. Kamran Zahid
Toyota Corolla Gli	2,865	1,677	1,188	698	(490)	Company Policy	Company Employee	Mr. Syed Muhammad Ali Shah
Honda City Aspire	2,263	1,499	764	519	(245)	Company Policy	Company Employee	Mr. Awais Ashraf
Toyota Corolla Xli Automatic 1.3L	2,186	1,487	699	519	(180)	Company Policy	Company Employee	Mr. Shahid Hussain Zia
Kia Sportage Fwd	5,090	2,472	2,618	6,450	3,832	Company Policy	Company Employee	Mr. M. Naeem Javaid
Toyota Corolla Altis	3,252	1,902	1,350	798	(552)	Company Policy	Company Employee	Mr. Muhammad Awais
Suzuki Swift Dlx	2,044	1,181	863	798	(65)	Company Policy	Company Employee	Mr. Maqbool Ahmed
Toyota Corolla Altis	3,289	1,925	1,364	798	(566)	Company Policy	Company Employee	Mr. Azam Tahir
Suzuki Cultus VXL	1,903	1,114	789	746	(43)	Company Policy	Company Employee	Mr. Muhammad Asaf Raza
Suzuki Cultus VXL	1,903	1,071	832	698	(134)	Company Policy	Company Employee	Mr. Muhammad Asif
Suzuki Swift	2,042	1,196	846	798	(48)	Company Policy	Company Employee	Mr. Imran Tahir
Toyota Corolla Xli M/T 1.3L	2,123	1,419	704	519	(185)	Company Policy	Company Employee	Mr. M. Imran Ashraf
Toyota Fortuner	7,646	4,359	3,287	1,597	(1,690)	Company Policy	Company Employee	Mr. Aqeel Ahmad
Honda City	2,397	1,422	975	798	(177)	Company Policy	Company Employee	Mr. Syed Abid Hussain
Toyota Corolla Gli 1.3	2,967	1,760	1,207	1,121	(86)	Company Policy	Company Employee	Mr. Irfan Nazir
Toyota Corolla Gli Automatic	2,985	1,720	1,265	1,021	(244)	Company Policy	Company Employee	Mr. Zubair Ahmed
Suzuki Swift Gl Cvt	4,489	449	4,040	4,040	–	Company Policy	Company Employee	Mr. Muhammad Waqas
Toyota Corolla Altis 1.6L	3,258	1,930	1,328	1,021	(307)	Company Policy	Company Employee	Mr. Muhammad Ilyas Kanwal
Suzuki Cultus Vxl	1,566	1,047	519	353	(166)	Company Policy	Company Employee	Mr. Farhan Afzal
Hyundai Tucson Awd	5,597	2,354	3,243	3,243	–	Company Policy	Company Employee	Mr. Nusrullah Akhtar
Suzuki Cultus VXL	1,585	1,052	533	360	(173)	Company Policy	Company Employee	Mr. Tahir Nazir
Toyota Fortuner	8,207	5,445	2,762	2,762	–	Company Policy	Company Employee	Mr. Muhammad Maqsood
Suzuki Swift	1,593	1,066	527	389	(138)	Company Policy	Company Employee	Ms. Javaria Ali
Honda City	2,402	1,374	1,028	798	(230)	Company Policy	Company Employee	Mr. Muhammad Irfan Akmal

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended June 30, 2024

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Relationship of Buyer with the Company	Particulars of Buyers
	(Rupees '000)							
Toyota Corolla Gli	2,459	1,645	814	583	(231)	Company Policy	Company Employee	Mr. Abdul Mateen
Suzuki Swif DLX	1,956	1,275	681	476	(205)	Company Policy	Company Employee	Mr. Mohammad Rizwan Niaz
Suzuki Swift 1328 CC	1,624	1,088	536	396	(140)	Company Policy	Company Employee	Mr. Muhammad Umer Ali
Suzuki Cultus AGS	2,024	1,189	835	698	(137)	Company Policy	Company Employee	Mr. Mudassar Mansoor
Suzuki Cultus VXR	1,499	998	501	360	(141)	Company Policy	Company Employee	Mr. Waqas
Honda City	2,635	1,551	1,084	1,001	(83)	Company Policy	Company Employee	Mr. Kashif Zaman
Suzuki Cultus VXL	1,869	665	1,204	1,225	21	Negotiation	Independent Third Party	Mr. Osama Masood Khan House No. 149/A TIP Society ECHS Phase–II Khyaban Amin, Lahore
Suzuki Cultus VXR	2,802	506	2,296	2,300	4	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P–231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Yaris Gli 1.3L	2,565	1,212	1,353	1,375	22	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P–231, Street No. 1 Muhammad Pura Faisalabad.
Suzuki Cultus VXR	1,792	1,049	743	850	107	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Suzuki Cultus VXL	1,869	748	1,121	1,125	4	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Honda City 1.2	3,334	978	2,356	2,375	19	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P–231, Street No. 1 Muhammad Pura Faisalabad.
Toyota Land Cruiser – 4600C	11,208	9,533	1,675	2,000	325	Negotiation	Independent Third Party	Saeed Autos – Mr. Sheraz – House No. P–231, Street No. 1 Muhammad Pura Faisalabad.
Suzuki – APV	2,557	1,801	756	800	44	Negotiation	Independent Third Party	Mr. Tanveer Ahmad, Chak # 77 RB, Lookan Kalan, Teh: Jaranwala, Distt. Faisalabad.
Sub Total	256,682	133,865	122,817	113,018	(9,799)			
Other assets having book value below Rs. 500,000 each	201,840	161,155	40,685	30,763	(9,922)			
Total – 2024	522,259	338,047	184,212	155,735	(28,477)			
Total – 2023	265,176	133,469	131,707	82,564	(49,143)			

		Note	2024 (Rupees '000)	2023 (Rupees '000)
7.1.2	Depreciation expense for the year has been allocated as under;			
	Cost of sales	35	3,853,460	2,786,041
	Administrative expenses	37	610,735	427,703
			4,464,195	3,213,744
7.2	Capital work in progress			
	Civil works	7.2.1	3,650,569	7,790,908
	Plant and machinery	7.2.1	12,226,480	11,365,158
	Capital stores	7.2.2	4,134,937	1,330,125
	Advances to suppliers		939,809	4,473,273
			20,951,795	24,959,464

7.2.1 Civil works and plant and machinery includes borrowing cost capitalized during the year, calculated at the rate of 4.50% to 24.14% per annum (2023: 1.75% to 23.23% per annum).

	2024 (Rupees '000)	2023 (Rupees '000)
Civil works	649,819	435,394
Plant and machinery	612,075	842,117
	1,261,894	1,277,511

7.2.2 Capital stores include factory tools and equipment, office equipment, electric installations and furniture and fixtures that are held in store for future use and capitalization.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
7.3	**Right of use assets**			
	Buildings			
	Cost:			
	Opening Balance		324,521	258,082
	Additions during the year		236,558	66,439
	Disposal during the year		(4,825)	–
	Closing balance		556,254	324,521
	Accumulated depreciation:			
	Opening balance		221,200	124,523
	Depreciation for the year	7.3.1	95,501	96,677
	Adjustment on disposal		(2,882)	–
	Closing balance		313,819	221,200
	Net book value		242,435	103,321
7.3.1	**Depreciation on right of use assets has been allocated as under;**			
	Cost of sales	35	89,293	70,635
	Administrative expenses	37	6,208	26,042
			95,501	96,677

7.4 Details of immovable property in the name of the Group:

Usage	Location	Area
Plant 1	Chak # 76 RB. 1 – KM, Jaranwala Road, Khurrianwala, Faisalabad.	19 Acres 7 Kanals 12 Marlas
	Chak # 194 RB. 1 – KM, Jaranwala Road, Khurrianwala, Faisalabad.	3 Acres 13 Marlas
	Chak # 108 RB. 1 – KM, Jaranwala Road, Khurrianwala, Faisalabad.	9 Marlas
Interloop Industrial Park – (Plant 2, Plant 4 & Spinning unit)	Chak # 103 RB, 7 – KM, Jaranwala Road, Khurrianwala, Faisalabad.	142 Acres 4 Kanals 7 Marlas 5 Sarsai
Plant 3	8 – KM, Manga Raiwind Road, Distt. Kasur, Lahore.	41 Acres 3 Kanals 8 Marlas
Denim Division	8 – KM, Manga Raiwind Road, Distt. Kasur, Lahore.	26 Acres 7 Kanals 14 Marlas
Apparel Industrial Park – (Plant 5 & Apparel unit)	Chak # 106 RB, 6 – KM, By Pass Road, Khurrianwala, Faisalabad.	247 Acres 4 Kanals 8 Sarsai
Land	Chak # 200 RB, Near Toll Plaza Gatwala, Lathianwala, Faisalabad.	2 Acres 13 Marlas 5 Sarsai
	Chak # 33/10–R, Tehsil & District Khanewal.	13 Acres 7 Kanals 3 Marlas 5 Sarsai

	Note	2024 (Rupees '000)	2023 (Rupees '000)
8. INTANGIBLE ASSETS			
Computer software	8.1	299,746	361,555
Development cost – in progress		154,963	33,063
		454,709	394,618
8.1 Computer Software			
Cost:			
Opening balance		562,825	357,124
Transfer on acquisition of subsidiaries		1,335	–
Addition during the year		11,312	205,701
		575,472	562,825
Amortization:			
Opening balance		201,270	139,065
Transfer on acquisition of subsidiaries		1,124	–
For the year amortization	8.2	73,332	62,205
		275,726	201,270
Net book value		299,746	361,555
Amortization rate		20%	20%
8.2 Amortization on intangible assets has been allocated as under;			
Cost of sales	35	–	666
Administrative expenses	37	73,332	61,539
		73,332	62,205
9. LONG TERM INVESTMENT			
Considered good – Secured			
Equity investment	9.1	191,526	–

9.1 This represents investments in partnerships to hold funds, which are equity portfolio packages. The equity portfolio is focused on companies in the technology and pharmaceutical sectors. Portfolio companies listed in the situation will pay dividends.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
10. LONG TERM LOANS			
Considered good – Secured			
Loans to employees	10.1	174,373	144,205
Loan to director	10.2	2,500	3,653
		176,873	147,858

		Note	2024 (Rupees '000)	2023 (Rupees '000)
10.1	Loans to employees			
	Opening balance		342,047	305,630
	Add: disbursement made during the year		463,885	1,550,906
			805,932	1,856,536
	Less: amount received during the year		(408,493)	(1,514,489)
			397,439	342,047
	Less: receivable within twelve months	16	(223,066)	(197,842)
			174,373	144,205

10.1.1 These represent loans given to executives and other employees as per the Holding Company's policy for house building and general purposes. The loan balances except for housing finance are interest free. The loans are recoverable in equal monthly installments from respective employees based on the tenor of the loan. The loans are secured against the employees' respective retirement benefits. These loans have not been carried at amortized cost as the effect of discounting is not considered material.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
10.2	Loan to director			
	Opening balance		8,269	12,885
	Less: amount received during the year		(4,616)	(4,616)
			3,653	8,269
	Less: receivable within twelve months	16	(1,153)	(4,616)
			2,500	3,653

10.2.1 This represents loan paid to executive director of the Holding Company as per house building finance policy of the Company. Under the first policy, home ownership grant is Rs. 2.5 million and mortgage assistance is Rs. 23.25 million. Tenure of the home ownership grant and mortgage assistance is for a period of six years. Mortgage assistance is repayable in 60 equal monthly installments along with markup thereon.

10.2.2 The maximum aggregate amount of loan to director at the end of any month during the year was Rs. 7.89 million (2023: Rs. 12.50 million).

		Note	2024 (Rupees '000)	2023 (Rupees '000)
11.	LONG TERM DEPOSITS			
	Considered good:			
	Security deposits - unsecured		89,451	81,701
12.	DEFERRED TAXATION – NET			
	Deferred tax asset	12.1	349,849	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended June 30, 2024

		Note	2024 (Rupees '000)	2023 (Rupees '000)
12.1	**This comprise of following:**			
	Taxable temporary differences arising in respect of;			
	Accelerated tax depreciation allowance		(4,709,467)	–
	Right of use assets		(94,550)	–
	Intangibles		(49,792)	–
	Derivative financial instruments		(23,107)	–
	Deductible temporary differences arising in respect of;			
	Staff retirement gratuity		4,170,905	–
	Lease liabilities		107,139	–
	Provision for obsolete inventory		18,827	–
	Provision for workers' welfare fund		492,086	–
	Provision for infrastructure cess		437,808	–
			349,849	–
13.	**STORES AND SPARES**			
	Stores		1,120,474	932,770
	Spares		2,063,951	1,558,205
			3,184,425	2,490,975
14.	**STOCK IN TRADE**			
	Raw materials		14,819,494	10,610,676
	Work in process		4,523,957	3,124,698
	Finished goods		7,608,012	5,993,436
			26,951,463	19,728,810
	Less: Provision for obsolete inventory	38	(48,274)	–
			26,903,189	19,728,810
15.	**TRADE DEBTS**			
	Considered good:			
	Foreign			
	– Secured	15.1	18,317,679	14,503,120
	– Unsecured		21,634,008	18,332,668
			39,951,687	32,835,788
	Local			
	– Unsecured	15.1	1,686,902	1,302,877
			41,638,589	34,138,665
15.1	It includes receivables from following related parties;			
	Foreign			
	Texlan Center (Pvt) Limited		526,313	476,478
	Interloop Europe		79,875	165,489
	Local			
	Socks & Socks (Pvt) Limited		184,530	161,972
			790,718	803,939

15.2 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 1,301.287 million (2023: Rs. 1,555.361 million).

