SUNRAYS TEXTILE MILLS LIMITED

ANNUAL REPORT 2024

CONTENTS

COMPANY PROFILE

BOARD OF DIRECTORS

1.	Mian Imran Ahmed	Chairman
2.	Mr. Kashif Riaz	Chief Executive
3.	Mr. Naveed Ahmed	
4.	Mian Shahzad Ahmed	
5.	Mrs. Fadia Kashif	
6.	Mr. Shahwaiz Ahmed	
7.	Ms. Mehr-un-Nisa Kashif	
8.	Mr. Shafqat Masood	
9.	Mr. Faisal Hanif	
10.	Ms. Azra Yaqub Vawda	
11.	Mr. Farooq Hassan	

AUDIT COMMITTEE

1.	Mr. Faisal Hanif	(Chairman)
2.	Mr. Shahwaiz Ahmed	(Member)
3.	Mr. Shafqat Masood	(Member)

HUMAN RESOURCES AND REMUNERATI ON COMMITTEE

1.	Mr. Faisal Hanif	(Chairman)
2.	Mrs. Fadia Kashif	(Member)
3.	Ms. Mehr-un-Nisa Kashif	(Member)

CHIEF FINANCIAL OFFICER

Mr. Shabbir Kausar

CHIEF INTERNAL AUDITOR

Mr. Imran Iftikhar

COMPANY SECRETARY

Mr. Ahmed Faheem Niazi

LEGAL ADVISOR

Mr. Yousuf Naseem
Advocates & Solicitors

REGISTERED OFFICE

5th floor, Office # 508, Beaumont Plaza,
Beaumont Road, Civil Lines Quarters, Karachi

SYMBOL OF THE COMPANY

SUTM

WEBSITE

http://www.Indus-group.com

REGISTRAR & SHARE TRANSFER OFFICE

JWAFFS REGISTRAR SERVICES (PVT) LTD
407 -408, Al – Ameera Center,
Shahrah-e-Iraq, Saddar Karachi.

Tel. 35662023 – 24
Fax. 35221192

FACTORY LOCATION

Khanpur Shomali Bagga Sher M.M. Road Muzaffar Garh

BANKERS

MCB Bank Limited
Allied Bank Limited
United Bank Limited
Meezan Bank Limited
Habib Bank Limited
Bank Al Falah Limited
Bank Al Habib Limited

AUDITORS

Yousuf Adil
Chartered Accountants

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of **Sunrays Textile Mills Limited** will be held at Indus Dyeing & Manufacturing Company Limited, Plot No. 3 & 7, Sector No. 25, Korangi Industrial Area, Karachi on Monday, October 28, 2024 at 11:45 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To confirm minutes of the Annual General Meeting held on October 27, 2023.

2. To receive, consider, approve and adopt the audited consolidated and un consolidated financial statements of the Company for the financial year ended June 30, 2024,together with the Directors' and Auditors' Reports thereon and Chairman's Review Report;

3. 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 report the Company, including the annual audited financial statements, auditor's report, Directors' report, Chairman's review report and other reports contained therein, can be accessed through the following web link and QR enabled code.

Weblink **QR Enabled Code**

https://indus-group.com/financial-information-sutm/

4. To appoint the Statutory Auditors for the year ending June 30, 2025 and to fix their remuneration. The Board of Directors on the recommendation of Audit Committee has recommended the appointment of retiring auditors, Messers Yousuf Adil, Chartered Accountants who being eligible have offered themselves for re-appointment;

SPECIAL BUSINESS:

5. To ratify the transactions carried out by the Company with related parties disclosed in the Financial Statements for the year ended June 30, 2024 by passing the following resolution with or without modification:

Resolved That all related parties transactions carried out by the Company as disclosed in Note No. **44** of the Financial Statements of the Company for the year ended June 30, 2024 be and are hereby noted, ratified and approved.

6. To approve potential transactions with related parties intended to be carried out in the financial year 2024-2025 and to authorize the Board of Directors of the Company to carry out such related party transactions at its discretion from time to time, irrespective of the composition of the Board of Directors affected due to majority of Board members are interested in any agenda item.

The resolutions to be passed in this respect (with or without modification) as special resolutions are as under:

Resolved Further That in accordance with the policy approved by the Board and subject to such conditions as may be specified from time to time, the Company be and is hereby authorized to carry out transactions with the related parties for the fiscal year 2024-25.

Resolved Further That the board of directors of the Company may, at its discretion, approves specific related party/parties transaction(s) from time to time, irrespective of the composition of the Board, affected due to majority of Board members are interested in any agenda item till the next Annual General Meeting. However, in order to ensure transparency in these transactions.

All such transactions shall be placed before the shareholders in the next Annual General Meeting for their noting/ratification/approval.

7. To transact any other business with the permission of the chair.

By Order of the Board
Ahmed Faheem Niazi

Karachi
Date : October 4, 2024

Company Secretary

1. The Share Transfer Books of the Company will remain closed for the period from October 22, 2024 to October 28, 2024 (both days inclusive). Transfers received in order at the Office of Company's Share Registrar **M/s. Jwaffs Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shahra-e-Iraq, Saddar, Karachi.** ('Registrar') at the close of business on October 21, 2024 will be considered in time to attend and vote at the Meeting.

2. Availability of Financial Statements and Reports on the Website

The Annual Report of the Company for the year ended June 30, 2024 has been placed on the Company's website **https://**www.indus-group.com**.** The Annual Reports and quarterly financial statements of prior periods are also available. **https://indus-group.com/download/**

3. Pursuant to Section 223 of the Companies Act, 2017, the Company is allowed to send audited financial statements and reports to its members electronically. Members are therefore requested to provide their valid email IDs. For convenience, a Standard Request Form has also been made available on the Company's website www.indus-group.com

4. Access and Transmission of Annual Report

In accordance with the provision of section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389 (1) 2023 dated March 21, 2023, the Company has circulated the notice of AGM along with QR enabled code and web link to view and download the audited financial statements of the Company for the year ended June 30, 2024.

5. Transmission of Annual Report through Email

Pursuant to the SRO No. 787(I)/2024 dated: September 08, 2014, issued by the Securities and Exchange Commission of Pakistan, permitted the Company to circulate its Annual Balance Sheet, Profit and Loss Account, Auditor's Report and Directors' Report etc., ("Annual Report") along with the notice of Annual General Meeting ("Notice"), to its shareholders by email. Shareholders of the Company, who wish to receive the Company's Annual Report and Notice by email, are requested to provide complete Electronic Communication details to the Share Registrar of the Company. However, the Company may provide a hard copy of the Annual Report and Notice to such members on their request, free of cost, within seven days of receipt of such request.

6. Members (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Registrar of the Company M/s Jwaffs Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shahra-e-Iraq, Saddar, Karachi.

A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. FOR ATTENDING THE MEETING:

i. In case of individuals, the accounts holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport at the time of attending the Meeting.

ii. 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.

B. FOR APPOINTING PROXIES:

i. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.

iv. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.

v. In case of 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.

7. Members are requested to notify Change in their addresses, if any; in case of book entry securities in CDS to their respective participants/investor account services and in case of physical shares to the Registrar of the Company by quoting their folio numbers and name of the Company at the above mentioned address, if not earlier notified/submitted.

8. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001

Pursuant to the provisions of the Finance Act 2019 effective July 1, 2019, the rates of deduction of income tax from dividend payments under the income Tax Ordinance, have been revised as follows:

(a)	Rate of tax deduction for filer of income tax returns	15%
(b)	Rate of deduction for non-filer of income tax returns	30%

The income tax is deducted from the payment of dividend according to Active Tax -Payers List (ATL) provided on the website of FBR. All those shareholders who are filers of income tax returns are therefore advised to ensure that their names are entered into ATL to enable the Company to withhold income tax from payment of cash dividend @ 15% instead of 30%.

Further, according to clarification received from FBR, withholding tax will be determined separately on 'Filer /Non Filer' status of Principal Shareholder as well as Joint-holder(s) based on their shareholding proportions in case of joint accounts held by the shareholders.

In this regard, all shareholders who hold shares jointly are requested to provide the shareholding proportions of Principal Shareholder and Joint-holders in respect of shares held by them to our Shares Registrar, in writing. The joint accounts information must reach to our Shares Registrar within 10 days of this notice. In case of non-receipt of the information, it will be assumed that the shares are equally held by Principal Shareholder and the Joint-holder(s).

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be.

9. Dividend Mandate and Payment of Cash Dividend through Electronic Mode

The provisions of Section 242 of the Companies Act, 2017 require that the dividend payable in cash shall only be paid through electronic mode directly into the bank accounts designated by the entitled shareholders. Therefore, for making compliance to the provisions of the law, all those physical shareholders who have not yet submitted their IBAN bank account details to the Company are requested to provide the same on the Dividend Mandate Form available on Company website at www.indus-group.com.

Non CDC shareholders are requested to send valid and legible copy of CNIC/Passport (in case of individual) and NTN Certificate (in case of corporate entity) to the Registrar of the Company. Please note that CNIC number is mandatory for issuance of dividend warrants and in the absence of this information payment of dividend shall be withheld.

CDC shareholders who have also not provided their IBAN bank account details are also requested to provide the same to their Participants in CDC and ensure that their IBAN bank account details are updated. In case of unavailability of IBAN, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2017.

10. Video-Link Arrangement for online Participation in the 33rd Annual General Meeting of the Company

Shareholders interested in attending the Annual General Meeting (AGM) through video link facility are requested to get themselves registered with the Company Secretary office at least two working days before the holding of the time of AGM at corporate.affairs@indus-group.com by providing the following details: -

Name of Shareholder	CNIC NO	Folio CDC No.	Cell No.	Email address

- The Login facility will remain open from 11:30 A.M. till the end of the meeting.
- Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.
- Shareholders will be able to login and participate in AGM proceedings through their smart phone or computer devices from their home after completing all the facilities required for the identification and verification of the Shareholders.

The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measure are in place for the well-being of its members.

11. Video Conference Facility

Members may avail video conference facility for this Annual General Meeting other than Karachi, provided the Company receives consent (standard format is given below) atleast 07 days prior to the date of the Meeting from members holding in aggregate 10% or more shareholding residing at respective city.

The Company will intimate respective members regarding venue of the video-link facility before the date of Meeting along with complete information necessary to enable them to access the facility.

I/we _____________ of _________ being member(s) of Sunrays Textile Mills Limited, holder of _________ Ordinary Share(s) as per Registered Folio No./CDC Account No. ________ hereby opt for video conference facility at __________ in respect of 33rd Annual General Meeting of the Company.

____
Signature of Member

12. Deposit of Physical Shares into Central Depository

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further SECP vide Letter dated March 26, 2021 has advised to comply Section 72 of the Act and encourage shareholders to convert their shares in book –entry form.

In light of above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's Register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale / purchase.

13. Unclaimed Dividends and Bonus Shares

Shareholders, who for any reason, could not claim their dividend and/or bonus shares are advised to contact our Shares Registrar M/s. Jwaffs Registrar Services (Pvt) Limited to collect/enquire about their unclaimed dividends and/or bonus shares if any.

14. Postal Ballot

Pursuant to companies (Postal Ballot) Regulations, 2018 for the agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through e-voting, in accordance with the requirements and procedure contained in the aforesaid regulations.

Statement of Material facts concerning special business pursuant to section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business given in agenda item(s) No.5 to 6 of this Notice of AGM, which will be considered to be transacted in the AGM of the Company. The purpose of this statement is to set forth the material facts concerning such Special Businesses:

Agenda Item No. 5 & 6 of the Notice –

The related parties transactions carried out in normal course of business with associated companies and related parties were being approved by the Board of Directors as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act, 2017 and Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the group companies, the quorum of directors could not be formed for approval of these transactions pursuant to Section 207 of the Companies Act, 2017 and therefore, these transactions have to be approved by the shareholders in General Meeting as a special resolution in terms of section 208 of the said Act.

The transactions with related parties carried out during the fiscal year 2023-2024 to be ratified as disclosed in Note No. **44** of the Financial Statements of the Company for the year ended June 30, 2024

Likewise, since related party transactions are an ongoing process and a restriction to carry out business with related parties merely due to absence of valid quorum would adversely affect the business of the Company. Therefore, shareholders are being approached to grant the broad approval for such transactions to be entered into by the Company, from time to time, at the discretion of the Board (and irrespective of its composition affected due to majority of Board members are interested in any agenda item). The Company shall comply with its policy pertaining to transactions with related parties as stated above to ensure that the same continue to be carried out in a fair and transparent manner and on an arm's length basis. This would also ensure compliance with the Section 208(1) of the Companies Act, 2017 of which requires that shareholders' approval shall be required where the majority directors are interested in any related party transactions and regulation 4 of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 which sets out the conditions for transactions with related parties to be characterized as "arm's length transactions" and states that the parties to the transaction must be unrelated in any way.

Further; it is not possible for the Company or the directors to accurately predict the nature of the related party transaction(s) or the specific related party(ies) with which the transaction(s) shall be carried out. In view of the same and in order to ensure smooth supply during the year, the Company seeks the broad approval of the shareholders that the Board may cause the Company to enter into transactions with related party / parties from time to time in its wisdom and in accordance with the policy of the Company for the fiscal year 2024-25.

All such transactions will be clearly stipulated at the end of the next financial year in the company's Annual Report. In however addition to this all such transactions shall also be placed before the shareholders in the next General Meeting for their noting approval/ ratification.

The Directors are interested in these resolutions only to be extent of their common directorship and shareholding in the associated companies.

Directors Interest:

The Directors do not have any interest in the Special Business, whether directly or indirectly, except to the extent of their shareholding in the Company.

VISION

To be a most successful company in terms of quality products, services & financial

MISSION

To provide quality products & services to our customers and handsome return to the shareholders.

CHAIRMAN'S REVIEW

FOR THE YEAR ENDED JUNE 30, 2024

It is my privilege and pleasure in presenting to the financial year ended textile Mills limited (STML), review on the performance of the Company for the financial year ended June 30, 2024. I would take this opportunity to invite you for the 33rd Annual General Meeting of the company.

Review of the Boards Performance

The Board, being responsible for the management of the Company's affair and determining the Company's level of risk tolerance, formulates polices and strategies. The board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties as are specified and prescribed therein.

Board members are equipped with suitable knowledge, variety of expertise and experience which is required to successfully govern the business. Every board member is committed to perform for the growth of the Company and all his tasks are devoted and focused towards the Company's values and mission.

The board strictly monitored the performance of its sub-committees. Comprehensive and effective meetings of the board resulted in conducive decisions for the Company. In addition to it, the board also ensures compliance with all applicable rules and best practices of the Company.

To keep updated the board members and enabling them to remain harmonized for continuous progression of the Company, the board assessed its sub-committees along with the evaluation of its own performance, facilitating the board to play an effective and efficient role in accomplishing set targets of the Company.

During the year the company has restructured 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 innovation and performance, will drive ongoing success and create further value for our esteemed shareholders.

Review of Company's Performance

The business operated smoothly and increased its sales to Rs. 20.148 billion over the last year sales Rs. 9.4 billion and whereas the gross profit margins increased from 6.66% to 7.96%. The net profit after tax has been decreased from Rs 287.816 million to Rs.177.193 million.

On behalf of the Board, I would like to say a big thank to all our customers for their continued confidence on the Company. I would like to express my appreciation for the contribution of the Board, excellent efforts put in by our management and employees and finally I would like to thank all the financial institutions who have stuck with us and supported us through very difficult times. I hope and pray that the Company may maintain the momentum of growth in the future years.

Mian Imran Ahmed
Chairman

October 4, 2024

DIRECTORS REPORT TO SHAREHOLDERS
FOR THE YEAR ENDED JUNE 30, 2024

The Directors of Sunrays Textile Mills Limited are pleased to present the Annual Report together with the audited Financial Statements for the year ended June 30th, 2024 before the 33rd Annual General Meeting of the Company.

COMPOSITION OF BOARD

The composition of the Board is in compliance with the requirements of the Code of Corporate Governance regulations, 2019 applicable on listed entities which is given below:

Total Number of Directors

Male	08
Female	03
Composition	
Executive Director	01
Independent Director	03
Non-Executive Director	07

Category	Names
Independent Directors	Mr. Faisal Hanif Ms. Azra Yaqub Vawda Mr. Farooq Hassan
Executive Directors	Mr. Kashif Riaz (CEO)
Non-Executive Directors	Mr.Naveed Ahmed Mian Shahzad Ahmed Mian Imran Ahmed Mrs. Fadia Kashif Mr. Shahwaiz Ahmed Ms. Mehr-un-Nisa Kashif Mr. Sheikh Shafqat Masood
Female Director	Ms.Azra Yaqub Vawda Mrs.Fadia Kashif Ms. Mehr-un-Nisa Kashif

Financial and operational result

The Company earned pretax profit of Rs. 483.626 Million for the year ended June 30, 2024.

	Rs.000	
Highlights:	**2024**	**2023**
Pretax profit for the year	483,626	415,845
Taxation	(306,487)	(128,788)
Profit after taxation	177,139	287,057
Deferred tax and others	11,164	7
Un-appropriated profit brought forward	5,738,803	5,155,596
1st interim dividend for the period ended March 31, 2023		(41,400)
Profit available for appropriations	5,738,803	5,401,260
Transfer from surplus on revaluation of fixed assets	112,930	127,815
Transfer of revaluation surplus due to disposal of revalued assets	-	21,425
Transfer to Capital Reserve	(2,500,000)	-
Transfer to General Reserve	(3,000,000)	-
Un-appropriated profit carried forward	351,733	5,550,500

DIVIDEND

The Board of Directors have not declared any dividend for the year ended June 30, 2024

BUSINESS OVERVIEW

Your company reported a profit after tax of Rs. 177.139 million, down from Rs. 287.057 million in the same period last year. Sales increased by 113%, while the cost of sales rose by 110%, largely due to the new plant with ten rotor machines starting operations in August 2023. The primary reason for the decrease in profit after tax is the rise in energy cost and finance costs. During this period, the company invested Rs. 968.437 million in fixed assets, which included building BMR and the new rotor machine plant, along with necessary supporting processes. These investments were financed through retained earnings and long-term financing.

FUTURE OUTLOOK

The global economy is expected to grow at a moderate pace, with Pakistan's GDP projected to rise just below 4%. Inflation is anticipated to ease, which may lead the State Bank of Pakistan (SBP) to reduce the discount rate further in line with global trends. As the new year begins, the domestic currency remains stable, and maintaining consistent policies will be crucial for this stability. Additionally, the government has secured a preliminary agreement with the IMF for a USD 7 billion Extended Fund Facility (EFF), which could encourage other international lenders to provide financial support.

However, the textile sector faces significant challenges this year due to damage to Pakistan's cotton crop from ongoing monsoon rains, especially in major cotton-producing regions. This continuous rainfall has delayed harvesting and sharply reduced seed-cotton arrivals, leading many ginning factories to shut down due to insufficient supply. By mid-August, cotton arrivals had plummeted to just 1.0 million bales, down from 2.1 million bales during the same period last year.

Further complicating matters are recent changes in the Finance Bill, which include the removal of the zero-rating facility on local supplies under the Export Facilitation Scheme (EFS), new duties on raw material imports, increased infrastructure taxes, and a shift of exports from a Final Tax regime to a Normal Tax regime. These changes are straining cash flow and making it harder for Pakistan textile industry to compete in the international market.

CORPORATE SOCIAL RESPONSIBILITY

The Company always committed to prioritize its social responsibilities in the best interest of all stakeholders and overall business environment. This being a continuous process, the conservation of natural resources, reduction in wastages, enhancement of recycling, improvement of energy efficiency and enhancement of environmental performance by reducing spills and releases were the top priorities while observing the "Corporate Social Responsibility". Like prior years targets were set for reduction in the natural gas consumption and use of water based on the achievements made in prior years

The continued initiatives includes ;

- Waste water treatment
- conservation of natural resources
- reduction in wastages
- enhancement of recycling, improvement of energy efficiency, and
- enhancement of environmental performance by reducing spills and releases

POST BALANCE SHEET EVENTS

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which this balance sheet relates and the date of the Director's report.

RELATED PARTY TRANSACTIONS

In accordance with the requirement of Code of Corporate Governance, the company presented all related party transactions before the audit committee and the board for the review and approval. The details of all related Party transactions have been provided in Note 44 of the annexed financial statements for the year ended June 30, 2024

CORPORATE GOVERNANCE, FINANCIAL REPORTING AND INTERNAL CONTROL SYSTEM

The Director confirms compliance with corporate and financial reporting framework as per the Listing Regulations of the Stock Exchange as follows:

The financial statements, prepared by the management of the company present its state of affairs fairly, the result of its operations, cash flows and changes in equity.

- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and any departure there from has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There has been no deviation from the best practice of corporate governance, as mentioned in the listing regulations.

- Key operating and financial data for the last six year is annexed.
- There are no statuary payments on account of taxes, duties, levies and charge which are outstanding as on June 30th 2019 except for those disclosed in financial statements.
- There has been no trading of shares by Chief Executive, Director, Financial Officer, Company Secretary, their spouses and minor children, during the year.

BOARD & SUB COMMITTEE MEETINGS

- During the year meetings of the Board were held Attendance by each director is as follows.

Name of Directors	Board of Directors 5 - Meetings	Audit Committee 5 – Meetings	HR & R 1 - Meeting
	Attended	Attended	Attended
Mian Imran Ahmed	5/5		
Mr. Kashif Riaz	5/5		
Mian Shahzad Ahmed	5/5		
Mr. Naveed Ahmed	5/5		
Mr. Irfan Ahmed *	5/4		1/1
Mrs. Fadia Kashif	5/5	5/4	1/1
Mr. Shahwaiz Ahmed	5/5	5/5	
Ms. Mehr-Un-Nisa Kashif***	5/1		
Mr. Sheikh Shafqat Masood **	5/5	5/1	
Mr. Farooq Hassan	5/5		
Mr. Faisal Hanif	5/5	5/5	1/1
Ms. Azra Yaqub Vawda	5/5		

* Mr. Irfan Ahmed has been retired on completion of his three year term. Ms. Mehr-Un-Nisa Kashif has been appointed as a Director on March 08, 2024 in Extra Ordinary General Meeting.

***Ms. Mehr-Un-Nisa Kashif appointed as a member HR & Remuneration Committee in place of Mr. Irfan Ahmed (March 08, 2024).

DIRECTORS REMUNERATION

The directors have a formal remuneration policy for its directors (Executive/Non-Executive) duly approved by the Board of Directors. The policy has been designed as a component of HR strategy and both are required to support business strategy. The Board believes that the policy is appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the company as well as to create congruence between Directors, executives and shareholders.

APPOINTMENT OF AUDITORS

Messer's Yousaf Adil, Chartered Accountants, a reputable Chartered Accountants Firm completed its tenure of appointment with the company and being eligible has offered its services for another term. The Board of Directors of Company, based on the recommendation of the audit committee of the board, has proposed Yousuf Adil for reappointment as auditors of the company for the ensuring year.

AUDIT COMMITTEE

The Board of Directors constituted a fully functional Audit Committee comprising three members, one is Independent Director and two are non-executive Director. The terms of reference of the committee, interalia, consists of ensuring transparent internal audits, accounting and control systems, adequate reporting structure as well as determining appropriate measure to safeguard the Company's assets.

PATTERN OF SHAREHOLDING

The pattern of share holding as at June 30th, 2024 as required under the Companies Act 2017, and the code of Corporate Governance, is annexed to this report.

INTERNAL AUDIT FUNCTION

The board have setup efficient and energetic internal control system with operational, financial and compliance controls to carry on the business of the company. Internal audit findings are reviewed by the Audit Committee, and where necessary, action is taken in the basis of recommendations contained in the internal audit reports.

WEB PRESENCE

Annual and periodic financial statements of the company are also available on the website of the company http://indus-group.com for information of the shareholders and others.

ACKNOWLEDGEMENT

The directors are pleased to place on record their appreciation for the contribution made by employees of the company and look forward for same cordial relationship in coming years. In addition, management also acknowledges the role of all the financial institutions, customers, suppliers and other stakeholders for their continued support.

On Behalf of the Board of Directors

Chief Executive Officer
Karachi
Dated: October 04, 2024

Director

SIX YEAR KEY OPERATING AND FINANCIAL DATA

FROM 2019 TO 2024
(Rupees in 000)

	2024	2023	2022	2021	2020	2019
OPERATING DATA						
Sales	20,148,888	9,654,366	9,757,682	8,640,883	6,476,172	6,085,258
Cost of Goods Sold	18,544,262	8,829,381	7,156,924	7,059,086	5,565,454	5,130,703
Gross Proflt	1,604,626	824,985	2,600,758	1,581,797	910,718	954,555
Proflt Before Taxation	482,950	415,891	2,062,363	1,239,043	646,430	474,979
Proflt After Taxation	177,194	287,817	1,909,806	1,150,164	560,164	471,778
FINANCIAL DATA						
Paid Up Capital	207,000	207,000	207,000	207,000	69,000	69,000
Fixed Assets	7,670,516	7,338,745	4,226,358	1,663,452	1,813,371	1,849,895
Current Assets	7,547,016	4,864,831	5,496,620	4,296,801	3,091,115	4,185,540
Current Liabilites	4,019,550	1,279,970	858,078	547,933	416,746	1,948,356
KEY RATIOS						
Gross Margin	7.96%	8.55%	26.65%	18.31%	14.06%	15.86%
Net Proflt	0.88%	2.98%	19.57%	13.31%	8.65%	7.75%
Current Ratio	1.88	3.80	6.41	7.84	7.41	2.15
Earning Per Share(Rupees)	8.56	13.90	92.26	55.56	81.18	68.37
STATISTICS						
Number Of Spindle	34550	33882	34802	34792	33127	33468
Number of Rooters	5355					
Production in to						
20/S Count(in 000 Kgs)	18408	9980	11430	11882	10531	10368

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2024

The Company has complied with the requirements of the Regulations in the following manner:

1. Total number of directors are 11 as per follows ;
   a) Male 8
   b) Female 3
2. The composition of board is as follows ;

Category	Names
Independent Directors	Ms. Azra Yaqub Vawda Mr. Farooq Hassan Mr. Faisal Hanif
Executive Directors	Mr. Kashif Riaz (CEO)
Non-Executive Directors	Mian Imran Ahmed Mr. Naveed Ahmed Mian Shahzad Ahmed Mrs. Fadia Kashif Mr. Shahwaiz Ahmed Ms. Mehr-Un-Nisa Kashif Mr. Sheikh Shafqat Masood
Female Director	Ms. Azra Yaqub Vawda Mrs. Fadia Kashif Ms. Mehr-Un-Nisa Kashif

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 Act and these Regulations;
7. The meetings of the board were presided over by the chairman 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 board;
8. The Board of Directors have a formal policy and transparent procedures for the remuneration of the Directors in accordance with the Act and these Regulations;
9. Majority of the Directors of the Company are exempt from the requirement of the directors training program or has obtained the exemption certificate.
10. No new appointment of Head of Internal Audit, Company Secretary and Chief Financial Officer (CFO) has been made during the year except their remuneration and terms and conditions of employment which was approved by the Board and the Board complied with relevant requirements of the Regulations;
11. The Financial Statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board;
12. The board has formed committees comprising of the members given below:
    a) Audit Committee

Chairman	Mr. Faisal Hanif
Members	Mr. Shahwaiz Ahmed Mr. Shafqat Masood

b) HR and Remuneration Committee

Chairman	Mr. Faisal Hanif
Member	Mrs. Fadia Kashif Ms. Mehr-Un-Nisa Kashif

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

14.The frequency of the meeting of the committee were as per following:

a) Audit Committee (Quarterly)

b) HR and Remuneration Committee (yearly)

15.The board has set up an effective internal audit function;

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 (Spouses, parents, dependents and non-dependents children) of the Chief Executive officer, Chief Financial Officer, head of Internal Audit, Company Secretary or Directors 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, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regards

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

- As per regulation 6, it is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as Independent Directors and currently, there are three Independent Directors in a Board of Eleven Directors. With regard to compliance with Regulation 6 pertaining to fraction contained in one-third number and not rounded up as one, Management believes that three Independent Directors are sufficient to represent minority shareholders which are only 12.69% of total shareholders.

