



*Condensed Interim
Financial Statements
for the quarter ended
September 30 2024*

Shahtaj Textile Limited

Shahtaj Textile Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muneer Nawaz Chairman
Mr. Taqi Mohammad Chief Executive
Mr. M. Naeem
Mr. Abid Nawaz
Mr. Aamir Amin (NIT)
Mr. Farooq Hassan
Mr. Syed Nadeem Ali Kazmi
Mr. Toqueer Nawaz
Mrs. Sadia Muhammad
Mr. Muhammad Usman Khalid

COMPANY SECRETARY

Mr. Jamil Ahmad Butt, FCMA

AUDIT COMMITTEE OF THE BOARD

Mr. Aamir Amin Chairman
Mr. Muneer Nawaz Member
Mr. Toqueer Nawaz Member
Mr. Muhammad Usman Khalid Member
Mrs. Sadia Muhammad Member
Mr. Jamil Ahmad Butt, FCMA Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE OF THE BOARD

Mr. Farooq Hassan Chairman
Mr. Muneer Nawaz Member
Mr. M. Naeem Member
Mr. Mohammad Taqi Member
Mr. Abid Nawaz Member
Mr. Jamil Ahmad Butt, FCMA Secretary

AUDITORS

Yousuf Adil.
Chartered Accountants.
Cavish Court, A-35, Block 7 & 8 KCHS,
Shahrah-e-Faisal, Karachi 75350.

BANKS

Bank Alfalah Limited
United Bank Limited
Meezan Bank Ltd.
The Bank of Punjab
MCB Bank Limited
Faysal Bank Limited

LEGAL ADVISOR

Mr. Ras Tariq Chaudhary
30-Mall Mansion
The Mall
Lahore.

HEAD OFFICE

Shahnawaz Building, 19-Dockyard Road,
West Wharf, Karachi-74000
Ph: 32313934-8, 32312834, 32310973
Fax: 32205723, 32310623
Website: www.shahtaj.com

REGISTERED OFFICE

27-C Abdalian Cooperative
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

MARKETING OFFICE

27-C Abdalian Cooperative
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

FACTORY

46 K.M. Lahore/Multan Road
Chunian Industrial Estate
Bhai Pheru, Distt. Kasur, Punjab.
Ph: (049) 4540430-32, 4540133, 4540234
Fax: (049) 4540031

SHARE REGISTRAR

Jwaff's Registrar Services (Pvt.) Ltd.
Suite # 407,408, 4th Floor, Al-Ameera Centre,
Shahrah-e-Iraq, Near Passport Office,
Saddar Karachi.
Tel: 35662023-24 Fax: 35221192

Shahtaj Textile Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS

Directors are pleased to present un-audited Condensed Interim Financial Statements of the Company for the First Quarter ended on September 30, 2024.

By the grace of Allah, in spite of difficult market conditions, your company has managed to remain profitable. The Company has earned an after-tax profit of Rs. 10.419 million with an EPS of Rs 1.08 in comparison to Rs 1.56 reported during the same period last year. Net Sales revenue for the quarter stood at Rs. 1.968 billion as compared to Rs1.942 billion during the same period last year. The GP rate decreased to 8.89% of sales during current period from 9.54% of comparative period. This decrease is mainly the result of significant increase in energy cost.

Distribution cost for the period is higher than previous corresponding period due to significant increase in ocean freight rates. Administration cost for the period also increased due to inflationary effect. Finance cost during the period decreased on account of prudent financial management and reduction in policy rate.

Moving forward, the inflation and interest rates are expected to follow downward trend, thereby adding positivity to the economic growth. However, the Company anticipates that high energy costs will still continue to put pressure on overall profit margins. Further, political stability, controlled law & order situation are pre-requisite to reduce economic uncertainty, inconsistencies in policies, providing increased stability and predictability for businesses, thereby creating a more favourable environment for growth and investment.

Company will continue to do its best to overcome these difficulties.