15.3 At June 30, 2024, trade debts due from related parties aggregating to Rs. 181.496 million (2023: Rs. 156.874 million) were past due but not impaired. The aging analysis of receivables from related parties is as follows:

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Not yet due		609,222	647,065
Upto 1 month		30,298	14,264
More than 1 month		151,198	142,610
		790,718	803,939

16. LOANS AND ADVANCES

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Considered good:			
Loans – secured			
Current portion of loans to employees	10.1	223,066	197,842
Current portion of loan to director	10.2	1,153	4,616
Advances – unsecured			
Advances to suppliers	16.1	1,691,535	1,883,376
Advances to employees	16.2	21,615	26,921
		1,937,369	2,112,755

16.1 It includes advances to following related parties;

	2024 (Rupees '000)	2023 (Rupees '000)
Socks & Socks (Pvt) Limited	22,865	37,111

16.1.1 The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 229.289 million (2023: Rs. 37.111 million). The aging analysis of this advances payment is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
Less than 3 months	22,865	37,111

16.2 Advances to employees are given to meet business expenses and are settled as and when expenses are incurred.

17. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Deposits			
LC margin		61,755	406,625
Security deposits		83,245	–
Prepayments			
Insurance premium		16,905	29,675
Prepaid expenses		372,940	69,838
Other receivables – considered good			
Subsidy on gas	17.1	60,619	155,321
Others		315,796	10,415
		911,260	671,874

17.1 This represents the subsidy receivable against sui gas consumption from Government of Pakistan (GoP) amounting to nil (2023: Rs. 86.53 million) and Sui Northern Gas Pipelines Limited (SNGPL) amounting to Rs. 60.619 million (2023: Rs. 68.79 million). During the year, the GoP has withdrawn the announced subsidy, whereas SNGPL allowed 25% system gas adjustment capped at initial contractual load.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
18.	**ACCRUED INCOME**			
	Profit on term finance certificates (TFCs)		1,497	1,623
19.	**REFUNDS DUE FROM GOVERNMENT AND STATUTORY AUTHORITIES**			
	DDT		1,328,799	1,183,158
	Sales tax refundable		5,204,048	3,159,151
	Income tax refundable		595,960	416,505
			7,128,807	4,758,814
20.	**SHORT TERM INVESTMENTS**			
	Term Finance Certificates (TFCs) – Amortized cost:			
	Habib Bank Limited	20.1	500,000	500,000

20.1 This represents investment as fully paid–up, rated, privately placed, perpetual, unsecured, subordinated, noncumulative, contingent convertible, additional Tire 1, capital eligible 5,000 term finance certificates (TFCs) of Habib Bank Limited having face value of Rs. 100,000/– each aggregating to Rs. 500 million (2023: Rs. 500 million). TFCs carry profit at the rate of 3 months KIBOR + 1.60% per annum payable quarterly in arrears.

		2024 (Rupees '000)	2023 (Rupees '000)
21.	**CASH AND BANK BALANCES**		
	Cash in hand	27,344	15,577
	Cash at banks		
	In current accounts	35,206	60,973
	In foreign currency accounts	1,448,360	1,467,952
		1,483,566	1,528,925
		1,510,910	1,544,502

22. AUTHORIZED SHARE CAPITAL

2024 (Number of shares in '000)	2023 (Number of shares in '000)		2024 (Rupees '000)	2023 (Rupees '000)
5,000,000	1,500,000	Ordinary shares of Rs. 10 each	50,000,000	15,000,000

23. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024 (Number of shares in '000)	2023 (Number of shares in '000)		2024 (Rupees '000)	2023 (Rupees '000)
132,429	132,166	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,321,663
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,447		14,017,095	14,014,469

23.1 Movement in issued, subscribed and paid up share capital

	Ordinary shares of Rs. 10 each — Fully paid in cash (Number of shares in '000)	Ordinary shares of Rs. 10 each — Fully paid bonus shares (Number of shares in '000)
Opening balance	132,166	1,269,281
Issued during the year	263	–
Closing balance	132,429	1,269,281

23.2 All ordinary shares rank equally with regard to the Holding Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Holding Company.

24. RESERVES

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Capital reserves			
Share premium	24.1	3,158,734	3,143,605
Employee share option compensation reserve	24.2	–	6,968
		3,158,734	3,150,573
Revenue reserve			
Translation reserve		(110,728)	–
		3,048,006	3,150,573

24.1 This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO) and employees of the Holding Company through employees stock option scheme (ESOS). This reserve can be utilized by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

24.2 Employees Share Option Scheme (ESOS)

The Holding Company had introduced "Interloop Limited Employees Stock Option Scheme, 2016 (the "Scheme") to offer Holding Company shares to its eligible employees, pursuant to the Public Companies (Employees Stock Option Scheme) Rules, 2001 (repealed), transforming them from stakeholders to shareholders. The Scheme is flexible, voluntary, and focused on long term growth and prosperity of the employees. These shares under ESOS rank pari passu in all respects with the existing ordinary shares of the Holding Company.

The Scheme had originally been approved by the members in the Annual General Meeting (AGM) held on December 31, 2015 and by SECP vide its letter no. SMD/CIW/ESOS/01/2016 dated September 01, 2016. Upon listing on the Pakistan Stock Exchange (PSX) during the year 2019, certain amendments to the Scheme with the context of listed companies regulations, had been approved by the shareholders of the Holding Company in its AGM as on October 15, 2020 and via SECP through its letter no. SMD/CIW/ESOS/01/2016/184 dated February 25, 2021.

On November 15, 2022, the Holding Company had successfully offered to grant 8.085 million stock options (less than 1% of the paid up capital of the Company at that time) to its eligible employees at an exercise price of Rs. 63.80 per share after the Scheme has been updated. These options had a vesting period of one year and an exercise period of six months, from the expiry of such vesting period, as laid down in the Scheme. Upon vesting, employees were eligible to apply and secure allotment of the Holding Company's shares at an exercise price determined on the date of grant of options and/or determined by the Board of Directors of the Holding Company. The employees' were willing to exercise 262,604 stock options, at the time and remaining options lapsed after the expiry of six months period, from the date at which such options become exercisable.

The management had forecasted up to 35% of the options being exercised and expected an estimated provision of Rs. 11.15 million as a share option compensation reserve over a vesting period of one year based on the fair value of options granted to the employees. However, the employees were only inclined to exercise a certain number of options and the share option compensation expense was recorded at Rs. 1.04 million based on actual number of share options exercised. Nevertheless, the excess provision of Rs. 10.11 million has been reversed on the account of the completion of the relevant Exercise Period. Fair value of options granted was Rs. 3.94 per option, calculated based on the Black Scholes model. The following assumptions have been used in order to calculate the fair value of the options:

- Share price	58.62
- Exercise price	63.80
- Expected volatility	15%
- Expected life of share options	1 Year
- Risk free interest rate	10%

The volatility has been measured as the standard deviation of the quoted share prices over the last year from the respective grant date.

The Holding Company has not made any fresh grant of options this year, owing to the fact that it is in the process of redesigning /revamping the Scheme, as per the latest requirements and trends in the industry.

25. NON – CONTROLLING INTEREST

Following is the summarized financial information, before inter company eliminations, of Top Circle Hosiery Mills Co., Inc.

Summarized statement of financial position

NCI percentage	Top Circle Hosiery Mills Co., Inc. 36.00% 2024	0.00% 2023
	(Rupees '000)	
Non current assets	1,988,474	–
Current assets	2,926,453	–
Current liabilities	(1,232,501)	–
Net assets	3,682,426	–
Accumulated NCI	1,325,672	–
Summarized statement of comprehensive income		
Net revenue	2,601,254	–
Other income	71,105	–
Loss for the period	(152,736)	–
Other comprehensive loss	–	–
Total comprehensive loss	(152,736)	–
Loss attributable to NCI	(54,985)	–
Comprehensive loss for the period attributable to NCI	(62,285)	–
Total comprehensive loss for the period attributable to NCI	(117,270)	–
Dividend paid to NCI	(11,158)	–

26. LONG TERM FINANCING

From financial institutions - secured	Pricing	Tenor	Repayment	Note	2024 (Rupees '000)	2023 (Rupees '000)
Islamic banking:						
Islamic long term finance facility - ILTFF	SBP ILTFF rate + 0.75% per annum	10 years including 2 years grace period	32 quarterly payments		2,746,374	3,139,758
Islamic temporary economic refinance facility - ITERF	SBP ITERF rate + 0.95% per annum	10 years including 2 years grace period	32 quarterly payments		39,733	45,061
Islamic finance renewable energy - IFRE	SBP rate + 0.75% per annum	6 years including 1 year grace period	20 quarterly payments		123,880	173,431
Diminishing musharika	3 months KIBOR + 0.05% to 0.15% per annum	6 to 10 years including 1 to 2 years grace period	20 to 32 quarterly payments		6,766,377	6,109,031
Diminishing musharika vehicles	3 months KIBOR + 0.50% per annum	5 years	60 monthly payments		-	20,949
Conventional banking:						
Long term financing facility - LTFF	SBP LTFF rate + 0.50% to 0.75% per annum	10 years including 2 years grace period	32 quarterly payments		2,977,521	3,177,154
Demand finance loan	3 months KIBOR + 0.05% per annum	10 years including 2 years grace period	32 quarterly payments		3,676,993	1,758,828
Temporary economic refinance facility - TERF	SBP TERF rate + 0.75% to 1.25% per annum	10 years including 2 years grace period	32 quarterly payments		2,436,849	2,709,488
SBP renewable energy	SBP rate + 0.75% per annum	12 years including 2 years grace period	40 quarterly payments		149,635	154,382
					18,917,362	17,288,082
Less: Current portion of long term financing				30	(2,722,549)	(1,939,181)
					16,194,813	15,348,901

26.1 The Holding Company has obtained long term finance facilities from various banks for balancing, modernization and expansion of existing projects and establishment of Hosiery Division - V, Apparel Division and Fabric Dye House as well as renewable energy projects. These are secured against 1st Joint Pari Passu (JPP) charge of Rs. 30,860 million, 1st specific charge of Rs. 6,660 million and mortgage charge of Rs. 2,667 million over all present and future fixed assets of the Holding Company (land, building and plant & machinery).

The Government of Pakistan has introduced Islamic Temporary Economic Refinance Facility (ITERF) and Temporary Economic Refinance Facility (TERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and /or expansion of projects / businesses. The Holding Company has availed this facility from various banks at concessional rate of markup. The loan under these facilities was initially recognized at fair value in accordance with IFRS 9 - Financial instruments using an effective interest rate at respective drawdown dates. The difference between the fair value of the loan and loan proceeds has been recognized as deferred income as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
27.	**LEASE LIABILITIES**			
	Opening balance		128,935	166,659
	Additions during the year		236,558	65,734
	Accretion of interest		32,070	16,158
	Payments during the year		(120,659)	(119,616)
	Termination during the year		(2,188)	–
			274,716	128,935
	Less: Current portion shown under current liabilities	32	(83,751)	(71,924)
			190,965	57,011

27.1 These represent lease contracts for Holding Company manufacturing facility, warehouses, and employees hostel and have estimated lease terms between 3 to 5 years. These are discounted using incremental borrowing rate of the Holding Company.

27.2 The future minimum lease payments to which the Holding Company is committed under the agreements will be due as follows:

	Not later than one year	Later than one year and not later than three years	More than three years
	(Rupees '000)		
At 30 June 2024			
Future minimum lease payments	118,223	225,323	9,482
Less: Un–amortized finance charges	(34,472)	(43,776)	(64)
Present value of future minimum lease payments	83,751	181,547	9,418
At 30 June 2023			
Future minimum lease payments	79,501	59,909	–
Less: Un–amortized finance charges	(7,577)	(2,898)	–
Present value of future minimum lease payments	71,924	57,011	–

		Note	2024 (Rupees '000)	2023 (Rupees '000)
28.	**DEFERRED LIABILITIES**			
	Staff retirement gratuity	28.1	10,694,629	7,876,298
	Deferred income – Government grant	28.2	91,719	122,906
			10,786,348	7,999,204

28.1 Staff retirement gratuity

This represents an unfunded gratuity scheme which provides termination benefits for all employees of the Holding Company who attain the minimum qualifying period. The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2024 using the Projected Unit Credit (PUC) Actuarial Cost Method. Details of the defined benefit plan are as follows:

		Note	2024 (Rupees '000)	2023 (Rupees '000)
28.1.1	**Movement in the present value of defined benefit obligation**			
	Opening balance		7,876,298	4,890,568
	Expenses recognized in the statement of profit or loss	28.1.2	2,796,402	1,649,159
	Remeasurement of plan obligation chargeable to other comprehensive income	28.1.4	753,756	1,687,858
	Balance transferred from / (to) associated companies		2,601	(264)
	Paid during the year		(734,428)	(351,023)
	Closing balance		10,694,629	7,876,298
28.1.2	**Expenses recognized in the statement of profit or loss**			
	Current service cost		1,613,721	1,012,626
	Interest cost		1,182,681	636,533
			2,796,402	1,649,159
28.1.3	**Amounts charged in the statement of profit or loss are as follows:**			
	Cost of sales	35	2,401,355	1,423,493
	Distribution cost	36	60,518	34,056
	Administrative expenses	37	334,529	191,610
			2,796,402	1,649,159
28.1.4	**Total remeasurement chargeable to other comprehensive income**			
	Remeasurement of plan obligation:			
	Actuarial (gain)/losses from changes in financial assumptions		(274,791)	468,058
	Experience adjustments		1,028,547	1,219,800
			753,756	1,687,858

		2024	2023
28.1.5	**Principal actuarial assumptions used**		
	Discount rate used for profit and loss charge	15.75%	13.50%
	Discount rate for year end obligation	14.00%	15.75%
	Salary increase used for year end obligation		
	Salary increase for FY 2024	N/A	15.50%
	Salary increase for FY 2025	12.00%	15.50%
	Salary increase for FY 2026	12.00%	15.50%
	Salary increase for FY 2027	12.00%	15.50%
	Salary increase for FY 2028	14.00%	15.50%
	Salary increase for FY 2029	14.00%	15.50%
	Salary increase for FY 2030 onward	14.00%	15.50%
	Demographic assumption		
	Mortality rates (for deaths in service)	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
	Retirement assumption	60 years	60 years

28.1.6 The expected contribution to defined benefit obligation for the year ending June 30, 2025 will be Rs. 3,450.191 million.

28.1.7 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of a change in respective assumptions by 100 bps.

	2024 (Rupees '000)	2023 (Rupees '000)
Discount rate + 100 bps	(9,618,138)	(7,100,625)
Discount rate – 100 bps	11,977,603	8,797,476
Salary change + 100 bps	11,994,564	8,808,754
Salary change – 100 bps	(9,583,819)	(7,076,936)

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

28.1.8 Maturity profile

The average duration of defined benefit obligation for the year ended 2024 is 11 years (2023: 11 years).