19.Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 are below:

On behalf of the board of directors

S. No.	Non-Mandatory Requirement	Reg. No.	Explanation
1.	**Disclosure of Significant Policies** The Company may post on its website key elements of its significant policies including DE&I and protection against harassment at workplace as advised by SECP vide its SRO 920 (1)/2024 dated 12 June 2024	35 (1,3,4) and 10 (4)	Currently, the Company has voluntarily disclosed its CSR policy on its website. However, the Company is committed to comply with this requirement and is planning to place other significant policies as per requirement of the regulation including policies for DE&I and anti-harassment.
2.	**Directors Training Program for Female Executive and Head of Departments** It is encouraged to obtain DTP certification for female executive and one head of department every year starting from July 2020 and July 2022 respectively.	19 (3)	The Company has not arranged any training under Directors' Training Program for female executivesand head of the department during the year. However, the Company plans to arrange such trainings in the near future.
3.	**Sustainability Risks and Opportunities** The Board has been made responsible to consider Sustainability Risks and Opportunities and make policies to promote diversity, equity and inclusion (DE&I) and make strategies, priorities and targets. Also board is required to periodically review and monitor and disclose the assessment of risks and disclose measures taken.	10 (A.1)	On June 12, 2024, the SECP has amended the Regulations, and added these requirements. Board will assess the requirement and will make policies in due course of time.

Chairman **Director**

Karachi
October 4, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Sunrays Textile Mills Limited

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) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Sunrays Textile Mills** 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 systems 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 recommendation 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.

Yousuf Adil

Chartered Accountants

Multan
Date: October 7, 2024
UDIN: CR2024101800IqUX3z5K

INDEPENDENT AUDITOR'S REPORT

To the Members of Sunrays Textile Mills Limited
Report on the Audit of the Unconsolidated Financial Statement

Opinion

We have audited the annexed unconsolidated financial statements of Sunrays Textile Mills Limited (the Company) which comprise the statement of unconsolidated financial position as at June 30, 2024, and 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 including a summary of significant accounting policies 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 purposes 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 and its comprehensive income, 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 *Auditor's Responsibilities for the Audit of the 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 is the key audit matter:

Key audit matter	How the matter was addressed in our audit
. Revenue Recognition	
The Company's revenue from contracts comprise of revenue from local and export sale of yarn which has been disclosed in note 28 to the unconsolidated financial statements. Revenue from the sale is recognized, when control goods is transferred to the customer and the performance obligation is satisfied i.e. on dispatch of goods (note 5.14). We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized based on transfer of control to the customers in line with the accounting policy adopted and may not have been recognized in the appropriate period.	Our audit procedures to address the Key Audit Matter included the following: • Obtained an understanding of and assessing the design and implementation and operating effectiveness of controls around recognition of revenue; • Assessed the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; • Checked on a sample basis whether the recorded sales transactions are based on transfer of goods to the customer, satisfying the performance obligation and were recorded in the appropriate accounting period. • Testing timeliness of revenue recognition by comparing individual sales transaction before and after the year end to underlying documents; and • Assessed the adequacy of disclosure in the unconsolidated financial statements.

Information Other than the Unconsolidated Financial Statements and Auditor's 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 our auditor's 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.

Responsibilities of Management and the 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 the accounting and reporting standards as applicable in Pakistan and 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 are responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the 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 auditor's 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 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 accounting policies 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 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 auditor's 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 date of our auditor's 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide 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 auditor's 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 statement of unconsolidated 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 auditor's report is Muhammad Sufyan.

Yousuf Adil

Chartered Accountants

Multan

Date: October 7, 2024

UDIN: AR202410180g29noGwDy

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024	2023
		------------- Rupees -------------	
ASSETS			
Non-current assets			
Property, plant and equipment	6	**7,583,547,948**	7,162,221,848
Investment property	7	**-**	2,342,055
Long term investment	8	**190,850,000**	190,850,000
Long term advances	9	**86,968,155**	174,181,019
Long term deposits		**6,991,200**	6,991,200
		7,868,357,303	7,536,586,122
Current assets			
Stores and spares	10	**247,706,284**	109,838,500
Stock in trade	11	**2,395,400,226**	2,251,843,475
Trade debts	12	**3,068,459,274**	1,181,300,477
Loans and advances	13	**102,153,113**	109,281,940
Advance taxes	14	**185,868,153**	164,021,250
Trade deposits	15	**21,896,388**	21,139,226
Other receivables	16	**12,869,513**	56,468,715
Other financial assets	17	**531,794,041**	313,588,655
Sales tax refundable		**773,149,601**	560,413,914
Income tax refundable		**123,732,845**	51,532,339
Cash and bank balances	18	**83,986,195**	45,402,621
		7,547,015,633	4,864,831,112
Total assets		**15,415,372,936**	12,401,417,234
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	19	**207,000,000**	207,000,000
Share premium		**3,600,000**	3,600,000
Surplus on revaluation of property, plant and equipment	20	**1,536,985,734**	1,983,349,881
Reserves	21	**6,112,000,000**	612,000,000
Unappropriated profit		**343,840,993**	5,543,302,217
		8,203,426,727	8,349,252,098
Non-current liabilities			
Long term financing	22	**2,707,707,420**	2,753,804,609
Deferred taxation	23	**369,173,962**	-
Deferred liabilities	24	**115,514,664**	18,390,994
		3,192,396,046	2,772,195,603
Current liabilities			
Trade and other payables	25	**976,285,148**	599,193,175
Accrued markup	26	**175,788,524**	133,652,081
Short term borrowings	27	**2,285,390,105**	191,100,843
Current portion of long term financing	22	**223,944,846**	164,308,301
Unclaimed dividend		**22,523,062**	24,201,201
Provision for taxation	28	**335,618,478**	167,513,932
		4,019,550,163	1,279,969,533
Contingencies and commitments	29		
Total equity and liabilities		**15,415,372,936**	12,401,417,234

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Shabbir Kausar	Kashif Riaz	Mian Imran Ahmed
Chief Financial Officer	Chief Executive Officer	Chairman

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------------- Rupees -------------	
Revenue from contracts with customers	30	**20,148,888,456**	9,459,221,677
Cost of sales	31	**(18,544,262,066)**	(8,829,380,566)
Gross profit		**1,604,626,390**	629,841,111
Distribution cost	32	**(200,511,914)**	(132,691,481)
Administrative expenses	33	**(311,256,220)**	(274,847,117)
Other expenses	34	**(51,655,749)**	(31,721,634)
Finance cost	35	**(1,023,046,345)**	(124,129,325)
Other income	36	**464,793,625**	349,439,442
		(1,121,676,603)	(213,950,115)
Profit before final taxes,revenue taxes and income tax		**482,949,787**	415,890,996
Final taxes	37	**1,325,666**	(80,766,347)
Profit before revenue taxes and income tax		**484,275,453**	335,124,649
Revenue taxes	38	**(254,899,826)**	(11,399,832)
Profit before income tax		**229,375,627**	323,724,816
Income tax	39	**(52,181,844)**	(35,907,821)
Profit for the year		**177,193,783**	287,816,995
Earnings per share - basic and diluted	40	**8.56**	13.90

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------------ Rupees ------------	
Profit for the year		**177,193,783**	287,816,995
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation - gratuity	24.1.1	**521,729**	-
Related tax thereon		**(172,171)**	-
Impact on change in tax rate		**10,806,263**	-
		11,155,821	-
Adjustment of deferred tax relating to surplus on revaluation of operating fixed assets due to change in tax rate	20.1	**(334,174,975)**	-
Total comprehensive income for the year		**(145,825,371)**	**287,816,995**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Share capital	Capital reserves			Revenue reserves		Total
		Share premium	Capital reserve	Surplus on revaluation of fixed assets	General reserve	Unappropriated profit	
	----------------	----------------	----------------	Rupees	----------------	----------------	----------------
Balance as at June 30, 2022	207,000,000	3,600,000	-	2,131,810,253	612,000,000	5,148,424,850	8,102,835,103
Profit for the year	-	-	-	-	-	287,816,995	287,816,995
Other comprehensive income	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-		-	-	287,816,995	287,816,995
Transaction with Owners;							
Interim dividend for the period ended December 31, 2022 @ Rs. 2 per share	-	-	-	-	-	(41,400,000)	(41,400,000)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	-	(127,035,210)	-	127,035,210	-
Transfer of revaluation surplus due to disposal of revalued assets	-	-	-	(21,425,162)	-	21,425,162	-
Balance as at June 30, 2023	207,000,000	3,600,000	-	1,983,349,881	612,000,000	5,543,302,217	8,349,252,098
Comprehensive income for the year							
Profit for the year	-	-		-	-	177,193,783	177,193,783
Other comprehensive income	-	-		(334,174,975)	-	11,155,821	(323,019,154)
Total comprehensive income for the year	-	-		**(334,174,975)**	-	**188,349,604**	**(145,825,371)**
Transfer from unappropriate profits to Capitals reserve	-	-	2,500,000,000	-		(2,500,000,000)	-
Transfer from unappropriate profits to revenue reserve	-	-	-	-	3,000,000,000	(3,000,000,000)	-
Transfer from surplus on revaluation of property, plant and equipment account of incremental depreciation	-	-	-	**(112,189,172)**	-	**112,189,172**	-
Balance as at June 30, 2024	**207,000,000**	**3,600,000**	**2,500,000,000**	**1,536,985,734**	**3,612,000,000**	**343,840,993**	**8,203,426,727**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------------ Rupees ----------	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		**229,375,627**	323,724,816
Adjustments for:			
Depreciation on property, plant and equipment		**635,191,554**	270,904,604
Unrealized (gain) / loss on re-measurement of other financial assets-net		**(201,327,771)**	(24,032,799)
Realized gain on disposal of other financial assets-net		**(2,170,763)**	-
Provision for staff retirement benefits - gratuity		**33,038,006**	19,911,227
Gain on sale of property, plant and equipment- net		**(2,125,985)**	(91,618)
Dividend income		**(27,604,610)**	(109,925,430)
Interest income		**(1,465,822)**	(20,245,261)
Finance cost		**1,023,046,345**	124,129,325
Final taxes		**(1,325,666)**	80,766,347
Revenue taxes		**254,899,826**	11,399,832
Operating cash flows before changes in working capital		**1,939,530,741**	676,541,044
Changes in working capital			
(Increase) / decrease in current assets			
Stores and spares		**(137,867,784)**	(14,111,141)
Stock in trade		**(143,556,751)**	(63,236,377)
Trade debts		**(1,887,158,797)**	(415,875,018)
Loans and advances (excluding advance income tax)		**7,128,827**	4,190,636
Trade deposits and short term prepayments		**(757,162)**	(17,900,000)
Sales tax refundable		**(212,735,687)**	(487,876,582)
Other receivables		**43,599,202**	(9,566,665)
Increase in current liabilities			
Trade and other payables		**377,091,973**	84,491,561
		1,954,256,179	(919,883,585)
Cash (used in) / generated from operations		**(14,725,438)**	(243,342,541)
Finance cost paid		**(980,909,902)**	(205,569,644)
Staff retirement benefits - gratuity paid		**(5,656,454)**	(77,984,558)
Income taxes paid		**(186,065,785)**	(195,186,768)
Net cash used in operating activities		**(1,187,357,579)**	(722,083,511)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(78,925,326)**	(46,454,000)
Additions to capital work in progress		**(889,511,425)**	(2,959,992,528)
Proceeds from disposal of property, plant and equipment		**3,600,000**	4,200,000
Additions to long term advances		**-**	(174,181,019)
Payment for purchase of short term investments		**(28,701,439)**	(3,438,436,688)
Proceeds from disposal of short term investments		**13,994,585**	5,129,210,971
Dividend income		**27,604,610**	109,925,430
Interest income		**1,465,822**	20,245,261
Net cash used in investing activities		**(950,473,173)**	(1,355,482,573)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances obtained		**244,605,000**	2,051,232,004
Repayment of long term finances		**(160,801,797)**	(176,054,103)
Short term borrowings - net		**1,998,625,824**	-
Dividends paid		**(1,678,139)**	(39,958,464)
Net cash generated from financing activities		**2,080,750,888**	1,835,219,437
Net decrease in cash and cash equivalents (A+B+C)		**(57,079,864)**	(242,346,647)
Cash and cash equivalents at beginning of the year		**(145,698,222)**	96,648,425
Cash and cash equivalents at end of the year		**(202,778,086)**	(145,698,222)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	**18**	**83,986,195**	45,402,621
Running Finance	**27**	**(286,764,281)**	(191,100,843)
Net cash and cash equivalents at end of the year		**(202,778,086)**	**(145,698,222)**

The annexed notes from 1 to 51 form an integral part of these unconsolidated financial statements.

Shabbir Kausar Chief Financial Officer	Kashif Riaz Chief Executive Officer	Mian Imran Ahmed Chairman

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. GENERAL INFORMATION

1.1 Sunrays Textile Mills Limited "the Company" was incorporated in Pakistan on August 27, 1987 as a public limited company under the repealed Companies Ordinance, 1984 (Now Companies Act 2017) and its shares are quoted on the Pakistan Stock Exchange. The Company is principally engaged in trade, manufacture and sale of yarn. The registered office of the Company is situated at Office no. 508, 5th floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi. The mill site is located at Khanpur Shumali khewat no. 359, District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab having area of 331 Kanal and

1.2 These financial statements are the Unconsolidated financial statements of the Company in which investment in subsidiary company is accounted for on the basis of actual cost incurred to acquire subsidiary. Consolidated financial statements are prepared separately.

2. BASIS OF PRESENTATION

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) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS's, the provisions of and directives issued under the Companies Act, 2017 have been

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under historical cost convention except indicated in note 5.1, 5.2, 5.4, 5.5, 5.10, 5.11 and 5.12.

2.3 Functional and presentation currency

The unconsolidated financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2.4 Significant accounting estimates and judgments

The preparation of unconsolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets, 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 circumstances, the result of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised.

In preparing these unconsolidated financial statements, the significant judgement made by the management in applying accounting policies include:

- useful life and residual values of depreciable assets (note 5.5 and 6.1)
- allowance for expected credit losses;
- provision for current tax and deferred tax (note 5.2 and 37,38, and 39)
- revaluation of assets pertaining to freehold land, building on freehold landand land and
- staff retirement benefits (note 5.1 and 24.1)
- net realizable value of stock-in-trade (note 5.9 and 11)

3. Adoption of new and revised accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the

3.1 New amendments that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

Amendments to IAS 12 ' Income taxes' - International Tax Reform — Pillar Two Model Rules

3.2 Standard and amendments to IFRS that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Amendments to IFRS 16 ' Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026

3.3 Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

4. ADOPTION OF NEW ACCOUNTING POLICY

4.1 Accounting for minimum taxes and final taxes

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax and final tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards.The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In view of the above clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and

The Guide issued by ICAP provides approaches to account for minimum and final regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach:

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 recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37 Provisions, Contingent Liabilities and Contingent Assets".Therefore, the effective rate of income tax is equal to the enacted rate of income tax and and the deferred tax will be calculated at such rate.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guidance provided in the guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of financial statements since deferred tax liability recognised in the year ended June 30, 2023 was already at enacted rate and the application of this guide did not result any material differences except for

	Current Classification	Previous Classification
	--------- (Rupees)	---------
Effect on statement of financial position:		
As at June 30, 2023		
Advance Taxes:		
Levy	59,984,033	-
income tax	104,037,218	164,021,250
	164,021,251	164,021,250

	Current Classification	Previous Classification
	--------- (Rupees) ---------	
Effect on statement of profit or loss:		
For the year ended June 30, 2023		
Taxation:		
- Current year	59,885,540	152,051,719
- prior year	(23,977,718)	(23,977,718)
Revenue taxes:		
- minimum taxes	11,399,832	-
Final taxes:		
- export sales	80,766,347	-
	128,074,001	128,074,001

4.2 Significant Accounting Policy to Material Accounting Policies Information

'During the year, the Company adopted the Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

5. MATERIAL ACCOUNTING POLICIES INFORMATION

The company has consistently applied the following accounting policies to all periods presented in these unconsolidated financial statements, except as mentioend in note No.4.

5.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme covering all its employees. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation. Actuarial gains and losses are recognized immediately as they arise in other comprehensive income. Past service cost is recognized immediately to the extent that the benefits are already vested. Otherwise it is amortized on a straight line basis over the average Details of the scheme are given in the note 24.1 to these unconsolidated financial statements.

5.2 Taxation / Revenue Taxes / Final Taxes

Current

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, as per Income Tax Ordinance,

Revenue Taxes

Revenue taxes includes amount representing excess of :

a)minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation; and

b)minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax streamstaxable at general rate of tax), is not adjustable against tax liability of

Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as revenue taxes.

The company determines, based on expected future taxable profits, that excess paid under section 113 by the entity over and above its tax liability (on income stream(s) taxable at general rate of taxation) is expected to be realized in subsequent tax years, then, such excess shall be recorded as deferred tax asset adjustable against tax liability for subsequent tax years. This shall be recognized as 'deferred tax asset' for the reason that it represents unused tax credit as it can be adjusted only against tax liability (of subsequent tax years) arising on taxable income subject to general rate of taxation. Such an asset shall be subject to requirements contained in IAS 12 'Income Tax'

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other

(a) those outflows of resources that are within the scope of other standards.

(b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are calculated on a basis other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised as prepaid assets.

Final Taxes

Final taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.

Final tax paid is considered to be full and final discharge of the tax liability for the Company for a tax year related to that income stream.

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average enacted tax rate.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

5.3 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the unconsolidated financial statement in the period in which the dividends are approved by the

5.4 Foreign currencies

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates Gains and losses arising on retranslation are included in profit or loss for the period.

5.5 Property, plant and equipment

Property, plant and equipment except free hold land, building on freehold land, plant and machinery and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses.

Revaluation

Free hold land, building on free hold land and plant and machinery are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the statement of financial position date. Any revaluation increase arising on the revaluation of such assets is credited in 'Surplus on revaluation of property, plant and equipment'. A decrease in the carrying amount arising surplus on revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation account relating to previously revalued assets. To the extent of incremental depreciation charged on revalued assets, on disposal of revalued assets and the related surplus on revaluation (net of deferred tax) is transferred
Depreciation is charged to income applying reducing balance method to write-off the cost over the estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Rates of depreciation are stated in note 6. In respect of additions and disposals during the year, depreciation is charged from the month when the assets is available for use and ceased from the month of disposal, to the statement of profit or loss applying the reducing balance
Gains / losses on disposal of operating assets, if any, are recognized in unconsolidated statement of profit and loss account, as and when incurred. Assets are derecognized when disposed or when no future economic benefits are expected from its use or disposal.

Normal repairs and maintenance are charged to unconsolidated statement of profit and loss account as and when incurred. Major renewals and improvements are capitalized and assets replaced, if any, other than those kept as stand-by are retired.

Capital work-in-progress

Capital work-in-progress (CWIP) is stated at cost less any recognized impairment loss. All expenditures connected to the specific assets incurred during installation and construction period are carried under CWIP. These are transferred to specific assets as and when assets

5.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is valued using the cost method i.e. at cost less any accumulated depreciation and any identified impairment loss.

Any gain or loss on disposal of investment property, calculated as difference between the proceeds from disposal and the carrying amount is recognised in the unconsolidated

5.7 Long term investment

Investment in subsidiary company

Investment in subsidiary is initially recognized at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investment are adjsuted accordingly. Impairment losses are recognized as an expense in the unconsolidated statement of profit and loss. Where impairment losses are subsequently reversed, the carrying amounts of investments are increased to revise recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the unconsolidated statement of profit and loss.

5.8 Stores and spares

These are valued at lower of cost or net realizable value, cost is determined on the basis of moving average cost less allowance for obsolete and slow moving items, except for items in transit which are valued at cost incurred to the statement of financial position.

5.9 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined by applying the following basis:

Raw material	
- At mills	Weighted average cost
- In transit	At cost incurred to the statement of financial position
Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost
Waste	Net realizable value

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

5.10 Trade debts

Trade debts and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method less allowance for expected credit losses.

5.11 Impairment of non-financial assets

The Company assesses at each statement of financial position date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amount and the resulting impairment loss is recognized in unconsolidated statement of profit and loss. The recoverable amount is the higher of an
Where impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised recoverable amount but limited to the extent of carrying amount that would have been determined had no impairment loss been recognized in prior periods. Reversal of impairment loss is recognized as income.

5.12 Financial Instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are

5.12.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in
All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

a) Debt instruments measured at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial

As at reporting date, the Company carries cash and cash equivalents, trade receivables and term finance certificate at amortized cost.

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments that meet specified conditions and are measured subsequently at fair value through other comprehensive income (FVTOCI).

As at reporting date, the Company does not hold any debt instrument classified as at FVTOCI.

c) Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument?by?instrument basis) to designate investments in equity instruments as at FVTOCI.

As at reporting date, the Company does not hold any equity instrument classified as at

d) Financial assets measured subsequently at fair value through profit or loss (FVTPL)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

As at reporting date, the Company carries investments in shares of listed companies and units of mutual funds classified as at FVTPL.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost or at FVTPL, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12?month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking

Definition of default:

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Write?off policy

The Company writes off financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognised in profit or loss.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

5.12.2 Financial liabilities

Subsequent measurement of financial liabilities

Financial liabilities that are not

- contingent consideration of an acquirer in a business combination,
- held?for?trading, or
- designated as at FVTPL, are measured subsequently at amortised cost using the effective

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

5.12.3 Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is

5.12.4 Off setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the statement of financial position, if the Company has a current legal enforceable right to set off the recognized amount and the Company also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.13 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to

5.14 Revenue recognition

The Company is in the business of sale of goods. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer and the performance obligation is satisfied under the contract at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.
- Export rebate is recognized on accrual basis at the time of making the Export sales.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., right of returns, volume rebates). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the

5.15 Cash and cash equivalents

Cash and cash equivalents are carried in the unconsolidated statement of financial position at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, balances with banks on current, saving and deposit accounts and short-term running finance. Running finances under mark-up arrangements are shown with short term borrowings on the balance sheet date.

5.16 Borrowing cost

Borrowings are initially recorded at the proceeds received. They are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss account over the period of borrowings using the effective interest method. 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 as the assets are substantially ready for their intended use or

All other borrowing costs are charged to income in the period in which these are incurred.

5.17 Borrowings

Loans and borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance cost is accounted for on an accrual basis and are included in mark-up accrued on loans to the extent of amount remaining unpaid, if any.

5.18 Earning Per share

The Company presents basic and diluted earnings per share (EPS) data. Basic EPS is calculated by dividing the profit or loss attributable to the 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

6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		------------ Rupees ----------	
Operating assets	6.1	**7,161,816,317**	3,340,107,949
Capital work-in-progress	6.4	**421,731,631**	3,822,113,899
		7,583,547,948	7,162,221,848

6.1 Operating assets

Particulars	Cost / revalued amount			Depreciation			Written down value as at June 30	Rate
	Opening	Additions / (disposal)	Closing	Opening	For the year / (on disposal)	Closing		
	---------- Rupees ----------							
Owned								
Freehold land	981,040,000	2,342,055	983,382,055	-	-	-	983,382,055	-
Building on freehold land	500,000,000	1,358,132,655	1,858,132,655	50,000,000	164,364,962	214,364,962	1,643,767,693	10%
Plant and machinery	2,441,364,078	2,786,297,828	5,227,661,906	644,913,282	428,665,742	1,073,579,024	4,154,082,882	10%
Electric installations	69,644,240	175,382,534	245,026,774	47,575,300	18,188,626	65,763,927	179,262,847	10%
Factory equipments	4,255,496	-	4,255,496	3,003,333	125,216	3,128,550	1,126,946	10%
Office equipments	5,066,546	-	5,066,546	4,174,924	89,162	4,264,086	802,460	10%
Electric appliances	4,617,405	-	4,617,405	3,568,597	104,881	3,673,478	943,927	10%
Furniture and fittings	11,396,564	6,084,000	17,480,564	7,349,731	506,083	7,855,814	9,624,750	10%
Vehicles	180,663,217	130,134,866 (8,150,500)	302,647,583	97,354,431	23,146,880 (6,676,485)	113,824,826	188,822,757	20%
2024	**4,198,047,546**	**4,458,373,938 (8,150,500)**	**8,648,270,984**	**857,939,599**	**635,191,554 (6,676,485)**	**1,486,454,667**	**7,161,816,317**	
Owned								
Freehold land	981,040,000	-	981,040,000	-	-	-	981,040,000	-
Building on freehold land	500,000,000	-	500,000,000	-	50,000,000	50,000,000	450,000,000	10%
Plant and machinery	2,466,789,240	- (25,425,161)	2,441,364,078	466,789,240	199,556,349 (21,432,307)	644,913,282	1,796,450,797	10%
Electric installations	69,644,240		69,644,240	45,123,196	2,452,104	47,575,300	22,068,940	10%
Factory equipments	4,255,496	-	4,255,496	2,864,204	139,129	3,003,333	1,252,163	10%
Office equipments	5,066,546	-	5,066,546	4,075,855	99,069	4,174,924	1,074,622	10%
Electric appliances	4,617,405	-	4,617,405	3,452,063	116,534	3,568,597	1,048,808	10%
Furniture and fittings	9,621,764	1,774,800	11,396,564	6,982,250	367,481	7,349,731	4,046,833	10%
Vehicles	136,994,017	44,679,200 (1,010,000)	180,663,217	80,074,967	18,173,937 (894,473)	97,354,431	83,308,786	20%
2023	4,178,028,708	44,679,200 (26,435,161)	4,198,047,546	609,361,775	270,904,604 (22,326,780)	857,939,599	3,340,290,949	

6.2 Disposal of property, plant and equipment of book value exceeding Rs. 500,000

Particulars	Cost	Accumulated Depreciation	Carrying value	Sale proceeds	Gain	Mode of Disposal	Relationship	Particulars of buyers
	---------- Rupees ----------							
For the year ended June 30, 2024								
Plant and machinery								
Toyota Corolla A/T Gli	1,789,500	1,660,506	128,994	600,000	471,006	Negotiation	Third party	Muhammad Naeem Ahmed
Suzuki Cultus	1,406,000	1,073,643	332,357	500,000	167,643	Negotiation	Third party	Gul Sumaira Bushra
Honda Civic	2,634,500	1,936,208	698,292	2,000,000	1,301,708	Negotiation	Third party	Najam Ul Islam
Toyota Corolla	2,320,500	2,006,128	314,372	500,000	185,628	Negotiation	Third party	Shahzad Hassan
	8,150,500	**6,676,485**	**1,474,015**	**3,600,000**	**2,125,985**			
For the year ended June 30, 2023								
Plant and machinery								
2 Schlafhorst Auto 338 coner	25,425,162	21,432,307	3,992,855	4,000,000	7,145	Negotiation	Third party	MKM Textile International
	25,425,162	**21,432,306**	**3,992,855**	**4,000,000**	**7,145**			

		Note	2024	2023
			------------ Rupees ----------	
6.3	Depreciation for the year has been allocated as under:			
	Cost of sales	31	**611,344,547**	252,147,583
	Administrative expenses	33	**23,847,007**	18,757,021
			635,191,554	270,904,604
6.4	**Capital Work in Progress**			
	Machinery	6.4.1	**223,751,801**	2,709,861,849
	Building		**-**	1,112,252,050
	Electric installations		**197,979,830**	-
		6.4.2	**421,731,631**	3,822,113,899

6.4.1 It includes Rs. nil (2023: Rs. 206.8 million) capitalized in respect of borrowing cost.

6.4.2 Movement in capital work in progress

	2024	2023
Opening balance	**3,822,113,899**	655,349,208
Additions during the year	**889,511,425**	3,166,764,691
Transfer to operating assets	**(4,289,893,693)**	-
	421,731,631	3,822,113,899

6.5 The Company has its freehold land, building on freehold land and plant and machinery revalued on June 30, 2022 by Joseph Lobo (Private) Limited & M.Y.K Associate (Private) Limited, independent valuers. The basis used for the revaluation of these assets were as follows:

Freehold land

Fair market value of the land was assessed through inquiries in the vicinity of land, recent market deals and information obtained through estate agents and property dealers of the area.

