

KOHINOOR MILLS LIMITED



**FIRST QUARTERLY REPORT
30 SEPTEMBER 2024**

www.kohinoormills.com

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Rashid Ahmed	Chairman
Mr. Aamir Fayyaz Sheikh	Chief Executive
Mr. Ismail Aamir Fayyaz	Director
Ms. Imrat Aamir Fayyaz	Director
Mrs. Hajra Arham	Director
Mr. Muhammad Anwarul Haq Siddiqui	Director
Mr. Matiuddin Siddiqui	Director (NIT Nominee)

Audit Committee

Mrs. Hajra Arham	Chairperson
Mr. Rashid Ahmed	Member
Mr. Muhammad Anwarul Haq Siddiqui	Member

HR & Remuneration Committee

Mr. Muhammad Anwarul Haq Siddiqui	Chairman
Mr. Rashid Ahmed	Member
Mrs. Hajra Arham	Member

Chief Financial Officer

Mr. Kamran Shahid

Head of Internal Audit

Mr. Waheed Amainat Ali

Legal Advisor

Raja Mohammad Akram & Co.,
Advocate & Legal Consultants, Lahore

Company Secretary

Mr. Muhammad Rizwan Khan

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

Registered Office & Mills

8 K.M. Manga Raiwind Road, District Kasur,
Pakistan.

UAN: (92-42) 111-941-941

Cell Lines: (92-333) 4998801-6

Land Lines: (92-42) 36369340

Fax: (92-42) 36369340 Ext: 444

Email: info@kohinoormills.com

Website: www.kohinoormills.com

Shares Registrar

M/s. Hameed Majeed Associates (Pvt.) Ltd
HM House, 7 Bank Square, Lahore.

Land Lines: (92-42) 37235081 & 82

Fax: (92-42) 37358817

OTHER CORPORATE INFORMATION

- Kohinoor Mills Limited is registered in Pakistan with Securities and Exchange Commission of Pakistan. The Registration Number of the Company is 0017194
- Kohinoor Mills Limited is listed on Pakistan Stock Exchange Limited as a Public Limited Company and its shares are traded under textile composite sector. Shares trading symbol is KML
- The National Tax Number of the Company is 0658184-6
- Financial statements are available on website of the Company i.e., www.kohinoormills.com

DIRECTORS' REVIEW

The Directors of the company are pleased to present the Interim Financial Statements for the quarter ended 30 September 2024.

Operating & Financial Results

During the Quarter ended September 30, 2024, your company earned a gross profit of Rs. 929 million on sales of Rs. 7,020 million, compared to a gross profit of Rs. 1,516 million on sales of Rs. 7,572 million in the corresponding period of the previous financial year. During the period under review, your company recorded a net profit of Rs. 10.8 million (EPS: Re. 0.21 per share), compared to a net profit of Rs. 382.5 million (EPS: Rs. 7.51 per share), in the corresponding period.

Performance Overview

A brief overview of performance of your company for the quarter ended 30 September 2024 is discussed below:

Weaving Division

The Weaving Division has seen a remarkable transformation with the replacement of 258 old looms and the addition of 14 state-of-the-art looms and ancillary equipment in financial year 2023. This demonstrates the management's dedication to innovation and operational excellence. Despite the challenges faced by the weaving industry, the division continues to make progress.

Looking forward, the better economic situation, such as a stable inflation rate and the State Bank of Pakistan's cuts in monetary policy, will alleviate the strain on profit margins. Additionally, we are dedicated to enacting proactive approaches to minimize costs, expand our market presence, and to address these obstacles and boost our profitability in the future.

Dyeing Division

The global retail industry grappled with significant challenges, including persistent inflation, rising operational costs, supply chain disruptions, and intensified e-commerce competition. These factors notably impacted Pakistan's fashion manufacturing sector, which is heavily reliant on exports. Elevated costs for raw materials and energy squeezed profit margins, while ongoing supply chain issues led to delays and increased expenses. Additionally, the global shift towards sustainability required Pakistani manufacturers to invest in eco-friendly practices, adding further financial pressure. The competitive e-commerce landscape also demanded rapid digital transformation, necessitating substantial investment. Together, these challenges strained Pakistan's fashion industry, complicating efforts to maintain its competitive position globally despite its strong textile base.