The expected benefit payment for the upcoming years is as follows;

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Between 1 to 3 years		3,288,112	2,459,792
Between 3 to 5 years		2,715,233	2,176,570
Beyond 5 years		678,814,505	710,138,004
		684,817,850	714,774,366
28.2 Deferred income – Government grant			
Opening balance		158,092	199,383
For the year amortization		(35,186)	(41,291)
		122,906	158,092
Current portion of deferred income	32	(31,187)	(35,186)
Closing balance		91,719	122,906

28.2.1 There are no unfulfilled conditions or other contingencies attaching to these grants.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
29. TRADE AND OTHER PAYABLES			
Trade creditors	29.1	5,782,925	3,345,455
Accrued liabilities	29.2	6,974,829	5,504,218
Contract liabilities – advances from customers	29.3	100,897	96,365
Other payables		610,681	508,027
Employees provident fund trust	29.4	9,001	6,840
Withholding tax payable		299,660	493,891
Workers' profit participation fund	29.5	970,300	1,150,769
Workers' welfare fund		1,261,758	898,343
		16,010,051	12,003,908

		2024 (Rupees '000)	2023 (Rupees '000)
29.1	It includes payable to following related parties;		
	Interloop Holdings (Pvt) Limited	12,313	14,169
	Octans Digital (Pvt) Limited	7,503	5,244
	Printkraft (Pvt) Limited	39,652	27,895
	Momentum Logistics (Pvt) Limited	114,571	83,687
		174,039	130,995

29.2 It includes an amount of Rs. 1,122.971 million (2023: Rs. 895.967 million) relating to infrastructure cess payable.

29.2.1 Honourable Sindh High Court in its decision dated September 17, 2008 declared the imposition of infrastructure cess before December 28, 2006 as void and invalid. However, the Excise and Taxation Department filed an appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme court of Pakistan had disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. The Holding Company filed constitutional petition bearing No. 1809 of 2011 before Honourable High Court Sindh. On May 31, 2011, the High Court of Sindh had granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to the extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability fifth version of law and its retrospective application, the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner. In the light of interim relief the Holding Company has paid 50% of the amount of Infrastructure cess. Imports of the Holding Company are being released against 50% payment of Infrastructure cess to Excise and Taxation Department and furnishing of bank guarantee of balance amount. On 4th June 2021, Honorable Sindh High Court passed an order whereby it upheld the contention of Sindh Government and suspend its own order for 90 days. The Holding Company has filed writ petition CPLA NO. 4611 against the said order before the Supreme Court of Pakistan.

The Honourable Supreme Court of Pakistan granted an interim relief on September 01, 2021 against the impugned Judgment of the Sindh High Court. The Honourable Apex Court directed that till further orders, operation of the impugned Judgment of the High Court of Sindh dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioner shall keep the bank guarantee already submitted, pursuant to the order of the Sindh High Court, valid, operative and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future import consignments. However, in the light of the order of the Supreme Court of Pakistan, the Holding Company has issued bank guarantees equivalent to the amount of the levy and no payment is being made subsequent to the order date of the Court.

The full amount of Infrastructure cess forms component of cost of imported items and provision recorded in books. Bank guarantees furnished ragarding imposition of infrastructure cess have been disclosed in note – 33.1 to these financial statements.

29.2.2 The Government of Punjab imposed Punjab Infrastructure Development Levy in terms of the Punjab Infrastructure Development Cess Act, 2015 (the Act) read with PRA Notification No.PRA/IDC/2015 dated May 16, 2016 and PRA order No.PRA/Orders.08/2015 dated May 23, 2016. The Holding Company being aggrieved filed writ petition vide WP No.24536 of 2016 before Honorable Lahore High Court challenging the constitutionality of the Act . The Lahore High Court on July 28, 2016 granted interim relief for clearance of goods subject to payment of 50% of the disputed amount and upon furnishing of a bank guarantee for the balance of 50% of the amount. The case is pending litigation before Honorable Lahore High Court, Lahore, the same has been adjourned without any next date.

29.3 The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is being recognized at point in time when goods are transferred. Out of Rs. 96.365 million recognized in contract liabilities as on June 30, 2023, an amount of Rs. 94.403 million has been adjusted and recognized as revenue during the year.

29.4 The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated in Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
29.5	**Workers' profit participation fund**			
	Opening balance		1,150,769	721,751
	Interest on funds utilized in the Holding Company's business	40	30,484	26,689
	Expense allocation for the year	38	943,788	1,150,770
			2,125,041	1,899,210
	Paid during the year		(1,154,741)	(748,441)
	Closing balance		970,300	1,150,769
30.	**ACCRUED MARK UP**			
	Mark up on:			
	Long term financing		631,078	798,072
	Short term borrowings		2,058,673	1,031,941
			2,689,751	1,830,013
31.	**SHORT TERM BORROWINGS**			
	From banking companies – Secured			
	Under mark up arrangements			
	Islamic banking:			
	IERS – II		7,030,000	4,930,000
	Islamic export finance scheme (IEFS)		2,099,982	2,000,000
	Running musharika		6,793,209	6,803,003
	Conventional banking:			
	ERF – II		29,306,960	20,702,960
	Export finance scheme (EFS)		4,671,988	6,518,318
	Running finance		537,705	1,194,631
			50,439,844	42,148,912

31.1 These are secured against 1st Joint Pari Passu (JPP) charge of Rs. 108,569 million (2023: Rs. 83,995 million) over all present and future current assets of the Holding Company in favor of all the lending banks. The total limits available to the Group for short term borrowings from all the banks are amounting to Rs. 77,036 million (2023: Rs. 62,996 million).

Mark up is charged as;

ERF – II / IERS – II	SBP Rate + 0.25% to 1% per annum (2023: SBP Rate + 0.25% to 1% per annum)
FAPC – own source	1 to 3 month Kibor + 0.05% to 1% per annum (2023: 1 to 3 month Kibor + 0.05% to 0.10% per annum)
EFS / IEFS	SBP refinance rate for EFS and IEFS
Running finance/ musharika	1 to 6 month Kibor + Minus 2.7% to 1% per annum (2023: 1 to 3 month Kibor + 0.05% to 0.75% per annum)
	3.5% to 4.35% per annum

	Note	2024 (Rupees '000)	2023 (Rupees '000)
32. CURRENT PORTION OF NON CURRENT LIABILITIES			
Long term financing	26	2,722,549	1,939,181
Lease liabilities	27	83,751	71,924
Deferred income – Government grant	28.2	31,187	35,186
		2,837,487	2,046,291

33. CONTINGENCIES AND COMMITMENTS

33.1 Contingencies

33.1.1 The Punjab Revenue Authority has created a demand of an amount of Rs. 29.931 million in respect of an alleged default on withholding of provincial sales tax on account of various transport services received by the Holding Company during the period from March 01, 2015 to May 31, 2016 along with default surcharge and penalty under Punjab Sales Tax on Services Act, 2012, rejecting the exemption claim of the taxpayer Holding Company. The Holding Company being aggrieved, filed an appeal before Commissioner (Appeals) Punjab Revenue Authority (PRA) which is pending adjudication at the terminal date.

The Holding Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Holding Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

	2024 (Rupees '000)	2023 (Rupees '000)
33.1.2 Bank guarantees issued by various banks on behalf of the Holding Company in favour of:		
Sui Northern Gas Pipelines limited (SNGPL) against supply of gas	1,598,138	806,221
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	942,353	792,353
Faisalabad Electric Supply Company (FESCO) against supply of electricity	152,195	143,245
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
State Bank of Pakistan	–	110,112
Total Parco Pakistan Ltd	6,000	6,000
	2,710,219	1,869,464

33.1.2.1 The total limits available to the Holding Company for bank guarantees from all the banks are amounting to Rs. 6,050 million, out of which Rs. 3,650 are available as stand alone limits and Rs. 2,400 million can be availed under sublimits of short term borrowings. These are also secured against cumulative 1st JPP charge as mentioned in note 31.1 of these financial statements.

		2024 (Rupees '000)	2023 (Rupees '000)
33.1.3	Post dated cheques issued in favour of custom authorities for release of imported goods.	9,694,785	7,008,593
33.2	**Commitments**		
	Under letters of credit for:		
	Capital expenditure	3,107,762	2,053,832
	Raw materials	3,385,803	3,793,848
	Stores and spares	65,948	349,329
		6,559,513	6,197,009

33.2.1 The total limits available to the Holding Company for letters of credit – Sight/Usance from all the banks are amounting to Rs. 25,950 million, out of which Rs. 13,550 are available as stand alone limits and Rs. 12,400 million can be availed under sublimits of short term borrowings. Letter of Credit – Sights are secured against lien over valid import documents, whereas the Letter of Credit – Usance are also secured against cumulative 1st JPP charge as mentioned in note 31.1 of these financial statements and lien on import documents.

		Note	2024 (Rupees '000)	2023 (Rupees '000)
34.	**NET SALES**			
	Export sales	34.1	150,819,447	112,942,064
	Local sales		8,522,195	7,776,228
			159,341,642	120,718,292
	Less:			
	Sales discount		(344,673)	(377,444)
	Sales tax		(814,250)	(1,140,555)
			(1,158,923)	(1,517,999)
			158,182,719	119,200,293

34.1 It includes exchange (loss)/gain amounting to Rs. (742.727) million (2023: Rs. 8,409.697 million).

34.2 Revenue is disaggregated based on geographical locations of our customers. The same is disclosed in note – 49.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
35. COST OF SALES			
Raw material consumed	35.1	69,735,499	48,461,949
Stores and spares consumed	35.2	3,457,672	2,317,762
Knitting, processing and packing charges		2,887,081	1,445,253
Salaries, wages and benefits	35.3	23,821,644	16,541,929
Staff retirement gratuity	28.1.3	2,401,355	1,423,493
Fuel and power		8,975,715	6,088,391
Repairs and maintenance		902,365	671,504
Insurance		164,607	109,195
Depreciation	7.1.2	3,853,460	2,786,041
Depreciation on right of use assets	7.3.1	89,293	70,635
Amortization	8.2	–	666
Rent, rate and taxes		93,493	110,707
Other manufacturing costs		311,113	218,021
		116,693,297	80,245,546
Work in process			
Opening balance		3,124,698	2,592,821
Closing balance		(4,523,957)	(3,124,698)
		(1,399,259)	(531,877)
Cost of goods manufactured		115,294,038	79,713,669
Finished goods			
Opening balance		5,993,436	5,607,688
Transfer on acquisition of subsidiaries		337,643	–
Closing balance		(7,608,012)	(5,993,436)
		(1,276,933)	(385,748)
		114,017,105	79,327,921

35.1 Raw material consumed

	2024 (Rupees '000)	2023 (Rupees '000)
Opening balance	10,610,676	14,941,539
Transfer on acquisition of subsidiaries	126,831	–
Purchases	73,817,486	44,131,086
	84,554,993	59,072,625
Closing balance	(14,819,494)	(10,610,676)
	69,735,499	48,461,949

35.2 Stores and spares consumed

	2024 (Rupees '000)	2023 (Rupees '000)
Opening balance	2,490,975	1,866,417
Purchases	4,151,122	2,942,320
	6,642,097	4,808,737
Closing balance	(3,184,425)	(2,490,975)
	3,457,672	2,317,762

35.3 Salaries, wages and benefits include Rs. 16.967 million (2023: Rs. 14.208 million) in respect of the provident fund contribution.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
36. DISTRIBUTION COST			
Staff salaries and benefits	36.1	1,067,372	615,340
Staff retirement gratuity	28.1.3	60,518	34,056
Sea and air freight		507,220	288,454
Shipping expenses		1,611,432	1,353,067
Selling commission		1,817,845	1,124,247
Export development surcharge		374,646	290,817
Marketing and advertisement		375,092	246,583
		5,814,125	3,952,564

36.1 Staff salaries and benefits include Rs. 3.315 million (2023: Rs. 2.096 million) in respect of the provident fund contribution.

	Note	2024 (Rupees '000)	2023 (Rupees '000)
37. ADMINISTRATIVE EXPENSES			
Staff salaries and benefits	37.1 & 37.2	4,949,442	3,819,198
Directors' remuneration		182,477	96,927
Staff retirement gratuity	28.1.3	334,529	191,610
Postage and communication		70,831	49,200
Electricity, gas and water		109,087	49,622
Rent, rates and taxes		638,569	331,994
Printing and stationery		262,425	173,231
Travelling and conveyance		216,938	187,857
Vehicles running and maintenance		88,758	64,570
Legal and professional charges		928,075	330,607
Repairs and maintenance		42,042	48,411
Auditors' remuneration	37.3	10,055	7,304
Insurance		54,330	28,168
Entertainment		299,544	167,518
Advertisement		3,276	2,418
Newspapers and periodicals		450	754
Depreciation	7.1.2	610,735	427,703
Depreciation on right of use assets	7.3.1	6,208	26,042
Amortization	8.2	73,332	61,539
Others		211,837	180,697
		9,092,940	6,245,370

37.1 Staff salaries and benefits include Rs. 17.328 million (2023: Rs. 13.673 million) in respect of the provident fund contribution.

37.2 Staff salaries and benefits include Rs. 4.187 million (2023: Rs. 6.968 million) in respect of employees' share option compensation expense.