Building on freehold land

Fair market value of the building was assessed mainly through new construction value, depreciation cost factors, state of infrastructure, current trends in prices of real estate in the vicinity and information obtained through estate agents, builders and developers.

Plant and machinery

Fair market value of the plant and machinery was assessed through inquiries of local authorized dealers who deal in old and new similar type of plant and machineries. Replacement value was then ascertained from competitive rates of the plant and machinery and thereafter, an average depreciation factor was applied on the replacement value of the plant and machinery.

Forced sale value of the above items of property, plant and equipment is as follows:

	Rupees
Freehold land	**743,082,000**
Building on freehold land	**375,000,000**
Plant and machinery	**1,500,000,000**
	2,618,082,000

6.6 Had there been no revaluation the related figures of freehold land, building on freehold land and plant and machinery as at the statement of financial position date would have been as follows;

	2024	2023
Freehold land	**124,872,785**	122,530,730
Building on freehold land	**1,269,199,929**	57,532,317
Plant and machinery	**3,515,999,207**	1,089,334,771
	4,910,071,921	1,269,397,818

		2024	2023
7.	**INVESTMENT PROPERTY**	------------ **Rupees** ----------	
	Opening balance	**2,342,055**	2,342,055
	Additions during the year	**-**	-
	Transfer to operating assets	**(2,342,055)**	-
		-	2,342,055

7.1 Investment property comprises of agricultural land held by the Company. During the year, the Company utilizied this property for business purposes, and start generating income through its operation.The change in use of assets leading the reclassification from investment property to

		Note	2024	2023
8.	**LONG TERM INVESTMENTS**	**Note**	------------ **Rupees** ----------	
	Investment in subsidiary company - at cost			
	Embee Industries (Private) Limited	8.1	**190,850,000**	190,850,000

8.1 As at the reporting date, the company holds 100 percent shares (173,500 issued, subscribed and paid up share of Rs. 100 each) of Embee Industries Private Limited which was engaged in the business of manufacturing and sale of ice.

9. This amount represents advances provided to suppliers for the acquisition of capital nature items. During the year, an amount of Rs. 87.21 million was capitalized to property, plant, and equipment.

		Note	2024	2023
		Note	------------ **Rupees** ----------	
10.	**STORES AND SPARES**			
	Stores		**105,439,644**	65,235,691
	Spares		**142,266,640**	44,602,809
			247,706,284	109,838,500
11.	**STOCK IN TRADE**			
	Raw material		**768,323,885**	1,641,158,805
	Raw material in-transit		**1,246,250,642**	20,973,412
	Work in process		**109,973,699**	79,556,007
	Finished goods		**172,091,901**	260,436,736
	Waste		**98,760,099**	249,718,515
			2,395,400,226	2,251,843,475
12.	**TRADE DEBTS**			
	Foreign - secured and considered good		**373,456,203**	386,889,144
	Local - unsecured	12.1	**2,712,141,717**	797,316,618
			3,085,597,920	1,184,205,762
	Allowance for expected credit losses	12.2	**(17,138,646)**	(2,905,285)
			3,068,459,274	1,181,300,477

12.1 It includes due from associated undertakings relating to sale of yarn in normal course of business. Detail of balances due is as follows:

		Note	2024	2023
		Note	------------ **Rupees** ----------	
	Indus Home Limited	12.5 & 44	**96,265,396**	46,050,433
12.2	**Allowance for expected credit losses**			
	Opening balance		**2,905,285**	2,516,535
	Expected credit losses		**14,233,361**	388,750
	Closing balance		**17,138,646**	2,905,285

12.3 Trade debts are generally on 60 to 90 days credit terms.

12.4 As at year end, trade receivables of Rs. 2,948,049 (2023: Rs. 1,721,546) were past due.

12.5 The maximum outstanding balance during the year due from Indus Home Limited is Rs. 96.27 million (2023: Rs. 46.05 million).

	Note	2024	2023
		------------ Rupees ----------	
13. LOANS AND ADVANCES			
Considered good			
Due from employees	13.1	**29,586,502**	15,653,727
Advances :			
To suppliers / services		**65,984,452**	85,862,722
Letter of credit margin		**6,582,159**	7,765,491
		102,153,113	109,281,940

13.1 These are interest free loans, secured against gratuity. None of the employees has been given loan more than Rs. 1,000,000 (2023: Rs. 1,000,000).

	Note	2024	2023
		------------ Rupees ----------	
14. ADVANCE TAXES			
Levy		**-**	59,984,033
Income tax		**185,868,153**	104,037,218
		185,868,153	164,021,251
15. TRADE DEPOSITS			
Bank guarantee margin		**21,896,388**	21,139,226
16. OTHER RECEIVABLES			
Cotton claims - considered good		**10,033,679**	53,487,099
Rebate claims		**2,122,182**	2,122,182
Other		**713,652**	859,434
		12,869,513	56,468,715
17. OTHER FINANCIAL ASSETS			
At fair value through profot or loss			
Investments in units of mutual funds	17.1	**5,752,512**	79,646
Investment in ordinary shares of listed companies	17.2	**421,041,529**	213,176,009
At amortized cost			
Investment in term finance certificate	17.3	**100,000,000**	95,333,000
Term deposit receipts	17.4	**5,000,000**	5,000,000
		531,794,041	**313,588,655**

17.1

2024	2023	Investments in units of mutual funds	2024	2023
Number of units			------------ Rupees ----------	
6	-	Alfalah GHP Money Market Fund	**594**	-
858	659	HBL Money Market Fund	**88,561**	79,646
27,994	-	UBL Cash Fund	**2,803,797**	-
285,722	-	NBP Mahana Amadni Fund	**2,859,560**	-
314,579	659		**5,752,512**	79,646

17.2 Investment in ordinary shares of listed companies

2024	2023		2024	2023
Number of shares			Rupees	
32,920	32,920	Engro Corporation Limited	**10,952,813**	8,555,579
-	275,000	Fatima Fertilizer Company Limited	**-**	8,197,750
102,100	73,800	Systems Limited	**42,708,430**	29,765,754
-	5,945	Highnoon Labortaries Limited	**-**	1,998,531
104,000	-	Pakistan Aluminium Beverages Cans Limited	**7,680,400**	-
84,750	84,750	Tariq Glass Industries Limited	**9,877,613**	5,771,475
95,300	90,000	Lucky Cement Limited	**86,411,369**	46,988,100
104,004	104,004	Mughal Iron & Steel Industries Limited	**9,672,372**	5,037,954
177,140	177,140	Hub Power Company Limited	**28,887,991**	12,325,401
19,500	19,500	Mari Petroleum Company Limited	**52,890,630**	29,535,480
626,100	626,100	Meezan Bank Limited	**149,882,079**	54,076,257
261,448	261,448	Interloop Limited	**18,518,362**	9,218,656
42,099	42,099	International Steels Limited	**3,559,470**	1,705,072
1,649,361	**1,792,706**		**421,041,529**	213,176,009

17.3 Investment in term finance certificate

2024	2023		Note	2024	2023
Number of certificates				Rupees	
1,000	1,000	Habib Bank Limited	17.3.1	**100,000,000**	95,333,000

17.3.1 This represents investment in AA+ rated, unsecured, subordinated, perpetual and non-cumulative term finance certificate of Habib Bank Limited, having face value of Rs.100,000 per certificate and carries profit at the rate of 3 Months KIBOR + 1.60% per annum.

17.4 Effective markup rate in respect of term deposit receipt ranges from 15.24% to 18.53% (2023: 9% to 24%) per annum.

18. CASH AND BANK BALANCES

	Note	2024	2023
		Rupees	
Cash in hand		**65,633**	402,624
Cash at bank			
- Current accounts		**83,883,621**	44,990,630
- Saving accounts	18.1	**36,941**	9,367
		83,920,562	44,999,997
		83,986,195	45,402,621

18.1 Effective markup rate in respect of saving and deposit accounts ranges from 15.24% to 18.53% (2023: 9% to 24%) per annum.

19. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024	2023		2024	2023
Number of shares			Rupees	
Authorized capital				
50,000,000	50,000,000	Ordinary shares of Rs. 10 each	**500,000,000**	500,000,000
Issued, subscribed and paid up capital				
20,700,000	20,700,000	Ordinary shares of Rs. 10 each fully paid in cash	**207,000,000**	207,000,000

19.1 205,962 ordinary shares (2023: 205,962) of Rs. 10 each are held by the associated company as

	2024	2023
Indus Dyeing & Manufacturing Company Limited	**205,962**	205,962

19.2 The Company has only one class of ordinary shares which carry no right to fixed income.

19.3 Shareholders are entitled to cast vote proportionate to the paid up value of shares carrying voting rights. All shares rank equally with regard to the Company's residual assets.

		Note	2024	2023
			------------ Rupees ----------	
20.	**SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT**	20.1	**1,871,160,709**	1,983,349,881
20.1	**Surplus on revaluation of property, plant and equipment**			
	Opening balance		**1,983,349,881**	2,131,810,253
	Transferred to unappropriated profit on account of :			
	Incremental depreciation		**(112,189,172)**	(127,035,210)
	Revaluation surplus due to disposal of revalued assets		**-**	(21,425,162)
			(112,189,172)	(148,460,372)
			1,871,160,709	1,983,349,881
	Related deferred tax liability			
	Opening balance		**-**	-
	Adjustment due to change in rate		**334,174,975**	-
			334,174,975	-
	Closing balance		**1,536,985,734**	**1,983,349,881**
21.	**RESERVES**			
	Capital reserve	21.1	**2,500,000,000**	-
	General reserve	21.2	**3,612,000,000**	612,000,000
			6,112,000,000	612,000,000

21.1 The Board of Director of the Company in its meeting held on Februery 28, 2024, decided to allocate a sum of Rs. 2.5 billion as not available for distribution by way of dividend for purposes of investment and bonus in future years.

21.2 This represents reserves created out of profits of the company.This reserves are not usable for profit distribution. During the year, The Company has transfer Rs. 3 billion out of unappropriate profit of the Company.

		Note	2024	2023
22.	**LONG TERM FINANCING**		------------ Rupees ----------	
	From banking companies - secured			
	Term finance:			
	Allied Bank Limited	22.1	**683,388,110**	687,088,110
	Bank Al Habib Limited	22.2	**80,703,300**	105,070,500
	Bank Al Habib Limited	22.3	**815,000,000**	815,000,000
			1,579,091,410	1,607,158,610
	Demand finance (DF):			
	MCB Bank Limited	22.4	**617,216,894**	542,611,894
	Renewable energy finance:			
	Askari Bank Limited	22.5	**170,000,000**	-
	Long term finance facility (LTFF):			
	United Bank Limited	22.6	**7,386,765**	22,160,295
	Bank Alfalah Limited	22.7	**269,531,250**	316,406,250
	MCB Bank Limited	22.8	**245,400,170**	298,902,709
	Allied Bank Limited	22.9	**58,770,356**	68,565,418
	Allied Bank Limited	21.10	**54,519,268**	62,307,734
			635,607,809	768,342,406
	Carried forward		**3,001,916,113**	**2,918,112,910**

	Note	2024	2023
		------------ Rupees ----------	
Brought forward		**3,001,916,113**	**2,918,112,910**
Less: Current portion		**(223,944,846)**	(164,308,301)
Less: Deferred grant	24.2	**(70,263,847)**	-
		2,707,707,420	**2,753,804,609**

22.1 Allied Bank Limited - TF

This finance has been obtained from Allied Bank to finance / retire LCs established for import of plant and machinery and allied equipment's for establishment / requirements of the company l.e. enhancement in existing capacity of spinning set-up. The loan is repayable in 16 equal half yearly installments with 2 years grace period commencing from June 14, 2024 and the date of final repayment will be February 12, 2032. This loans carry mark up at the rate of 6 Months KIBOR + 0.75%. The finance was secured against 1st pari passu charge for over the present and future fixed assets of the Company for Rs.800 Million inclusive of 25% margin.

22.2 Bank Al Habib Limited - TF

This finance has been obtained from Bank Al Habib Limited for the payment of import documents drawn under LC Sight having Limit of Rs 150 million for import of renewable energy equipment and for the payment of local equipment having capacity of 1.64 Mega Watt and / or payment to local supplier if equipment to be purchased locally against each LC. The loan is repayable in 20 equal quarterly installments against each LC commencing from November 22, 2022 and the date of final repayment will be July 12, 2028. It carries mark up at the rate of 6 Months KIBOR + 0.5%.

22.3 Bank Al Habib Limited - TF

This finance has been obtained from Bank Al Habib Limited for the purchase of plant & machinery. The loan is repayable in 16 equal half yearly installments with 2 years grace period against each LC commencing from May 24, 2025 and the date of final repayment will be January 30, 2033 . It carries mark up at the rate of 6 Months KIBOR + 1%. The finance is secured against 1st pari passu Charge of Rs. 1,287 million (to be registered with SECP) over Fixed Assets (including Land.

22.4 MCB Bank Limited - DF

This finance has been obtained to retire / finance imported components / equipments / machinery imported through MCB used for setting-up new open ended Spinning unit. The loan is repayable in 16 equal half yearly installments after 2 years grace period against each LC commencing from May 16, 2025 and the date of final repayment will be September 13, 2033 . It carries mark up at the rate of 6 months KIBOR + 0.5%.The finance is secured against 1st pari passu hypothecation / Equitable mortgage charge of Rs 934 million on all fixed asset of the Company.

22.5 Askari Bank Limited - REFF

This finance has been obtained from Askari Bank Limited for the payment of import documents drawn under LC Sight having Limit of Rs 170 million, out of which Rs. 148 million has been converted into REFF under term finnace having markup at the rate of 3 month KIBOR +1.75% per annum for import of Renewable Energy Equipments (Solar Energy) having capacity of 2 Mega Watt under SBPs renewable energy refinance scheme.The loan is repayable in 32 equal quarterly installments against each LC commencing from November 25, 2025 and the date of final repayment will be August 31, 2033. During the year, markup was charged at the rate of 3 month KIBOR +1.75%for the loan not converted into REFF and at SBP + 3%on the REFF loan. The finance is secured against 1st pari passu Charge of Rs. 227 million over present and future fixed assets to be registered with SECP of the Company with 25% security margin.

22.6 United Bank Limited - LTFF

This finance has been obtained from United bank Limited for BMR. The loan is repayable in 10 equal half yearly installments commencing from February 18, 2019 with 11 months grace period and the date of final repayment will be August 18, 2024 . It carries markup at flat rate of 3%. The finance is secured against first pari passu charge of Rs. 125 million over all present and future fixed assets of the Company with 25% margin.

22.7 Bank Alfalah Limited - LTFF

This finance has been obtained from Bank Alfalah Limited for BMR. The loan is repayable in 32 equal quarterly installments commencing from June 18, 2021 with 2 years grace period and the date of final repayment will be March 13, 2030. It carries markup at flat rate of 3%. The finance is secured against first pari passu charge of Rs. 500 million over all present and future fixed assets of the Company with 25% margin.

22.8 MCB Bank Limited - LTFF

This finance has been obtained from MCB Bank Limited for BMR. The loan is repayable in 16 equal half yearly installments commencing from April 5, 2021 with 2 years grace period and the date of final repayment will be March 5, 2029. It carries markup at rate of 2.5%. The finance is secured against first pari passu charge of Rs. 600 million over all present and future fixed assets of the

22.9 Allied Bank Limited - LTFF

This finance has been obtained from Allied Bank to pay salaries & wages under SBP's Refinance scheme for payment of wages & salaries. The loan is repayable in 8 equal quarterly installments commencing from December 22, 2022 and the date of final repayment will be June 22, 2030. It carries mark up at the rate of SBP + 1.25%. The finance is secured against 1st pari passu charge

22.10 Allied Bank Limited - LTFF

This finance has been obtained from Allied Bank to finance / retire LCs established for import / local procurement of plant & machinery and Allied equipment related to renewable captive power plant of the company. This finance had been obtained from Allied Bank to finance / retire LCs established for import / local procurement of plant & machinery and Allied equipment related to renewable captive power plant of the company. The loan is repayable in 16 equal half yearly installments commencing from May 25, 2022 with 3 months grace period and the date of last repayment will be May 27, 2031. It carries mark up at the rate of SBP + 0.50%. The finance is secured against first pari passu charge over all present and future fixed assets of the Company for

	Note	2024	2023
		------------ Rupees ----------	
23. DEFERRED TAXATION			
23.1 The liability for deferred taxation comprises timing differences relating to:			
Taxable temporary differences on:			
Surplus on revaluation of operating fixed assets		**334,174,975**	-
Operating fixed assets		**419,998,416**	-
Other financial assets		**20,762,999**	
		774,936,390	-
Deductible temporary differences on:			
Brought forward tax losses		**(135,929,832)**	-
Minimum tax paid in excess of normal tax		**(254,899,826)**	-
Provision for staff retirement benefits - gratuity		**(14,932,770)**	-
		369,173,962	-

23.2 Movement for the year ended June 30, 2024

	Balance as at July 01, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2024
	---------- Rupees ----------			
Taxable temporary difference:				
Surplus on revaluation of operating fixed assets	-	**-**	334,174,975	**334,174,975**
Operating fixed assets	-	**419,998,416**	-	**419,998,416**
Other financial assets	-	**20,762,999**	-	**20,762,999**
Deductible temporary difference:				
Brought forward tax losses	-	**(135,929,832)**	-	**(135,929,832)**
Minimum tax paid in excess of normal tax	-	**(254,899,826)**	-	**(254,899,826)**
Provision for staff retirement benefits - gratuity	-	**(4,298,678)**	**(10,634,092)**	**(14,932,770)**
June 30, 2024	**-**	**45,633,079**	**323,540,883**	**369,173,962**

Movement for the year ended June 30, 2023

	Balance as at July 01, 2022	Recognized in profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2023
	---------- Rupees ----------			
Taxable temporary difference:				
Surplus on revaluation of operating fixed assets	-	-	-	-
Operating fixed assets	-	-	-	-
Deductible temporary difference:				
Brought forward tax losses	-	-	-	-
Minimum tax paid in excess of normal tax	-	-	-	-
Provision for staff retirement benefits - gratuity	-	-	-	-
June 30, 2023	-	-	-	-

	Note	2024	2023
		------------ Rupees ----------	
24. DEFERRED LIABILITIES			
Staff retirement benefits - gratuity	24.1	**45,250,817**	18,390,994
Deferred grant	24.2	**70,263,847**	-
		115,514,664	18,390,994

	Note	2024	2023
		------------ Rupees ----------	
24.1 Staff retirement benefits - gratuity			
Liability recognized in the statement of financial position			
Present value of defined benefit obligation		**45,250,817**	18,390,994
Movement in the net liability			
Opening balance		**18,390,994**	76,464,325
Charge for the year		**33,038,006**	19,911,227
Payment made during the year		**(5,656,454)**	(77,984,558)
Actuarial gain from changes in experience adjustments		**1,095,841**	-
Actuarial loss from changes in financial assumptions		**(1,617,570)**	-
		45,250,817	18,390,994

Changes in present value of defined benefit obligation	Note	2024	2023
		------------ Rupees ----------	
Opening defined benefit obligation		**18,390,994**	76,464,325
Current service cost		**21,573,113**	18,390,994
Past service cost		**8,935,943**	-
Interest cost		**2,528,950**	4,965,046
Benefits paid		**(5,656,454)**	(77,984,558)
Gains and losses arising on plan settlements		**-**	(3,444,813)
Actuarial loss from changes in experience adjustments		**1,095,841**	-
Actuarial loss from changes in financial assumptions		**(1,617,570)**	-
		45,250,817	18,390,994

Charge for the year

		2024	2023
Current service cost		**21,573,113**	18,390,994
Past service cost		**8,935,943**	-
Gains and losses arising on plan settlements		**-**	(3,444,813)
Interest cost		**2,528,950**	4,965,046
		33,038,006	19,911,227

Allocation of charge for the year

	Note	2024	2023
Cost of sales	31.2	**27,038,006**	15,520,233
Administrative expenses	33.1	**6,000,000**	4,390,994
		33,038,006	19,911,227

24.1.1 Remeasurement gain/loss recognised in other comprehensive income

	2024	2023
Actuarial loss from changes in experience adjustments	**1,095,841**	-
Actuarial loss from changes in financial assumptions	**(1,617,570)**	-
Remeasurement gain/loss	**(521,729)**	-

As per actuarial valuation carried out as at June 30, 2024 by Nauman Associates using Projected Unit Credit Method, the following significant assumptions have been used for valuation of defined benefit obligation of the Company:

	2024	2023
Discount rate	**14.75%**	16.25%
Expected rate of salary increase in future years	**13.75%**	15.25%
Average expected remaining working life time of employees	**6 years**	6 years

Mortality rate was based on the State Life Corporation (SLIC) 2001-2005 ultimate mortality rates with 1 year setback as per recommendation of Pakistan Society of Actuaries ("PSOA").

24.1.2 Staff retirement benefits sensitivity analysis

	Increase/(decrease) in defined	
Year end sensitivity analysis (+/- 100 bps) on defined benefit obligation:		
Discount rate + 100 bps	**42,773,680**	17,433,713
Discount rate - 100 bps	**48,082,544**	19,482,054
Salary Increase + 100 bps	**48,218,649**	19,533,018
Salary Increase - 100 bps	**42,606,169**	17,370,250

	2024	2023
Maturity Profile		
Average duration of liability	6 years	6 years

Expected expense for the next year

The expected expense for the next year works out to Rs. 33.39 million.

24.2 Deferred grant

	Note	2024	2023
		------------ Rupees ----------	
At beginning of the year		**-**	-
Deferred grant recognized on subsidized rate long term loan		**76,268,717**	-
Amortization of deferred grant		**(6,004,870)**	-
		70,263,847	-
Less: Current portion of deferred grant		**(10,044,687)**	-
		60,219,160	-

25. TRADE AND OTHER PAYABLES

	Note	2024	2023
Creditors	25.1	**492,625,639**	150,627,487
Provision for infrastructure cess	25.3	**246,877,592**	211,930,040
Accrued liabilities		**130,694,425**	137,652,465
Provision for GIDC	25.4	**51,133,001**	51,133,001
Sales tax payable		**919,984**	18,564,278
Advances from customers		**8,993,344**	12,771,093
Workers' Profit Participation Fund	25.5	**26,730,277**	380,631
Workers' welfare fund		**17,069,564**	8,952,253
Due to employees		**936,741**	1,088,192
Income tax deducted at source		**304,581**	6,093,735
		976,285,148	599,193,175

25.1 It includes due to associated undertakings relating to purchase of yarn and raw material in normal course of business. Detail of balances due is as follows:

	Note	2024	2023
		------------ Rupees ----------	
Indus Dyeing & Manufacturing Co.	25.2 & 44	**63,170,016**	-

25.2 The maximum outstanding balance during the year due to Indus Dyeing & Manufacturing Co. Limited (associated undertaking) is Rs.63.17million (2023 Rs. nil).

25.3 This comprise provision for Sindh Development and Infrastructure Cess which was levied by the Excise and Tax Department of Government of Sindh on goods entering or leaving the province through air or sea at prescribed rate under Sindh Finance Ordinance, 2001. The levy was challenged by the Company along with other companies in Sindh High Court (SHC). SHC through its interim order passed on May 31, 2011 ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure cess should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed.In 2022, the Sindh High Court has passed an order on June 4, 2021, regarding the settlement of remainder of Infrastructure Cess, against which the Company has filed an appeal in the Supreme Court on September 9, 2021.The Company's legal counsel expect that the matter will be decided in favour of the Company.However, as a matter of prudence, the Company has paid Rs. nil (2023: Rs. nil) of the value of infrastructure cess in cash and recorded liability for the unpaid amount which is supported by a bank guarantee.

25.4 On August 13, 2020 the Supreme Court of Pakistan (SCP) through its order declared GIDC Act an intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly installments starting from August 01, 2020.

In light of the above stated order of SCP, the Company opted to recognize the Cess as payable in twenty four equal monthly installments in accordance with the provision of IAS 37.

		Note	2024	2023
			------------ Rupees ----------	
25.5	**Workers' Profit Participation Fund**			
	Opening balance		**380,631**	545,407
	Payment to the fund		**(380,631)**	(545,407)
			-	-
	Charge for the year	34	**26,730,277**	22,380,631
	Payment of the fund from current year liability		**-**	(22,000,000)
	Closing balance		**26,730,277**	380,631

26.	**ACCRUED MARKUP**			
	Accrued markup on:			
	- Short term borrowings		**47,024,732**	30,442,793
	- Long term borrowings		**128,763,792**	103,209,288
			175,788,524	133,652,081

27.	**SHORT TERM BORROWINGS**			\
	Secured - under markup arrangements from banking Companies			
	Running finance - secured	27.1	**286,764,281**	191,100,843
	Foreign currency loan - secured	27.2	**1,998,625,824**	-
			2,285,390,105	191,100,843

27.1 Running finance have been obtained from commercial banks under mark up arrangements amount to Rs. 3,000 Million (2023: Rs. 3,000 million) of which facilities aggregating to Rs. 2,713 million (2023: Rs. 2,809 million) remained unutilized at the year end. The rate of mark up ranges from 22.37% to 23.63% per annum (2023: 14.66% to 22.70% per annum) payable on quarterly basis. These finances are secured against pledge of raw material and finished goods and charge on current assets of the Company.