Board and its Committees

The total number of directors is ten as per the following:

- a) Male: 9
- b) Female: 1

Category	Names
Independent Directors	Mr. Aamir Amin (NIT)
	Mr. Farooq Hassan
	Mr. Syed Nadeem Ali Kazmi
Other Non-Executive Directors	Mr. Muneer Nawaz - Chairman
	Mr. Toqueer Nawaz
	Mr. Muhammad Usman Khalid
	Mr. Abid Nawaz
Female Non-Executive Director	Mrs. Sadia Muhammad
Executive Directors	Mr. Muhammad Naeem
	Mr. Taqi Mohammad-Chief Executive

Shahtaj Textile Limited

The Board has formed committees comprising of members as below:

a) Audit Committee

- Mr. Aamir Amin (Chairman)
- Mr. Muneer Nawaz
- Mr. Toqueer Nawaz
- Mr. Muhammad Usman Khalid
- Mrs. Sadia Muhammad

b) HR and Remuneration Committee

- Mr. Farooq Hassan (Chairman)
- Mr. Muneer Nawaz
- Mr. Muhammad Naeem
- Mr. Taqi Mohammad
- Mr. Abid Nawaz

Appreciation

Directors acknowledge with thanks the hard work put in by all employees of the Company.

for and on behalf of the Board of Directors



(Taqi Mohammad)
Chief Executive



(M. Naeem)
Director

Karachi
October 28, 2024

Shahtaj Textile Limited

ڈائریکٹرز رپورٹ برائے حصہ داران

ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے کمپنی کے غیر آڈٹ شدہ مالیاتی حسابات کی رپورٹ پیش کرتے ہیں۔

الحمد للہ ناموافق کاروباری حالات کے باوجود کمپنی کے مالیاتی نتائج مثبت رہے اور بعد از ٹیکس منافع 10.419 ملین روپے رہا یعنی 1.08 روپے فی حصہ بالمقابل 1.56 روپے فی حصہ جو گزشتہ سال کے اسی دورانیہ میں رپورٹ ہوا تھا۔ اس سہ ماہی کے لیے خالص فروخت کا حجم 1.968 بلین روپے ہے جبکہ گزشتہ سال اسی مدت میں 1.942 بلین روپے تھا۔ موجودہ مدت کے دوران GP کی شرح تقابلی مدت کے 9.54 فیصد سے کم ہو کر 8.89 فیصد ہو گئی جس کی بڑی وجہ بجلی کی قیمت میں نمایاں اضافہ ہے۔

فریٹ کی شرح میں نمایاں اضافے کی وجہ سے اس مدت کے لیے تقسیم کی لاگت گزشتہ اسی مدت سے زیادہ ہے۔ مہنگائی کے اثر کی وجہ سے اس مدت کے لیے انتظامی لاگت میں بھی اضافہ ہوا۔ محتاط مالی انتظام اور پالیسی کی شرح میں کمی کی وجہ سے اس مدت کے دوران مالیاتی لاگت میں کمی واقع ہوئی۔

مستقبل میں توقع ہے کہ افراط زر اور شرح سود میں کمی کے رجحان جاری رہے گا، اس طرح اقتصادی ترقی میں مثبت اضافہ ہوگا۔ تاہم اندازہ ہے کہ مجموعی منافع کے مارجن پر توانائی کی لاگت کی وجہ سے دباؤ رہے گا۔ ترقی اور سرمایہ کاری کے سازگار ماحول کے لئے معاشی غیر یقینی میں کمی، پالیسیوں میں تسلسل، کاروبار میں ترقی اور اعتماد ضروری ہیں اور ان سب کے لئے سیاسی استحکام اور امن عامہ کا برقرار رہنا بنیادی شرائط ہیں۔

مزید بہتری کے لئے کوششیں ہمیشہ کی طرح جاری رہیں گی۔

بورڈ کی ساخت

مجموعی طور پر دس ڈائریکٹرز ہیں جن کی تفصیل درج ذیل ہے:

Shahtaj Textile Limited

(ا) مرد: 9 (ب) خواتین: 1
بورڈ کی ساخت درج ذیل ہے:

نام	اقسام / کیٹگری
جناب عامر امین (این آئی ٹی)	انڈیپنڈینٹ ڈائریکٹر / آزاد ڈائریکٹر
جناب فاروق حسن	
جناب سید ندیم علی کاظمی	
جناب منیر نواز	دیگر غیر انتظامی ڈائریکٹرز
جناب توقیر نواز	
جناب محمد عثمان خالد	
جناب عابد نواز	
محترمہ سعدیہ محمد	
جناب محمد نعیم	خاتون غیر انتظامی ڈائریکٹرز
جناب تقی محمد	
	ایگزیکٹو ڈائریکٹر / انتظامی ڈائریکٹرز