	2024 (Rupees '000)	2023 (Rupees '000)
37.3 Auditors' remuneration		
Annual audit fee	7,875	5,775
Other certification	105	79
Half yearly review	1,575	1,050
Out of pocket expenses	500	400
	10,055	7,304

		Note	2024 (Rupees '000)	2023 (Rupees '000)
38.	**OTHER OPERATING EXPENSES**			
	Loss on disposal of non current assets	38.1	28,232	49,143
	Balances written off		–	14,995
	Provision for obsolete inventory		48,274	–
	Realized loss on derivative financial instruments		–	274,060
	Forex options trading losses		121,974	–
	Charity and donations	38.2	632,546	791,829
	Workers' profit participation fund	29.5	943,788	1,150,770
	Workers' welfare fund		363,416	440,487
			2,138,230	2,721,284

38.1 Loss on disposal of non current assets

	2024 (Rupees '000)	2023 (Rupees '000)
Loss on disposal of operating fixed assets	28,477	49,143
Gain on disposal of right of use assets	(245)	–
	28,232	49,143

38.2 Charity and donations include the following;

Names of donees' in which a director or his spouse has an interest:

Name of Donee	Interest in Donee	Name of Director / Spouse	2024 (Rupees '000)	2023 (Rupees '000)
Interloop Welfare Trust	Trustees	Mr. Navid Fazil Mr. Musadaq Zulqarnain Mrs. Shereen Aftab Mr. Jahanzeb Khan Banth Mr. Muhammad Maqsood	588,107	356,227
Lyallpur Literary Council	Trustees	Mr. Musadaq Zulqarnain Mrs. Nazia Navid	8,000	3,500
			596,107	359,727

		2024 (Rupees '000)	2023 (Rupees '000)
39.	**OTHER INCOME**		
	Income from financial assets		
	Exchange gain – net	23,026	41,197
	Realized gain on derivative financial instruments	442,679	–
	Unrealized gain on derivative financial instruments	59,248	21,672
	Profit on term finance certificates (TFCs)	118,072	95,030
	Income from non–financial assets		
	Scrap sales	27,806	338
		670,831	158,237

		Note	2024 (Rupees '000)	2023 (Rupees '000)
40.	**FINANCE COST**			
	Mark up on:			
	Short term borrowings		8,112,039	3,894,317
	Long term financing – net		1,467,703	1,199,465
	Interest on workers' profit participation fund	29.5	30,484	26,689
	Interest on lease liabilities		32,070	16,158
	Bank charges and commission		514,077	390,907
			10,156,373	5,527,536
41.	**FINAL TAXATION**			
	Current year final taxes	41.1	2,018,512	1,538,962
	Prior year		27,699	(164,015)
			2,046,211	1,374,947

41.1 This represents final tax under section 154 and 150 of the Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 37.

		2024 (Rupees '000)	2023 (Rupees '000)
42.	**INCOME TAX**		
	Current	46,048	37,062
	Deferred	(56,177)	–
		(10,129)	37,062

42.1 The provision for current income tax is made on taxable income on TFCs at standard rate of 29% and related super tax at the rate of 10%, applicable for the Companies, under the provision of the Income Tax Ordinance, 2001.

42.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in statement of profit or loss is as follows

	Note	2024 (Rupees '000)	2023 (Rupees '000)
Current tax liability for the year as per applicable tax laws	42.2.1	2,064,560	1,576,024
Current tax liability as per tax laws, representing income tax under IAS 12	42	(46,048)	(37,062)
Current tax liability as per tax laws, representing levies in terms of requirements of IFRIC 21/IAS 37	41	(2,018,512)	(1,538,962)
		–	–

42.2.1 The aggregate of final tax and income tax, amounting to Rs. 2,064.560 million represents tax liability of the Group calculated in terms of provision of the Income Tax Ordiance, 2001.

42.3 The relationship between tax expense and accounting profit is not practicable to disclose as almost all the income of the Group except profit on short term investments falls under the ambit of presumptive tax regime.

	2024	2023
43. EARNINGS PER SHARE – BASIC AND DILUTED		
43.1 Earnings per share – Basic		
Profit for the year (Rupees in '000)	16,510,984	20,171,846
Weighted average number of ordinary shares outstanding during the year (Numbers in'000)	1,401,562	1,401,447
Earnings per share – basic (Rupees)	11.78	14.39

43.2 Earnings per share – Diluted

No figures for diluted earnings per share have been presented as the Parent Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

44. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Balance as on July 01, 2023	Non Cash Changes	Cash Flows	Balance as on June 30, 2024
	(Rupees '000)			
Issued, subscribed and paid up share capital	14,014,469	–	2,626	14,017,095
Capital reserve – share premium	3,143,605	1,036	14,093	3,158,734
Long term financing	17,288,082	35,186	1,594,094	18,917,362
Lease liabilities	128,935	266,440	(120,659)	274,716
Short term borrowings	42,148,912	1,117,431	7,173,501	50,439,844
Unclaimed dividend	4,074	5,617,471	(5,618,468)	3,077
	76,728,077	7,037,564	3,045,187	86,810,828

	Balance as on July 01, 2022	Non Cash Changes	Cash Flows	Balance as on June 30, 2023
	(Rupees '000)			
Issued, subscribed and paid up share capital	8,983,635	5,030,834	–	14,014,469
Capital reserve – share premium	3,528,149	(359,345)	(25,199)	3,143,605
Long term financing	16,226,103	41,291	1,020,688	17,288,082
Lease liabilities	166,659	81,892	(119,616)	128,935
Short term borrowings	35,007,908	–	7,141,004	42,148,912
Unclaimed dividend	3,006	4,599,621	(4,598,553)	4,074
	63,915,460	9,394,293	3,418,324	76,728,077

	2024	2023
45. NUMBER OF EMPLOYEES		
Average number of employees during the year	32,718	31,794
Number of employees at end of the year	34,921	30,774

		Note	2024 (Rupees '000)	2023 (Rupees '000)
46.	**SHARIAH SCREENING DISCLOSURE**			
	Loans/advances as per Islamic mode			
	Loans	26, 28.2 & 31	25,599,555	23,221,346
	Shariah compliant bank deposits/bank balances			
	Bank balances		59,325	241,711
	Revenue earned from a shariah compliant business		158,182,719	119,200,293
	Mark up on Islamic mode of financing		(4,097,945)	(2,357,214)
	Exchange gain earned		23,026	41,197
	Realized gain on derivative financial instruments		442,679	–
	Profits or interest on any conventional loan or advance			
	Profit on term finance certificates (TFCs)		118,072	95,030
	Interest on workers' profit participation fund		(30,484)	(26,689)
	Interest on lease liabilities		(32,070)	(16,158)
	Interest on other conventional loans		(5,481,797)	(2,736,568)

Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
MCB Islamic Bank	Bank Balance, long term financing and short term borrowing
Allied Bank Limited (Islamic Banking)	Bank balance and long term financing
Meezan Bank Limited	Bank Balance, long term financing and short term borrowing
Bank Alfalah Limited (Islamic)	Bank Balance and short term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank Balance and short term borrowing
Habib Bank Limited (Islamic Banking)	Bank Balance, long term financing and short term borrowing
Faysal Bank Limited	Bank Balance, long term financing and short term borrowing
United Bank Limited – Ameen	Bank Balance and short term borrowing

47. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024		
	Chief Executives	Directors	Executives
	(Rupees '000)		
Managerial remuneration	75,485	76,564	2,779,171
Directorship fee	–	20,900	–
Reimbursable expenses	–	–	546,252
Bonus	–	–	279,381
Staff retirement gratuity	–	–	128,856
Contribution to provident fund	–	–	28,938
Other allowances	–	9,528	344,764
	75,485	106,992	4,386,743
Number of persons	2	10	645

	2023		
	Chief Executive	Directors	Executives
		(Rupees '000)	
Managerial remuneration	40,050	41,157	1,879,130
Directorship fee	–	15,410	–
Reimbursable expenses	–	–	386,708
Bonus	–	–	–
Staff retirement gratuity	–	–	81,619
Contribution to provident fund	–	–	19,916
Other allowances	–	310	243,390
	40,050	56,877	2,610,763
Number of persons	1	6	442

The chief executive officer, executive director and some executives are provided with company maintained cars.

48. TRANSACTIONS WITH RELATED PARTIES

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under the relevant notes to the financial statements. Remuneration to directors and key management personnel is disclosed in note 47. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

Name	Nature of transaction	2024 (Rupees '000)	2023 (Rupees '000)
Interloop Holdings (Pvt) Limited	Services received	264,908	217,136
	Purchase of assets – net	8,275	9,847
	Gratuity transferred	2,601	–
Texlan Center (Pvt) Limited	Sale of yarn	2,852,716	2,339,816
	Sale of packing material	122,989	90,597
Momentum Logistics (Pvt) Limited	Services received	1,204,122	593,331
PrintKraft (Pvt) Limited	Purchase of packing material	731,832	520,246
	Sale of asset	–	4,130
Octans Digital (Pvt) Limited	Services received	220,965	31,549
	Purchase of assets	46	–
Socks & Socks (Pvt) Limited	Purchase of goods and services – net	33,776	–
	Purchase of assets	838,935	–
	Sale of goods – net	–	124,252
Interloop Europe	Sale of socks	952,990	858,108
ILNA Inc. USA	Services received	1,523,745	–
Interloop Provident Fund Trust	Contribution to the fund	101,346	80,703
Key management personnel and other related parties	Sale of assets	17,550	3,446
	Repayment of housing finance loan	4,616	4,616
	Mark up on house building finance loan	444	188
	Rent expenses	1,712	1,556
	Dividend paid	4,739,070	3,912,939

48.1 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Interloop Holdings (Pvt) Limited	Associate	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Interloop Dairies Limited	Associate	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Texlan Center (Pvt) Limited	Associate	Common Directors	Dagonna Road, Minuwangoda, Sri Lanka.
Momentum Logistics (Pvt) Limited	Associate	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
PrintKraft (Pvt) Limited	Associate	Subsidiary of Associate	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Shifa Medical Center Islamabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H–8/4 Islamabad, Pakistan.
IRC Dairy products (Pvt) Limited	Associate	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Global Veneer Trading Limited	Associate	Common Directors	Bahnhofasteasse22, 6300 Zug, Switzerland.
Interloop Europe	Associate	Subsidiary of Associate	Constructieweg 1, 7451 PS Holten, Netherlands.
IL Bangla Limited	Associate	Common Directors	House # 267, Road # 19, New DOHS Mohakhali, Dhaka.
Interloop Welfare Trust	Trustee	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Interloop Provident Fund Trust	Trustee	Post Employment Benefit Plan	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Octans Digital (Pvt) Limited	Associate	Subsidiary of Associate	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Shifa National Hospital Faisalabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H–8/4 Islamabad, Pakistan.
Lyallpur Literary Council	Associate	Common Directors	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Socks & Socks (Pvt) Limited	Associate	Subsidiary of Associate	Al–Sadiq Plaza, P–157, Railway Road, Faisalabad, Pakistan.
Interloop Asset Management Limited	Associate	Common Directors	205, Second Floor, The Forum, Clifton Block 9, Khayaban-e-Roomi, Karachi, Pakistan.

49. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Holding Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Based on internal management reporting structure and products produced and sold, the Group is organized into the following operating segments :

a) Hosiery

This segment relates to the sale of socks.

b) Spinning

This segment relates to the sale of yarn and its in-house use.

c) Denim

This segment relates to the sale of denim products and garments.

d) Apparel

This segment relates to the sale of fashion apparels.

e) Other operating segments

These represent various segments of the Group which currently do not meet the minimum reporting threshold mentioned in International financial reporting standards 'Operating Segments' (IFRS 8). These mainly include energy, yarn dyeing, active wear and other subsidiaries.

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49.1 Segment information

	Hosiery		Spinning		Denim		Apparel		Other Segments		Elimination of Intersegment Transactions		Total Group	
	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023
Net sales														
External sales	117,913,274	89,387,698	8,032,795	7,949,083	15,677,548	12,650,763	13,012,020	6,887,701	3,547,082	2,325,049	–	–	158,182,719	119,200,293
Intersegment sales	21,662	227,203	12,374,320	8,516,303	13,689	18,251	58,447	7,896	14,206,214	8,132,872	(26,674,332)	(16,902,526)	–	–
	117,934,936	89,614,901	20,407,115	16,465,386	15,691,237	12,669,014	13,070,467	6,895,597	17,753,296	10,457,922	(26,674,332)	(16,902,526)	158,182,719	119,200,293
Cost of sales	(76,295,766)	(53,266,571)	(18,579,123)	(15,599,713)	(14,740,002)	(10,992,135)	(15,517,733)	(6,560,088)	(15,558,813)	(9,811,940)	26,674,332	16,902,526	(114,017,105)	(79,327,921)
Gross profit/(loss)	41,639,170	36,348,330	1,827,992	865,673	951,235	1,676,879	(2,447,266)	335,509	2,194,483	645,982	–	–	44,165,614	39,872,372
Distribution cost	(3,789,851)	(2,929,377)	(112,517)	(93,512)	(886,624)	(570,299)	(738,250)	(277,207)	(286,883)	(82,169)	–	–	(5,814,125)	(3,952,564)
Administrative expenses	(6,639,031)	(4,991,701)	(177,332)	(115,680)	(616,460)	(607,658)	(1,037,869)	(456,552)	(622,248)	(73,779)	–	–	(9,092,940)	(6,245,370)
	(10,428,882)	(7,921,078)	(289,849)	(209,192)	(1,503,084)	(1,177,957)	(1,776,119)	(733,759)	(909,131)	(155,948)	–	–	(14,907,065)	(10,197,934)
Profit/(loss) before taxation and unallocated income and expenses	31,210,288	28,427,252	1,538,143	656,481	(551,849)	498,922	(4,223,385)	(398,250)	1,285,352	490,034	–	–	29,258,549	29,674,438
Other operating expenses													(2,138,230)	(2,721,284)
Other income													670,831	158,237
Gain on acquisition of subsidiaries													857,304	–
Finance cost													(10,156,373)	(5,527,536)
Final taxation													(2,046,211)	(1,374,947)
Income tax													10,129	(37,062
Profit after taxation													16,455,999	20,171,846
Depreciation and amortization	2,027,234	1,812,857	191,956	208,968	523,200	564,556	1,104,576	336,074	786,062	450,171	–	–	4,633,028	3,372,626

49.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Apparel		Other Segments		Unallocated		Total Group	
	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023	2024 (Rupees '000)	2023
Assets	66,592,691	59,567,351	7,715,957	8,161,674	14,943,787	11,484,774	40,347,253	29,557,715	15,221,886	9,583,087	9,817,899	6,890,119	154,639,472	125,244,720
Liabilities	36,936,475	32,026,395	763,164	754,830	2,504,924	1,486,894	3,945,324	1,700,797	2,406,569	1,490,469	52,595,880	43,978,929	99,152,336	81,438,314
Segment Capital Expenditures	5,890,310	4,392,466	43,815	30,854	255,019	170,109	5,725,436	19,551,142	3,762,924	3,381,658	–	–	15,677,504	27,526,229

49.3 Geographical information

49.3.1 The Group's revenue from external customers by geographical locations is detailed below:

	2024	2023
Australia	75,702	444,108
Asia	9,085,183	11,708,565
Europe	61,222,617	44,414,349
United States	80,091,272	55,997,598
Pakistan	7,707,945	6,635,673
	158,182,719	119,200,293

49.3.2 All non–current assets of the Group as at reporting dates are located and operating in United States, China and Pakistan.