27.2 Foreign currency loan have been obtained from commercial banks under mark up arrangements amount to Rs. 5,225 Million (2023: Rs. 3,750 million) of which facilities aggregating to Rs. 3,226 million (2023: Rs. 3,750 million) remained unutilized at the year end. The rate of mark up ranges from 4% to 14% per annum payable on quarterly basis. These finances are secured against pledge of raw material, finished goods and export document and charge on current assets of the

		Note	2024	2023
			------------ Rupees ----------	
28.	**PROVISION FOR TAXATION**			
	Opening balance		**167,513,932**	152,803,558
	Provision made during the year		**259,189,876**	152,051,719
			426,703,808	304,855,278
	Prior year		**933,049**	(23,977,718)
	Adjustments against completed assessments		**(92,018,379)**	(113,363,627)
			335,618,478	167,513,932

29.	**CONTINGENCIES AND COMMITMENTS**			
	Contingencies			
	Bank guarantees	29.1	**491,481,302**	280,481,302
	Foreign bills purchased		**135,191,991**	251,000,000
	In land bills purchased		**389,486,197**	299,890,000
			1,016,159,490	831,371,302

			Note	2024	2023
				------------ Rupees ----------	
29.1	**Bank guarantees**				
	In favor of	**Bank**			
	Sui Northern Gas Pipelines Limited	MCB Bank Limited		**57,061,261**	57,061,261
	Ministry of Textile	MCB Bank Limited		**599,574**	599,574
	Excise and taxation	United Bank Limited		**110,560,000**	110,560,000
	Import licence fee	Habib Bank Limited		**274,552**	274,552
	Excise and taxation	MCB Bank Limited		**322,985,915**	111,985,915
				491,481,302	280,481,302
	Commitments				
	Under letters of credit for:				
	- Stores and spares			**25,885,103**	49,962,273
	- Raw material			**636,298,878**	1,020,520,176
	- Plant and machinery			**95,330,032**	163,750,717
				757,514,013	1,234,233,166
30.	**Revenue from contracts from customers**				
	Exports				
	Yarn		30.1	**13,869,693,499**	6,135,190,999
	Local				
	Yarn			**7,352,517,028**	4,000,194,689
	Doubling			**15,675,568**	10,945,138
	Waste			**329,823,478**	256,986,390
				7,698,016,074	4,268,126,217
	Sales tax on local sales			**(1,305,954,068)**	(871,303,942)
	Commission			**(112,867,049)**	(72,791,597)
				20,148,888,456	9,459,221,677

30.1 It includes indirect export of Rs. 7,686.38 million (2023: Rs. 2,277.23 million).

		Note	2024	2023
31.	**COST OF SALES**			
	Raw material consumed	31.1	**14,287,892,732**	7,339,227,864
	Power and fuel		**1,657,147,288**	755,676,871
	Salaries, wages and benefits	31.2	**687,789,295**	372,263,432
	Depreciation	6.3	**611,344,547**	252,147,583
	Packing material consumed		**207,243,833**	103,975,833
	Stores and spares consumed		**225,502,899**	112,637,918
	Repairs and maintenance		**46,879,636**	28,548,411
	Insurance		**19,500,106**	11,219,497
	Others		**5,368,671**	3,019,923
			17,748,669,007	8,978,717,332
	Work in process			
	Opening stock		**79,556,007**	49,121,588
	Closing stock		**(109,973,699)**	(79,556,007)
			(30,417,692)	(30,434,419)
	Cost of goods manufactured		**17,718,251,315**	8,948,282,913
	Finished goods			
	Opening stock		**510,155,251**	205,060,404
	Purchase of finished goods		**586,707,500**	186,192,500
	Closing stock		**(270,852,000)**	(510,155,251)
			826,010,751	(118,902,347)
			18,544,262,066	8,829,380,566
31.1	**Raw material consumed**			
	Opening stock		**1,641,158,805**	1,422,495,562
	Purchases including purchase expenses		**13,415,057,812**	7,557,891,107
			15,056,216,617	8,980,386,669
	Closing stock		**(768,323,885)**	(1,641,158,805)
			14,287,892,732	7,339,227,864

31.2 It includes Rs.26.96 million (2023: Rs. 15.5 million) in respect of staff retirement benefits - gratuity.

		Note	2024	2023
			------------ Rupees ----------	
32.	**DISTRIBUTION COST**			
	Export development surcharge		**15,587,876**	10,037,185
	Ocean freight		**38,459,847**	59,326,336
	Forwarding expenses		**32,712,935**	19,176,934
	Local freight		**45,880,821**	17,959,073
	Fuel expense		**66,661,527**	25,734,514
	Others		**1,208,908**	457,439
			200,511,914	132,691,481
33.	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages and benefits	33.1	**90,182,552**	77,756,271
	Directors' remuneration	41	**79,444,970**	90,766,286
	Depreciation	6.3	**23,847,007**	18,757,021
	Vehicle running and maintenance		**31,655,223**	28,435,351
	Travelling and conveyance		**14,696,057**	11,867,377
	Postage, telephone and fax		**5,755,024**	3,699,332
	Electricity, gas and fuel		**4,094,629**	4,618,504
	Printing and stationery		**5,510,464**	2,773,025
	Auditors' remuneration	33.2	**2,150,000**	2,150,000
	Rent, rates and taxes		**9,209,086**	5,123,182
	Donations	33.3	**2,163,000**	3,635,350
	Insurance		**5,803,355**	3,257,665
	Fees, subscription and periodicals		**7,896,624**	5,709,059
	Entertainment		**5,252,688**	4,240,397
	Repairs and maintenance		**14,390,885**	5,542,251
	Legal and professional charges		**1,533,192**	2,099,860
	Others		**7,671,464**	4,416,186
			311,256,220	274,847,117

33.1 It includes Rs. 6 million (2023: Rs. 4.39 million) in respect of staff retirement benefits - gratuity.

33.2	**Auditors' remuneration**		
	Statutory audit	**1,600,000**	1,600,000
	Review report on compliance with COCG	**100,000**	100,000
	Half year review	**250,000**	250,000
	Certificate for CDC and free float shares	**200,000**	200,000
		2,150,000	2,150,000

33.3 No donation exceeding Rs. 500,000 has been given to any donee and none of the directors or their spouses have any interest in the donee's fund.

		Note	2024	2023
			------------ Rupees ----------	
34.	**OTHER EXPENSES**			
	Workers' Profit Participation Fund	25.5	**26,730,277**	22,380,631
	Workers' welfare fund		**10,692,111**	8,952,253
	Allowance for expected credit losses		**14,233,361**	388,750
			51,655,749	31,721,634
35.	**FINANCE COST**			
	Interest / mark up on:			
	Long term financing		**539,044,907**	23,736,678
	Short term borrowings		**446,873,258**	78,228,701
	Bank charges and commission		**37,128,180**	22,163,946
			1,023,046,345	124,129,325

		Note	2024	2023
			------------ Rupees ----------	
36.	**OTHER INCOME**			
	Income from financial assets			
	Unrealized gain on remeasurement of short term investments		**201,327,771**	24,032,799
	Realized Gain on disposal of short term investments		**2,170,763**	-
	Exchange gain on export		**116,797,598**	195,144,334
	Exchange gain on foreign currency Loan		**83,444,903**	-
	Interest / profit on bank deposits		**1,465,822**	1,338,083
	Interest income on TFCs		**23,639,534**	18,907,178
	Dividend income		**27,604,610**	109,925,430
	Amortization of deferred grant	24.2	**6,004,870**	-
	Agriculture Income		**211,769**	-
	Income from non financial assets			
	Gain on sale of property, plant and equipment		**2,125,985**	91,618
			464,793,625	349,439,442

37.	**FINAL TAXES**			
	Final taxes on:			
	- export sales	37.1	**-**	80,766,347
	Prior year		**(1,325,666)**	-
			(1,325,666)	80,766,347

37.1 This represents final taxes paid on export sales as per section 154 of the Income Tax Ordinance, 2001, and recognised as levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12

38.	REVENUE TAXES		
	Minimum taxes	**254,899,826**	11,399,832

38.1 This represents provision for minimum tax under sections 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levy in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

39.	**TAXATION**			
	Current year:			
	For the year		**4,290,050**	59,885,540
	Prior		**2,258,715**	(23,977,718)
	Deferred tax	23.2	**45,633,079**	-
			52,181,844	35,907,821

39.1 Relationship between tax expense and accounting profit

	2023	2024
Applicable tax rate	**29%**	29%
Profit before final taxes,revenue taxes and income tax	**482,949,787**	415,890,996
Tax on accounting profit before tax	**140,055,438**	120,608,389
Tax effect of final tax regime representing levies as per IFRIC 21	**-**	(80,766,347)
Tax effect of income under minimum tax regime representing levies as per IFRIC 21	**(254,899,826)**	(11,399,832)
Effect of change in deferred tax rate	**45,633,079**	-
Prior year adjustment	**933,049**	(23,977,718)
Others	**(120,460,104)**	(31,443,330)
	52,181,844	35,907,821

		Note	2024	2023
			------------ Rupees ----------	
40.	**EARNINGS PER SHARE - BASIC AND DILUTED**			
	Profit after tax	**Rupees**	**177,193,783**	287,816,995
	Weighted average number of ordinary	**Numbers**	**20,700,000**	20,700,000
	Earnings per share - basic and diluted		**8.56**	13.90

40.1 There is no dilutive effect on the basic earnings per share of the Company.

41. REMUNERATION TO CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

	Chief executive	Director	Executives
	---------------- Rupees	----------------	
2024			
Remuneration	**30,000,000**	**10,009,604**	**30,358,800**
Housing and utilities	**13,384,404**	**158,335**	**-**
Medical reimbursement	**-**	**305,036**	**-**
Conveyance - cars	**1,329,505**	**209,897**	**9,415,133**
Special allowance	**20,308,189**	**3,740,000**	**5,069,800**
Leave encashment	**-**	**-**	**2,698,560**
	65,022,098	**14,422,872**	**47,542,293**
Number of persons	**1**	**1**	**14**

	Chief executive	Director	Executives
	---------------- Rupees	----------------	
2023			
Remuneration	29,800,000	13,080,000	25,401,600
Housing and utilities	7,667,073	674,179	-
Medical reimbursement	-	2,712,385	-
Conveyance - cars	1,151,928	737,477	8,044,427
Special allowance	19,531,259	8,069,318	4,233,600
Leave encashment	5,120,000	2,222,667	2,257,920
	63,270,260	27,496,026	39,937,547
Number of persons	1	1	14

41.1 In addition, the Chief Executive and certain executives are provided with free transport subject to certain specified limits for petrol consumption, residential telephone / mobile facilities for both business and personal use and free medical facilities.

42. FINANCIAL INSTRUMENTS

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

Credit risk
Liquidity risk
Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these unconsolidated financial statement.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

42.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from deposits, trade debts, loans and advances, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the

	2024	2023
	------------ Rupees ----------	
Trade debts	**3,068,459,274**	1,181,300,477
Other receivables	**12,869,513**	56,468,715
Long term deposits	**6,991,200**	6,991,200
Trade deposits	**21,896,388**	21,139,226
Other financial assets	**110,752,512**	100,412,646
Bank balances	**83,920,562**	49,999,997
	3,304,889,449	1,416,312,261

The Company's credit risk exposures are categorized under the following headings:

Counterparties

The Company conducts transactions with the following major counterparties:

Trade debts
Public sectors
Banks and other financial institutions
Mutual funds
Term finance certificates

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

42.2.1 Credit risk related to trade debtors

Trade debts are essentially due from local and foreign customers against sale of yarn and waste material and the Company does not expect these counterparties to fail to meet their obligations. The majority of sales to the Company's customers are made on specific terms. Customer credit risk is managed subject to established policies, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored and any shipments to foreign customers are generally covered by letters of credit.
Trade debts are generally on 60 to 90 days credit terms.

Impairment losses

The aging of trade debts at the reporting date was:

	2024		2023	
	Gross	Impairment	Gross	Impairment
	---------------------- Rupees ----------------------			
Not yet due	**2,693,037,565**	**-**	787,559,252	-
Past due for:				
- more than 3 months but less than 1 year	**19,104,152**	**17,138,646**	9,757,366	2,905,285
- more than 1 year but less than 2 years	**-**	**-**	-	-
- more than 2 years	**-**	**-**	-	-
	2,712,141,717	**17,138,646**	797,316,618	2,905,285

Concentration of credit risk

Trade debts consist of a large number of diversified customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable where appropriate. The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

42.2.2 Credit risk related to banks and other financial institutions

Credit risk on balances with banks is managed by management in accordance with the Company's policy. Excess funds are placed in deposits with reputable banks and financial institutions.

Bank Name	Rating Agency	Long term Loans	Short Term Loans
The Bank of Punjab	PACRA	AA+	A1+
Askari Bank Limited	PACRA	AA+	A1+
Allied Bank Limited	PACRA	AAA	A1+
BankIslami Pakistan Limited	PACRA	AA-	A1
Bank Alfalah Limited	PACRA	AA+	A1+
Bank Al Habib Limited	PACRA	AAA	A1+
Faysal Bank Limited	PACRA	AA	A1+
Meezan Bank Limited	VIS	AAA	A-1+
Habib Bank Limited	VIS	AAA	A-1+
Soneri Bank Limited	PACRA	AA-	A1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
United Bank Limited	VIS	AAA	A-1+
National Bank of Pakistan	PACRA	AAA	A1+
MCB Bank Limited	PACRA	AAA	A1+

42.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Management closely monitors the Company's liquidity and cash flow position. This includes maintenance of statement of financial position liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customer.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

42.3.1 Liquidity risk table

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particulars	1 - 3 months	3 months - 1 years	1 - 5 years	More than 5 years	Total
Long term financing	**36,432,925**	**187,511,921**	**2,264,228,821**	**513,742,446**	**3,001,916,113**
Short term borrowings	**-**	**2,285,390,105**	**-**	**-**	**2,285,390,105**
Trade and other payables	**-**	**633,250,149**	**-**	**-**	**633,250,149**
Accrued mark up	**175,788,524**	**-**	**-**	**-**	**175,788,524**
Unclaimed dividend	**22,523,062**	**-**	**-**	**-**	**22,523,062**
2024	**234,744,511**	**3,106,152,175**	**2,264,228,821**	**513,742,446**	**6,118,867,953**
Long term financing	-	164,308,301	1,780,843,781	972,960,828	2,918,112,910
Short term borrowings	-	191,100,843	-	-	191,100,843
Trade and other payables	-	289,368,144	-	-	289,368,144
Accrued mark up	133,652,081	-	-	-	133,652,081
Unclaimed dividend	24,201,201	-	-	-	24,201,201
2023	157,853,282	644,777,288	1,780,843,781	972,960,828	3,556,435,179

	2024	2023
	------------ Rupees ------------	
Off Statement of financial position items		
Letters of credit	**757,514,013**	1,234,233,166
Bank guarantees	**491,481,302**	280,481,302
Foreign bills discounted	**135,191,991**	251,000,000
In land bills purchased	**389,486,197**	299,890,000
Off Statement of financial position gap	**1,773,673,503**	2,065,604,468

42.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters,

42.4.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates.

Exposure to currency risk

The Company is exposed to currency risk on trade debts which are denominated in currency other than the functional currency of the Company. The Company's exposure to foreign currency risk is as follows:

	2024		2023	
	Rupees	**US Dollar**	**Rupees**	**US Dollar**
Trade debts	**373,456,203**	**1,341,727**	386,889,144	1,347,576
	373,456,203	**1,341,727**	386,889,144	1,347,576

The following US Dollar exchange rates were applied during the year:

	2024	2023
	------------ Rupees	----------
Average rate	**278.84**	253.08
Statement of financial position rate	**278.34**	287.10

Sensitivity analysis - foreign currency

At June 30, 2024, if the Rupee had weakened / strengthened by 10% (2023: 10%) against the US Dollar with all other variables held constant, profit for the year would have been lower / higher by Rs. 37.35 million (2023: Rs. 38.69 million), as a result of foreign exchange gains / losses on translation of foreign currency trade debts. Profit / (loss) is less sensitive to movement in Rupee / foreign currency exchange rates in 2024 than 2023 because of high recovery from export debtors.

42.4.2 Interest rate risk

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will effect the value of financial instruments. The Company has significant amount of interest based financial assets and financial liabilities which are largely based on variable interest / mark-up rates, therefore the Company has to manage the related finance cost which exposes it to the risk of 3 month and 6 month KIBOR. Since the impact on interest rate exposure is significant to the Company, management is considering the alternative arrangement to manage interest rate exposure in future.

	2024		2023	
	Effective Interest Rate	**Rupees**	**Effective Interest Rate**	**Rupees**
Fixed rate instruments				
Financial assets:				
- Saving accounts	**15.24% - 18.53%**	**36,941**	24%	9,367
- Term deposit receipts		**5,000,000**		5,000,000
- Term finance certificate	**21.76% - 23.81%**	**100,000,000**	24%	95,333,000
Variable rate instruments				
Financial liabilities:				
- Long term financing	**2.5% - 23.72%**	**2,931,652,266**	9% - 23%	2,918,112,910
- Short term borrowings	**4% - 23.63%**	**2,285,390,105**	15% to 23%	191,100,843
		5,322,079,312		3,209,556,120

Fair value sensitivity analysis for fxed rate instruments

The Company does not account for any fxed rate fnancial assets and liabilities at fair value through proft or loss. Therefore, a change in interest rate at the reporting date would not affect proft or loss of the Company.

Cash fow sensitivity analysis for variable rate instruments

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit / loss for the year ended June 30, 2024 would decrease / increase by Rs. 52.87 million (2023: Rs. 31.09 million). This is mainly attributable to the Company's exposure to interest rates on its

42.4.3 Other price risk

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to 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 materially exposed to other price risk on financial assets and liabilities.

42.4.4 Equity share price risk

The Company is also exposed to the equity price risk arising from the fluctuations due to change in fair value of those equity instruments. At the reporting date, the exposure to equity securities at fair value was Rs. 421.04 million (2023: 213.17 million)

Sensitivity analysis - Equity share price risk

A 1% increase / decrease in share prices at year end would have increased / decreased profit for the year as follows :

Effect on profit or loss	**4,210,415**	2,131,760

42.5 Fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction other than in a forced or liquidation sale.

The carrying values of all financial assets and liabilities reflected in the unconsolidated financial statement approximate their fair values.

42.5.1 Fair value hierarchy

Following are three levels in fair value hierarchy that reflects the significance of the inputs used in measurement of fair values of financial instruments and non financial assets.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: 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. drive from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable

The Company does not have any other financial instruments to be classified here other than "Other financial assets" as disclosed in note 17, that are classified in level 1 and level 2 as per hierarchy stated above.

The Company follows the revaluation model for its free hold land, building on free hold land, plant and machinery. The fair value measurement as at June 30, 2022 was performed by MYK Associates (Private) Limited & Joseph Lobo (Private) Limited. MYK Associates (Private) Limited & Joseph Lobo (Private) Limited both are on panel of Pakistan Banks Association as 'Any Amount' asset valuator. It is also on the panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations. The fair value of the assets was determined using the comparable price method after performing detailed enquiries and verification from various estate agents, brokers and builders keeping in view the location of the property/project, condition, size, utilization, and other relevant factors. In estimating the fair value of free hold land, building on free hold land and plant and machinery, the highest and best use of these assets is their current use.

Since the date of last revaluation, there has been no material change in the market factors that derive fair value of these properties, therefore, management believes that the carrying value of these non financial assets approximate its fair market value.

Other financial assets include quoted equity shares, mutual funds, term finance certificate and term deposit receipt. The equity share and funds are valued at each reporting date at their fair value by using the prevailing quoted prices of shares on Pakistan Stock Exchange Limited. Term finance certificate and term deposit receipt are valued at amortized cost.

June 30, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	----------Rupees----------			
Other financial assets	**426,794,041**	**-**	**-**	**426,794,041**
Free hold land	**-**	**983,382,055**	**-**	**983,382,055**
Building on free hold land	**-**	**1,643,767,693**	**-**	**1,643,767,693**
Plant and machinery	**-**	**4,154,082,882**	**-**	**4,154,082,882**
Total	**426,794,041**	**6,781,232,630**	**-**	**7,208,026,671**

June 30, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
	----------Rupees----------			
Other financial assets	213,255,655	-	-	308,588,655
Free hold land	-	981,040,000	-	981,040,000
Building on free hold land	-	450,000,000	-	450,000,000
Plant and machinery	-	1,796,450,797	-	1,796,450,797
Total	213,255,655	3,227,490,797	-	3,536,079,452

There were no transfers between levels of fair value hierarchy during the period.

42.6 Financial instruments by category

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an approximate mix between various sources of finance to minimize risk.

The accounting policies for financial instruments have been applied for line items as below:

	2024	**2023**
Assets carried at fair value through profit or loss	--------- Rupees ---------	
carrying value of other financial assets at fair value through profit or loss	**426,794,041**	213,255,655
	426,794,041	213,255,655
Assets categorized at amortized cost		
Trade debts	**3,068,459,274**	1,181,300,477
Loan and advances	**36,168,661**	31,307,454
Other receivables	**12,869,513**	56,468,715
Long term deposits	**6,991,200**	6,991,200
Other financial assets	**105,000,000**	100,333,000
Trade deposits	**21,896,388**	21,139,226
Cash and bank balances	**83,986,195**	45,402,621
	3,335,371,231	1,442,942,693
Liabilities carried at amortized cost		
Trade and other payables	**633,250,149**	289,368,144
Long term financing	**3,001,916,113**	2,918,112,910
Short term borrowings	**2,285,390,105**	191,100,843
Unclaimed dividend	**22,523,062**	24,201,201
Accrued mark up	**175,788,524**	133,652,081
	6,118,867,953	3,556,435,179

43. CAPITAL MANAGEMENT

The Company objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

Capital comprises all components of equity (i.e. share capital, reserves and unappropriated profit).

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue

The debt-to-adjusted capital ratios at June 30, were as follows:

	2024	2023
	------------ Rupees ----------	
Total debt	**5,217,042,371**	3,109,213,753
Less: Cash and cash equivalents	**(83,986,195)**	(50,402,621)
Net debt	**5,133,056,176**	3,058,811,132
Total equity	**8,203,426,727**	8,349,252,098
Adjusted capital	**13,336,482,903**	11,408,063,230
Debt-to-adjusted capital ratio	**38.49%**	26.81%

44. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related group companies, directors of the Company and key management personnel. 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 trade debts and trade and other payable (note 12.5, 25.2) and remuneration of Chief Executive, director and excutives (note 41). Indus Home Limited and Indus Dyeing & Manufacturing Co. Limited is associated undertaking based on common directorship. Other significant transactions with related parties are as follows:

Transactions with associated undertakings (due to common directorship)

Indus Dyeing & Manufacturing Company Limited		
Sale of goods and services	**5,364,799**	-
Purchase of goods and services	**792,381,792**	-
Indus Home Limited		
Sale of goods and services	**247,639,714**	129,860,199
Indus Lyallpur Limited		
Purchase of goods and services	**18,529,865**	-

All transactions with related parties have been carried out on agreed terms and conditions.

45. PLANT CAPACITY AND PRODUCTION

Number of spindles installed	**34,896**	34,896
Number of spindles worked	**34,550**	33,882
Number of rooters installed	**6,000**	-
Number of rooters worked	**5,355**	-
Number of shifts / day	**3**	3
Installed capacity after conversion into 20/s count Kgs	**21,079,674**	11,916,060
Actual production of yarn after conversion into 20/s count Kgs	**18,407,920**	9,979,857

Reasons for shortfall

It is difficult to describe precisely the production capacity in spinning unit since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed and twist etc. It also varies according to the pattern of production adopted in a particular year.

46. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2023	Cash flow	2024
	---------- Rupees ----------		
Long term finances	**2,918,112,910**	**83,803,203**	**3,001,916,113**
Short term borrowings	**191,100,843**	**2,094,289,262**	**2,285,390,105**
Dividend	**24,201,201**	**(1,678,139)**	**22,523,062**
	3,133,414,954	**2,176,414,326**	**5,309,829,280**

47. SEGMENT REPORTING

The Company's core business is manufacturing and sale of yarn and it generates more than 90% of its revenue and profit from the production and sale of yarn. Decision making process is centralized at head office led by Chief Executive who is continuously involved in day to day operations and regularly reviews operating results and assesses its performance and makes necessary decisions about resources to be allocated to the segments. Currently it has one yarn manufacturing unit. Owing to the similarity in nature of the products and services, nature of the production processes, type or class of customers for the products and services, the methods used to distribute the products, the nature of the regulatory environment all the yarn producing units are aggregated into a single operating segment and the Company's performance is evaluated by the management on an overall basis, therefore these operational segments by location are not separately reportable

48. NUMBER OF EMPLOYEES

The total number of employees at the year end and average number of employees during year are as follows:

	2024	2023
Total number of employees as at June 30	**960**	775
Average number of employees during the year	**971**	710

49. CORRESPONDING FIGURES

The preparation and presentation of these unconsolidated financial statement for the year ended June 30, 2024 is in accordance with the requirements of IFRSs. Following is the major reclassification made for better presentation:

Reclassified from	Reclassified to	Rupees
Revenue from contracts with customers	Other income - exchange gain on	195,144,334
Property, plant and equipment - cwip	Long term advances	174,181,019
Cash and bank balances	Other financial assets	5,000,000

50. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statement were authorized for issue on October 04, 2024 by the Board of Directors of the Company.

51. GENERAL

Figures have been rounded off to the nearest Rupee, except where stated otherwise.

Shabbir Kausar	Kashif Riaz	Mian Imran Ahmed
Chief Financial Officer	Chief Executive Officer	Chairman

CONSOLIDATED ANNUAL REPORT 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the members of Sunrays Textile Mills Limited

Opinion

We have audited the annexed consolidated financial statements of **Sunrays Textile Mills Limited** and its subsidiary ('the Group'), which comprise the consolidated statement of financial position as at June 30, 2024, and 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 , including material accounting policy information and other explanatory information.

In our opinion, co nsolidated 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 period. 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 is the key audit matter:

Key audit matter	How the matter was addressed in our audit
1. Revenue Recognition	
The Group's revenue from contracts comprise of revenue from local and export sale of yarn which has been disclosed in note 2 9 to the consolidated financial statements. Revenue from the sale is recognized, when control of goods is transferred to the customer and the performance obligation is satisfied i.e. on dispatch of goods (note 5.13). We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Group and because of the potential risk that revenue transactions may not have been recognized based on transfer of control to the customers in line with the accounting policy	Our audit procedures to address the Key Audit Matter included the following: · Obtained an understanding of and assessing the design and implementation and operating effectiveness of controls around recognition of revenue; · Assessed th e appropriateness of the Group's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; · Testing timeliness of reven ue recognition by comparing individual sales transactions before and after the year end to underlying documents;

	· Checked on a sample basis whether the recorded sales transactions are based on transfer of goods to the customer, satisfying the performance obligation and were recorded in the appropriate accounting period. · Assessed the adequacy of disclosure in the consolidated financial statements.

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 annual report, but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance opinion 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 the 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 the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 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 are 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:

a) 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.

b) 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.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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.

e) 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.

f) 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 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 auditor's 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 auditor's report is Muhammad Sufyan.