بورڈ نے درج ذیل کمیٹیاں تشکیل دیں جن کے ممبران درج ذیل ہیں:

(الف) آڈٹ کمیٹی

- جناب عامر امین (چیرمین)
- جناب منیر نواز
- جناب توقیر نواز
- جناب محمد عثمان خالد
- محترمہ سعدیہ محمد

(ب) ایچ آر اینڈ ریویریٹیشن کمیٹی

- جناب فاروق حسن (چیرمین)
- جناب منیر نواز
- جناب محمد نعیم
- جناب عابد نواز
- جناب تقی محمد

حوصلہ افزائی

ڈائریکٹرز کمیٹی کے تمام ملازمین کی انتھک محنت کا شکر گزاری کے ساتھ اعتراف کرتے ہیں۔

برائے اور از طرف بورڈ آف ڈائریکٹرز

Naam Textile Limited

(محمد نعیم)

(تقی محمد)

کراچی

ڈائریکٹر

چیف ایگزیکٹو

28 اکتوبر 2024

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT September 30 2024

Un-audited Audited
September 30, June 30,
2024 2024
Note ----- (Rupees in 000) -----

EQUITY AND LIABILITIES

Share capital and reserves

Authorized share capital 10,000,000 ordinary shares of Rs. 10 each	100,000	100,000
Issued, subscribed and paid-up capital	96,600	96,600
Revenue reserves	1,505,427	1,489,820
Surplus on revaluation of plant and machinery	200,634	205,822
Total equity	1,802,661	1,792,242

LIABILITIES

Non-current liabilities

Long-term finance	686,494	714,003
Deferred liabilities	108,198	103,367
	794,692	817,370

Current liabilities

Trade and other payables	976,350	858,972
Unclaimed dividend	40,418	40,418
Interest accrued	41,841	50,215
Short-term borrowings	864,302	749,873
Current portion of long-term finance	141,580	141,580
	2,064,491	1,841,058

Contingencies and Commitments

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Total equity and liabilities	4,661,844	4,450,670
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ASSETS

Non-current assets

Property, plant and equipment	1,822,523	1,862,143
Long-term loans	402	260
Long-term deposits	35,746	34,434
	1,858,671	1,896,837


Current assets

Stores, spares and loose tools	60,681	65,446
Stock-in-trade	1,308,771	1,112,302
Trade debts	1,151,012	1,067,253
Loans and advance	9,452	17,018
Trade deposits and prepayments	10,099	3,105
Prepaid assets	53,961	49,612
Other receivables	8,688	6,818
Short term investment	38,000	38,000
Sales tax refundable	129,207	159,916
Cash and bank balances	33,302	34,363
	2,803,173	2,553,833

Total assets

	4,661,844	4,450,670
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The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer


(M. Naeem)
Director

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

		September 30, 2024	September 30, 2023
	Note	----- (Rupees in 000) -----	
Sales - net	7	1,967,880	1,942,168
Cost of goods sold		(1,793,019)	(1,756,848)
Gross profit		174,861	185,320
Distribution expenses		(35,713)	(26,600)
Administrative expenses		(40,974)	(38,111)
Other operating expenses		(3,540)	(12,035)
Finance cost		(69,923)	(94,343)
		(150,150)	(171,089)
		24,711	14,231
Other income		8,057	9,877
Profit before levies & taxes		32,768	24,108
Levies	9	(22,349)	(22,120)
Profit before taxation		10,419	1,988
Taxation	9	-	13,048
Profit after taxation		10,419	15,036
		----- (Rupees) -----	
Earnings per share - basic and diluted		1.08	1.56

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director


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

	September 30, 2024	September 30, 2023
	----- (Rupees in 000) -----	
Profit after taxation	10,419	15,036
Other comprehensive income		
Deferred tax related to change of rate on surplus on revaluation	-	(953)
Other comprehensive income for the period	-	(953)
Total comprehensive income for the period	10,419	14,083