49.4 The Group earns its revenue from a large mix of customers.

		UOM	2024 (Figures in '000)	2023 (Figures in '000)
50.	PLANT CAPACITY AND ACTUAL PRODUCTION			
	Hosiery			
	Installed capacity - knitting	[DZN]	72,724	71,819
	Actual production - knitting	[DZN]	59,958	50,076
	Spinning			
	Installed capacity after conversion into 20/s	[LBS]	31,377	31,377
	Actual production after conversion into 20/s	[LBS]	28,729	25,756
	Yarn Dyeing			
	Installed capacity	[KGs]	6,407	6,284
	Actual production	[KGs]	4,934	4,480
	Denim			
	Installed capacity	[Pieces]	6,975	6,000
	Actual production	[Pieces]	6,116	4,233

Active Wear, Apparel and other Subsidiaries

The plant capacity of these divisions is indeterminable due to multi product plans involving varying processes of manufacturing and run length of order lots.

50.1 The actual production is planned to meet the internal demand and orders in hand.

51. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Group to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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	2024							
	Carrying Amount				Fair Value			
	Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
	(Rupees '000)							
On balance sheet financial instruments								
Financial assets measured at fair value								
Derivative financial instruments	59,248	–	–	59,248	–	59,248	–	59,248
Financial assets not measured at fair value								
Long term loans	–	176,873	–	176,873	–	–	–	–
Long term deposits	–	89,451	–	89,451	–	–	–	–
Trade debts	–	41,638,589	–	41,638,589	–	–	–	–
Loans and advances	–	224,219	–	224,219	–	–	–	–
Deposits and other receivables	–	459,660	–	459,660	–	–	–	–
Accrued income	–	1,497	–	1,497	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	1,510,910	1,510,910	–	–	–	–
	59,248	43,090,289	1,510,910	44,660,447	–	59,248	–	59,248
Financial liabilities measured at fair value	–	–	–	–	–	–	–	–
Financial liabilities not measured at fair value								
Long term financing	–	18,917,362	–	18,917,362	–	–	–	–
Lease liabilities	–	274,716	–	274,716	–	–	–	–
Trade and other payables	–	13,377,436	–	13,377,436	–	–	–	–
Unclaimed dividend	–	3,077	–	3,077	–	–	–	–
Accrued mark up	–	2,689,751	–	2,689,751	–	–	–	–
Short term borrowings	–	50,439,844	–	50,439,844	–	–	–	–
	–	85,702,186	–	85,702,186	–	–	–	–

	2023							
	Carrying Amount				Fair Value			
	Fair value through profit or loss	Amortized cost	Cash and cash equivalents	Total	Level 1	Level 2	Level 3	Total
	(Rupees '000)							
On balance sheet financial instruments								
Financial assets measured at fair value								
Derivative financial instruments	21,672	–	–	21,672	–	21,672	–	21,672
Financial assets not measured at fair value								
Long term loans	–	147,858	–	147,858	–	–	–	–
Long term deposits	–	81,701	–	81,701	–	–	–	–
Trade debts	–	34,138,665	–	34,138,665	–	–	–	–
Loans and advances	–	202,458	–	202,458	–	–	–	–
Deposits and other receivables	–	165,736	–	165,736	–	–	–	–
Accrued income	–	1,623	–	1,623	–	–	–	–
Short term investments	–	500,000	–	500,000	–	–	–	–
Cash and bank balances	–	–	1,544,502	1,544,502	–	–	–	–
	21,672	35,238,041	1,544,502	36,804,215	–	21,672	–	21,672
Financial liabilities measured at fair value	–	–	–	–	–	–	–	–
Financial liabilities not measured at fair value								
Long term financing	–	17,288,082	–	17,288,082	–	–	–	–
Lease liabilities	–	128,935	–	128,935	–	–	–	–
Trade and other payables	–	9,364,540	–	9,364,540	–	–	–	–
Unclaimed dividend	–	4,074	–	4,074	–	–	–	–
Accrued mark up	–	1,830,013	–	1,830,013	–	–	–	–
Short term borrowings	–	42,148,912	–	42,148,912	–	–	–	–
	–	70,764,556	–	70,764,556	–	–	–	–

52. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Group follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Group through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Group has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

52.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2024 and 2023.

52.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investments in term finance certificates, long term and short term loans, lease liabilities, short term borrowings and long term financing.

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
Fixed rate instruments		
Long term financing – Secured	8,473,992	9,399,274
Lease liabilities against right of use assets	274,716	128,935
Short term borrowings – Secured	43,645,203	34,151,278
Variable rate instruments		
Short term investments	500,000	500,000
Loan to director – Secured	1,153	5,769
Long term financing from financial institutions – Secured	10,443,370	7,888,808
Short term borrowings from financial institutions – Secured	6,794,641	7,997,634

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect statement of profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates of 1%, with all other variables held constant, of the Group's profit before tax. The analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting date were outstanding for the whole year.

	2024 (Rupees '000)	2023 (Rupees '000)
Effect on profit and (loss) of an increase in interest rate for short term investments	4,655	4,655
Effect on profit and (loss) of an increase in interest rate for loan to director	11	54
Effect on profit and (loss) of an increase in interest rate for long term financing	(97,228)	(73,445)
Effect on profit and (loss) of an increase in interest rate for short term borrowings	(63,258)	(74,458)
	(155,820)	(143,194)

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

52.1.2 Currency risk / Foreign Exchange risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument, will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

Exposure to Currency Risk

The Group's exposure to currency risk is restricted to the amounts receivable from/payable to the foreign entities and bank balances which are denominated in currency other than the functional currency of the Group. The Group's exposure to currency risk is as follows:

Particulars	Currency	2024 F.Currency	2024 Rupees	2023 F.Currency	2023 Rupees
			(Amount '000)		
Foreign currency bank accounts	US $	1,122.60	309,300	5,120.84	1,467,937
	EUR €	–	–	0.05	15
	CNY	29,736.43	1,139,060	–	–
			1,448,360		1,467,952
Trade debts	US $	140,794.83	39,183,202	114,570.09	32,835,788
	EUR €	1,086.01	323,500	–	–
	CNY	11,616.83	444,985	–	–
			39,951,687		32,835,788
			41,400,047		34,303,740
Less: Payables – Creditors	US $	(2,086.65)	(581,758)	(479.89)	(137,776)
	EUR €	(135.05)	(40,299)	(308.51)	(96,957)
	GBP £	–	–	(29.69)	(10,849)
	CNY	(10,169.30)	(389,537)	–	–
			(1,011,594)		(245,581)
On Balance sheet Exposure			40,388,453		34,058,159
Under letter of credit	US $	9,307.05	2,594,806	13,049.81	3,743,337
	EUR €	7,235.19	2,159,053	2,931.25	920,398
	GBP £	39.30	13,828	291.12	106,283
	JPY ¥	46,834.50	81,047	–	–
	CHF	1,500.00	464,565	53.86	17,267
Off Balance Sheet Exposure			5,313,299		4,787,285

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2024 Selling (Rupees)	2024 Buying (Rupees)	2023 Selling (Rupees)	2023 Buying (Rupees)
US $	278.80	278.30	287.10	286.60
EUR €	298.41	297.88	314.27	313.72
GBP £	351.85	351.22	365.40	364.77
JPY ¥	1.73	1.73	2.00	2.00
CNY	38.53	38.31	39.98	39.91
CHF	309.71	309.16	320.90	320.34

Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 10% against the foreign currencies with all other variables held constant, the profit before taxation would have increased / (decreased) for the year 2024 and 2023 by the following amounts:

	2024 (Rupees '000)	2023 (Rupees '000)
Foreign Currency		
US $	3,622,590	3,180,850
EUR €	26,366	(9,025)
GBP £	–	(1,010)
CNY	111,209	–
	3,760,165	3,170,815

A 10% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

52.1.3 Other price risk:

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Group is not exposed to any significant other price risk.

52.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows:

	2024 (Rupees '000)	2023 (Rupees '000)
Long term loans	176,873	147,858
Long term deposits	89,451	81,701
Trade debts	41,638,589	34,138,665
Loans and advances	224,219	202,458
Deposits and other receivables	459,660	165,736
Accrued income	1,497	1,623
Short term investments	500,000	500,000
Bank balances	1,483,566	1,528,925
	44,573,855	36,766,966

Loans and advances consist of loans to employees and director. Loans to employees and director are secured against their retirement benefits. Therefore, the Group is not exposed to any significant credit risk on these loans and advances.

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services. Considering the financial position and credit quality of the institutions, the Group's exposure to credit risk is not significant.

Trade debts amounting to Rs. 18.318 million (2023: Rs. 14,503 million) out of total debts are secured against letters of credit and insured contract. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Group is not exposed to any significant credit risk.

Deposits and other receivables constitute mainly subsidy on gas and receivable from custom authorities. Considering the financial position of and credit quality of the institution, the Group's exposure to credit risk is not significant.

The Group has no material expected credit loss or impairment allowance at the year end regarding trade debts and other receivables.

Short term investments are investments in TFCs. The credit risk on these investments and their accrued profit is limited because counter party is bank with reasonably high credit ratings.

The credit quality of the Group's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Name of Bank	Date	Long term	Short term	Outlook	Agency
Allied Bank Limited	24–Jun–24	AAA	A1+	Stable	PACRA
Askari Bank Limited	24–Jun–24	AA+	A1+	Stable	PACRA
Bank Alfalah Limited	28–Jun–24	AAA	A1+	Stable	PACRA
Faysal Bank Limited	24–Jun–24	AA	A1+	Stable	PACRA
Habib Bank Limited	28–Jun–24	AAA	A–1+	Stable	JCR–VIS
Habib Metropolitan Bank Limited	24–Jun–24	AA+	A1+	Stable	PACRA
MCB Bank Limited	22–Jun–24	AAA	A1+	Stable	PACRA
MCB Islamic Bank Limited	25–Jun–24	A+	A1	Stable	PACRA
Meezan Bank Limited	28–Jun–24	AAA	A–1+	Stable	JCR–VIS
National Bank of Pakistan	22–Jun–24	AAA	A1+	Stable	PACRA
Standard Chartered Bank (Pakistan) Limited	22–Jun–24	AAA	A1+	Stable	PACRA
The Bank of Punjab	15–Apr–24	AA+	A1+	Stable	PACRA
United Bank Limited	26–Jun–24	AAA	A–1+	Stable	JCR–VIS

Due to the Group's long standing relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non–performance by these counter parties on their obligations to the Group. Accordingly, the risk is minimal.

52.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2024 the Group has Rs. 26,596 million (2023: Rs. 20,847 million) unutilized borrowing limits available from financial institutions and Rs. 1,510.910 million (2023: Rs. 1,544.502 million) cash and bank balances. The management believes that the Group is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2024 and 2023:

	2024				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
Financial Liabilities :					
Long term financing	18,917,362	27,389,598	4,810,932	15,384,133	7,194,533
Lease liabilities	274,716	353,028	118,223	234,805	–
Trade and other payables	13,377,436	13,377,436	13,377,436	–	–
Unclaimed dividend	3,077	3,077	3,077	–	–
Accrued mark up	2,689,751	2,689,751	2,689,751	–	–
Short term borrowings	50,439,844	50,439,844	50,439,844	–	–
	85,702,186	94,252,734	71,439,263	15,618,938	7,194,533

	2023				
	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year and up to 5 years	More than 5 Years
	(Rupees '000)				
Financial Liabilities :					
Long term financing	17,288,082	24,772,160	3,725,244	13,422,690	7,624,226
Lease liabilities	128,935	139,410	79,501	59,909	–
Trade and other payables	9,364,540	9,364,540	9,364,540	–	–
Unclaimed dividend	4,074	4,074	4,074	–	–
Accrued mark up	1,830,013	1,830,013	1,830,013	–	–
Short term borrowings	42,148,912	42,148,912	42,148,912	–	–
	70,764,556	78,259,109	57,152,284	13,482,599	7,624,226

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark–up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 26, 27 and 31 to these consolidated financial statements.

52.4 Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Group manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of debt to equity ratio, calculated on the basis of total debt to equity.

	2024 (Rupees '000)	2023 (Rupees '000)
Long term financing	18,917,362	17,288,082
Short term borrowings	50,439,844	42,148,912
Debts	69,357,206	59,436,994
Equity	54,161,464	43,806,406
Total capital (equity + debt)	123,518,670	103,243,400
Gearing ratio (percentage)	56.15	57.57

53. EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company in their meeting held on September 26, 2024 have proposed a final cash dividend of Rs. 2.5 per share (2023: Rs. 2 per share), amounting to Rs. 3,504.27 million (2023: Rs. 2,802.89 million), for approval of the members at the Annual General Meeting of the Holding Company.

54. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on September 26, 2024 by the Board of Directors of the Holding Company.

55. GENERAL

55.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. However, during the year following reclassifications are made in the corresponding figures.

Particulars	From	To	2023 (Rupees '000)
Final taxes	Income tax	Final taxation	1,538,962
Prior year tax adjustment	Income tax	Final taxation	(164,015)

55.2 Following nomenclature has been changed during the year

Previous year nomenclature	Current year nomenclature
Taxation	Income tax

55.3 Rounding

Figures have been rounded off to the nearest thousand of rupees.

Chief Executive Officer **Director** **Chief Financial Officer**

SHAREHOLDERS' INFORMATION

NOTICE OF 32nd
ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting (AGM) of Interloop Limited (the "Company") will be held on Thursday, October 24, 2024 at 12:00 p.m. at the Interloop Executive Club, Interloop Industrial Park located at 7-KM Khurrianwala - Jaranwala Road, Khurrianwala, Faisalabad, to transact the following businesses:

Members are encouraged to attend the AGM through the video link facility managed by the Company (Please see the notes section for details).

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting (AGM) of the Company held on October 13, 2023.

2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Auditors' and Directors' Report thereon and Chairperson's Review Report.

   In accordance with Section 223 of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, the Annual Audited Financial Statements along with Reports of the Company can be accessed through the following weblink and QR enabled code.

   https://investors.interloop-pk.com/financial-reports/

3. To declare and approve, as recommended by the Directors, the payment of Final Cash Dividend @ Rs. 2.50/- per share i.e. 25% for the year ended June 30, 2024. This is in addition to the Interim Cash Dividend already paid for the year ended June 30, 2024 @ Rs. 2 /- per share i.e. 20%.