Yousuf Adil

Chartered Accountant

Multan
Date: October 7, 2024
UDIN: AR202410180hdlxiL0t4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024	2023
		------------- Rupees -------------	
ASSETS			
Non-current assets			
Property, plant and equipment	6	**7,778,149,545**	7,357,762,339
Investment property	7	**-**	2,342,055
Long term advances	8	**86,968,155**	174,181,019
Long term deposits		**7,011,240**	7,011,240
		7,872,128,940	7,541,296,653
Current assets			
Stores and spares	9	**247,706,284**	109,838,500
Stock in trade	10	**2,395,400,226**	2,251,843,475
Trade debts	11	**3,068,459,274**	1,181,300,477
Loans and advances	12	**102,153,113**	109,281,940
Advance taxes	13	**185,868,153**	164,021,251
Trade deposits	14	**21,896,388**	21,139,226
Other receivables	15	**12,869,513**	56,468,715
Short term investments	16	**534,610,156**	315,061,739
Sales tax refundable		**773,149,601**	560,413,914
Income tax refundable		**123,732,845**	51,639,846
Cash and bank balances	17	**84,005,929**	45,481,161
		7,549,851,482	4,866,490,243
Total assets		**15,421,980,422**	12,407,786,896
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	18	**207,000,000**	207,000,000
Share premium		**3,600,000**	3,600,000
Surplus on revaluation of property, plant and equipment	19	**1,534,704,272**	1,981,808,736
Reserves	20	**6,112,000,000**	612,000,000
Unappropriated profit		**351,733,090**	5,550,500,698
		8,209,037,362	8,354,909,435
Non-current liabilities			
Long term financing	21	**2,707,707,420**	2,753,804,609
Deferred grant	22	**369,753,108**	340,926
Deferred liabilities	23	**115,514,664**	18,390,994
		3,192,975,192	2,772,536,529
Current liabilities			
Trade and other payables	24	**976,656,856**	599,564,574
Accrued markup	25	**175,788,524**	133,652,081
Short term borrowings	26	**2,285,390,105**	191,100,843
Current portion of long term financing	21	**223,944,846**	164,308,301
Unclaimed dividend		**22,523,062**	24,201,201
Provision for taxation	27	**335,664,475**	167,513,932
		4,019,967,868	1,280,340,932
Contingencies and commitments	28		
Total equity and liabilities		**15,421,980,422**	12,407,786,896

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		-------------- Rupees --------------	
Revenue from contracts with customers	29	**20,148,888,456**	9,459,221,677
Cost of sales	30	**(18,544,262,065)**	(8,829,380,565)
Gross profit		**1,604,626,391**	629,841,112
Distribution cost	31	**(200,511,914)**	(132,691,481)
Administrative expenses	32	**(311,402,295)**	(275,329,675)
Other expenses	33	**(51,655,749)**	(31,721,634)
Finance cost	34	**(1,023,049,473)**	(124,129,760)
Other income	35	**465,619,303**	349,876,720
		(1,121,000,128)	(213,995,830)
Profit before final taxes,revenue taxes and income tax		**483,626,263**	415,845,282
Final taxes	36	**1,325,666**	(80,766,347)
Profit before revenue taxes and income tax		**484,951,929**	335,078,935
Revenue taxes	37	**(254,899,826)**	(11,399,832)
Profit before income tax		**230,052,103**	**323,679,103**
Income tax	38	**(52,913,424)**	(36,622,259)
Profit for the year		**177,138,679**	287,056,843
Attributable to:			
Owners of the parent		**177,138,679**	287,056,843
		177,138,679	287,056,843
Earnings per share - basic and diluted (Rupees)	39	**8.56**	13.87

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		------------ Rupees ------------	
Profit for the year		**177,138,679**	287,056,843
Other comprehensive income - net of tax			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation - gratuity	23.1	**521,729**	-
Related tax thereon		**(172,171)**	-
Impact on change in tax rate		**10,806,263**	-
		11,155,821	-
Adjustment of deferred tax relating to surplus on revaluation of operating fixed assets due to change in tax rate		**(334,174,975)**	-
Gain on investment		**8,403**	7,397
Total comprehensive income for the year		**(145,872,072)**	287,064,240
Attributable to:			
Owners of the parent		**(145,872,072)**	287,064,240
Non-controlling interest		**-**	-
		(145,872,072)	287,064,240

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

	Attributable to owners of the parent						
	Share capital	Capital reserves			Revenue reserves		Total
		Share premium	**Capital reserve**	Surplus on revaluation of fixed assets	General reserve	Unappropriated profit	
	Rupees						
Balance as at June 30, 2022	207,000,000	3,600,000	-	2,131,048,389	612,000,000	5,155,596,805	8,109,245,194
Impact of change in accounting policy IFRS-9 (Note 9.3)	0						
Profit for the year	-	-	-	-	-	287,056,843	287,056,843
Other comprehensive income	-	-	-	-	-	7,397	7,397
Total Comprehensive income for the year	-	-	-	-	-	287,064,240	287,064,240
Transaction with Owners							
Interim dividend for the period ended June 30, 2023 @ Rs. 2 per share	-	-		-	-	(41,400,000)	(41,400,000)
Transfer from surplus on revaluation of property, plant and equipment on							-
account of incremental depreciation	-	-	-	(127,814,491)	-	127,814,491	-
Transfer of revaluation surplus due to disposal of revalued assets	-	-	-	(21,425,162)	-	21,425,162	-
Balance as at June 30, 2023	207,000,000	3,600,000	-	1,981,808,736	612,000,000	5,550,500,698	8,354,909,434
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	177,138,679	177,138,679
Other comprehensive income	-	-	-	(334,174,975)	-	11,164,224	(323,010,751)
Total comprehensive income for the year	**-**	**-**		**(334,174,975)**	**-**	**188,302,903**	**(145,872,072)**
Transfer from unappropriate profits to capital reserve	**-**	**-**	**2,500,000,000**	**-**	**-**	**(2,500,000,000)**	**-**
Transfer from unappropriate profits to revenue reserve	**-**	**-**	**-**	**-**	**3,000,000,000**	**(3,000,000,000)**	**-**
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	**-**	**-**	**-**	**(112,929,489)**	**-**	**112,929,489**	**-**
Balance as at June 30, 2024	**207,000,000**	**3,600,000**	**2,500,000,000**	**1,534,704,272**	**3,612,000,000**	**351,733,090**	**8,209,037,362**

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	------------ Rupees ----------	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	**230,052,103**	323,679,103
Adjustments for:		
Depreciation on property, plant and equipment	**636,130,449**	271,892,915
Unrealized loss on re-measurement of other financial assets-net	**(201,319,368)**	(24,025,402)
Realized gain on disposal of other financial assets-net	**(2,170,763)**	-
Provision for staff retirement benefits - gratuity	**33,038,006**	19,911,227
Gain on sale of property, plant and equipment- net	**(2,125,985)**	(91,618)
Dividend income	**(27,604,610)**	(109,925,430)
Interest income	**(1,465,822)**	(20,245,261)
Finance cost	**1,023,049,473**	124,129,760
Final taxes	**(1,325,666)**	80,766,347
Revenue taxes	**254,899,826**	11,399,832
Operating cash flows before changes in working capital	**1,941,157,643**	677,491,473
Changes in working capital		
(Increase) / decrease in current assets		
Stores and spares	**(137,867,784)**	(14,111,141)
Stock in trade	**(143,556,751)**	(63,236,377)
Trade debts	**(1,887,158,797)**	(415,875,017)
Loans and advances (excluding advance income tax)	**7,128,827**	4,190,636
Trade deposits and short term prepayments	**(757,162)**	(17,900,000)
Sales tax refundable	**(212,735,687)**	(487,876,582)
Other receivables	**43,599,202**	(9,566,665)
Increase in current liabilities		
Trade and other payables	**377,092,282**	84,526,631
	(1,954,255,870)	(919,848,515)
Cash (used in) / generated from operations	**(13,098,227)**	(242,357,042)
Finance cost paid	**(980,913,033)**	(205,570,079)
Staff retirement benefits - gratuity paid	**(5,656,454)**	(77,984,558)
Income taxes paid	**(186,405,641)**	(195,650,759)
Net cash used in operating activities	**(1,186,073,355)**	(721,562,438)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	**(78,925,326)**	(46,454,000)
Additions to capital work in progress	**(889,511,425)**	(3,134,173,547)
Proceeds from disposal of property, plant and equipment	**3,600,000**	4,200,000
Payment for purchase of short term investments	**(30,044,470)**	(3,434,909,772)
Proceeds from disposal of short term investments	**13,994,585**	5,129,210,971
Dividend income	**27,604,610**	109,925,430
Interest income	**1,465,822**	20,245,261
Net cash used in investing activities	**(951,816,204)**	(1,351,955,657)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	**244,605,000**	2,051,235,425
Repayment of long term finances	**(160,801,797)**	(176,054,103)
Short term borrowings - net	**1,998,625,824**	-
Dividends paid	**(1,678,139)**	(39,958,464)
Net cash generated from / (used in) financing activities	**2,080,750,888**	1,835,222,858
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(57,138,671)**	(238,295,237)
Cash and cash equivalents at beginning of the year	**(145,619,681)**	92,675,556
Cash and cash equivalents at end of the year	**(202,758,352)**	(145,619,681)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	**84,005,929**	45,481,161
Running Finance	**(286,764,281)**	(191,100,843)
Net cash and cash equivalents at end of the year	**(202,758,352)**	(145,619,682)

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

Shabbir Kausar	Kashif Riaz	Mian Imran Ahmed
Chief Financial Officer	Chief Executive Officer	Chairman

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. THE GROUP AND ITS OPERATIONS

The Group consists of Sunrays Textile Mills Limited (the Holding Company) and Embee Industries (Private) Limited (Subsidiary). Brief profile of the Holding Company and Subsidiary are as follows:

1.1 Sunrays Textile Mills Limited

Sunrays Textile Mills Limited "the Company" was incorporated in Pakistan on August 27, 1987 as a public limited company under the repealed Companies Ordinance, 1984 (Now Companies Act 2017) and its shares are quoted on the Pakistan Stock Exchange. The Company is principally engaged in trade, manufacture and sale of yarn. The registered office of the Company is situated at Office no. 508, 5th floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi. The mill site is located at Khanpur Shumali khewat no. 359, District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab having area of 331 Kanal and 6 Marlas.

1.2 Embee Industries (Private) Limited

Embee Industries (Private) Limited (the company) (EIL) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on 16th April, 1985. The principal business of the Company is manufacturing and sale of ice. The registered office and works of the company are located at Riaz Cotton Factory, Factory Area, Faisalabad in the province of the Punjab. The company has rented out its land and building and is not in munufacturing operations.

1.3 Basis of Consolidation

The consolidated financial statements include the financial statements of the Holding Company and its subsidiary.

Subsidiary company is fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control them is established and excluded from consolidation from the date of disposal or when the control is lost.

The financial statements of the subsidiary are prepared for the same reporting year as of the Holding Company for the purpose of consolidation, using consistent accounting policies. The accounting policies of the subsidiaries have been changed to conform with accounting policies of the Group, where required.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in these consolidated financial statements.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

1.4 Business combination

Acquisition of business is accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as a sum of the acquisition-date fair values of the assets transferred by the Holding Company, liabilities incured by the Holding Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for the control of the acquiree. Acquisition-related costs are recognized in the statement of profit or loss as incurred.

At the acquisition date, the identified assets acquired and the liabilities assumed are recognized at their fair value.

Goodwill is initially measured at acquistion date as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

if, net amounts at the acquisition-date of the identifiable assets acquired and the liabilities assumed exceeds the sum of the consideration transferred and the fair value of the acquirer's previously held interest in the acquiree (if any), excess is recognized immediately in the statement of profit or loss as a bargain purchase gain.

1.5 Acquisition of Subsidiary

On July 26, 2021, the Group acquired 100% shareholding of EIL (17.35 Million Shares) against cash consideration of Rs. 190.85 Million and qualifies as a business as defined in IFRS 3 Business Combinations. EIL was acquired to invest surplus funds available with the Holding Company.

A Identifiable assets acquired and liabilities assumed:

	Rs.
Property, plant and equipment	197,492,977
Long term deposits	20,040
Other receivables	58,671
Cash and bank balances	383,784
Trade and other payables	(66,091)
	198,021,562

B Bargain purchase option (BPO):

BPO arising from the acquisition has been recognised as follows:

Consideration transferred	190,850,000
Net assets at the date of acquisition	198,021,562
	(7,171,562)

2 BASIS OF PRESENTATION

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's) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS's, 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 historical cost convention except indicated in note 5.1, 5.4 and 5.11.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2.4 Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets, 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 circumstances, the result of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised.

In preparing these consolidated financial statements, the significant judgement made by the management in applying accounting policies include:

- useful life and residual values of depreciable assets (note 5.5 and 6.1)
- allowance for expected credit losses (note 5.11 and 10.2)
- provision for current tax and deferred tax (note 5.2, 35,36 and 37)
- revaluation of assets pertaining to freehold land, building on freehold land, plant and machinery and cost value of investment property (note 18)
- staff retirement benefits (note 5.1 and 22.1)
- net realizable value of stock-in-trade (note 5.8 and 9)

3. Adoption of new and revised accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

3.1 New amendments that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

Amendments to IAS 12 ' Income taxes' - International Tax Reform — Pillar Two Model Rules

3.2 Standard and amendments to IFRS that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from accounting period beginning on or after:
Amendments to IFRS 16 ' Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026

3.3 Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

4. ADOPTION OF NEW ACCOUNTING POLICY

4.1 Accounting for minimum taxes and final taxes

During May 2024, The Institute of Chartered Accountants of Pakistan (ICAP) issued a guide 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the Guide) to provide guidance on accounting of minimum tax and final tax, as mentioned in the Income Tax Ordinance, 2001, under the requirements of relevant IFRS Accounting Standards and provide appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards.The guide was issued by Institute of Chartered Accountants of Pakistan (ICAP) in May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide).

In view of the above clarifications from ICAP, it has been established that minimum tax and final taxes do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

The Guide issued by ICAP provides approaches to account for minimum and final regime taxes according to the facts and circumstances as applicable to the Company. Accordingly, the Company has adopted the following approach:

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 recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37 Provisions, Contingent Liabilities and Contingent Assets".Therefore, the effective rate of income tax is equal to the enacted rate of income tax and and the deferred tax will be calculated at such rate.

Similarly, any amount deducted as final taxes will be classified as a levy in the statement of profit or loss and there would be no deferred tax liability / (asset) recognised in case of final taxes.

Super tax charged to entities as per provisions of Income Tax Ordinance, 2001, will be classified as either 'Income Tax' or 'levy' in accordance with guidance provided in the guide [i.e. if super tax calculation is based on taxable profits as defined in IAS 12, then, such super tax shall be recognised as 'income tax' otherwise such super tax shall qualify for recognition as 'levy' as per IFRIC 21 / IAS 37].

Advance taxes paid under any section of the Income Tax Ordinance, 2001, except minimum taxes paid under section 113, which are termed as levy as per the above guide will be classified as 'prepaid assets'.

The above changes have been accounted for in these financial statements as per the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. The adoption of this policy did not result in re-statement of financial statements since deferred tax liability recognised in the year ended June 30, 2023 was already at enacted rate and the application of this guide did not result any material differences except for reclassifications which are presented as below:

	Current Classification	Previous Classification
	--------- (Rupees) ---------	
Effect on statement of financial position:		
As at June 30, 2023		
Advance Taxes:		
Levy	59,984,033	-
income tax	104,037,218	164,021,250
	164,021,251	164,021,250
Effect on statement of profit or loss:		
For the year ended June 30, 2023		
Taxation:		
- Current year	60,259,052	152,425,231
- prior year	(23,977,718)	(23,977,718)
Deferred tax	340,926	340,926
Revenue taxes:		
- minimum taxes	11,399,832	-
Final taxes:		
- export sales	80,766,347	-
	128,788,439	128,788,439

4.2 Significant Accounting Policy to Material Accounting Policies Information

'During the year, the Company adopted the Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

5. MATERIAL ACCOUNTING POLICIES INFORMATION

The Company has consistently applied the following accounting policies to all presented in thses uconsolidated financial statements, except as mentioned in note no. 4

5.1 Staff retirement benefits

The Group operates an unfunded gratuity scheme covering all its employees. The cost of providing benefit is determined using the projected unit credit method, with actuarial valuation. Actuarial gains and losses are recognized immediately as they arise in other comprehensive income. Past service cost is recognized immediately to the extent that the benefits are already vested. Otherwise it is amortized on a straight line basis over the average period until the amended benefits become vested.

Details of the scheme are given in the note 23.1 to these consolidated financial statements.

5.2 Taxation / Revenue Taxes / Final Taxes

Current

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available, if any, as per Income Tax Ordinance, 2001.

Revenue Taxes

Revenue taxes includes amount representing excess of :

a)minimum tax paid under section 113 over income tax determined on income streams taxable at general rate of taxation; and

b)minimum tax withheld / collected / paid or computed over tax liability computed on (related income tax streamstaxable at general rate of tax), is not adjustable against tax liability of subsequent tax years.

Amount over income tax determined on income streams taxable at general rate of taxation shall be treated as revenue taxes.

The company determines, based on expected future taxable profits, that excess paid under section 113 by the entity over and above its tax liability (on income stream(s) taxable at general rate of taxation) is expected to be realized in subsequent tax years, then, such excess shall be recorded as deferred tax asset adjustable against tax liability for subsequent tax years. This shall be recognized as 'deferred tax asset' for the reason that it represents unused tax credit as it can be adjusted only against tax liability (of subsequent tax years) arising on taxable income subject to general rate of taxation. Such an asset shall be subject to requirements contained in IAS 12 'Income Tax'

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

(a) those outflows of resources that are within the scope of other standards.

(b) fines or other penalties that are imposed for breaches of the legislation.

In these financial statements, levy includes minimum taxes differential, if any, final taxes and super taxes which are calculated on a basis other than taxable profits. The corresponding advance tax paid, except for minimum taxes under section 113, which are treated as levy are recognised as prepaid assets.

Final Taxes

Final taxes includes tax charged / withheld / paid on certain income streams under various provisions of Income Tax Ordinance, 2001 (Ordinance). Final tax is charged / computed under the Ordinance, without reference to income chargeable to tax at the general rate of tax and final tax computed / withheld or paid for a tax year is construed as final tax liability for the related stream of Income under the Ordinance.

Final tax paid is considered to be full and final discharge of the tax liability for the Company for a tax year related to that income stream.

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes after considering, the average enacted tax rate.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit will be available against which such temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

5.3 Dividend distribution

Dividend distribution to the Group's shareholders is recognized as a liability in the consolidated financial statement in the period in which the dividends are approved by the Group's shareholders.

5.4 Foreign currencies

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each consolidated statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the consolidated statement of financial position date except where forward exchange contracts have been entered into for repayment of liabilities, in that case, the rates contracted for are used.
Gains and losses arising on retranslation are included in profit or loss for the period.

5.5 Property, plant and equipment

Property, plant and equipment except free hold land, building on freehold land, plant and machinery and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses.

Revaluation

Free hold land, building on free hold land and plant and machinery are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the consolidated statement of financial position date. Any revaluation increase arising on the revaluation of such assets is credited in 'Surplus on revaluation of property, plant and equipment'. A decrease in the carrying amount arising surplus on revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation account relating to previously revalued assets. To the extent of incremental depreciation charged on revalued assets, on disposal of revalued assets and the related surplus on revaluation (net of deferred tax) is transferred directly to unappropriated profit.

Depreciation is charged to income applying reducing balance method to write-off the cost over the estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Rates of depreciation are stated in note 6. In respect of additions and disposals during the year, depreciation is charged from the month when the assets is available for use and ceased from the month of disposal, to the statement of profit or loss applying the reducing balance method.

Gains or losses on disposal of operating assets, if any, are recognized in consolidated statement of profit or loss account, as and when incurred. Assets are derecognized when disposed or when no future economic benefits are expected from its use or disposal.

Normal repairs and maintenance are charged to consolidated statement of profit or loss account as and when incurred. Major renewals and improvements are capitalized and assets replaced, if any, other than those kept as stand-by are retired.

Capital work-in-progress

Capital work-in-progress (CWIP) is stated at cost less any recognized impairment loss. All expenditures connected to the specific assets incurred during installation and construction period are carried under CWIP. These are transferred to specific assets as and when assets are available for use.

5.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is valued using the cost method i.e. at cost less any accumulated depreciation and any identified impairment loss.

Any gain or loss on disposal of investment property, calculated as difference between the proceeds from disposal and the carrying amount is recognised in the consolidated statement of profit or loss.

5.7 Stores and spares

These are valued at lower of cost or net realizable value, cost is determined on the basis of moving average cost less allowance for obsolete and slow moving items, except for items in transit which are valued at cost incurred to the consolidated statement of financial position.

5.8 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined by applying the

Raw material	
- At mills	Weighted average cost
- In transit	At cost incurred to the statement of financial position
Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost
Waste	Net realizable value

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

5.9 Trade debts

Trade debts and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method less allowance for expected credit losses.

5.10 Impairment of non-financial assets

The Group assesses at each consolidated statement of financial position date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amount and the resulting impairment loss is recognized in consolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised recoverable amount but limited to the extent of carrying amount that would have been determined had no impairment loss been recognized in prior periods. Reversal of impairment loss is recognized as income.

5.11 Financial Instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group's becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

5.11.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

a) Debt instruments measured at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

As at reporting date, the Group carries cash and cash equivalents, trade receivables and sales tax refund bonds at amortized cost.

b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments that meet specified conditions and are measured subsequently at fair value through other comprehensive income (FVTOCI).

As at reporting date, the Group does not hold any debt instrument classified as at FVTOCI.

c) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument?by?instrument basis) to designate investments in equity instruments as at FVTOCI.

As at reporting date, the Group does not hold any equity instrument classified as at FVTOCI.

d) Financial assets measured subsequently at fair value through profit or loss (FVTPL)

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

As at reporting date, the Group carries investments in shares of listed companies and units of mutual funds classified as at FVTPL.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost or at FVTPL, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12?monthECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

Definition of default:

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Write?off policy

The Group writes off financial assets when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made against financial assets written-off are recognised in profit or loss.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

5.11.2 Financial liabilities

Subsequent measurement of financial liabilities

Financial liabilities that are not

- contingent consideration of an acquirer in a business combination,
- held?for?trading, or
- designated as at FVTPL, are measured subsequently at amortised cost using the effective

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

5.11.3 Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

5.11.4 Off setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the consolidated statement of financial position, if the Group has a current legal enforceable right to set off the recognized amount and the Group also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.12 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the group.

5.13 Revenue recognition

The Group is in the business of sale of goods. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer and the performance obligation is satisfied under the contract at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

- Export rebate is recognized on accrual basis at the time of making the Export sales.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., right of returns, volume rebates). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

5.14 Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated statement of financial position at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, balances with banks on current, saving and deposit accounts and short- term running finance. Running finance under mark up arrangement are shown with short term borrowings on the balance sheet date.

5.15 Borrowing cost

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 as the assets are substantially ready for their intended use or sale.

All other borrowing costs are charged to income in the period in which these are incurred.

5.16 Borrowings

Loans and borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance cost is accounted for on an accrual basis and are included in mark-up accrued on loans to the extent of amount remaining unpaid, if any.

5.17 Earning Per share

The Group presents basic and diluted earnings per share (EPS) data. Basic EPS is calculated by dividing the profit or loss attributable to the 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.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		------------ Rupees ----------	
Operating assets	6.1	**7,356,417,914**	3,535,648,440
Capital work-in-progress	6.4	**421,731,631**	3,822,113,899
		7,778,149,545	7,357,762,339

6.1 Operating assets

Particulars	Cost / revalued amount			Depreciation			Written down value as at June 30	Rate
	Opening	Additions / (disposal)	Closing	Opening	For the year / (on disposal)	Closing		
	---------- Rupees ----------							
Owned								
Freehold land	1,159,040,000	2,342,055	1,161,382,055	-	-	-	1,161,382,055	-
Building on freehold land	518,670,090	1,358,132,655	1,876,802,745	51,131,938	165,303,741	216,435,679	1,660,367,066	10%
Plant and machinery	2,441,364,079	2,786,297,828	5,227,661,907	644,913,282	428,665,742	1,073,579,024	4,154,082,883	10%
Electric installations	69,644,240	175,382,534	245,026,774	47,575,300	18,188,626	65,763,926	179,262,848	10%
Factory equipments	4,255,496	-	4,255,496	3,003,333	125,216	3,128,549	1,126,947	10%
Office equipments	5,066,546	-	5,066,546	4,174,924	89,162	4,264,086	802,460	10%
Electric appliances	4,617,405	-	4,617,405	3,568,597	104,881	3,673,478	943,927	10%
Furniture and fittings	11,396,564	6,084,000	17,480,564	7,349,854	506,200	7,856,054	9,624,510	10%
Vehicles	180,665,799	130,134,866	302,650,165	97,354,551	23,146,880	113,824,947	188,825,218	20%
		(8,150,500)			(6,676,485)			
2024	**4,394,720,219**	**4,458,373,938**	**8,844,943,657**	**859,071,779**	**636,130,450**	**1,488,525,743**	**7,356,417,914**	
		(8,150,500)			**(6,676,485)**			
	---------- Rupees ----------							
Owned								
Freehold land	1,159,040,000	-	1,159,040,000	-	-	-	1,159,040,000	-
Building on freehold land	518,670,090	-	518,670,090	143,750	50,988,188	51,131,938	467,538,152	10%
Plant and machinery	2,466,789,240	-	2,441,364,079	466,789,240	199,556,349	644,913,282	1,796,450,797	10%
	-	(25,425,161)			(21,432,307)	-		10%
Electric installations	69,644,240	-	69,644,240	45,123,196	2,452,104	47,575,300	22,068,940	10%
Factory equipments	4,255,496	-	4,255,496	2,864,204	139,129	3,003,333	1,252,163	10%
Office equipments	5,066,546	-	5,066,546	4,075,855	99,069	4,174,924	891,622	10%
Electric appliances	4,617,405	-	4,617,405	3,452,063	116,534	3,568,597	1,048,808	10%
Furniture and fittings	9,621,764	1,774,800	11,396,564	6,982,250	367,604	7,349,854	4,046,710	10%
Vehicles	136,996,599	44,679,200	180,665,799	80,075,087	18,173,937	97,354,551	83,311,248	20%
		(1,010,000)			(894,473)			
2023	4,374,701,380	46,454,000	4,394,720,219	609,505,645	271,892,915	859,071,779	3,535,648,440	
		(26,435,161)			(22,326,780)			

6.2 Disposal of property, plant and equipment of book value exceeding Rs. 500,000

Particulars	Cost	Accumulated Depreciation	Carrying value	Sale proceeds	Gain	Mode of Disposal	Relationship	Particulars of buyers
	---------- Rupees ----------							
For the year ended 2024								
Vehicle								
Toyota Corolla A/T Gli	1,789,500	1,660,506	128,994	600,000	471,006	Negotiation	Third party	Muhammad Naeem Ahmed
Suzuki Cultus	1,406,000	1,073,643	332,357	500,000	167,643	Negotiation	Third party	Gul Sumaira Bushra
Honda Civic	2,634,500	1,936,208	698,292	2,000,000	1,301,708	Negotiation	Third party	Najam Ul Islam
Toyota Corolla	2,320,500	2,006,128	314,372	500,000	185,628	Negotiation	Third party	Shahzad Hassan
	8,150,500	**6,676,485**	**1,474,015**	**3,600,000**	**2,125,985**			
For the year ended 2023								
Plant and machinery								
2 Schlafhorst Auto 338 coner	25,425,162	21,432,307	3,992,855	4,000,000	7,145	Negotiation	Third party	MKM textile international
	25,425,162	**21,432,307**	**3,992,855**	**4,000,000**	**7,145**			

		Note	2024	2023
			------------ Rupees ----------	
6.3	**Depreciation for the year has been allocated as under:**			
	Cost of sales	30	**611,344,547**	252,147,583
	Administrative expenses	32	**24,785,902**	19,745,332
			636,130,449	271,892,915
6.4	**Capital Work in Progress**			
	Machinery		**223,751,801**	2,709,861,849
	Building		**-**	1,112,252,050
	Electric installations		**197,979,830**	-
		6.4.1	**421,731,631**	3,822,113,899
6.4.1	**Movement in capital work in progress**			
	Opening balance		**3,822,113,899**	655,349,208
	Additions during the year		**889,511,425**	3,166,764,691
	Transfer to operating assets		**(4,289,893,693)**	-
			421,731,631	3,822,113,899

6.5 The Group has its freehold land, building on freehold land and plant and machinery revalued on June 30, 2022 by Joseph Lobo (Private) Limited & M.Y.K Associate (Private) Limited, independent valuers. The basis used for the revaluation of these assets were as follows:

Freehold land

Fair market value of the land was assessed through inquiries in the vicinity of land, recent market deals and information obtained through estate agents and property dealers of the area.