The Dyeing Division navigated these difficult conditions by maintaining its gross turnover at Rs. 4,501 million, compared to Rs. 4,526 million in the same period last year.

To mitigate the adverse effects of these challenges, the management implemented a comprehensive strategy, focusing on cost management, process innovation, resource optimization, and fostering a culture of continuous improvement. Despite current headwinds, there is optimism that easing inflation and declining interest rates will drive a demand rebound, positively impacting the textile sector in the near future.

Genertek Division

Due to a significant increase in natural gas prices and electricity tariff of national grid, the company is facing ever present challenges to maintain competitive energy costs. These factors have caused a decline in profit margins in current period under review. Despite the hardships, your company is committed to achieve energy efficiency and now more focused on clean, green renewable energy sources.

For steam generation, the rise in natural gas prices also raises the risk of higher in prices for alternate biofuels, the division is prone to availability of seasonal bio fuels which are cheaper and cost effective.

The Company is working to significantly improve the fuel mix by keeping the balance between cheaper and seasonal biofuels. The company is also committed to achieve higher energy efficiency in steam generation to become more sustainable and environmentally friendly.

Future Outlook

The global economy is rebounding from the challenges posed by the pandemic, the Russia-Ukraine conflict, and the escalating conflict in the Middle East, with major trading partners showing signs of economic recovery. Global supply chain disruptions are expected to ease by 2024, setting the stage for improvements in the industrial sector in FY-25. Enhanced business confidence and a stable exchange rate is anticipated to boost domestic production, reduce supply chain distortions, and contribute to price stability.

However, Pakistan's Large-Scale Manufacturing (LSM) sector has encountered significant challenges and undergone key initiatives during the period under review, amidst ongoing domestic reforms and global uncertainties. Political stability, along with decisive macroeconomic policy-making and reforms, will be critical to ensuring economic stabilization. The escalating conflict in the Middle East presents a potential risk of supply chain disruptions, further complicating the external economic landscape.

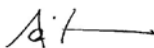
Domestically, the federal budget for 2024-25, has transitioned the exporters from the Final Tax Regime to the Normal Tax Regime, resulting in the imposition of an advance minimum tax of 1% on export proceeds, in addition to the existing 1% tax. This change is poised to further diminish the profitability of a sector that is already facing significant challenges. Furthermore, the budget lacks concrete measures to expedite the processing of refunds for exporters, which will likely exacerbate liquidity constraints within the industry. To promote sustainable growth and manage the trade deficit, the government must prioritize export-oriented sectors by offering competitive energy tariffs and a reliable supply of Re-Gasified Liquefied Natural Gas (RLNG). Despite expectations for tariff relief in FY-25, fiscal constraints have delayed substantial reforms, leaving the local textile industry facing grid power rates that are 100% higher than regional averages, undermining its competitiveness.

Looking ahead, FY-25 presents both challenges and opportunities for Pakistan's textile industry. Inflation is gradually declining in key economies like the US, Europe, and the UK, and interest rate hikes are slowing, signaling a potential improvement in global markets. This, coupled with internal efforts by companies to maintain cost efficiency through optimized capacity utilization and expense rationalization, is expected to support the textile sector's resilience. In this context, your company remains focused on expanding its footprint, improving operational efficiency, and navigating global demand slowdowns. With an encouraging order pipeline and higher capacity levels following modernization, the company is optimistic about delivering growth and generating value for shareholders, even amid uncertain market conditions.

Acknowledgement

The board places on record its profound gratitude for its esteemed shareholders, banks, financial institutions and customers, whose cooperation, continued support and patronage have empowered the company to make progress towards consistent improvement. During the period under review, relations between the management and employees remained cordial and we wish to put on record our appreciation for the dedication, perseverance and steadiness of the employees of the company