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

Shahtaj Textile Limited


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	Issued, Subscribed and Paid up Capital	Revenue reserve		Capital reserve	Total
		General	Unappropriated profit	Surplus on revaluation of plant and machinery	
(Rupees in 000)					
Balance as at July 01, 2023	96,600	1,085,000	408,776	197,980	1,788,356
Total comprehensive income for the period ended September 30, 2023					
Profit after taxation	-	-	15,036	-	15,036
Other comprehensive income	-	-	-	(953)	(953)
	-	-	15,036	(953)	14,083
Transferred from surplus on revaluation of plant and machinery on account of: - incremental depreciation net of deferred tax	-	-	4,966	(4,966)	-
Transferred to general reserve	-	50,000	(50,000)	-	-
Balance as at September 30, 2023	<u>96,600</u>	<u>1,135,000</u>	<u>378,778</u>	<u>192,061</u>	<u>1,802,439</u>
Balance as at July 01, 2024	96,600	1,135,000	354,820	205,822	1,792,242
Total comprehensive income for the period ended September 30, 2024					
Profit after taxation	-	-	10,419	-	10,419
Other comprehensive income	-	-	-	-	-
	-	-	10,419	-	10,419
Transferred from surplus on revaluation of plant and machinery on account of: - incremental depreciation net of deferred tax	-	-	5,188	(5,188)	-
Transferred to general reserve	-	15,000	(15,000)	-	-
Balance as at September 30, 2024	<u>96,600</u>	<u>1,150,000</u>	<u>355,427</u>	<u>200,634</u>	<u>1,802,661</u>

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

Shahtaj Textile Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	September 30, 2024	September 30, 2023
----- (Rupees in 000) -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	32,768	24,108
Adjustments for:		
Depreciation	44,410	40,863
Finance cost	69,923	94,343
Provision for leave encashment	1,062	938
Provision for gratuity	8,959	8,334
Operating cash flows before movements in working capital	157,122	168,586
(Increase) / decrease in current assets		
Stores, spares and loose tools	4,765	20,819
Stock-in-trade	(196,468)	(329,827)
Trade debts	(83,758)	59,026
Loans and advances	7,566	(766)
Trade deposits and prepayments	(6,993)	281,293
Other receivables	(1,870)	(6,768)
Sales tax refundable	30,710	(49,495)
Increase / (decrease) in current liabilities		
Trade and other payables	118,827	25,787
Cash (used in) / generated from operations	29,901	168,655
Gratuity paid	(4,128)	(3,433)
Leave encashment paid	(2,513)	(2,305)
Finance cost paid	(78,299)	(85,924)
Income taxes paid	(26,697)	(21,636)
Net cash (used in) / generated from operating activities	(81,736)	55,357
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,790)	(17,117)
Long-term deposit	(1,311)	(158)
Long-term loans	(142)	92
Investment made during the period	-	(287,500)
Net cash used in investing activities	(6,243)	(304,683)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long-term finance	(27,511)	(12,218)
Net cash used in financing activities	(27,511)	(12,218)
Net decrease in cash and cash equivalents	(115,490)	(261,544)
Cash and cash equivalents at the beginning of the period	(715,510)	(777,228)
Cash and cash equivalents at the end of the period	(831,000)	(1,038,772)
Cash and cash equivalents at the end of the period		
Short-term borrowings	(864,302)	(1,060,129)
Cash and bank balances	33,302	21,357
	(831,000)	(1,038,772)

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.


(Taqi Mohammad)
Chief Executive


(Amir Ahmed)
Chief Financial Officer


(M. Naeem)
Director

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

1. STATUS AND NATURE OF BUSINESS

Shahtaj Textile Limited (the Company) is limited by shares, incorporated in Pakistan on January 24, 1990 under the Companies Ordinance, 1984 (now Companies Act, 2017) as a public limited Company. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal business of the Company is manufacture and sale of textile goods.

Head Office

Shahnawaz Building, 19 - Dockyard Road, West Wharf, Karachi, Sindh, Pakistan.

Manufacturing Facility

46 KM, Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru, Distt. Kasur, Punjab, Pakistan.

Registered Office

27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore, Pakistan.

2. STATEMENT OF COMPLIANCE

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 comprises 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.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS-34. These condensed interim financial statements do not include all the information and disclosures which are required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance since the last financial statements of the Company.