Building on freehold land

Fair market value of the building was assessed mainly through new construction value, depreciation cost factors, state of infrastructure, current trends in prices of real estate in the vicinity and information obtained through estate agents, builders and developers.

Plant and machinery

Fair market value of the plant and machinery was assessed through inquiries of local authorized dealers who deal in old and new similar type of plant and machineries. Replacement value was then ascertained from competitive rates of the plant and machinery and thereafter, an average depreciation factor was applied on the replacement value of the plant and machinery.

Forced sale value of the above items of property, plant and equipment is as follows:

	Rupees
Freehold land	743,082,000
Building on freehold land	375,000,000
Plant and machinery	1,500,000,000
	2,618,082,000

6.6 Had there been no revaluation the related figures of freehold land, building on freehold land and plant and machinery as at the consolidated statement of financial position date would have been as follows;

			2024	2023
	Freehold land		**124,872,785**	122,530,730
	Building on freehold land		**1,269,199,929**	57,532,317
	Plant and machinery		**3,515,999,207**	1,089,334,771
			4,910,071,921	1,269,397,818
7.	**INVESTMENT PROPERTY**			
	Opening balance		**2,342,055**	2,342,055
	Additions during the year		**-**	-
	Transfer to operating assets		**(2,342,055)**	-
			-	2,342,055

7.1 Investment property comprises of agricultural land held by the Company. During the year, the Company utilizied this property for business purposes, and start generating income through its operation.The change in use of assets leading the reclassification from investment property to property, plant and equipment.

8. This amount represents advances provided to suppliers for the acquisition of capital nature items. During the year, an amount of Rs. 87.21 million was capitalized to property, plant, and equipment.

		Note	2024	2023
			------------ Rupees ----------	
9.	**STORES AND SPARES**			
	Stores		**105,439,644**	65,235,691
	Spares		**142,266,640**	44,602,809
			247,706,284	109,838,500
10.	**STOCK-IN-TRADE**			
	Raw material		**768,323,885**	1,641,158,805
	Raw material in-transit		**1,246,250,642**	20,973,412
	Work in process		**109,973,699**	79,556,007
	Finished goods		**172,091,901**	260,436,736
	Waste		**98,760,099**	249,718,515
			2,395,400,226	2,251,843,475
11.	**TRADE DEBTS**			
	Foreign - secured and considered good		**373,456,203**	386,889,144
	Local - unsecured	11.1	**2,712,141,717**	797,316,618
			3,085,597,920	1,184,205,762
	Allowance for expected credit losses	11.2	**(17,138,646)**	(2,905,285)
			3,068,459,274	1,181,300,477

11.1 It includes due from associated undertakings relating to sale of yarn in normal course of business. Detail of balances due is as follows:

		Note	2024	2023
			------------ Rupees ----------	
	Indus Home Limited	10.5 & 36	**96,265,396**	46,050,433
11.2	**Allowance for expected credit losses**			
	Opening balance		**2,905,285**	2,516,535
	Expected credit losses		**14,233,361**	388,750
	Closing balance		**17,138,646**	2,905,285

11.3 Trade debts are generally on 60 to 90 days credit terms.

11.4 As at year end, trade receivables of Rs. 2,948,049 (2023: Rs. 1,721,546) were past due.

11.5 The maximum outstanding balance during the year due from Indus Home Limited is Rs. 96.27 million (2023: Rs. 46.05 million).

		Note	2024	2023
			------------ Rupees ----------	
12.	**LOANS AND ADVANCES**			
	Considered good			
	Due from employees	12.1	**29,586,502**	15,653,727
	Advances :			
	To suppliers / services		**65,984,452**	85,862,722
	Letter of credit margin		**6,582,159**	7,765,491
			102,153,113	109,281,940

12.1 This are interest free loans, secured against gratuity not more than Rs. 1,000,000 (2023: Rs. 1,000,000) to a person.

		Note	2024	2023
13.	**ADVANCE TAXES**		------------ Rupees ----------	
	Levy		**-**	59,984,033
	Income tax		**185,868,153**	104,037,218
			185,868,153	164,021,251
14.	**TRADE DEPOSITS**			
	Bank guarantee margin		**21,896,388**	21,139,226
15.	**OTHER RECEIVABLES**			
	Cotton claims - considered good		**10,033,679**	53,487,099
	Rebate claims		**2,122,182**	2,122,182
	Other		**713,652**	859,434
			12,869,513	56,468,715
16.	**SHORT TERM INVESTMENTS**			
	Investments in units of mutual funds	16.1	**8,568,627**	1,552,730
	Investment in ordinary shares of listed companies	16.2	**421,041,529**	213,176,009
	At amortized cost			
	Investment in term finance certificate	16.3	**100,000,000**	95,333,000
	Term deposit receipts	16.4	**5,000,000**	5,000,000
			534,610,156	315,061,739

16.1 Market value of other financial assets

2024	2023			
Number of units		**Investments in units of mutual funds**		
6	-	Alfalah GHP Money Market Fund	**594**	-
858	659	HBL Money Market Fund	**88,561**	79,646
27,994	-	UBL Cash Fund	**2,803,797**	-
285,722	-	NBP Mahana Amadni Fund	**2,859,560**	-
281,381	147,608	NBP Money Market Fund	**2,816,115**	1,473,084
595,960	148,267		**8,568,627**	1,552,730

16.2

Number of shares		**Investment in ordinary shares of listed companies**		
32,920	32,920	Engro Fertilizer Limited	**10,952,813**	8,555,579
-	275,000	Fatima Fertilizer Company Limited	**-**	8,197,750
102,100	73,800	Systems Limited	**42,708,430**	29,765,754
-	5,945	Highnoon Labortaries Limited	**-**	1,998,531
104,000	-	Pakistan Aluminium Beverages	**7,680,400**	-
84,750	84,750	Tariq Glass Industries Limited	**9,877,613**	5,771,475
95,300	90,000	Lucky Cement Limited	**86,411,369**	46,988,100
104,004	104,004	Mughal Iron & Steel Industries Limited	**9,672,372**	5,037,954
177,140	177,140	Hub Power Company Limited	**28,887,991**	12,325,401
19,500	19,500	Mari Petroleum Company Limited	**52,890,630**	29,535,480
626,100	626,100	Meezan Bank Limited	**149,882,079**	54,076,257
261,448	261,448	Interloop Limited	**18,518,362**	9,218,656
42,099	42,099	International Steels Limited	**3,559,470**	1,705,072
1,649,361	1,792,706		**421,041,529**	213,176,009

16.3 Investment in term finance certificate

2024	**2023**		**Note**	**2024**	**2023**
Number of certificates				------------ Rupees ----------	
1,000	1,000	Habib Bank Limited	16.3.1	**100,000,000**	95,333,000

16.3.1 This represents investment in AA+ rated, unsecured, subordinated, perpetual and non-cumulative term finance certificate of Habib Bank Limited, having face value of Rs.100,000 per certificate and carries profit at the rate of 3 months KIBOR + 1.60% per annum.

16.4 Effective markup rate in respect of term deposit receipt ranges from 15.24% to 18.53% (2023: 9% to 24%) per annum.

	Note	2024	2023
17. CASH AND BANK BALANCES		------------ **Rupees** ----------	
Cash in hand		**82,470**	451,553
Cash at bank			
- Current accounts		**83,886,518**	45,020,241
- Saving accounts	17.1	**36,941**	9,367
		83,923,459	45,029,608
		84,005,929	45,481,161

17.1 Effective markup rate in respect of saving and deposit accounts ranges from 15.24% to 18.53% (2023: 9% to 24%) per annum.

18. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024	2023		2024	2023
------- Number of shares -------			------------ **Rupees** ----------	
Authorized capital				
50,000,000	50,000,000	Ordinary shares of Rs. 10 each	**500,000,000**	500,000,000
Issued, subscribed and paid up capital				
20,700,000	20,700,000	Ordinary shares of Rs. 10 each fully paid in cash	**207,000,000**	207,000,000

18.1. 205,962 ordinary shares (2022: 205,962) of Rs. 10 each are held by the associated company - Indus Dyeing & Manufacturing Company Limited

18.2. The Group has only one class of ordinary shares which carry no right to fixed income.

18.3. Shareholders are entitled to cast vote proportionate to the paid up value of shares carrying voting rights. All shares rank equally with regard to the Group's residual assets.

	Note	2024	2023
		------------ **Rupees** ----------	
19. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	19.1	**1,534,704,272**	1,981,808,736

19.1 Surplus on revaluation of property, plant and equipment

	2024	2023
Opening balance	**1,981,808,736**	2,132,285,804
Transferred to unappropriated profit on account of :		
Incremental depreciation	**(112,929,489)**	(129,051,906)
Revaluation surplus due to disposal of revalued assets	**-**	(21,425,162)
	(112,929,489)	(150,477,068)
	1,868,879,247	1,981,808,736
Related deferred tax liability		
Opening balance	-	-
Adjustment due to change in rate	**334,174,975**	-
	334,174,975	-
Closing balance	**1,534,704,272**	1,981,808,736

20. RESERVES

	Note	2024	2023
Capital reserve	20.1	**2,500,000,000**	-
General reserve	20.2	**3,612,000,000**	612,000,000
		6,112,000,000	612,000,000

20.1 The Board of Director of the Company in its meeting held on Februery 28, 2024, decided to allocate a sum of Rs. 2.5 billion as not available for distribution by way of dividend for purposes of investment and bonus in future years.

20.2 This represents reserves created out of profits of the company.This reserves are not usable for profit distribution. During the year, The Company has transfer Rs. 3 billion out of unappropriate profit of the Company.

		Note	2024	2023
			------------ Rupees ----------	
21.	**LONG TERM FINANCING**			
	From banking companies - secured			
	Term finance:			
	Allied Bank Limited	21.1	**683,388,110**	687,088,110
	Bank Al Habib Limited	21.2	**80,703,300**	105,070,500
	Bank Al Habib Limited	21.3	**815,000,000**	815,000,000
			1,579,091,410	1,607,158,610
	Demand finance (DF):			
	MCB Bank	21.4	**617,216,894**	542,611,894
	Renewable energy finance:			
	Askari Bank Limited	21.5	**170,000,000**	-
	LTFF:			
	United Bank Limited	21.6	**7,386,765**	22,160,295
	Bank Alfalah Limited	21.7	**269,531,250**	316,406,250
	MCB Bank Limited	21.8	**245,400,170**	298,902,709
	Allied Bank Limited	21.9	**58,770,356**	68,565,418
	Allied Bank Limited	21.10	**54,519,268**	62,307,734
			635,607,809	768,342,406
			3,001,916,113	2,918,112,910
	Less: Current portion		**(223,944,846)**	(164,308,301)
	Less: Deferred grant		**(70,263,847)**	-
			2,707,707,420	2,753,804,609

21.1 Allied Bank Limited - TF

This finance has been obtained from Allied Bank to finance / retire LCs established for import of plant and machinery and allied equipment's for establishment / requirements of the company I.e. enhancement in existing capacity of spinning set-up. The loan is repayable in 16 equal half yearly installments with 2 years grace period commencing from June 14, 2024 and the date of final repayment will be February 12, 2032. This loans carry mark up at the rate of 6 Months KIBOR + 0.75%. The finance was secured against 1st pari passu charge for over the present and future fixed assets of the Company for Rs.800 Million inclusive of 25% margin.

21.2 Bank Al Habib Limited - TF

This finance has been obtained from Bank Al Habib Limited for the payment of import documents drawn under LC Sight having Limit of Rs 150 million for import of renewable energy equipment and for the payment of local equipment having capacity of 1.64 Mega Watt and / or payment to local supplier if equipment to be purchased locally against each LC. The loan is repayable in 20 equal quarterly installments against each LC commencing from November 22, 2022 and the date of final repayment will be July 12, 2028. It carries mark up at the rate of 6 Months KIBOR + 0.5%.

21.3 Bank Al Habib Limited - TF

This finance has been obtained from Bank Al Habib Limited for the purchase of plant & machinery. The loan is repayable in 16 equal half yearly installments with 2 years grace period against each LC commencing from May 24, 2025 and the date of final repayment will be January 30, 2033 . It carries mark up at the rate of 6 Months KIBOR + 1%. The finance is secured against 1st pari passu Charge of Rs. 1,287 million (to be registered with SECP) over Fixed Assets (including Land. Building & Machinery) of the Company.

21.4 MCB Bank Limited - DF

This finance has been obtained to retire / finance imported components / equipments / machinery imported through MCB used for setting-up new open ended Spinning unit. The loan is repayable in 16 equal half yearly installments after 2 years grace period against each LC commencing from May 16, 2025 and the date of final repayment will be September 13, 2033 . It carries mark up at the rate of 6 months KIBOR + 0.5%.The finance is secured against 1st pari passu hypothecation / Equitable mortgage charge of Rs 934 million on all fixed asset of the Company.

21.5 Askari Bank Limited - REFF

This finance has been obtained from Askari Bank Limited for the payment of import documents drawn under LC Sight having Limit of Rs 170 million, out of which Rs. 148 million has been converted into REFF under term finnace having markup at the rate of 3 month KIBOR +1.75% per annum for import of Renewable Energy Equipments (Solar Energy) having capacity of 2 Mega Watt under SBPs renewable energy refinance scheme.The loan is repayable in 32 equal quarterly installments against each LC commencing from November 25, 2025 and the date of final repayment will be August 31, 2033. During the year, markup was charged at the rate of 3 month KIBOR +1.75%for the loan not converted into REFF and at SBP + 3%on the REFF loan. The finance is secured against 1st pari passu Charge of Rs. 227 million over present and future fixed assets to be registered with SECP of the Company with 25% security margin.

21.6 United Bank Limited - LTFF

This finance has been obtained from United bank Limited for BMR. The loan is repayable in 10 equal half yearly installments commencing from February 18, 2019 with 11 months grace period and the date of final repayment will be August 18, 2024 . It carries markup at flat rate of 3%. The finance is secured against first pari passu charge of Rs. 125 million over all present and future fixed assets of the Company with 25% margin.

21.7 Bank Alfalah Limited - LTFF

This finance has been obtained from Bank Alfalah Limited for BMR. The loan is repayable in 32 equal quarterly installments commencing from June 18, 2021 with 2 years grace period and the date of final repayment will be March 13, 2030. It carries markup at flat rate of 3%. The finance is secured against first pari passu charge of Rs. 500 million over all present and future fixed assets of the Company with 25% margin.

21.8 MCB Bank Limited - LTFF

This finance has been obtained from MCB Bank Limited for BMR. The loan is repayable in 16 equal half yearly installments commencing from April 5, 2021 with 2 years grace period and the date of final repayment will be March 5, 2029. It carries markup at rate of 2.5%. The finance is secured against first pari passu charge of Rs. 600 million over all present and future fixed assets of the Company with 25% margin.

21.9 Allied Bank Limited - LTFF

This finance has been obtained from Allied Bank to pay salaries & wages under SBP's Refinance scheme for payment of wages & salaries. The loan is repayable in 8 equal quarterly installments commencing from December 22, 2022 and the date of final repayment will be June 22, 2030. It carries mark up at the rate of SBP + 1.25%. The finance is secured against 1st pari passu charge on fixed assets with 25% Margin.

21.10 Allied Bank Limited - LTFF

This finance has been obtained from Allied Bank to finance / retire LCs established for import / local procurement of plant & machinery and Allied equipment related to renewable captive power plant of the company. This finance had been obtained from Allied Bank to finance / retire LCs established for import / local procurement of plant & machinery and Allied equipment related to renewable captive power plant of the company. The loan is repayable in 16 equal half yearly installments commencing from May 25, 2022 with 3 months grace period and the date of last repayment will be May 27, 2031. It carries mark up at the rate of SBP + 0.50%. The finance is secured against first pari passu charge over all present and future fixed assets of the Company for Rs. 134 Million inclusive of 25% Margin.

	Note	2024	2023
		------------ Rupees ----------	

22. DEFERRED TAXATION

22.1 The liability for deferred taxation comprises timing differences relating to:

	2024	2023
Taxable temporary differences on:		
Surplus on revaluation of operating fixed assets	**334,174,975**	-
Operating fixed assets	**420,577,562**	340,926
Other financial assets	**20,762,999**	-
	775,515,536	340,926
Deductible temporary differences on:		
Brought forward tax losses	**(135,929,832)**	-
Minimum tax paid in excess of normal tax	**(254,899,826)**	-
Provision for staff retirement benefits - gratuity	**(14,932,770)**	-
	369,753,108	340,926

22.2 Movement for the year ended June 30, 2024

	Balance as at July 01, 2023	Recognized in profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2024
	---------------------------------- Rupees		----------------------------------	
Taxable temporary difference:				
Surplus on revaluation of operating fixed assets	-	**-**	334,174,975	**334,174,975**
Operating fixed assets	340,926	**420,236,636**	-	**420,577,562**
Other financial assets	-	**20,762,999**	-	**20,762,999**
Deductible temporary difference:				
Brought forward tax losses	-	**(135,929,832)**	-	**(135,929,832)**
Minimum tax paid in excess of normal tax	-	**(254,899,826)**	-	**(254,899,826)**
Provision for staff retirement benefits - gratuity	-	**(4,298,678)**	**(10,634,092)**	**(14,932,770)**
June 30, 2024	**340,926**	**45,871,299**	**323,540,883**	**369,753,108**

Movement for the year ended June 30, 2023

	Balance as at July 01, 2022	Recognized in profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2023
	--------------------------------- Rupees		---------------------------------	
Taxable temporary difference:				
Surplus on revaluation of operating fixed assets	-	-	-	-
Operating fixed assets	-	340,926	-	340,926
Deductible temporary difference:				
Brought forward tax losses	-	-	-	-
Minimum tax paid in excess of normal tax	-	-	-	-
Provision for staff retirement benefits - gratuity	-	-	-	-
June 30, 2023	-	-	-	-

	Note	2024	2023
		------------ Rupees ----------	

23. DEFERRED LIABILITIES

	Note	2024	2023
Staff retirement benefits - gratuity	23.1	**45,250,817**	18,390,994
Deferred Grant	23.2	**70,263,847**	-
		115,514,664	18,390,994

23.1 Staff retirement benefits - gratuity

	Note	2024	2023
Liability recognized in the statement of financial position			
Present value of defined benefit obligation		**45,250,817**	18,390,994
Movement in the net liability			
Opening balance		**18,390,994**	76,464,325
Charge for the year		**33,038,006**	19,911,227
Payment made during the year		**(5,656,454)**	(77,984,558)
Actuarial loss from changes in experience adjustments		**1,095,841**	-
Actuarial loss from changes in financial assumptions		**(1,617,570)**	-
		45,250,817	18,390,994
Changes in present value of defined benefit obligation			
Opening defined benefit obligation		**18,390,994**	76,464,325
Current service cost		**21,573,113**	18,390,994
Past service cost		**8,935,943**	-
Interest cost		**2,528,950**	4,965,046
Benefits paid		**(5,656,454)**	(77,984,558)
Gains and losses arising on plan settlements		**-**	(3,444,813)
Actuarial loss from changes in experience adjustments		**1,095,841**	-
Actuarial loss from changes in financial assumptions		**(1,617,570)**	-
		45,250,817	18,390,994
Charge for the year			
Current service cost		**21,573,113**	18,390,994
Past service cost		**8,935,943**	-
Gains and losses arising on plan settlements		**-**	(3,444,813)
Interest cost		**2,528,950**	4,965,046
		33,038,006	19,911,227
Allocation of charge for the year			
Cost of sales	30.2	**27,038,006**	15,520,233
Administrative expenses	32.1	**6,000,000**	4,390,994
		33,038,006	19,911,227
Remeasurement gain/loss recognised in other comprehensive income			
Actuarial loss / (gain) from changes in experience adjustments		**1,095,841**	-
Actuarial loss from changes in financial assumptions		**(1,617,570)**	-
Remeasurement gain/loss		**(521,729)**	-

As per actuarial valuation carried out as at June 30, 2024 by Nauman Associates using Projected Unit Credit Method, the following significant assumptions have been used for valuation of defined benefit obligation of the Company:

	2024	2023
Discount rate	**14.75%**	16.25%
Expected rate of salary increase in future years	**13.75%**	15.25%
Average expected remaining working life time of employees	**6 years**	6 years

Mortality rate was based on the State Life Corporation (SLIC) 2001-2005 ultimate mortality rates with 1 year setback as per recommendation of Pakistan Society of Actuaries ("PSOA").

Staff retirement benefits sensitivity analysis

	Increase/(decrease) in defined benefit obligation	
	2024	**2023**
	------------ **Rupees** ----------	
Year end sensitivity analysis (+/- 100 bps) on defined benefit obligation:		
Discount rate + 100 bps	**42,773,680**	17,433,713
Discount rate - 100 bps	**48,082,544**	19,482,054
Salary Increase + 100 bps	**48,218,649**	19,533,018
Salary Increase - 100 bps	**42,606,169**	17,370,250

Maturity Profile

Average duration of liability	**6 years**	6 years

Expected expense for the next year

The expected expense for the next year works out to Rs. 33.39 million.

23.2 Deferred grant

	Note	2024	2023
		------------ **Rupees** ----------	
At beginning of the year		**-**	**-**
Deferred grant recognized on subsidized rate long term loan		**76,268,717**	-
Amortization of deferred grant		**(6,004,870)**	-
		70,263,847	-
Less: Current portion of deferred grant		**(10,044,687)**	-
		60,219,160	-

24. TRADE AND OTHER PAYABLES

	Note	2024	2023
Creditors	24.1	**492,625,639**	150,927,486
Provision for infrastructure cess	24.3	**246,877,592**	211,930,040
Accrued liabilities		**131,066,133**	137,723,865
Provision for GIDC	24.4	**51,133,001**	51,133,001
Sales tax payable		**919,984**	18,564,278
Advances from customers		**8,993,344**	12,771,093
Workers' Profit Participation Fund	24.5	**26,730,277**	380,631
Workers' welfare fund		**17,069,564**	8,952,253
Due to employees		**936,741**	1,088,192
Income tax deducted at source		**304,581**	6,093,735
		976,656,856	599,564,574

24.1 It includes due to associated undertakings relating to purchase of yarn and raw material in normal course of business. Detail of balances due is as follows:

	Note	2024	2023
		------------ **Rupees** ----------	
Indus Dyeing & Manufacturing Co.		**63,170,016**	-

24.2 The maximum outstanding balance during the year due to Indus Dyeing & Manufacturing Co. Limited (associated undertaking) is Rs.63.17million (2023 Rs. nil).

24.3 This comprise provision for Sindh Development and Infrastructure Cess which was levied by the Excise and Tax Department of Government of Sindh on goods entering or leaving the province through air or sea at prescribed rate under Sindh Finance Ordinance, 2001. The levy was challenged by the Company along with other companies in Sindh High Court (SHC). SHC through its interim order passed on May 31, 2011 ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure cess should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed.In 2022, the Sindh High Court has passed an order on June 4, 2021, regarding the settlement of remainder of Infrastructure Cess, against which the Company has filed an appeal in the Supreme Court on September 9, 2021.The Company's legal counsel expect that the matter will be decided in favour of the Company.However, as a matter of prudence, the Company has paid Rs. nil (2023: Rs. nil) of the value of infrastructure cess in cash and recorded liability for the unpaid amount which is supported by a bank guarantee.

24.4 On August 13, 2020 the Supreme Court of Pakistan (SCP) through its order declared GIDC Act an intra vires to the constitution and directed all the industrial and commercial entities to pay the Cess that have become due up to July 31, 2020. However, as a concession, the same was allowed to be recovered in twenty four equal monthly installments starting from August 01, 2020.

In light of the above stated order of SCP, the Company opted to recognize the Cess as payable in twenty four equal monthly installments in accordance with the provision of IAS 37.

		Note	2024	2023
			------------ Rupees ----------	
24.5	**Workers' Profit Participation Fund**			
	Opening balance		**380,631**	545,407
	Payment to the fund		**(380,631)**	(545,407)
			-	-
	Charge for the year	33	**26,730,277**	22,380,631
	Payment of the fund from current year liability		**-**	(22,000,000)
	Closing balance		**26,730,277**	380,631
25.	**ACCRUED MARKUP**			
	Accrued markup on:			
	- Short term borrowings		**47,024,732**	30,442,793
	- Long term borrowings		**128,763,792**	103,209,288
			175,788,524	133,652,081
26.	**SHORT TERM BORROWINGS**			
	Secured - under markup arrangements from banking Companies			
	Running finance - secured	26.1	**286,764,281**	191,100,843
	Foreign currency loan - secured	26.2	**1,998,625,824**	-
			2,285,390,105	191,100,843

26.1 Running finance have been obtained from commercial banks under mark up arrangements amount to Rs. 3,000 Million (2023: Rs. 3,000 million) of which facilities aggregating to Rs. 2,713 million (2023: Rs. 2,809 million) remained unutilized at the year end. The rate of mark up ranges from 22.37% to 23.63% per annum (2023: 14.66% to 22.70% per annum) payable on quarterly basis. These finances are secured against pledge of raw material and finished goods and charge on current assets of the Company.

26.2 Foreign currency loan have been obtained from commercial banks under mark up arrangements amount to Rs. 5,225 Million (2023: Rs. 3,750 million) of which facilities aggregating to Rs. 3,226 million (2023: Rs. 3,750 million) remained unutilized at the year end. The rate of mark up ranges from 4% to 14% per annum payable on quarterly basis. These finances are secured against pledge of raw material, finished goods and export document and charge on current assets of the Company.