For and on behalf of the Board



Aamir Fayyaz Sheikh
Chief Executive

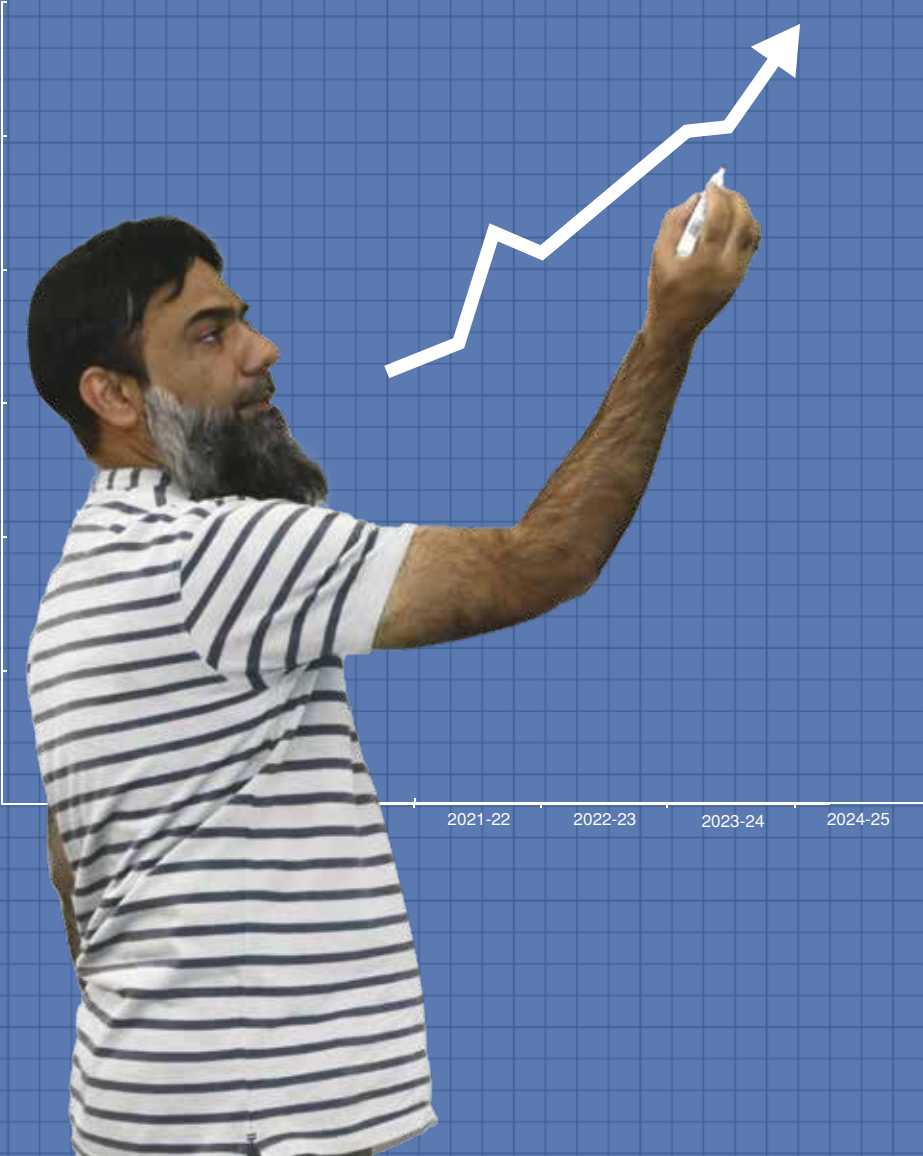


Muhammad Anwarul Haq Siddiqui
Director

Kasur:
October 24, 2024

FINANCIAL STATEMENTS

For the quarter ended 30 September 2024



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	Note	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
220,000,000 (30 June 2024: 220,000,000) ordinary shares of Rupees 10 each		2,200,000,000	2,200,000,000
30,000,000 (30 June 2024: 30,000,000) preference shares of Rupees 10 each		300,000,000	300,000,000
		<u>2,500,000,000</u>	<u>2,500,000,000</u>
Issued, subscribed and paid-up share capital			
50,911,011 (30 June 2024: 50,911,011) ordinary shares of Rupees 10 each		509,110,110	509,110,110
Capital reserves			
Share premium reserve		213,406,310	213,406,310
Fair value reserve		13,222,441	13,222,441
Surplus on revaluation of operating fixed assets - net of tax		4,668,691,032	4,680,440,417
Revenue reserves			
General reserve		788,199,282	788,199,282
Accumulated profit		3,770,289,252	3,747,664,119
Total equity		<u>9,962,918,427</u>	<u>9,952,042,679</u>
LIABILITIES			
Non-current liabilities			
Long term financing - secured	4	1,256,611,322	1,350,555,023
Deferred liabilities		601,893,908	611,020,988
Deferred income - Government grant		121,512,530	130,402,994
		<u>1,980,017,760</u>	<u>2,091,979,005</u>
Current liabilities			
Trade and other payables		6,197,294,147	5,683,338,905
Accrued mark-up		149,972,239	341,781,210
Short term borrowings - secured		5,982,889,948	6,095,500,000
Current portion of non-current liabilities		499,355,606	553,311,106
Provision for taxation and levy payable - net		107,534,244	142,021,630
Unclaimed dividend		8,423,728	8,423,728
		<u>12,945,469,912</u>	<u>12,824,376,579</u>
Total liabilities		<u>14,925,487,672</u>	<u>14,916,355,584</u>
Contingencies and commitments			
	5		
TOTAL EQUITY AND LIABILITIES		<u>24,888,406,099</u>	<u>24,868,398,263</u>