4. To appoint Auditors and fix their remuneration for the financial year 2024-25. The Members are hereby given notice that the Board of Directors, on the recommendation of the Board Audit Committee of the Company, has proposed the name of the retiring auditors, M/s Kreston Hyder Bhimji & Company, Chartered Accountants for re-appointment as the Auditors of the Company.

OTHER BUSINESS:

5. To transact any other business with the permission of the Chair.

By Order of the Board

(Rana Ali Raza)
Company Secretary

Place: Faisalabad
Dated: October 02, 2024

NOTES:

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from October 17, 2024 to October 24, 2024 (both days inclusive). Transfer requests on prescribed format, received at the office of the Share Registrar of the Company, M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 on or before the close of business on October 16, 2024 will be treated 'in time' for the purpose of above entitlement(s) to the transferees and/or to attend the AGM.

2. Virtual Participation in the AGM Proceedings:

Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information through email at aliraza.rana@interloop.com.pk or general.meetings@interloop.com.pk

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	No. of Shares	Contact No.	Email Address

Online meeting link and login credentials will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address by the end of business on Wednesday October 23, 2024. The login facility shall remain open from 11:30 am till the start of the Meeting on October 24, 2024.

3. Electronic transmission of Annual Report 2024:

In compliance with section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2024 through email to Shareholders whose email addresses are available with the Company's Share Registrar, M/s. CDC Share Registrar Services Limited. The printed notices of AGM, after insertion of the weblink and QR enabled code for downloading the Annual Report, have been dispatched under S.R.O. 389 (I)/2023, dated March 21, 2023. The Financial Statements of the Company for the year ended June 30, 2024 along with reports have also been placed on the website of the Company.

https://investors.interloop-pk.com/financial-reports/

However, the Company will provide hard copies of the Annual Report to any member on their demand, at their registered address, free of cost, within one week of receiving such request on specified consent letter/form which is available on the Company's website www.interloop-pk.com.

Further, Shareholders are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. CDC Share Registrar Services Limited CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400, if the Member hold shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

4. Requirements for appointing proxies:

All members, entitled to attend and vote at the meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy must be a member of the Company. In case of corporate entities, a resolution of the Board of Directors / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity and an attested copy of CNIC shall be submitted to the Company at the meeting or along with a completed proxy form. The proxy holders are required to produce their original valid CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 hours before the time for holding the meeting.

Guidelines for CDC Account Holders issued by SECP:

CDC account holders will further have to follow the below mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in this regard:

a) For Attending the Meeting

i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid CNIC or the original passport at the time of attending the meeting.

ii. Members registered on CDC are also requested to bring their particulars, I.D. numbers and account numbers in CDS.

iii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting along with the proxy form to the Company.

b) For Appointing Proxies

i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.

ii. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iii. The proxy shall produce original valid CNIC or original passport at the time of the meeting.

iv. In case of a corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

v. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

5. Electronic Dividend Mandate:

Under Section 242 of the Act, it is mandatory for all listed companies to pay cash dividend to its Shareholders through electronic mode directly into the bank account designated by the entitled Shareholders.

To receive dividend directly into their bank account, Shareholders are requested (if not already provided) to fill the Dividend Bank Mandate Form for Electronic Credit of Cash Dividend available on the Company's website i.e., www.interloop-pk.com and send it duly signed along with a copy of valid CNIC to the Share Registrar, M/s. CDC Share Registrar Services Limited, in case of physical shares. In case of shares held in CDC, Electronic Dividend Mandate Form must be directly submitted to Shareholder's brokers / participant / CDC account services.

In case of non-receipt of above information/form, the Company will be constrained to withhold payment of dividend to Shareholders. As per SECP directives, the dividend of Shareholders, whose valid CNICs are not available with the Share Registrar, may be withheld. All Shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Share Registrar, M/s. CDC Share Registrar Services Limited without any further delay.

6. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 ("Income tax Ordinance"):

The rates of deduction of withholding tax for Filers and Non-Filers as prescribed under Section 150 of the Income Tax Ordinance 2001, are as under:

- For Filers of income tax returns 15.00%
- For Non-Filers of income tax returns 30.00%

Withholding tax on Dividend in case of Joint Account Holders

Members who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filers and tax will be deducted according to his/her shareholding.

If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below mentioned details of their shareholding to the Share Registrar of the Company latest by the Annual General Meeting date.

Folio No/ CDC Account No	Total No of Shares	Name of Principal Shareholder and CNIC #	Share Holding	Name of Joint Shareholders and CNIC #	Share Holding

Valid Tax Exemption Certificate for Exemption from Withholding Tax

A valid tax exemption certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Shares Registrar prior to the date of commencement of Book closure otherwise tax will be deducted according to the applicable law.

7. Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017:

An updated list for unclaimed dividend / shares of the Company is available on the Company's website i.e., www.interloop-pk.com .These are unclaimed dividend / shares, which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable.

Shareholders are requested to ensure that their claims for unclaimed dividend and share are lodged promptly. Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 and collect / enquire about their unclaimed dividend, if any. Incase no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid Account and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

8. Consent for video conference facility:

Pursuant to Section 132(2) & Section 134(b) of the Companies Act, 2017, if the Company receives a consent form from the Shareholders holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference at least seven (7) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide following information and submit to registered office of the Company:

I / We, ________________________________ of ________________, being a member of Interloop Limited, holder of ________________________ ordinary share(s) as per Registered Folio / CDC Account No. _____________________ hereby opt for video conference facility at _____________________.

____
Signature of Member

9. Declaration for exemption of Zakat:

In order to claim exemption from compulsory deduction of Zakat, Shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on Non-Judicial Stamp Paper of appropriate value to the Share Registrar, M/s. CDC Share Registrar Services Limited, of the Company before the closed of share transfer books. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the Shareholder, through their Participant / Investor Account Services.

Further, Non-Muslim Shareholders are also required to file Solemn Affirmation with the Share Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents complete in all aspects have been made available as above. Moreover, shareholders are also requested to promptly notify any changes in their registered address.

ودہولڈنگ ٹیکس سے استثناء کے لیے کارآمد ٹیکس استثناء سرٹیفکیٹ:

انکم ٹیکس آرڈیننس، 2001 کے سیکشن 150 کے تحت، ودہولڈنگ ٹیکس سے استثناء کے لیے کارآمد ٹیکس استثناء سرٹیفکیٹ ضروری ہے۔ جو ممبرز انکم ٹیکس آرڈیننس، 2001 کے سیکنڈ شیڈول کے پارٹ IV کی شق 47B کے تحت کوالیفائی کرتے ہیں اور استثناء حاصل کرنے کے خواہشمند ہیں وہ کھاتے کی بندش کی تاریخ سے قبل ٹیکس سے استثناء کے اپنے کارآمد سرٹیفکیٹ کی کاپی شیئرز رجسٹرار کو لازمی فراہم کریں ورنہ قابل اطلاق قانون کے مطابق ٹیکس منہا کیا جائے گا۔

7. کمپنیز ایکٹ، 2017 کے سیکشن 244 کے تحت غیر دعویدار منافع منقسمہ / شیئرز:

کمپنی کے غیر دعویدار منافع منقسمہ / شیئرز کی updated فہرست کمپنی کی ویب سائٹ www.interloop-pk.com پر دستیاب ہے۔ یہ غیر دعویدار ڈیویڈنڈز / شیئرز ہیں جو اس تاریخ سے جب یہ واجب الادا اور قابل ادائیگی تھے، تین (3) سال سے غیر دعویدار اور غیر ادا شدہ چلے آرہے ہیں۔

شیئرز ہولڈرز سے گزارش ہے کہ وہ اس امر کو یقینی بنائیں کہ غیر دعویدار ڈیویڈنڈز اور شیئرز کے لیے ان کے دعوے بروقت داخل ہوں۔ جو شیئرز ہولڈرز کسی وجہ سے اپنا ڈیویڈنڈ / اگر کوئی ہے، وصول نہیں کر سکے انھیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 سے رابطہ کریں اور اپنے غیر دعویدار ڈیویڈنڈ / دعوی / اگر کوئی ہو، وصول کریں یا اس کے بارے میں معلومات حاصل کریں۔ اگر کوئی دعوی داخل نہیں کیا جاتا تو کمپنی، کمپنیز ایکٹ، 2017 کے سیکشن (2)244 کے مطابق وفاقی حکومت کے پاس جمع کروانے کی کارروائی کرے گی۔

8. ویڈیو کانفرنس کی سہولت کے لیے رضامندی:

کمپنیز ایکٹ، 2017 کے سیکشن (2)132 اور سیکشن (b)134 کے مطابق اگر کمپنی کو کسی جغرافیائی مقام پر رہنے والے ایسے شیئرز ہولڈرز کی طرف سے اجلاس سے کم از کم سات (7) دن پہلے ویڈیو کانفرنس کے ذریعے اجلاس میں شرکت کے لیے رضامندی کا فارم موصول ہوتا جن کے پاس مجموعی طور پر 10% یا اس سے زیادہ شیئرز ہولڈنگ ہے، کمپنی اس شہر میں ویڈیو کانفرنس سہولت کا انتظام کرے گی بشرطیکہ اس شہر میں اس قسم کی سہولت موجود ہو۔ براہ کرم اس سہولت سے فائدہ اٹھانے کے لیے کمپنی کے رجسٹرڈ دفتر کو مندرجہ ذیل معلومات فراہم کریں:

میں/ہم ____________ جن کا تعلق ____________ سے ہے، انٹرلوپ لمیٹڈ کا ممبر ہونے کے ناطے جو ____________
آرڈینری شیئرز (شیئرز) کے مالک ہیں بمطابق رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ نمبر ____________ بمقام ____________ ویڈیو کانفرنس کی سہولت حاصل کرنا چاہتے ہیں۔

____
دستخط ممبر

9. زکوٰۃ سے استثناء کا حلف نامہ:

زکوٰۃ کی لازمی کٹوتی سے استثناء کے دعوے کے لیے شیئرز ہولڈرز سے گزارش ہے کہ وہ مناسب قدر کے غیر جوڈیشل اسٹامپ پیپر پر زکوٰۃ ڈیکلریشن فارم "CZ-50" کی ایک نوٹرائزڈ کاپی شیئرز ٹرانسفر بکس بند ہونے سے پہلے کمپنی کے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ کے پاس جمع کروائیں۔ اگر شیئرز scripless شکل میں ہیں تو زکوٰۃ ڈیکلریشن فارم (CZ-50) شراکتی / انویسٹر اکاؤنٹ سروسز کے ذریعے شیئرز ہولڈرز کے سی ڈی سی اکاؤنٹ میں اپ لوڈ ہو۔

مزید برآں، غیر مسلم شیئرز ہولڈرز کے لیے ضروری ہے کہ وہ کمپنی کے شیئرز رجسٹرار کے پاس حلف نامہ جمع کروائیں، اگر ان کے شیئرز فزیکل سرٹیفکیٹس میں یا سی ڈی سی شراکتی / انویسٹر اکاؤنٹ سروسز میں scripless form میں ہیں۔ اگر مطلوبہ مکمل دستاویزات فراہم نہیں کی جائیں گی تو زکوٰۃ کی کٹوتی سے کسی استثناء کی اجازت نہیں ہوگی۔ علاوہ ازیں شیئرز ہولڈرز سے یہ گزارش بھی ہے کہ وہ اپنے رجسٹرڈ پتہ میں کسی تبدیلی سے فوری طور پر آگاہ کریں۔

b) پراکسی کی تقرری کے لیے:

i. انفرادی حیثیت کی صورت میں، اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز جن کی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ ہیں، مذکورہ بالا ضابطوں کے مطابق پراکسی فارم پیش کریں گے۔

ii. اصل مالکان اور پراکسی کے کمپیوٹرائزڈ CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔

iii. پراکسی، اجلاس کے وقت اصل کمپیوٹرائزڈ CNIC یا اصل پاسپورٹ پیش کرے گا۔

iv. کاروباری ادارے کی صورت میں اجلاس کے موقع پر پراکسی فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد / اختیار نامہ مع نامزد شخص کے دستخط کے نمونے کمپنی کو پیش کرنا ہوں گے (اگر اس سے پہلے پیش نہیں کیے گئے)۔

v. پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتے اور کمپیوٹرائزڈ CNIC نمبرز فارم پر درج ہوں گے۔

5. الیکٹرانک ڈیویڈنڈ مینڈیٹ

کمپنیز ایکٹ، 2017 کے سیکشن 242 کے مطابق تمام لسٹڈ کمپنیوں کے لیے لازمی ہے کہ وہ اپنے شیئر ہولڈرز کو نقد منافع منقسمہ الیکٹرانک طریقے سے اہل شیئر ہولڈرز کے مقرر کردہ بینک اکاؤنٹ میں براہ راست ادا کریں۔

فزیکل شیئرز کی صورت میں، اپنا نقد منافع منقسمہ براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے ممبرز سے گزارش ہے کہ وہ الیکٹرانک کریڈٹ آف کیش ڈیویڈنڈ کے لیے ڈیویڈنڈ بینک مینڈیٹ فارم (اگر پہلے فراہم نہیں کیا گیا) پُر کریں جو کمپنی کی ویب سائٹ www.interloop-pk.com پر دستیاب ہے اور اس پر مکمل طریقے سے دستخط کرکے کمپیوٹرائزڈ این آئی سی کی کاپی کے ساتھ شیئر رجسٹرار، سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو بھیج دیں۔ اگر شیئرز سی ڈی سی میں ہیں تو الیکٹرانک ڈیویڈنڈ مینڈیٹ فارم لازمی طور پر براہ راست شیئر ہولڈرز کے بروکرز / شراکتی / سی ڈی سی اکاؤنٹ سروسز کو پیش کیے جائیں۔