		Note	2024	2023
			------------ Rupees ----------	
27.	**PROVISION FOR TAXATION**			
	Opening balance		**167,513,932**	152,803,558
	Provision made during the year		**259,235,873**	152,051,719
			426,749,805	304,855,278
	Prior year adjustment		**933,049**	(23,977,718)
	Adjustments against completed assessments		**(92,018,379)**	(113,363,627)
			335,664,475	167,513,932
28.	**CONTINGENCIES AND COMMITMENTS**			
	Contingencies			
	Bank guarantees	28.1	**491,481,302**	280,481,302
	Foreign bills purchased		**135,191,991**	251,000,000
	In land bills purchased		**389,486,197**	299,890,000
			1,016,159,490	831,371,302

			Note	2024	2023
				------------ Rupees ----------	
28.1	**Bank guarantees**				
	In favor of	Bank			
	Sui Northern Gas Pipelines Limited	MCB Bank Limited		**57,061,261**	57,061,261
	Ministry of Textile	MCB Bank Limited		**599,574**	599,574
	Excise and taxation	United Bank Limited		**110,560,000**	110,560,000
	Import Licence Fee	Habib Bank Limited		**274,552**	274,552
	Excise and taxation	MCB Bank Limited		**322,985,915**	111,985,915
				491,481,302	280,481,302
	Commitments				
	Under letters of credit for:				
	- Stores and spares			**25,885,103**	49,962,273
	- Raw material			**636,298,878**	1,020,520,176
	- Plant and machinery			**95,330,032**	163,750,717
				757,514,013	1,234,233,166

		Note	2024	2023
29.	**Revenue from contracts from customers**			
	Exports			
	Yarn	29.1	**13,869,693,499**	6,135,190,999
	Local			
	Yarn		**7,352,517,028**	4,000,194,689
	Doubling		**15,675,568**	10,945,138
	Waste		**329,823,478**	256,986,390
			7,698,016,074	4,268,126,217
	Sales tax on local sales		**(1,305,954,068)**	(871,303,942)
	Commission		**(112,867,049)**	(72,791,597)
			20,148,888,456	9,459,221,677

29.1 It includes indirect export of Rs. 7,686.38 million (2023: Rs. 2,277.23 million).

		Note	2024	2023
30.	**COST OF SALES**			
	Raw material consumed	30.1	**14,287,892,732**	7,339,227,864
	Power and fuel		**1,657,147,288**	755,676,871
	Salaries, wages and benefits	30.2	**687,789,295**	372,263,432
	Depreciation	6.3	**611,344,547**	252,147,583
	Packing material consumed		**207,243,833**	103,975,833
	Stores and spares consumed		**225,502,899**	112,637,918
	Repairs and maintenance		**46,879,636**	28,548,411
	Insurance		**19,500,106**	11,219,497
	Others		**5,368,671**	3,019,923
			17,748,669,007	8,978,717,332
	Work in process			
	Opening stock		**79,556,007**	49,121,588
	Closing stock		**(109,973,699)**	(79,556,007)
			(30,417,692)	(30,434,419)
	Cost of goods manufactured		**17,718,251,315**	8,948,282,913
	Finished goods			
	Opening stock		**510,155,251**	205,060,404
	Purchase of finished goods		**586,707,500**	186,192,500
	Closing stock		**(270,852,000)**	(510,155,251)
			826,010,751	(118,902,347)
			18,544,262,065	8,829,380,565
30.1	**Raw material consumed**			
	Opening stock		**1,422,495,562**	1,235,098,282
	Purchases including purchase expenses		**7,557,891,107**	5,917,335,938
			8,980,386,669	7,152,434,220
	Closing stock		**1,641,158,805**	(1,422,495,562)
			10,621,545,474	5,729,938,658

30.2 It includes Rs.26.96 million (2023: Rs. 15.5 million) in respect of staff retirement benefits - gratuity.

		Note	2024	2023
			------------ Rupees ----------	
31.	**DISTRIBUTION COST**			
	Export development surcharge		**15,587,876**	10,037,185
	Ocean freight		**38,459,847**	59,326,336
	Forwarding expenses		**32,712,935**	19,176,934
	Local freight		**45,880,821**	17,959,073
	Fuel expense		**66,661,527**	25,734,514
	Others		**1,208,908**	457,439
			200,511,914	132,691,481
32.	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages and benefits	32.1	**90,484,432**	78,206,451
	Directors' remuneration	40	**79,444,970**	90,766,286
	Depreciation	6.3	**24,785,902**	19,745,332
	Vehicle running and maintenance		**31,655,223**	28,435,351
	Travelling and conveyance		**14,697,927**	11,870,487
	Postage, telephone and fax		**5,767,204**	3,710,472
	Electricity, gas and fuel		**4,235,439**	4,667,451
	Printing and stationery		**5,512,294**	2,775,325
	Auditors' remuneration	32.2	**2,220,000**	2,220,000
	Rent, rates and taxes		**7,830,170**	3,954,266
	Donations	32.3	**2,163,000**	3,635,350
	Insurance		**5,803,355**	3,257,665
	Fees, subscription and periodicals		**7,896,624**	5,709,059
	Entertainment		**5,292,818**	4,303,602
	Repairs and maintenance		**14,390,885**	5,542,251
	Legal and professional charges		**1,533,192**	2,099,860
	Others		**7,688,860**	4,430,467
			311,402,295	275,329,675

32.1 It includes Rs. 6 million (2023: Rs. 4.39 million) in respect of staff retirement benefits - gratuity.

			2024	2023
32.2	Auditors' remuneration			
	Statutory audit fee		**1,370,000**	1,370,000
	Consolidation fee		**300,000**	300,000
	Review report on compliance with COCG		**100,000**	100,000
	Half year review		**250,000**	250,000
	Certificate for CDC and free float shares		**200,000**	200,000
			2,220,000	2,220,000

32.3 It includes no amount above Rs. 500,000 given to any donee and none of the directors or their spouses has any interest in the donee's fund.

		Note	2024	2023
33.	**OTHER EXPENSES**			
	Workers' Profit Participation Fund	24.5	**26,730,277**	22,380,631
	Workers' welfare fund		**10,692,111**	8,952,253
	Allowance for expected credit losses		**14,233,361**	388,750
			51,655,749	31,721,634
34.	**FINANCE COST**			
	Interest / mark up on:			
	Long term financing		**539,044,907**	23,736,678
	Short term borrowings		**446,873,258**	78,228,701
	Bank charges and commission		**37,131,308**	22,164,381
			1,023,049,473	124,129,760

35. OTHER INCOME

	2024	2023
	------------ Rupees ----------	
Income from financial assets		
Realized gain on disposal of short term investments	**201,327,771**	24,032,799
Realized Gain on disposal of short term investments	**2,170,763**	-
Exchange gain on export	**116,797,598**	195,144,334
Exchange gain on foreign currency Loan	**83,444,903**	-
Interest / profit on bank deposits	**1,465,822**	1,338,083
Interest income on TFCs	**23,639,534**	17,707,176
Dividend income	**27,998,287**	110,002,709
Amortization of deferred grant	**6,004,870**	-
Agriculture Income	**211,769**	-
Income from non financial assets		
Gain on sale of property, plant and equipment	**2,125,986**	1,651,619
Rental income	**432,000**	-
	465,619,303	349,876,720

36. FINAL TAXES

	Note	2024	2023
Final taxes on:			
- export sales	36.1	**-**	80,766,347
Prior year		**(1,325,666)**	-
		(1,325,666)	80,766,347

36.1 This represents final taxes paid on export sales as per section 154 of the Income Tax Ordinance, 2001, and recognised as levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

37. REVENUE TAXES

	2024	2023
	------------ Rupees ----------	
Minimum taxes	**254,899,826**	11,399,832

37.1 This represents provision for minimum tax under sections 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levy in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

38. TAXATION

	2024	2023
Current year:		
For the year	**4,783,410**	60,259,052
Prior	**2,258,715**	(23,977,718)
Deferred tax	**45,871,299**	340,926
	52,913,424	36,622,259

38.1 Relationship between tax expense and accounting profit

	2024	2023
	------------ Rupees ----------	
Profit before final taxes,revenue taxes and income tax	**483,626,263**	415,845,282
Tax calculated at appliacble rate of 29% (2023: 29%)	**140,251,616**	120,595,132
Tax effect of final tax regime representing levies as per IFRIC 21	**-**	(80,766,347)
Tax effect of income under minimum tax regime representing levies as per IFRIC 21	**(254,899,826)**	(11,399,832)
Effect of change in deferred tax rate	**45,871,299**	340,926
Prior year adjustment	**933,049**	(23,977,718)
Others	**(120,757,285)**	(31,830,100)
	52,913,424	36,622,259

			2024	2023
39.	EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		---------- Rupees ----------	
	Profit after tax	Rupees	**177,138,679**	287,056,843
	Weighted average number of ordinary	Numbers	**20,700,000**	20,700,000
	Earnings per share - basic and diluted	Rupees	**8.56**	13.87

39.1 There is no dilutive effect on the basic earnings per share of the Group.

40. REMUNERATION TO CHIEF EXECUTIVE AND DIRECTOR

	Chief executive	Director	Executives
2024	---------- Rupees ----------		
Remuneration	**30,000,000**	**10,009,604**	**30,358,800**
Housing and utilities	**13,384,404**	**158,335**	**-**
Medical reimbursement	**-**	**305,036**	**-**
Conveyance - cars	**1,329,505**	**209,897**	**9,415,133**
Special allowance	**20,308,189**	**3,740,000**	**5,069,800**
Leave encashment	**-**	**-**	**2,698,560**
	65,022,098	**14,422,872**	**47,542,293**
Number of persons	**1**	**1**	**14**

	Chief executive	Director	Executives
	---------- Rupees ----------		
2023			
Remuneration	29,800,000	13,080,000	25,401,600
Housing and utilities	7,667,073	674,179	-
Medical reimbursement	-	2,712,385	-
Conveyance - cars	1,151,928	737,477	8,044,427
Special allowance	19,531,259	8,069,318	4,233,600
Leave encashment	5,120,000	2,222,667	2,257,920
	63,270,260	27,496,026	39,937,547
Number of persons	1	1	14

40.1 Chief Executive and a director are also entitled to free use of the Group maintained cars.

41. FINANCIAL INSTRUMENTS

41.1 The Group has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statement.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

41.2 **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from long term deposits, trade debts, short term investments, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	------------ Rupees ----------	
Trade debts	**3,068,459,274**	1,181,300,477
Other receivables	**12,869,513**	54,346,533
Long term deposits	**7,011,240**	7,011,240
Trade deposits	**21,896,388**	21,139,226
Short term investments	**113,568,627**	101,885,730
Bank balances	**83,923,459**	45,029,608
	3,307,728,501	1,410,712,814

The Group's credit risk exposures are categorized under the following headings:

Counterparties

The Group conducts transactions with the following major counterparties:

Trade debts
Public sectors
Banks and other financial institutions
Mutual Funds

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

41.2.1 Credit risk related to trade debtors

Trade debts are essentially due from local and foreign customers against sale of yarn and waste material and the Group does not expect these counterparties to fail to meet their obligations. The majority of sales to the Company's customers are made on specific terms. Customer credit risk is managed subject to established policies, procedures and controls relating to customer credit risk management. Credit limits are established for all customers based on internal rating criteria. Credit quality of the customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored and any shipments to foreign customers are generally covered by letters of credit.
Trade debts are generally on 60 to 90 days credit terms.

Impairment losses
The aging of trade debts at the reporting date was:

	2024		2023	
	Gross	Impairment	Gross	Impairment
	---------------------- Rupees ----------------------			
Not yet due	**2,693,037,565**	**-**	787,559,252	-
Past due for:				
- more than 3 months but less than 1 year	**19,104,152**	**17,138,646**	9,757,366	2,905,285
- more than 1 year but less than 2 years	**-**	**-**	-	-
- more than 2 years	**-**	**-**	-	-
	2,712,141,717	**17,138,646**	797,316,618	2,905,285

Concentration of credit risk

Trade debts consist of a large number of diversified customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable where appropriate. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

41.2.2 Credit risk related to banks and other financial institutions

Credit risk on balances with banks is managed by management in accordance with the Group's policy. Excess funds are placed in deposits with reputable banks and financial institutions.

Bank Name	Rating Agency	Long term Loans	Short Term Loans
The Bank of Punjab	PACRA	AA+	A1+
Askari Bank Limited	PACRA	AA+	A1+
Allied Bank Limited	PACRA	AAA	A1+
BankIslami Pakistan Limited	PACRA	AA-	A1
Bank Alfalah Limited	PACRA	AA+	A1+
Bank Al Habib Limited	PACRA	AAA	A1+
Faysal Bank Limited	PACRA	AA	A1+
Meezan Bank Limited	VIS	AAA	A-1+
Habib Bank Limited	VIS	AAA	A-1+
Soneri Bank Limited	PACRA	AA-	A1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
United Bank Limited	VIS	AAA	A-1+
National Bank of Pakistan	PACRA	AAA	A1+
MCB Bank Limited	PACRA	AAA	A1+

41.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Management closely monitors the Group's liquidity and cash flow position. This includes maintenance of statement of financial position liquidity ratios, debtors and creditors concentration both in terms of the overall funding mix and avoidance of undue reliance on large individual customer.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

41.3.1 Liquidity risk table

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Particulars	1 - 3 months	3 months - 1 years	1 - 5 years	More than 5 years	Total
Long term financing	**36,432,925**	**187,511,921**	**2,264,228,821**	**513,742,446**	**3,001,916,113**
Short term borrowings	**-**	**2,285,390,105**	**-**	**-**	**2,285,390,105**
Trade and other payables	**-**	**633,621,857**	**-**	**-**	**633,621,857**
Accrued mark up	**175,788,524**	**-**	**-**	**-**	**175,788,524**
Unclaimed dividend	**22,523,062**	**-**	**-**	**-**	**22,523,062**
2024	**234,744,511**	**3,106,523,883**	**2,264,228,821**	**513,742,446**	**6,119,239,661**
Long term financing	-	164,308,301	1,780,843,781	972,960,828	2,918,112,910
Short term borrowings	-	191,100,843	-	-	191,100,843
Trade and other payables	-	203,148,679	-	-	203,148,679
Accrued mark up	133,652,081	-	-	-	133,652,081
Unclaimed dividend	24,201,201	-	-	-	24,201,201
2023	157,853,282	558,557,823	1,780,843,781	972,960,828	3,470,215,714

	2024	**2023**
	------------ **Rupees** ------------	
Off Statement of financial position items		
Letters of credit	**757,514,013**	1,234,233,166
Bank guarantees	**491,481,302**	280,481,302
Foreign bills discounted	**135,191,991**	251,000,000
In land bills purchased	**389,486,197**	299,890,000
Off Statement of financial position gap	**1,773,673,503**	2,065,604,468

41.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing

41.4.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates.

Exposure to currency risk

The Group is exposed to currency risk on trade debts which are denominated in currency other than the functional currency of the Group. The Company's exposure to foreign currency risk is as follows:

	2024		2023	
	Rupees	**US Dollar**	**Rupees**	**US Dollar**
Trade debts	373,456,203	1,341,727	386,889,144	1,347,576
	373,456,203	**1,341,727**	386,889,144	1,347,576

The following US Dollar exchange rates were applied during the year:

	2024	2023
	------------ Rupees	----------
Average rate	**278.84**	253.08
Statement of financial position rate	**278.34**	287.10

Sensitivity analysis - foreign currency

At June 30, 2024, if the Rupee had weakened / strengthened by 10% (2023: 10%) against the US Dollar with all other variables held constant, profit for the year would have been lower / higher by Rs. 37.35 million (2023: Rs. 38.69 million), as a result of foreign exchange gains / losses on translation of foreign currency trade debts. Profit / (loss) is less sensitive to movement in Rupee / foreign currency exchange rates in 2024 than 2023 because of high recovery from export debtors.

41.4.2 Interest rate risk

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will effect the value of financial instruments. The Group has significant amount of interest based financial assets and financial liabilities which are largely based on variable interest / mark-up rates, therefore the Group has to manage the related finance cost which exposes it to the risk of 3 month and 6 month KIBOR. Since the impact on interest rate exposure is significant to the Group, management is considering the alternative arrangement to manage interest rate exposure in future.

	2024		2023	
	Effective Interest Rate	**Rupees**	**Effective Interest Rate**	**Rupees**
Fixed rate instruments				
Financial assets:				
- Saving accounts	**15.24% - 18.53%**	**36,941**	24%	**9,367**
- Term deposit receipts		**5,000,000**		**5,000,000**
- Term finance certificate	**21.76% - 23.81%**	**100,000,000**	24%	**95,333,000**
Variable rate instruments				
Financial liabilities:				
- Long term financing	**2.5% - 23.72%**	**3,001,916,113**	9% - 23%	2,918,112,910
- Short term borrowings	**4% - 23.63%**	**2,285,390,105**	15% to 23%	191,100,843
		5,392,343,159		3,209,556,120

Sensitivity analysis - interest rate

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Group's profit / loss for the year ended June 30, 2023 would decrease / increase by Rs. 53.92 million (2023: Rs. 31.09 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate financial instruments.

41.4.3 Other price risk

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to 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 materially exposed to other price risk on financial assets and liabilities.

41.4.4 Equity share price risk

The Group is also exposed to the equity price risk arising from the fluctuations due to change in fair value of those equity instruments. At the reporting date, the exposure to equity securities at fair value was Rs. 421.04 million (2023: 213.17 million)

Sensitivity analysis - Equity share price risk

A 1% increase / decrease in share prices at year end would have increased / decreased profit for the year as follows:

	2024	2023
	------------ Rupees ----------	
Effect on profit or loss	**4,210,415**	2,131,760

41.5 Fair values

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction other than in a forced or liquidation sale.

The carrying values of all financial assets and liabilities reflected in the consolidated financial statement approximate their fair values.

41.5.1 Fair value hierarchy

Following are three levels in fair value hierarchy that reflects the significance of the inputs used in measurement of fair values of financial instruments and non financial assets.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: 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. drive from prices).

Level 3: Inputs for asset or liability that are not based on observable market data (unobservable

The Group does not have any other financial instruments to be classified here other than "Short term investments" as disclosed in note 12, that are classified in level 1 and level 2 as per hierarchy stated above.

The Group follows the revaluation model for its free hold land, building on free hold land, plant and machinery. The fair value measurement as at June 30, 2022 was performed by MYK Associates (Private) Limited & Joseph Lobo (Private) Limited. MYK Associates (Private) Limited & Joseph Lobo (Private) Limited both are on panel of Pakistan Banks Association as ‘Any Amount’ asset valuator. It is also on the panel of State Bank of Pakistan and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations. The fair value of the assets was determined using the comparable price method after performing detailed enquiries and verification from various estate agents, brokers and builders keeping in view the location of the property/project, condition, size, utilization, and other relevant factors. In estimating the fair value of free hold land, building on free hold land and plant and machinery, the highest and best use of these assets is their current use.

Since the date of last revaluation, there has been no material change in the market factors that derive fair value of these properties, therefore, management believes that the carrying value of these non financial assets approximate its fair market value.

Other financial assets include quoted equity shares, mutual funds, term finance certificate and term deposit receipt. The equity share and funds are valued at each reporting date at their fair value by using the prevailing quoted prices of shares on Pakistan Stock Exchange Limited. Term finance certificate and term deposit receipt are valued at amortized cost.

June 30, 2024

	Level 1	Level 2	Level 3	Total
	----------Rupees----------			
Other financial assets	**426,794,041**	**-**	**-**	**426,794,041**
Free hold land	**-**	**1,161,382,055**	**-**	**1,161,382,055**
Building on free hold land	**-**	**1,660,367,066**	**-**	**1,660,367,066**
Plant and machinery	**-**	**4,154,082,883**	**-**	**4,154,082,883**
Total	**426,794,041**	**6,975,832,004**	**-**	**7,402,626,045**

June 30, 2023

	Level 1	Level 2	Level 3	Total
	----------Rupees----------			
Short term investments	214,649,093	-	-	214,649,093
Free hold land	-	1,159,040,000	-	1,159,040,000
Building on free hold land	-	467,538,152	-	467,538,152
Investment property	-	2,342,055	-	2,342,055
Plant and machinery	-	1,775,018,490	-	1,775,018,490
Total	214,649,093	3,403,938,697	-	3,618,587,790

There were no transfers between levels of fair value hierarchy during the period.

41.6 Financial instruments by category

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an approximate mix between various sources of finance to minimize risk.

The accounting policies for financial instruments have been applied for line items as below:

	2023	**2024**
	--------- Rupees ---------	
Assets carried at fair value		
Carrying value of investments at fair value through profit or loss	**429,610,156**	214,728,739
	429,610,156	214,728,739
Assets categorized at amortized cost		
Trade debts	**3,068,459,274**	1,186,277,053
Loan and advances	**36,168,661**	31,307,454
Long term deposits	**7,011,240**	7,011,240
Other receivables	**12,869,513**	56,468,715
Other financial assets	**105,000,000**	100,333,000
Trade deposits	**21,896,388**	21,139,226
Cash and bank balances	**84,005,929**	45,481,161
	3,335,411,005	1,448,017,849
Liabilities carried at amortized cost		
Trade and other payables	**633,621,857**	203,148,679
Long term financing	**3,001,916,113**	2,918,112,910
Short term borrowings	**2,285,390,105**	191,100,843
Unclaimed dividend	**22,523,062**	24,201,201
Accrued mark up	**175,788,524**	133,652,081
	6,119,239,661	3,470,215,714

42. CAPITAL MANAGEMENT

The Group objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

Capital comprises all components of equity (i.e. share capital, reserves and unappropriated profit). The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

The debt-to-adjusted capital ratios at June 30, were as follows:

	2024	2023
	------------ Rupees	----------
Total debt	**5,217,042,371**	3,109,213,753
Less: Cash and cash equivalents	**(84,005,929)**	(45,481,161)
Net debt	**5,133,036,442**	3,063,732,592
Total equity	**8,209,037,362**	8,354,909,435
Adjusted capital	**13,342,073,804**	11,418,642,027
Debt-to-adjusted capital ratio	**38.47%**	26.83%

43. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related group companies, directors of the Company and key management personnel. 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 trade debts and trade and other payable (note 11.5, 24.2) and remuneration of Chief Executive, director and excutives (note 40). Indus Home Limited and Indus Dyeing & Manufacturing Co. Limited is associated undertaking based on common directorship. Other significant transactions with related parties are as follows:

Transactions with associated undertakings (due to common directorship)		
Indus Dyeing & Manufacturing Company Limited		
Sale of goods and services	**5,364,799**	-
Purchase of goods and services	**792,381,792**	-
Indus Home Limited		
Sale of goods and services	**247,639,714**	129,860,199
Indus Lyallpur Limited		
Purchase of goods and services	**18,529,865**	-

All transactions with related parties have been carried out on agreed terms and conditions.

44. PLANT CAPACITY AND PRODUCTION

Number of spindles installed	**34,896**	34,896
Number of spindles worked	**34,550**	33,882
Number of rooters installed	**6,000**	-
Number of rooters worked	**5,355**	-
Number of shifts / day	**3**	3
Installed capacity after conversion into 20/s count Kgs	**21,079,674**	11,916,060
Actual production of yarn after conversion into 20/s count Kgs	**18,407,920**	9,979,857

Reasons for shortfall

It is difficult to describe precisely the production capacity in spinning unit since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed and twist etc. It also varies according to the pattern of production adopted in a particular year.

45. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2023	Cash flow	2024
	Rupees	Rupees	Rupees
Long term finances	2,918,112,910	83,803,203	**3,001,916,113**
Short term borrowings	191,100,843	2,094,289,262	**2,285,390,105**
Dividend	24,201,201	(1,678,139)	**22,523,062**
	3,133,414,954	2,176,414,326	**5,309,829,280**

46. SEGMENT REPORTING

The Group's core business is manufacturing and sale of yarn and it generates more than 90% of its revenue and profit from the production and sale of yarn. Decision making process is centralized at head office led by Chief Executive who is continuously involved in day to day operations and regularly reviews operating results and assesses its performance and makes necessary decisions about resources to be allocated to the segments. Currently it has one yarn manufacturing unit. Owing to the similarity in nature of the products and services, nature of the production processes, type or class of customers for the products and services, the methods used to distribute the products, the nature of the regulatory environment all the yarn producing units are aggregated into a single operating segment and the Company's performance is evaluated by the management on an overall basis, therefore these operational segments by location are not separately reportable segments.

47. NUMBER OF EMPLOYEES

The total number of employees at the year end and average number of employees during year are as follows:

	2024	**2023**
Total number of employees as at June 30	**960**	775
Average number of employees during the year	**971**	710

48. CORRESPONDING FIGURES

The preparation and presentation of these unconsolidated financial statement for the year ended June 30, 2024 is in accordance with the requirements of IFRSs. Following is the major reclassification made for better presentation:

Reclassified from	Reclassified to	Rupees
Revenue from contracts with customers	Other income - exchange gain	195,144,334
Property, plant and equipment - cwip	Long term advances	174,181,019
Cash and bank balances	Other financial assets	5,000,000

49. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statement were authorized for issue on **October 04, 2024** by the Board of Directors of the Group.

50. GENERAL

Figures have been rounded off to the nearest Rupee, except where stated otherwise.