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



AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE



KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

	Note	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
ASSETS			
Non-current assets			
Fixed assets	6	11,667,082,698	11,763,739,019
Intangible asset	7	6,831,312	7,190,857
Investment property		1,981,607	1,981,607
Long term investment		22,380,302	22,380,302
Long term loans		3,563,500	4,698,750
Long term deposits		103,102,047	98,005,598
		<u>11,804,941,466</u>	<u>11,897,996,133</u>
Current assets			
Stores, spares and loose tools		871,204,042	884,924,646
Stock-in-trade		5,637,072,339	5,372,384,556
Trade debts		5,056,599,707	4,988,199,010
Loans and advances		175,985,376	207,695,197
Short term deposits and prepayments		52,162,773	23,617,937
Sales tax recoverable		613,584,241	245,920,913
Other receivables		37,412,377	66,713,979
Short term investments		24,342,671	707,445,355
Cash and bank balances		615,101,107	473,500,537
		<u>13,083,464,633</u>	<u>12,970,402,130</u>
TOTAL ASSETS		<u><u>24,888,406,099</u></u>	<u><u>24,868,398,263</u></u>




MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2024

	Note	30 September 2024 Rupees	30 September 2023 Rupees
REVENUE		7,020,089,367	7,572,530,796
COST OF SALES	8	(6,090,215,389)	(6,056,378,318)
GROSS PROFIT		929,873,978	1,516,152,478
DISTRIBUTION COST		(341,616,223)	(349,906,220)
ADMINISTRATIVE EXPENSES		(168,887,779)	(206,317,854)
OTHER EXPENSES		(11,403,450)	(71,956,199)
		(521,907,452)	(628,180,272)
		407,966,526	887,972,206
OTHER INCOME		42,591,550	49,889,861
PROFIT FROM OPERATIONS		450,558,076	937,862,067
FINANCE COST		(365,214,372)	(474,776,141)
PROFIT BEFORE TAXATION AND LEVY		85,343,704	463,085,926
LEVY		(70,306,732)	(75,737,136)
PROFIT BEFORE TAXATION		15,036,972	387,348,790
TAXATION		(4,161,224)	(4,786,419)
PROFIT AFTER TAXATION		10,875,748	382,562,371
EARNINGS PER SHARE - BASIC AND DILUTED		0.21	7.51

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



AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE



KAMRAN SHAHID
CHIEF FINANCIAL OFFICER




MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2024

	30 September 2024 Rupees	30 September 2023 Rupees
PROFIT AFTER TAXATION	10,875,748	382,562,371
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Fair value adjustment arising on remeasurement of investment at fair value through other comprehensive income	-	-
Deferred income tax relating to this item	-	-
Surplus on revaluation of operating fixed assets	-	-
Deferred income tax relating to this item	-	-
	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period - net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	10,875,748	382,562,371

The annexed notes form an integral part of these financial statements.



AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE



KAMRAN SHAHID
CHIEF FINANCIAL OFFICER



MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2024

	30 September 2024 Rupees	30 September 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	85,343,703	463,085,925
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	130,489,876	125,027,476
Dividend income	(8,237,997)	-
Gain on sale of operating fixed assets	(2,546,728)	(3,616,763)
Amortization of deferred grant	(10,063,089)	(10,059,582)
Adjustment due to impact of IFRS - 9	15,402,316	15,008,347
Finance cost	349,812,056	459,767,793
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE ADJUSTMENT OF WORKING CAPITAL CHANGES	560,200,137	1,036,087,796
(Increase) / decrease in current assets		
Stores, spares and loose tools	13,720,604	(103,026,102)
Stock-in-trade	(264,687,783)	(357,187,640)
Trade debts	(68,400,697)	511,979,725
Loans and advances	31,709,821	(38,890,884)
Short term deposits and prepayments	(28,544,836)	(35,584,788)
Sales tax recoverable	(367,663,328)	134,506,550
Other receivables	29,301,602	495,157
Increase / (decrease) in current liabilities		
Trade and other payables	513,955,242	(331,042,330)
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES	(140,609,375)	(218,750,312)
CASH GENERATED FROM OPERATIONS	419,590,762	817,337,484
Income tax paid - net	(196,264,937)	(75,378,591)
Net increase in long term deposits	(5,096,449)	(10,774,791)
Net decrease in long term loans	1,135,250	848,698
Finance cost paid	(533,432,743)	(516,888,162)
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	(314,068,116)	215,144,638
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(42,898,220)	(140,788,760)
Investments disposed off	683,102,684	206,733,625
Proceeds from sale of operating fixed assets	11,611,393	4,830,509
Dividend received	8,237,997	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	660,053,854	70,775,374
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(91,705,624)	(107,333,344)
Short term borrowings - net	(112,679,544)	(132,346,303)
NET CASH USED IN FINANCING ACTIVITIES	(204,385,168)	(239,679,647)
NET INCREASE IN CASH AND CASH EQUIVALENTS	141,600,570	46,240,365
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	473,500,537	438,713,618
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	615,101,107	484,953,983

The annexed notes form an integral part of this condensed interim financial information.



AMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE



KAMRAN SHAHID
CHIEF FINANCIAL OFFICER



MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2024

	Reserves							TOTAL EQUITY	
	Capital Reserves			Revenue Reserves					
	Share premium reserve	Fair value reserve FVTOCI investment	Surplus on revaluation of operating fixed assets - net of tax	Sub Total	General reserve	Accumulated profit	Sub Total		
RUPEES									
Balance as at 30 June 2023 - (audited)	509,110,110	213,406,310	13,980,230	2,493,164,645	2,720,551,185	788,199,282	3,871,599,693	4,659,798,975	7,889,460,270
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	(12,105,051)	(12,105,051)	-	-	12,105,051	-	-
Profit for the quarter ended 30 September 2023	-	-	-	-	-	-	382,562,371	382,562,371	382,562,371
Other comprehensive income for the quarter ended 30 September 2023	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2023	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2023 - (Un-audited)	509,110,110	213,406,310	13,980,230	2,481,059,594	2,708,446,134	788,199,282	4,266,267,115	5,054,466,397	8,272,022,641
Transaction with owners - Final dividend for the year ended 30 June 2023 @ Rupees 3.00 per share	-	-	-	-	-	-	(152,733,033)	(152,733,033)	(152,733,033)
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	(36,315,156)	(36,315,156)	(36,315,156)	-	36,315,156	36,315,156	36,315,156
Loss for the nine months ended 30 June 2024	-	-	-	-	-	-	(402,185,119)	(402,185,119)	(402,185,119)
Other comprehensive (loss) / income for the nine months ended 30 June 2024	-	(757,789)	2,235,695,979	2,235,695,979	2,234,938,190	-	-	-	-
Total comprehensive income for the nine months ended 30 June 2024	-	(757,789)	2,235,695,979	2,234,938,190	-	-	(402,185,119)	(402,185,119)	1,832,753,071
Balance as at 30 June 2024 - (audited)	509,110,110	213,406,310	13,222,441	4,680,440,417	4,907,069,168	788,199,282	3,747,664,119	4,535,863,401	9,952,042,679
Transferred from surplus on revaluation of operating fixed assets - net of tax	-	-	(11,749,385)	(11,749,385)	(11,749,385)	-	11,749,385	11,749,385	-
Profit for the quarter ended 30 September 2024	-	-	-	-	-	-	10,875,748	10,875,748	10,875,748
Other comprehensive income for the quarter ended 30 September 2024	-	-	-	-	-	-	-	-	-
Total comprehensive income for the quarter ended 30 September 2024	-	-	-	-	-	-	10,875,748	10,875,748	10,875,748
Balance as at 30 September 2024 - (Un-audited)	509,110,110	213,406,310	13,222,441	4,668,691,032	4,895,319,783	788,199,282	3,770,289,252	4,558,488,534	9,962,918,427

The annexed notes form an integral part of this condensed interim financial information.