مذکورہ بالا معلومات / فارم کی عدم وصولی کی صورت میں کمپنی شیئر ہولڈرز کو ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہوگی۔ ایس ای سی پی کی ہدایات کے مطابق، ایسے شیئر ہولڈرز کے ڈیویڈنڈ روکے جا سکتے ہیں جن کے کمپیوٹرائزڈ این آئی سی شیئر رجسٹرار کے پاس موجود نہیں ہیں۔ لہٰذا فزیکل شیئر ہولڈنگ رکھنے والے تمام شیئر ہولڈرز کو مشورہ دیا جاتا ہے کہ اگر وہ پہلے فراہم نہیں کر چکے تو اپنے کمپیوٹرائزڈ این آئی سی کی فوٹو کاپی کسی تاخیر کے بغیر فوری طور پر شیئر رجسٹرار، سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو پیش کریں۔

6. انکم ٹیکس آرڈیننس، 2001 ("انکم ٹیکس آرڈیننس") کے سیکشن 150 کے تحت منافع منقسمہ سے انکم ٹیکس کی کٹوتی:

گوشوارے جمع کروانے اور گوشوارے جمع نہ کروانے والوں کے لیے ود ہولڈنگ ٹیکس کی کٹوتی کی شرحیں جیسا کہ انکم ٹیکس آرڈیننس، 2001 کے سیکشن 150 میں تجویز کیا گیا ہے مندرجہ ذیل ہیں:

- انکم ٹیکس گوشوارے جمع کرانے والوں کے لیے 15.00%
- انکم ٹیکس گوشوارے جمع نہ کرانے والوں کے لیے 30.00%

جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں منافع منقسمہ پر ود ہولڈنگ ٹیکس:

جن ممبرز کی فائلرز اور نان فائلرز کے پاس جوائنٹ شیئر ہولڈنگ ہے ان کے ساتھ الگ الگ برتاؤ کیا جائے گا اور اس قسم کی مخصوص صورت حال میں ہر اکاؤنٹ ہولڈر کو فائلر یا نان فائلر برتاؤ کیا جائے گا اور ان کی شیئر ہولڈنگ کے مطابق ٹیکس منہا کیا جائے گا۔

اگر شیئرز کے بارے میں پتہ چلا یا تعین نہ ہو سکا ہر اکاؤنٹ ہولڈر کے بارے میں یہ سمجھا جائے گا کہ ان کے پاس شیئرز کا مساوی حصہ ہے اور اسی لحاظ سے کٹوتی کی جائے گی۔ لہٰذا زیادہ شرح سے ٹیکس کی کٹوتی سے بچنے کے لیے جوائنٹ اکاؤنٹ ہولڈرز سے گزارش ہے کہ وہ زیادہ سے زیادہ سالانہ اجلاس عام کی تاریخ تک اپنی شیئر ہولڈنگ کی حسب ذیل تفصیلات کمپنی کے شیئر رجسٹرار کو فراہم کریں۔

فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر	شیئرز کی کل تعداد	بڑے شیئر ہولڈر کا نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ تناسب (شیئرز کی تعداد)	جوائنٹ شیئر ہولڈرز کے نام اور شناختی کارڈ نمبر	شیئر ہولڈنگ تناسب (شیئرز کی تعداد)

گزارشات:

1. شیئرز ٹرانسفر بکس کا بند ہونا:

کمپنی کی شیئرز ٹرانسفر بکس 17 اکتوبر، 2024 سے 24 اکتوبر، 2024 (بشمول دونوں دن) تک بند رہیں گی۔ منتقلی کی جو درخواستیں تجویز کردہ فارمیٹ پر 16 اکتوبر، 2024 کو کاروباری اوقات بند ہونے سے پہلے کمپنی کے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 کو موصول ہو جائیں گی، وہ ٹرانسفریز کے مذکورہ بالا اور اہل سالانہ اجلاس عام میں شرکت کے استحقاق کے لیے بروقت بھی جائیں گی۔

2. AGM کی کارروائی میں ورچوئل شرکت:

سالانہ اجلاس عام میں ورچوئل شرکت کے خواہشمند شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ وہ alliraza.rana@interloop.com.pk یا general.meetings@interloop.com.pk پر ای میل کے ذریعے مندرجہ ذیل معلومات فراہم کر کے خود کو رجسٹر کروائیں۔

شیئر ہولڈر کا نام	شناختی کارڈ نمبر	فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر	شیئرز کی تعداد	رابطہ نمبر	ای میل ایڈریس

آن لائن اجلاس کا لنک اور لاگ ان کریڈینشلز صرف ان ممبران کے ساتھ شیئر کیے جائیں گے جن کے مطلوبہ کوائف پر مشتمل ای میلز بمطابق 23 اکتوبر، 2024 کو کاروبار بند ہونے تک دیے گئے ای میل ایڈریس پر موصول ہو جائیں گی۔ لاگ ان کی سہولت 24 اکتوبر، 2024 کو صبح 11:30 بجے سے اجلاس شروع ہونے تک کھلی رہے گی۔

3. سالانہ رپورٹ 2024 کی الیکٹرانک طریقے سے ترسیل:

کمپنی نے ایکٹ کے سیکشن (6)223 کی تعمیل کرتے ہوئے سالانہ رپورٹ 2024 الیکٹرانک طریقے سے ایسے شیئر ہولڈرز کو بذریعہ ای میل ارسال کی ہے، جن کے ای میل ایڈریس کمپنی کے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ کے پاس موجود ہیں۔ سالانہ رپورٹ کی ڈاؤن لوڈنگ کے لیے ویب لنک اور QR کوڈ شامل کیے جانے کے بعد S.R.O389(I)/2023 مورخہ 21 مارچ، 2023 کے تحت AGM کے پرنٹ شدہ نوٹس ارسال کیے گئے ہیں۔ 30 جون، 2024 کو ختم ہونے والے سال کے لیے کمپنی کے مالی حسابات، رپورٹس کے ساتھ کمپنی کی ویب سائٹ پر بھی ڈال دیے گئے ہیں۔

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تاہم، کمپنی سالانہ رپورٹ کی ہارڈ کاپی کسی بھی ممبر کی درخواست پر ان کے رجسٹرڈ پتے پر ایک ہفتے کے اندر بغیر کسی قیمت کے فراہم کرے گی۔ درخواست مخصوص رضامندی کے معیاری فارم پر موصول ہوگی جو کمپنی کی ویب سائٹ www.interloop-pk.com پر دستیاب ہے۔

مزید برآں، شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنا درست ای میل ایڈریس (درست CNIC کی کاپی کے ساتھ) کمپنی کے شیئرز رجسٹرار، میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی-74400 پر فراہم کریں، اگر ممبر فزیکل شکل میں شیئرز رکھتے ہیں یا اپنے متعلقہ شرکت کنندہ/انویسٹر اکاؤنٹ سروسز کے ساتھ، اگر شیئرز بک انٹری فارم میں الیکٹرانک شکل میں رکھے گئے ہیں۔

4. پراکسی مقرر کرنے کی شرائط:

وہ تمام ممبرز جو اجلاس میں شرکت کرنے اور ووٹ دینے کے حقدار ہیں، اپنی جانب سے شرکت کرنے اور ووٹ دینے کے لیے تحریری طور پر کسی دوسرے فرد کو اپنا نمائندہ مقرر کر سکتے ہیں۔ پراکسی کے لیے کمپنی کا ممبر ہونا ضروری ہے۔ کارپوریٹ اداروں کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع اس شخص کے دستخطی نمونہ، جسے کارپوریٹ ادارے کی طرف سے نمائندگی کرنے اور ووٹ دینے کے لیے مقرر کیا گیا ہے اور سی این آئی سی کی ایک تصدیق شدہ کاپی، مکمل کردہ پراکسی فارم کے ساتھ کمپنی کو پیش کی جائے۔ پراکسی ہولڈرز کے لیے ضروری ہے کہ وہ اجلاس کے وقت اپنا اصل سی این آئی سی یا اصل پاسپورٹ پیش کریں۔
صحیح طریقے سے مکمل کردہ اور دستخط شدہ پراکسی فارم اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں موصول ہو جائیں۔

سی ڈی سی اکاؤنٹ ہولڈرز کے لیے ایس ای سی پی کی طرف سے جاری کردہ رہنما اصول:

سی ڈی سی اکاؤنٹ ہولڈرز کو مندرجہ ذیل رہنما اصولوں پر بھی عمل کرنا ہوگا جیسا کہ اس ضمن میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے طے کیا گیا ہے۔

a) اجلاس میں شرکت کے لیے

i. انفرادی حیثیت کی صورت میں، اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز جن کی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ ہیں، وہ اجلاس میں شرکت کے وقت اپنے اصل سی این آئی سی یا اصل پاسپورٹ دکھا کر تصدیق کریں گے۔

ii. سی ڈی سی میں رجسٹرڈ ممبرز سے بھی گزارش ہے کہ وہ اپنے کوائف، آئی ڈی نمبرز اور سی ڈی ایس کے اکاؤنٹ نمبر ساتھ لائیں۔

iii. کارپوریٹ ادارے کی صورت میں اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخطی نمونہ، پراکسی فارم کے ساتھ کمپنی کو پیش کیے جائیں (اگر اس سے پہلے فراہم نہیں کیے گئے)۔

32واں سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ انٹرلوپ لمیٹڈ ("کمپنی") کا 32واں سالانہ اجلاس عام (AGM) بروز جمعرات 24 اکتوبر، 2024 کو دوپہر 12:00 بجے انٹرلوپ ایگزیکٹو کلب، انٹرلوپ انڈسٹریل پارک، واقع 7-KM کھرڑیانوالہ - جڑانوالہ روڈ، کھرڑیانوالہ، فیصل آباد پر منعقد ہوگا جس میں مندرجہ ذیل امور انجام دیئے جائیں گے۔

ممبرز کی حوصلہ افزائی کی جاتی ہے کہ وہ AGM میں ویڈیو لنک سہولت کے ذریعے شرکت کریں، جس کا کمپنی کی طرف سے انتظام کیا گیا ہے (تفصیلات کے لیے نوٹس سیکشن دیکھئے)

عمومی امور:

1. کمپنی کے 13 اکتوبر، 2023 کو منعقد ہونے والے گزشتہ سالانہ اجلاس عام (AGM) کی کارروائی کی توثیق کرنا۔
2. 30 جون، 2024 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالی گوشواروں کی وصولی، غور و خوض اور منظوری دینا اور اس کے ساتھ اس بارے میں آڈیٹرز اور ڈائریکٹرز رپورٹ اور چیئرمین کی جائزہ رپورٹ۔

کمپنیز ایکٹ، 2017 کے سیکشن 223 کے مطابق اور S.R.O.389(I)/2023 مورخہ 21 مارچ، 2023 کی رو سے سالانہ آڈٹ شدہ مالی گوشواروں سمیت کمپنی کی رپورٹس تک مندرجہ ذیل ویب لنک اور QR کوڈ کے ذریعے رسائی حاصل کی جا سکتی ہے۔

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3. 30 جون، 2024 کو ختم ہونے والے سال کے لیے 2.50/- روپے فی شیئر یعنی 25% حتمی نقد منافع منقسمہ کی تقسیم کا اعلان اور اس کی منظوری دینا جیسا کہ ڈائریکٹرز صاحبان کی طرف سے سفارش کی گئی ہے۔ یہ اس عبوری نقد منافع منقسمہ کے علاوہ ہے جو 30 جون، 2024 کو ختم ہونے والے سال کے لیے 2/- روپے فی شیئر کے حساب سے یعنی 20% پہلے ہی ادا کیا جا چکا ہے۔
4. مالی سال 2024-25 کے لیے آڈیٹرز کا تقرر اور ان کا معاوضہ طے کرنا۔ ممبرز کو مطلع کیا جاتا ہے کہ بورڈ آف ڈائریکٹرز نے کمپنی کی بورڈ آڈٹ کمیٹی کی سفارش پر ریٹائر ہونے والے آڈیٹرز میسرز کریسٹن حیدر بھیمجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو دوبارہ کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

دیگر امور:

5. صاحب صدر کی اجازت سے کوئی دوسری کارروائی کرنا۔

بحکم بورڈ

(رانا علی رضا)
کمپنی سیکرٹری

بمقام: فیصل آباد
تاریخ: 02 اکتوبر، 2024

PATTERN OF SHAREHOLDING
AS ON JUNE 30, 2024

	SHAREHOLDING		
Number of Shareholders	From	To	Total Shares Held
1,402	1	100	52,339
1,167	101	500	359,361
1,450	501	1,000	1,184,616
1,980	1,001	5,000	4,840,512
425	5,001	10,000	3,117,486
203	10,001	15,000	2,486,328
103	15,001	20,000	1,798,740
62	20,001	25,000	1,416,393
51	25,001	30,000	1,443,561
36	30,001	35,000	1,161,705
27	35,001	40,000	1,021,650
25	40,001	45,000	1,047,670
37	45,001	50,000	1,803,980
15	50,001	55,000	773,749
13	55,001	60,000	749,901
13	60,001	65,000	818,671
10	65,001	70,000	674,227
14	70,001	75,000	1,014,499
10	75,001	80,000	773,143
11	80,001	85,000	887,489
7	85,001	90,000	605,308
11	90,001	95,000	1,014,147
15	95,001	100,000	1,497,405
6	100,001	105,000	610,390
3	105,001	110,000	322,756
7	110,001	115,000	783,918
6	120,001	125,000	737,653
3	130,001	135,000	396,818
3	135,001	140,000	411,740
4	140,001	145,000	576,224
4	145,001	150,000	598,773
3	150,001	155,000	452,789
3	155,001	160,000	478,575
1	160,001	165,000	160,985
1	165,001	170,000	168,385
6	170,001	175,000	1,038,070
2	175,001	180,000	355,820
1	180,001	185,000	185,000
5	185,001	190,000	940,503
4	195,001	200,000	792,671
4	200,001	205,000	805,132
2	205,001	210,000	414,248
1	210,001	215,000	214,271
1	215,001	220,000	218,573
2	220,001	225,000	446,340
2	225,001	230,000	456,149
1	235,001	240,000	240,000
2	240,001	245,000	486,020
5	245,001	250,000	1,246,206
2	255,001	260,000	515,854
2	260,001	265,000	524,383
1	265,001	270,000	267,986
1	270,001	275,000	273,156
1	275,001	280,000	280,000
2	280,001	285,000	562,187