Shabbir Kausar
Chief Financial Officer

Kashif Riaz
Chief Executive Officer

Mian Imran Ahmed
Chairman

آڈیٹرز کا تقرر:۔

آڈیٹرز میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹ نے کمپنی کے ساتھ اپنی تقرری کی معیاد مکمل کی اور اہل ہونے کے ناطے اپنی خدمات کو ایک اور مدت کے لیے پیش کیا۔ بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی کی سفارش پر مبنی، اس فرم کو اگلے سال کے لیے کمپنی کے آڈیٹر کی حیثیت سے دوبارہ تقرری کے لیے تجویز کیا ہے۔

آڈٹ کمیٹی:۔

بورڈ آف ڈائریکٹرز نے ایک مکمل باضابطہ آڈٹ کمیٹی تشکیل دی جس میں تین ممبران شامل ہیں، ایک آزاد ڈائریکٹر اور دو غیر فعال ڈائریکٹرز ہیں۔ کمیٹی کے حوالہ سے شرائط شفاف داخلی آڈٹ، اکاؤنٹنگ اور کنٹرول سسٹم، رپورٹنگ کے مناسب ڈھانچے کے ساتھ ساتھ کمپنی کے اثاثوں کی حفاظت کے لیے مناسب اقدام کا تعین کرنے پر مشتمل ہیں۔

ممبران کی ترتیب:۔

کمپنی ایکٹ 2017 اور کوڈ آف کارپوریٹ گورننس کے مطابق 30 جون 2024 کے اختتام پر ممبران کی ترتیب کے خاکہ سے متعلق معلومات اس رپورٹ کیساتھ علیحدہ سے منسلک ہے۔

اندرونی آڈٹ کنٹرول:۔

بورڈ کے پاس کمپنی کے کاروبار کو چلانے کے لیے آپریشنل، مالی اور تعمیل کنٹرول کے ساتھ موئثر اور مضبوط اندرونی کنٹرول سسٹم موجود ہے۔ اندرونی آڈٹ کے نتائج کا آڈٹ کمیٹی کے ذریعے جائزہ لیا جاتا ہے، اور جہاں ضروری ہوا ان آڈٹ رپورٹس میں شامل سفارشات کی بنیاد پر کاروائی کی جاتی ہے۔

ویب پر موجودگی:

کمپنی کے سالانہ اور مختلف مدت کے مالیاتی بیانات کو کمپنی کی ویب سائٹ/http://indus-group.com پر موجود ہیں جہاں سے شیئر ہولڈرز اور دوسرے لوگ معلومات حاصل کر سکتے ہیں۔

اظہار تشکر:۔

ادارے کے ڈائریکٹرز تمام ملازمین کی کوششوں کا اعتراف کرتے ہیں۔ اور آنے والے سالوں میں اسی طرح کے تعلقات دیکھتے ہیں۔ اس کے ساتھ ساتھ کمپنی اپنے صارفین، بینکرز، سپلائرز اور حصہ داروں کے مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

کاشف ریاض

چیف ایگزیکٹو آفیسر

4 اکتوبر 2024

ڈائریکٹر

ڈائریکٹرز اسٹاک ایکسچینج کی فہرست سازی کے مطابق کارپوریٹ اور مالی رپورٹنگ کے فریم ورک کے مطابق عمل کرتے ہیں۔

☆ کمپنی کے مالیاتی گوشوارے جو کہ کمپنی کی انتظامیہ نے تیار کئے ہیں اس میں تمام لین دین کو شفافیت کے ساتھ درج کیا گیا ہے اس کے ساتھ ساتھ نتائج اور کیش کی آمدورفت کا بھی واضح اظہار ہے۔

☆ کمپنی کے حساب کتاب سے متعلق دستاویزات وضاحت ومہارت کے ساتھ تیار کی گئی ہیں۔

☆ حساب نویسی سے متعلق تمام پالیسیوں کو ملکی اور بین الاقوامی قوانین کے مطابق تیار کیا گیا ہے اور جہاں ضرورت محسوس کی گئی وہاں وضاحتیں بھی پیش کی گئی ہیں۔

☆ اندرونی کنٹرول کا نظام مضبوط بنیادوں پر استوار ہے، جس پر عمل درآمد کیا جاتا ہے۔

☆ جولسٹنگ قواعد وضوابط میں بیان کیا گیا ہے اس سے انحراف نہیں کیا جاتا۔

☆ پچھلے چھ سالوں کے متعلقہ اعداد وشمار بھی منسلک کیئے گئے ہیں۔

☆ ٹیکس ڈیوٹیوں اور واداطلب ادائیگیوں کو 30 جون 2024 کے لئے نہیں روکا گیا سوائے ان کے جن کا اظہار StatementFinancial برائے 30 جون 2024 میں کیا گیا ہے۔

☆ جس مدت کا جائزہ لیا جا رہا ہے اس کے دوران کمپنی کے سی ای او، ڈائریکٹرز اور اہل خانہ حصص کے لین دین میں شامل نہیں۔

بورڈ آف ڈائریکٹرز اور میٹنگز:۔

سال کے دوران بورڈ کے اجلاس منعقد ہوئے تھے۔ ہر ڈائریکٹر کی حاضری مندرجہ ذیل ہے۔

	بورڈ آف ڈائریکٹرز کی 7 میٹنگز	آڈٹ کمیٹی کی 5 میٹنگز	انسانی وسائل اور معاوضہ کمیٹی کی 1 میٹنگز
	حاضری	حاضری	حاضری
عمران احمد	5/5	-	-
کاشف ریاض	5/5	-	-
شہزاد احمد	5/5	-	-
نوید احمد	5/5	-	-
عرفان احمد	5/4	-	1/1
مسز فادیہ کاشف	5/5	5/4	1/1
شاویز احمد	5/5	5/5	-
مہرالنساء کاشف	5/1	5/5	-
شیخ شفقت مسعود	5/5	5/1	
فاروق حسن	5/5	-	-
فیصل حنیف	5/5	5/5	1/1
عذرا یعقوب واوڈا	5/5	-	-

*مسٹر عرفان احمد اپنی تین سالہ مدت پوری ہونے پر ریٹائر ہو گئے ہیں۔ محترمہ مہرالنساء کاشف کو 8 مارچ 2024 کو ایکسٹرا آرڈینری میٹنگ میں بطور ڈائریکٹر مقرر کیا گیا ہے۔

جناب شیخ شفقت مسعود کو مسز فادیہ کاشف کی جگہ ممبر آڈٹ کمیٹی مقرر کیا گیا(08 مارچ 2024) ۔

** محترمہ مہرالنساء کاشف کو عرفان احمد کی جگہ ایچ آر اینڈ ریمونریشن کمیٹی کا رکن مقرر کیا گیا(08 مارچ 2024)۔

ڈائریکٹران کے مشاہرے:

کمپنی ڈائریکٹران (فعال اور غیر فعال) کے مشاہروں کے بارے میں کمپنی کے بورڈ آف ڈائریکٹر کی جانب سے منظور شدہ پالیسی پر عمل درآمد کیا جاتا ہے۔ اس پالیسی کو اس طرح سے تیار کیا گیا ہے کہ جو انسانی وسائل اور کاروباری ضروریات دونوں کی حکمت عملی کو ساتھ لے کر چلے۔ بورڈ اس بات پر یقین رکھتا ہے کہ پالیسی اس قدر پر اثر ہونی چاہیے کہ جو ڈائریکٹران کو اپنی جانب راغب کرے اور ان کو اس بات پر آمادہ کرے کہ وہ کمپنی کے معاملات کو اپنی بہترین صلاحیتوں کے مطابق سرانجام دے سکیں۔

منافع برائے تصرفات	5,738,803	5,401,260
فکسڈ اثاثہ جات کے ریلویشن پر سرپلس سے منتقل	112,930	127,815
جائیداد سیل کی وجہ سے ریلویشن سرپلس کی منتقلی	-	21,425
ٹرانسفر کیپیٹل ریزرو	(2,500000)	-
ٹراسفر جنرل ریزرو	(3,000,000)	-
آگے کیا گیا جمع شدہ منافع	351,733	5,550,500
فی حصص آمدن	8.56 روپے	13.87 روپے

ڈیویڈنڈ:۔

بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے سال کے لیے کسی ڈیویڈنڈ کا اعلان نہیں کیا۔

کاروباری تجزیہ:۔

آپ کی کمپنی کا اس عرصہ میں بعد از ٹیکس منافع 177.139 ملین رہا جو کہ گزشتہ اس عرصہ میں 287.057 ملین تھا۔ فروخت میں 113 فیصد اضافہ ہوا جبکہ فروخت کی لاگت میں 110 فیصد اضافہ ہوا جس کی بڑی وجہ اگست 2023 میں دس روٹر مشینوں کے ساتھ نئے پلانٹ کا کام شروع کرنا ہے۔ ٹیکس کے بعد منافع میں کمی کی بنیادی وجہ توانائی کی لاگت اور فنانس میں اضافہ ہے۔۔ اس مدت کے دوران BMR کے لیے مقررہ اثاثوں میں 968.437 ملین روپے کی سرمایہ کاری کی گئی اور نئے پلانٹ کا اضافہ جو کہ ضروری بیک پروسیس کے ساتھ روٹر مشینوں کے دس سیٹوں پر مشتمل ہے۔ اس مقصد کی مالی اعانت کے لیے برقرار رکھی گئی آمدنی اور طویل مدتی قرضوں کا استعمال کیا گیا۔

مستقبل کی صورت حال:۔

توقع ہے کہ عالمی معیشت ایک معتدل رفتار سے بڑھے گی۔ پاکستان کی جی ڈی پی میں صرف 4 فیصد سی کم اضافہ متوقع ہے۔ مہنگائی میں کمی کی توقع ہے جس کی وجہ سے اسٹیٹ بینک آف پاکستان (SBP) عالمی رجحانات کے مطابق ڈسکاؤنٹ کی شرح کو مزید کم کر سکتا ہے جیسا کہ نیا سال شروع ہوتا ہے ملکی کرنسی مستحکم رہتی ہے اور اس استحکام کے لیے مستقل پالیسیوں کو برقرار رکھنا بہت ضروری ہوگا۔ مزید برآں، حکومت نے IMF کے ساتھ USD 7 بلین ایکسٹینڈڈ فنڈ فیسیلیٹی (EFF) کے لیے ایک ابتدائی معاہدہ حاصل کیا ہے جو کہ دوسرے بین الاقوامی قرض دہندگان کو مالی مدد فراہم کرنے کی ترغیب دے سکتا ہے۔ تاہم، اس سال ٹیکسٹائل کے شعبے کو خاص طور پر کپاس پیدا کرنے والے بڑے علاقوں میں جاری مون سون بارشوں سے پاکستان کی کپاس کی فصل کو پہنچنے والے نقصان کی وجہ سے اہم چیلنجوں کا سامنا ہے۔ اس مسلسل بارش نے فصل کی کٹائی میں تاخیر ہوئی اور بیج کپاس کی آمد میں تیزی سے کمی ہوگئی جس کی وجہ سے بہت سی جیننگ فیکٹریاں ناکافی سپلائی کی وجہ سے بند ہوگئی ہیں۔ اگست کے وسط تک روئی کی آمد کم ہو کر صرف 1.0 ملین گانٹھوں پر آگئی تھی جو پچھلے سال کی اسی مدت کے دوران 2.1 ملین گانٹھیں تھیں۔ مزید پیچیدہ معاملات فنانس بل میں حالیہ تبدیلیاں ہیں جن میں ایکسپورٹ فیسیلیٹیشن سکیم (EFS) کے تحت مقامی سپلائیز پر زیرو ریٹنگ کی سہولت کا خاتمہ خام مال کی درآمدات پر نئی ڈیوٹی، انفراسٹرکچر ٹیکس میں اضافہ اور برآمدات میں تبدیلی شامل ہیں۔ عام ٹیکس نظام کے لیے حتمی ٹیکس نظام۔ یہ تبدیلیاں نقدی کے بہاؤ کو دبا رہی ہیں اور پاکستان کی ٹیکسٹائل انڈسٹری کے لیے بین الاقوامی مارکیٹ میں مقابلہ کرنا مشکل بنا رہی ہیں۔

کمپنی کی سماجی ذمہ داریاں:۔

کمپنی نے ہمیشہ اپنے سماجی ذمہ داریوں کو تمام حصول داروں اور مجموعی طور پر کاروباری ماحول پر ترجیح دی ہے یہ ایک مسلسل عمل ہے۔ کمپنی قدرتی وسائل کے تحفظ، ضیاع میں کمی، ری سائیکلنگ کو بہتر بنانے، توانائی کی کارکردگی میں بہتری اور ماحولیاتی کارکردگی کو بہتر بنانے میں کوشاں ہے۔ پچھلے سال کی طرح اس سال بھی ہم نے قدرتی گیس کی کھپت اور پانی کے استعمال میں کمی کے اہداف مقرر کیے ہیں۔

ہماری طرف سے مندرجہ ذیل کوششیں کی جا رہی ہیں۔

☆ گندے پانی کی صفائی

☆ قدرتی وسائل کے تحفظ

☆ مال کے ضائع ہونے میں کمی

☆ ری سائیکلنگ میں اضافہ، توانائی کی کارکردگی میں بہتری اور ماحولیاتی کارکردگی میں اضافہ

بیلنس شیٹ بنانے کے بعد کے معاملات:۔

بیلنس شیٹ کے اختتامی مراحل میں اور بیلنس شیٹ بنانے کے بعد کوئی ایسا مادی یا معاملاتی معاہدہ نہیں کیا گیا جس سے بیلنس شیٹ کے اعداد و شمار میں کسی طرح کی کوئی تبدیلی واقع ہوا اور وہ منفی طور پر متاثر ہو۔

متعلقہ فریقین سے لین دین:۔

کارپوریٹ گورننس کی ضروریات کے مطابق کمپنی نے تمام متعلقہ پارٹی ٹرانزیکشن آڈٹ کمیٹی اور بورڈ کے سامنے جائزہ اور منظوری کے لیے پیش کیے۔

۳۰ جون ۲۰۲۳ کو ختم ہونے والے سال کے لیے ملحق شدہ مالی گوشوارے نوٹ 38 میں تمام متعلقہ لین دین کی تفصیلات فراہم کی گئی ہیں۔

ڈائریکٹرز کی ذمہ داریوں کی تفصیل:۔

سن ریز ٹیکسٹائل ملز لمیٹڈ

جون ۳۰، ۲۰۲۴ ـ ڈائریکٹرز رپورٹ

سن ریز ٹیکسٹائل ملز لیمیٹڈ کے بورڈ آف ڈائریکٹرز 33 ویں سالانہ اجلاس ۳۰ جون ۲۰۲۴ کے مالی سال کے اختتام کی سالانہ رپورٹ ہمراہ آڈٹ شدہ مالیاتی گوشوارہ مسرت کے ساتھ پیش کرتے ہیں۔

بورڈ کی تشکیل:۔

بورڈ کی تشکیل کارپوریٹ گورنس کے ضابطہ اخلاق، 2017 کے تقاضوں کے مطابق درج ذیل ہے۔

ڈائریکٹرز کی کل تعداد:۔

الف۔ مرد 8

ب۔ خاتون 3

تشکیل:۔

i۔ فعال ڈائریکٹر 1

ii۔ آزاد ڈائریکٹر 3

iii۔ غیر فعال ڈائریکٹر 7

نام	کیٹیگری
فیصل حنیف مس عذرا یعقوب فاروق حسن	آزاد ڈائریکٹرز
کاشف ریاض	فعال ڈائریکٹر
میاں نوید احمد میاں شہزاد احمد میاں عمران احمد مسز فادیہ کاشف شاہ ویز احمد مس مہرالنساء کاشف شیخ شفقت مسعود	غیر فعال ڈائریکٹرز
مس عذرا یعقوب مسز فادیہ کاشف مس مہرالنساء کاشف	خواتین ڈائریکٹرز

مالی اور آپریشنل نتائج:۔

آپ کی کمپنی کا قبل از ٹیکس منافع سال ۲۰۲۴ کے اختتام پر 483 626 ملین رہا۔

	2024 000 روپے	2023 000 روپے
قبل از ٹیکس منافع	483,626	415,845
ٹیکس	(306,487)	(128,788)
بعد از ٹیکس منافع	177,139	287,057
دیگر	11,164	7
ابتدائی جمع شدہ منافع	5,738,803	5,155,596
پہلا عبوری ڈیویڈنڈ مارچ ۳۱، ۲۰۲۳	-	(41,400)

سن ریز ٹیکسٹائل ملز لمیٹڈ

چیئر مین رپورٹ ۔ ۳۰جون،۲۰۲۴

سن ریز ٹیکسٹائل ملز لمیٹڈ، ۳۰ جون ۲۰۲۴ کو ختم ہونے والے مالی سال کے لیے کمپنی کی کارکردگی پر جائزہ ممبران کے سامنے پیش کرنا میرے لیے اعزاز اور خوشی کی بات ہے۔

بورڈ کی کارکردگی کا جائزہ:۔

بورڈ کمپنی کے معاملات کے نظم ونسق کے لیے ذمہ دار ہونے اور کمپنی کے خطرے کو برداشت کرنے کی سطح کا تعین کرنے کے لیے پالیسیاں اور حکمت عملی وضع کرتا ہے۔ بورڈ متعلقہ قوانین اور ضوابط اور اس کی ذمہ داریوں، حقوق، ذمہ داریوں اور فرائض کے تحت چلتا ہے جیسا کہ اس میں بیان اور تجویز کیا گیا ہے۔

بورڈ کے اراکین مناسب علم، مختلف قسم کی مہارت اور تجربے سے لیس ہیں جو کاروبار کو کامیابی سے چلانے کے لیے ضروری ہے۔ بورڈ کا ہر رکن کمپنی کی ترقی کو انجام دینے کے لیے پر عزم ہے اور اس کے تمام کام کمپنی کی اقدار اور مشن کے لیے وقف اور مرکوز ہیں۔

بورڈ نے ذیلی کمیٹیوں کی کارکردگی کو سختی سے مانیٹر کیا۔ بورڈ کی جامع اور مئوثر میٹنگوں کے نتیجے میں کمپنی کے لیے سازگار فیصلے ہوئے۔ اس کے علاوہ بورڈ کمپنی کے تمام قابل اطلاق قوانین اور بہترین طریقوں کی تعمیل کو بھی یقینی بناتا ہے۔

بورڈ کے اراکین کو اپ ڈیٹ رکھنے اور کمپنی کی مسلسل ترقی کے لیے ہم آہنگ رہنے کے لیے بورڈ نے اپنی ذیلی کمیٹیوں کا جائزہ لیا اور اس کی اپنی کارکردگی کا جائزہ لیا جس سے بورڈ کے مقرر کردہ اہداف کو پورا کرنے میں ایک مئوثر اور کردار ادا کرنے میں مدد ملی۔

سال کے دوران کمپنی نے بورڈ اور اس کی کمیٹیوں کی تنظیم نو کی ہے خاص طور پر اس کا مقصد گورننس اور اسٹریٹجک نگرانی کو بڑھانا ہے۔ ہمیں یقین ہے کہ بورڈ کا نیا ڈھانچہ جدت طرازی اور کارکردگی پر ہماری توجہ کے ساتھ جاری کامیابی کو آگے بڑھائے گا اور ہمارے معزز شیئرز ہولڈرز کے لیے مزید قدر پیدا کرے گا۔

کمپنی کی کارکردگی کا جائزہ:۔

کاروبار باآسانی چل رہا ہے اور فروخت 20.148 ارب روپے ہے جو کہ گزشتہ سال 9.4 ارب روپے تھی۔ جبکہ مجموعی منافع کا مارجن 6.66 فیصد سے بڑھ کر 7.96 فیصد ہو گیا۔ بعد از ٹیکس منافع 0.287 ارب روپے سے کم ہو کر 0.127 ارب روپے رہ گیا ہے۔

بورڈ کی جانب سے میں اپنے تمام صارفین کی کمپنی پر مسلسل اعتماد کے لیے بہت شکریہ ادا کرنا چاہتا ہوں۔ میں بورڈ کی شراکت، ہماری انتظامیہ اور ملازمین کی بہترین کاوشوں کے لیے تعریفی کلمات کا اظہار کرنا چاہتا ہوں اور آخر میں ان مالیاتی اداروں کا شکریہ ادا کرنا چاہتا ہوں جو ہمارے ساتھ کھڑے ہوئے اور مشکل وقت میں ہمارا ساتھ دیا۔ میں امید کرتا ہوں اور دعا کرتا ہوں کہ کمپنی آئندہ سالوں میں ترقی کی رفتار کو برقرار رکھے۔

چیئر مین

میاں عمران احمد

04 اکتوبر 2024

PROXY FORM
ANNUAL GENERAL MEETING

Shareholder's Folio No---------------------Number of shares held-----------------------------I / We. --Of (full address)------------------------------------- --- being a member of **SUNRAYS TEXTILE MILLS LIMITED** herebyappoint

Mr. / Mrs. / Ms. --of (full address)-------------------------------

--or failing him/her/ Mr. / Ms.-------------------------------of

(full address)--

as my / our proxy in my/our absence to attend and vote for me/us on my/our behalf at the **Annual General Meeting** of the Company to be held on 27th day of October, 2022 at 4:30 p.m. plot # 3 &7, Sector-25 Korangi industrial Area, Karachi and at any adjourned meeting thereof.

WITNESSES	
WITNESS # 1	WITNESS # 2
SIGNATURE	SIGNATURE
NAME CNIC #	NAME CNIC#

Signature on Rs. 5/- Revenue Stamp

1. Proxies in order to be effective, must be received at the Company's Registered Office/ Shares Registrar not less than 48 hours before the meeting and must be duly stamped, signed and witnessed.
2. CDC shareholders and their proxies are requested to attach an attested photocopy of their CNIC or passport with this proxy form before submission to the Company.

AFFIX
CORRECT
POSTAGE

The Company Secretary
SUNRAYS TEXTILE MILLS LIMITED
5th Floor 508 Beaumont Plaza Beaumont Road
Civil Lines Qtrs Karachi

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS OF SUNRAYS TEXTILE MILLS LIMITED
June 30, 2024

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held	Percentage of Total Capital
959	1	100	28,386	0.14
210	101	500	60,165	0.29
493	501	1,000	422,869	2.04
201	1,001	5,000	363,321	1.76
19	5,001	15,500	180,183	0.87
3	15,501	30,000	54,896	0.27
6	30,001	150,000	458,346	2.21
7	150,001	960,000	4,286,244	20.71
6	960,001	1,950,000	8,336,019	40.27
3	1,950,001	4,276,000	6,509,571	31.45
1,907			**20,700,000**	**100.00**

CATEGORIES OF SHAREHOLDERS

As at June 30, 2024

Shareholders	No. of Shareholders	Shares Held	Percentage
Individuals	1,874	8,762,644	42.33
Associated Companies	1	205,962	0.99
Financial Institutions	2	72,729	0.35
Insurance Companies	1	102,111	0.49
Mutual Fund	2	1,043,976	5.04
Joint Stock Companies	12	39,337	0.19
Directors, CEO their Spouses & Minor Children	15	10,473,241	50.60
	1,907	**20,700,000**	**100**

DETAIL OF CATEGORIES OF SHAREHOLDERS

As at June 30, 2024

Name	Number of Shareholders	Shares Held	
INDIVIDUALS	**1,874**		**8,762,644**
ASSOCIATED COMPANIES	**1**		
M/s. Indus Dyeing & Manufacturing Company Limited		205,962	
			205,962
FINANCIAL INSTITUTIONS	**2**		
National Bank of Pakistan (Treasury OPS DIV)		72,270	
National Bank of Pakistan		459	
			72,729

JOINT STOCK COMPANIES	12	
TREET CORPORATION LIMITED		27,026
Y.S. SECURITIES & SERVICES (PVT) LTD		2,100
S.H. BUKHARI SECURITIES (PVT) LTD		1200
ALFA ADHI SECURITIES (PVT) LTD		1800
INVESTMENT CORPORATION		1,500
TARIQ CAPITAL (PRIVATE) LIMITED		500
MRA SECURITIES LIMITED - MF		500
NCC - PRE SETTLEMENT DELIVERY ACCOUNT		105
FIKREES (PVT) LIMITED		4,500
BLACK STONE EQUITIES (PVT) LTD		10
HABIB & SONS LIMITED (SP)		24
M/S FIRST CAPITAL EQUITIES LTD		72
		39,337
INSURANCE COMPANIES	**1**	
State Life Insurance Corp. of Pakistan		102,111
		102,111
MUTUAL FUND	**2**	
CDC-Trustee National Investmet (UNIT) Trust		956,526
Trustee-Natioanal Bank of Pakistan Employee Pension Fund		87,450
		1,043,976
DIRECTORS, CEO, THEIR SPOUSES & MINOR CHILDREN	**15**	
Mr. Shahzad Ahmed		1,945,443
Mr. Naveed Ahmed		1,155,140
Mr. Kashif Riaz		2,095,536
Mr. Imran Ahmed		1,159,742
Mr. Shafqat Masood		13,719
Mr. Shahwaiz Ahmed		594
Mr. Faisal Hanif		300
Ms. Azra Yaqub Vawda		30
Mr. Farooq Hassan		15
Mrs. Fadia Kashif		2,413,356
Ms. Mehr-Un-Nisa Kashif		726,000
Mrs. Aisha Irfan		565,671
Mrs. Lozina Shahzad		380,085
Mrs. Shahzia Naveed		13,446
Mrs. Tahia Imran		4,164
GRAND TOTAL	**1,907**	**10,473,241**
		20,700,000

Shareholders holding 10% or more voting interest in the company as at June 30, 2024

DIRECTORS, CEO, THEIR SPOUSES AND MINOR CHILDREN	SHARES HELD	PERCENTAGE %
Mr. Kashif Riaz	2,095,536	10.12
Mrs. Fadia Kashif	2,413,356	11.66

Detail of purchase / sale of shares by Directors, Company Secretary, Head of Internal Audit Department,

Chief Finance Officer, Chief Executive Office and their spouses, minor children during 2023-2024

N A M E	Purchase	Sold	Gift

DIVIDEND MANDATE FORM

The Company Secretary,

Subject Bank account details for payment of Dividend through electronic mode

Dear Sir,

I/we/Messrs.,____ being the shareholder(s) of Sunrays Textile Mills Limited [the "Company"], hereby, authorize the Company, to directly credit cash dividend declared by it, my bank account as detailed below:

(i) Shareholder's details:	
Name of the Shareholder	
CDC Participant ID & Sub-Account No. / CDC IAS	
CNIC/NICOP/Passport/NTN No. (Please attach copy)	
Contact Number (landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank account details:	
Title of Bank Account	
IBAN (see Note 1 below)	
Bank's Name	
Branch Name & Code No.	
Branch Address	

It is stated that the above particulars given by me are correct and I shall keep the Company, informed in case of any changes in the said particulars in future.

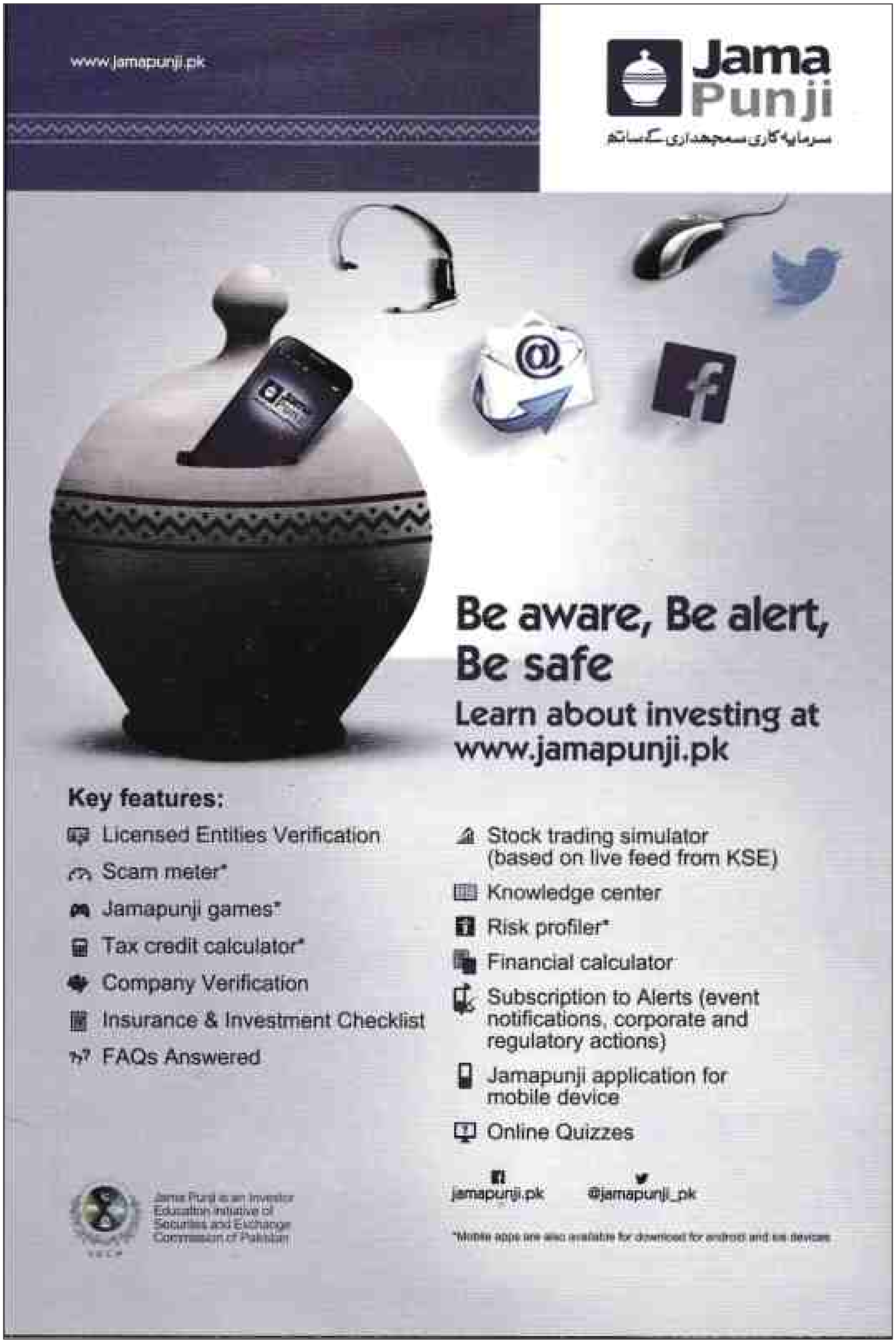
Yours Sincerely

____
Signature of Shareholder
(Please affix Company stamp in case of corporate entity)

Notes:

(i) Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

(ii) This letter must be sent to shareholder's participant/CDC Investor Account Services which maintains his/her CDC account for incorporation of banks account details for credit of cash dividend declared by the Company from time to time.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