A. F.

AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE

K. Kamran

KAMRAN SHAHID
CHIEF FINANCIAL OFFICER

M. Anwarul Haq Siddiqui

MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2024

1. THE COMPANY AND ITS OPERATIONS

Kohinoor Mills Limited (“the Company”) is a public limited company incorporated on 21 December 1987 in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 8-K.M., Manga Raiwind Road, District Kasur. The Company is principally engaged in the business of textile manufacturing covering weaving, bleaching, dyeing, buying, selling and otherwise dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber and to generate and supply electricity.

2. BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company’s accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company’s accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
4. LONG TERM FINANCING - SECURED		
Opening balance	1,793,320,514	1,785,962,840
Add: Obtained during the period / year	-	80,082,000
Add: Adjustment due to impact of IFRS - 9 during the period / year	15,402,316	60,674,446
Add: Deferred mark up recognized during the period / year	1,888,949	279,674,945
Less: Repaid during the period / year	91,705,624	413,073,717
	<u>1,718,906,155</u>	<u>1,793,320,514</u>
Less: Current portion shown under current liabilities	462,294,833	442,765,491
	<u>1,256,611,322</u>	<u>1,350,555,023</u>

5. CONTINGENCIES AND COMMITMENTS

5.1 There is no significant change in the status of contingencies as reported in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

5.2 Commitments

- (i) Aggregate commitments for capital and revenue expenditures are amounting to Rupees 0.000 million and Rupees 255.554 million (30 June 2024: Rupees 22.841 million and Rupees 89.678 million) respectively.
- (ii) Post dated cheques issued to suppliers are amounting to Rupees 1,295.524 million (30 June 2024: Rupees 446.683 million).

	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
6. FIXED ASSETS		
Property, plant and equipment		
Operating fixed assets (Note 6.1)	11,412,622,018	11,535,325,319
Capital work-in-progress (Note 6.2)	254,460,680	228,413,700
	<u>11,667,082,698</u>	<u>11,763,739,019</u>
6.1 Operating fixed assets		
Opening net book value	11,535,325,319	8,415,815,628
Add: Revaluation surplus arising on land and building during the period / year	-	2,758,818,650
Add: Cost of additions during the period / year (Note 6.1.1)	16,851,240	876,051,722
	<u>11,552,176,559</u>	<u>12,050,686,000</u>
Less: Book value of deletions during the period / year (Note 6.1.2)	9,064,665	6,281,286
Less: Depreciation charged during the period / year	130,489,876	509,079,395
Closing net book value	<u>11,412,622,018</u>	<u>11,535,325,319</u>

	Un-audited 30 September 2024 Rupees	Audited 30 June 2024 Rupees
6.1.1 Cost of additions		
Factory building	-	517,320,045
Plant and machinery	-	261,156,980
Electric installations	-	28,003,080
Furniture, fixtures and equipment	-	2,951,000
Computers	-	4,578,231
Motor vehicles	16,851,240	62,042,386
	<u>16,851,240</u>	<u>876,051,722</u>
6.1.2 Book value of deletions		
Plant and machinery	9,064,665	897,425
Motor vehicles	-	5,383,861
	<u>9,064,665</u>	<u>6,281,286</u>
6.2 Capital work-in-progress		
Buildings	69,594,081	921,520
Plant and machinery	39,157,317	76,475,496
Electric Installations	129,573,014	124,249,153
Advance against purchase of vehicle	-	16,082,871
Furniture, fixtures and equipment	11,061,005	4,805,489
Stores held for capital expenditures	5,075,263	5,879,171
	<u>254,460,680</u>	<u>228,413,700</u>
7. Intangible asset - computer software has been fully amortized but still in the use of the Company.		
Opening book value	7,190,857	-
Add: Cost of additions during the period / year	-	7,312,736
Less: Amortization charged during the period / year	359,545	121,879
Closing book value	<u>6,831,312</u>	<u>7,190,857</u>