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
1	285,001	290,000	288,863
2	295,001	300,000	600,000
1	310,001	315,000	310,618
2	315,001	320,000	633,078
2	330,001	335,000	666,060
1	345,001	350,000	348,500
2	350,001	355,000	705,082
2	355,001	360,000	717,500
1	360,001	365,000	361,530
3	370,001	375,000	1,116,542
1	395,001	400,000	400,000
1	400,001	405,000	400,064
1	410,001	415,000	412,413
1	430,001	435,000	434,191
1	440,001	445,000	444,590
1	475,001	480,000	477,360
1	495,001	500,000	499,514
1	500,001	505,000	500,335
1	505,001	510,000	506,561
1	530,001	535,000	531,676
1	535,001	540,000	537,706
1	555,001	560,000	555,928
2	570,001	575,000	1,143,533
1	580,001	585,000	583,060
1	595,001	600,000	600,000
1	650,001	655,000	653,279
1	685,001	690,000	686,851
2	745,001	750,000	1,500,000
1	760,001	765,000	762,122
1	775,001	780,000	780,000
1	800,001	805,000	800,213
1	850,001	855,000	852,744
1	870,001	875,000	870,033
1	905,001	910,000	906,099
2	995,001	1,000,000	2,000,000
1	1,030,001	1,035,000	1,034,317
1	1,170,001	1,175,000	1,173,597
1	1,240,001	1,245,000	1,243,100
1	1,345,001	1,350,000	1,349,180
1	1,395,001	1,400,000	1,395,900
1	1,460,001	1,465,000	1,461,697
1	1,495,001	1,500,000	1,499,998
1	1,755,001	1,760,000	1,759,000
1	1,770,001	1,775,000	1,773,600
1	1,970,001	1,975,000	1,970,170
1	2,015,001	2,020,000	2,015,520
1	2,450,001	2,455,000	2,452,021
1	2,495,001	2,500,000	2,500,000
1	2,820,001	2,825,000	2,824,858
1	2,895,001	2,900,000	2,898,420
1	2,975,001	2,980,000	2,978,562
1	2,995,001	3,000,000	3,000,000
1	3,695,001	3,700,000	3,700,000
1	4,110,001	4,115,000	4,110,264
1	4,130,001	4,135,000	4,130,905

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
1	4,785,001	4,790,000	4,788,616
1	4,915,001	4,920,000	4,918,028
1	5,270,001	5,275,000	5,274,483
1	6,000,001	6,005,000	6,001,398
2	6,425,001	6,430,000	12,854,400
1	6,605,001	6,610,000	6,606,840
2	6,970,001	6,975,000	13,949,262
1	7,115,001	7,120,000	7,119,422
1	8,505,001	8,510,000	8,505,004
1	9,110,001	9,115,000	9,114,068
1	9,715,001	9,720,000	9,719,745
1	9,835,001	9,840,000	9,836,802
1	11,140,001	11,145,000	11,144,488
2	11,565,001	11,570,000	23,137,920
1	16,095,001	16,100,000	16,097,189
1	18,480,001	18,485,000	18,485,000
1	27,435,001	27,440,000	27,438,351
1	29,995,001	30,000,000	30,000,000
1	31,760,001	31,765,000	31,760,311
1	89,155,001	89,160,000	89,155,912
1	460,810,001	460,815,000	460,812,685
1	479,625,001	479,630,000	479,627,935
7,268			**1,401,709,468**

Categories of Shareholders	Shareholders	Share Held	Percentage
Director, Chief Executive Officer and their Spouse(s) and minor children & sponsors	16	1,009,125,680	71.99
Associated Companies, undertakings and related parties	–	–	–
NIT and ICP	–	–	–
Banks Development Financial Institutions, Non-Banking Financial Institutions	6	21,358,067	1.52
Insurance Companies	13	14,750,422	1.05
Modarabas and Mutual Funds	51	41,759,623	2.98
General Public			
a. Local	6,735	265,296,694	18.93
b. Foreign	329	2,830,520	0.20
Foreign Companies	5	32,038,567	2.29
Others	113	14,549,895	1.04
Totals	**7,268**	**1,401,709,468**	**100.00**
Shareholders holding 10% or more	2	940,440,620	67.09

INVESTOR INFORMATION

COMPANY REGISTERED OFFICE

Established on	April 25, 1992
Line of Business	Textile Composite
Registered Office	Al- Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan
Fiscal Year-End	30th June
External Auditors	Kreston Hyder Bhimji & Co. Chartered Accountants
Share Registrar	CDC Share Registrar Services Limited
Website	www.interloop-pk.com

STOCK INFORMATION

Exchange Listing	Listed on Pakistan Stock Exchange (PSX) on April 05, 2019.
Stock Symbol	ILP
Number of Shares Authorized	5,000,000,000
Number of Shares Issued	1,401,709,468
Number of Shareholders	7,268 (as on June 30, 2024)

REGULATORS FEE

For the Fiscal year 2024-25, the annual listing fee of Pakistan Stock Exchange (PSX), the supervisory fee of Securities & Exchange Commission of Pakistan (SECP) and the annual supervision fee of Audit Oversight Board (AOB) has been paid within the stipulated time.

FINANCIAL CALENDAR

September 2024	Audited annual results for the year ended June 30, 2024
October 2024	Mailing of annual reports
October 2024	Annual General Meeting
October 2024	Unaudited first quarter financial results
February 2025	Unaudited half year financial results duly reviewed by Auditor
April 2025	Unaudited third quarter financial results
June 2025	Annual Business Plan & Budgets for next fiscal year

STATUTORY COMPLIANCE

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing regulations of PSX.

SHARE TRANSFER SYSTEM

Share transfers received by the Company's Share Registrar are registered within the prescribed period.

ANNUAL GENERAL MEETING (AGM)

Pursuant to Section 132 of the Companies Act, 2017, the Company holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation nationwide.

AGM 2024 will be held as on:

Date: **October 24, 2024**

Time: **12:00 P.M.**

Venue: **Interloop Executive Club, Interloop Industrial Park, 7 KM, Khurrianwala –Jaranwala Road, Khurrianwala, Faisalabad.**

DATES OF BOOK CLOSURE

The register of the members and shares transfer books of the Company will remain closed from October 17, 2024 to October 24, 2024 (both days inclusive).

FINAL CASH DIVIDEND

The Board of Directors in their meeting held on September 26, 2024 has proposed a final cash dividend on ordinary shares at Rs. 2.50/- per ordinary share, in addition to the interim cash dividend of Rs. 2.0 per share.

DATE OF DIVIDEND PAYMENT

The payment of dividend, upon approval by shareholders at the forthcoming 32nd Annual General Meeting, will be made after October 24, 2024.

Last year, the Company has credited the final cash dividend on October 19, 2023 after approval from shareholders at the 31st Annual General Meeting.

PROXIES

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another person as his/her proxy to attend and vote on his/her behalf. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy who sought to be a member of the Company. The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be deposited at the registered office of the Company not less than forty-eight hours before the said general meeting.

CIRCULATION OF ANNUAL REPORTS

To facilitate the resident companies, the Securities Exchange Commission of Pakistan, through its S.R.O. 389 (I)/2023, dated March 21, 2023, has authorized the dissemination of annual audited financial statements, encompassing balance sheets, profit and loss accounts, auditor's reports, directors' reports, and other relevant financial information, to its members via QR-enabled code and weblink. Accordingly, the Annual Report of the Company for the year ended June 30, 2024, is available on the following weblink (https://investors.interloop-pk.com/financial-reports/) and can also be accessed through the following QR enabled code:

DIVIDEND MANDATE (MANDATORY)

As per provisions of Section 242 of Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders and SECP vide S.R.O.1145(I)/2017 directed all shareholders to provide their valid International Bank Account Numbers (IBAN) to receive cash dividend electronically. Company shall be constrained to withhold the payment of Dividend to the shareholders, in case of non-availability of IBAN of the shareholder or authorized person.

UNCLAIMED DIVIDEND

Shareholders, who by any reason, could not claim their dividends / shares, if any, are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend/shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

WITHHOLDING TAX/ZAKAT ON DIVIDENDS:

Pursuant to the requirements under Section 150 of the Income Tax Ordinance, 2001, withholding tax is deductible at source on the amount of dividend paid by the Company at the rate of 15% for filers and at the rate of 30% for non-filers.

In the light of clarification from Federal Board of Revenue, all the shareholders who intend to seek exemption from withholding of taxes on payment of dividend under clause 47B of Part – IV of the Second Schedule of the Income Tax Ordinance, 2001, are requested to provide valid Exemption Certificate under section 159(1) of the Income Tax Ordinance, 2001 duly issued by the concerned Commissioner of Inland Revenue in order to claim the said exemption. Zakat is also deductible at source from the dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for non-deduction of zakat.

REDRESSAL OF INVESTOR COMPLAINTS

Investors approach the Company for their queries and complaints generally through Company Secretarial Section. Various means of filing a complaint are available on Company's website. Investors' complaints /queries are usually related to receipt of latest dividends, request for hard copies of annual/quarterly reports, updation of bank account details to receive dividends, change of address, transfer/transmission of shares and unclaimed dividends etc. These queries / complaints are handled with utmost priority meeting the expectations of investors to their satisfaction.

STOCK MARKET DATA OF HIGH AND LOW PRICE OF EQUITY SHARES ON PAKISTAN STOCK EXCHANGE DURING FISCAL YEAR 2024

Highest	Lowest
85.40	35.85

INTERLOOP LIMITED
FORM OF PROXY
ANNUAL GENERAL MEETING

I/We____of___________________

CDC A/C NO./ FOLIO NO. ________________________ being a shareholder of Interloop Limited ("The Company")

hold ________________________ Ordinary Shares do hereby appoint______________________________

Mr./Mrs./Ms____of______________________________

CDC A/C NO./ FOLIO NO. ______________________ and or falling him/her_______________________

of ______________________ who is/are also a shareholder of the said Company, as my /our proxy in my /our absence to attend and vote for me /us at the 32nd Annual General Meeting of the Company to be held on October 24, 2024 (Thursday) at 12:00 P.M. at Interloop Executive Club, Interloop Industrial Park, 7-KM Khurrianwala-Jaranwala Road, Faisalabad and/or any adjournment thereof in the same manner as I/we myself /ourselves would vote if personally present at that meeting.

At witness my/our hand this ________________ day of _______________ 2024.

Witness 1:

1. Signed: ______________________________

Name: ______________________________

Address: ______________________________

C.N.I.C/Passport NO. ____________________

Affix
Revenue Stamp of
Rs. 5/-

Signature of Member(s) __________
(The signature should match with the specimen registered with the Company)

Witness 2:

2. Signed: ______________________________

Name: ______________________________

Address: ______________________________

C.N.I.C/Passport NO. ____________________

Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, Interloop Limited, Al-Sadiq Plaza P-157, Railway Road, Faisalabad, not less than 48 hours before the time of holding the meeting.

2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

3. The proxy form shall be witnessed by two persons whose names, addresses and CNIC/SNIC (Computer National Identity Card/Smart National Identity Card) numbers shall be mentioned on the form.

4. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with proxy form.

5. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

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The Company Secretary,

REGISTERED OFFICE

Al-Sadiq Plaza, P-157, Railway Road,
Faisalabad, Pakistan
Tel: +92 41 2619724
Fax: +92 41 2639400
Email: general.meetings@interloop.com.pk

پراکسی فارم انٹرلوپ لمیٹڈ

سالانہ اجلاسِ عام

میں / ہم ________________ کے ________________

سی ڈی سی اکاؤنٹ نمبر / فولیو نمبر ________ انٹرلوپ لمیٹڈ ("کمپنی") کے ________ شیئر ہولڈر ہونے کے ناطے، محترم / محترمہ ________

کے ________ سی ڈی سی اکاؤنٹ نمبر / فولیو نمبر ________ اور / یا اُسے ________ کے

________ جو کہ مذکورہ کمپنی کے شیئر ہولڈر بھی ہے، کمپنی کے 32 واں سالانہ اجلاس عام میں جو 24 اکتوبر، 2024 بروز **جمعرات** کو دوپہر 12:00 بجے انٹرلوپ ایگزیکٹیو کلب، انٹرلوپ انڈسٹریل پارک، KM-7 کھڑیانوالہ - جڑانوالہ روڈ، فیصل آباد میں منعقد ہوگا یا اس کے التوا کی صورت میں، میری / ہماری غیر موجودگی میں میری / ہماری طرف سے شرکت کرنے اور اسی طرح سے ووٹ دینے کے لیے اپنا / اپنی نمائندہ مقرر کرتا ہوں / کرتے ہیں، جیسا کہ میں / ہم ذاتی طور پر اس اجلاس میں موجود ہوتے ہوئے ووٹ دیتا / دیتے۔

دستخط بروز ________ 2024 ________

گواہان

1) نام: ________

پتہ: ________

شناختی کارڈ / پاسپورٹ نمبر: ________

دستخط: ________

(-/5 روپے کا رسیدی
ٹکٹ یہاں چسپاں کریں)

2) نام: ________

پتہ: ________

شناختی کارڈ / پاسپورٹ نمبر: ________

دستخط: ________

ممبران کے دستخط ________

(دستخط اس نمونے کے مطابق ہوں جو کمپنی کے پاس رجسٹرڈ ہیں)

نوٹس:

1- صحیح طریقے سے مکمل کیا ہوا اور دستخط شدہ پراکسی فارم، اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر، انٹرلوپ لمیٹڈ، الصادق پلازہ، P-157، ریلوے روڈ، فیصل آباد کو مل جانا چاہیئے۔

2- اگر کوئی ممبر ایک سے زیادہ نمائندے مقرر کرے گا اور کمپنی کو ایک سے زیادہ پراکسی فارم جمع کروائے گا تو ایسے تمام نمائندگی نامے غیر موثر سمجھے جائیں گے۔

3- پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتہ اور شناختی کارڈ نمبر / سمارٹ قومی شناختی کارڈ نمبر اس فارم پر درج ہوں گے۔

4- اصل مالکان اور نمائندے کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کے ساتھ پیش کی جائیں۔

5- کاروباری ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع دستخط نمونہ پیش کیے جائیں گے (اگر اس سے پہلے فراہم نہیں کیے گئے)

AFFIX
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The Company Secretary,

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Fax: +92 41 2639400
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CORPORATE OFFICE
1-KM, Khurrianwala-Jaranwala Road
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Fax: +92 41 2428704

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