8. COST OF SALES

	Un-audited 30 September 2024 Rupees	Un-audited 30 September 2023 Rupees
Raw material consumed	4,559,162,092	4,742,477,687
Chemicals consumed	441,318,537	452,830,450
Salaries, wages and other benefits	333,152,233	307,915,574
Employee's provident fund contributions	20,086,292	16,726,019
Cloth conversion and processing charges	73,315,156	52,572,220
Fuel, oil and power	754,169,773	640,179,578
Stores, spares and loose tools consumed	104,471,543	114,894,902
Packing materials consumed	39,330,822	45,602,601
Repair and maintenance	20,616,105	37,151,987
Insurance	12,429,272	12,009,091
Other manufacturing expenses	44,515,990	48,232,618
Depreciation on operating fixed assets	122,989,679	118,348,198
	<u>6,525,557,494</u>	<u>6,588,940,925</u>
Work-in-process inventory		
Opening stock	506,883,363	659,146,612
Closing stock	(756,678,468)	(800,908,813)
	<u>(249,795,105)</u>	<u>(141,762,201)</u>
Cost of goods manufactured	<u>6,275,762,389</u>	<u>6,443,178,724</u>
Finished goods inventory		
Opening stock	3,056,904,217	2,945,315,056
Closing stock	(3,242,451,217)	(3,336,115,462)
	<u>(185,547,000)</u>	<u>(390,800,406)</u>
	<u><u>6,090,215,389</u></u>	<u><u>6,056,378,318</u></u>

9. SEGMENT INFORMATION (UN-AUDITED)

9.1 The Company has four reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Weaving	Production of different qualities of greige fabric using yarn.
Dyeing	Processing of greige fabric for production of dyed fabric.
Power Generation	Generation and distribution of power and steam using gas, oil and coal.
Apparel	Production of garments

	Weaving	Dyeing	Power Generation	Apparel	Total-Company
	Rupees	Rupees	Rupees	Rupees	Rupees
9.2 Quarter ended 30 September 2024					
Total sale	4,949,756,528	4,501,657,577	706,515,003	526,575	10,158,455,683
Intersegment sale	(2,348,412,445)	(83,438,868)	(706,515,003)	-	(3,138,366,316)
External sale	2,601,344,083	4,418,218,709	-	526,575	7,020,089,367
Profit / (loss) from operation before taxation and unallocated income / expense	266,607,237	182,154,242	34,309,826	(21,109,778)	461,961,526
Other expenses					(11,403,450)
Profit from operations					450,558,077
Finance cost					(365,214,372)
Taxation					(74,467,956)
Profit after taxation					10,875,748
	Weaving	Dyeing	Power Generation	Apparel	Total-Company
	Rupees	Rupees	Rupees	Rupees	Rupees
Quarter ended 30 September 2023					
Total sale	5,059,730,453	4,526,762,910	605,357,578	-	10,191,850,941
Intersegment sale	(1,814,720,079)	(199,242,488)	(605,357,578)	-	(2,619,320,145)
External sale	3,245,010,374	4,327,520,422	-	-	7,572,530,796
Profit / (loss) from operation before taxation and unallocated income / expense	180,950,041	791,977,815	80,738,721	(43,848,311)	1,009,818,266
Other expenses					(71,956,199)
Profit from operations					937,862,067
Finance cost					(474,776,141)
Taxation					(80,523,555)
Profit after taxation					382,562,371

9.3 There is no material change in segment assets from amount disclosed in preceding audited published annual financial statements.

10. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with related parties. Details of transactions with related parties are as follows:

	Un-audited 30 September 2024 Rupees	Un-audited 30 September 2023 Rupees
Remuneration paid to Chief Executive Officer, Directors and Executives	94,035,936	73,742,811
Contribution to employees' provident fund trust	26,552,969	22,373,592

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

12. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the company proposed a cash dividend for the year ended 30 June 2024 of Rupees Nil per share. (2023: Rs 3.00 per share) on their meeting held on 16 September 2024.

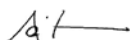
13. AUTHORIZED FOR ISSUE

This condensed interim financial information was authorized for issue on 24 October 2024 by the Board of Directors of the Company.

14. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss account, condensed interim statement of comprehensive income and condensed interim statement of cash flow have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.



AAMIR FAYYAZ SHEIKH
CHIEF EXECUTIVE



KAMRAN SHAHID
CHIEF FINANCIAL OFFICER



MUHAMMAD ANWARUL HAQ SIDDIQUI
DIRECTOR



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