2.2 The financial statements have been prepared under the historical cost basis modified by:

- revaluation of certain plant and machinery; and
- obligation under retirement benefit obligation at net present value.
- revaluation of certain plant and machinery; and
- obligation under retirement benefit obligation at net present value.

2.3 These condensed interim financial statements are presented in Pak Rupees which is also the Company's functional currency and figures presented in these condensed interim financial statements have been rounded off to the nearest Thousand.

2.4 These condensed interim financial statements are unaudited. These condensed interim financial statements are submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies and the methods of computation adopted in the preparation of these

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2024.

3.2 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards, which have been published and are mandatory for the accounting period beginning on or after July 01, 2024. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant impact on the accounting policies of the Company and therefore not disclosed in these condensed interim financial statements.

3.3 The preparation of these condensed interim financial statements require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies, the key source of estimation and uncertainty were the same as those that applied to the financial statements of the Company for the year ended June 30, 2024.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2024.

5. CONTINGENCIES AND COMMITMENTS

Contingencies

Contingencies and commitments are not materially changed as disclosed in the note 12 to the annual financial statements for the year ended June 30, 2024.

		(Un-audited) September 30, 2024	(Audited) June 30, 2024
	Note	(Rupees in 000)	
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	1,822,523	1,721,547
Capital work in progress	6.2	-	140,596
		1,822,523	1,862,143

6.1 Details of additions and disposals during the period / year pertaining to operating fixed assets are as under:

Additions during the period / year	(Un-audited) Quarter ended September 30, 2024		(Audited) Year ended June 30, 2024	
	Additions / transfers	Disposals at book value	Additions / transfers	Disposals at book value
	(Rupees in 000)			
Plant and machinery	145,344	-	254,613	1,459
Equipment and installations	-	-	35	76
Computer equipment	42	-	3,919	-
Vehicles	-	-	392	118
	145,386	-	258,959	1,653

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

6.2 Details of additions and transfers from capital work-in-progress during the period / year are as under:

	(Un-audited) Quarter ended September 30, 2024		(Audited) Year ended June 30, 2024	
	Additions	Transfers	Additions	Transfers
Additions during the period / year				
	----- (Rupees in 000) -----			
Plant and machinery	4,748	145,344	391,968	253,891
	<u>4,748</u>	<u>145,344</u>	<u>391,968</u>	<u>253,891</u>

	(Un-audited) Quarter ended	
	September 30, 2023	September 30, 2022
	----- (Rupees in 000) -----	

8. SALES - NET

Export	327,263	327,942
Indirect Export	827,614	734,214
Local	1,126,826	1,183,758
	<u>2,281,703</u>	<u>2,245,914</u>
Waste sales	6,052	6,728
	<u>2,287,755</u>	<u>2,252,642</u>
Commission		
-Export	(12,290)	(8,069)
-Local	(8,527)	(8,807)
Sales tax	(299,058)	(293,598)
	<u>1,967,880</u>	<u>1,942,168</u>

	(Un-audited) Quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in 000) -----	

9 FINANCE COST

Mark-up on:		
Long-term finance	5,431	4,445
Running finance under markup arrangement	28,632	41,076
Musharaka finance	8,127	11,555
Discounting charges	26,820	35,571
Interest on Workers' Profit Participation Fund	192	366
Bank charges and commission	721	1,330
	<u>69,923</u>	<u>94,343</u>

	(Un-audited) Quarter ended	
	September 30, 2024	September 30, 2023
	----- (Rupees in 000) -----	

Note

9. LEVIES & TAXATION

9.1 Levies

Revenue Tax	9.2	22,349	12,618
Final Tax	9.3	-	9,502
		<u>22,349</u>	<u>22,120</u>

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

- 9.2 This represents minimum tax provision under section 113 & 154 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these financial statements as per the requirement of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.
- 9.3 This represents final taxes paid on export sales as per section 154 of the Income Tax Ordinance, 2001, representing levy in line with the requirements of IFRIC 21 / IAS 37 and guide on IAS 12 issued by ICAP.

	(Un-audited) Quarter ended	
	September 30, 2024	September 30, 2023
	------(Rupees in 000)-----	
9.4 Taxation		
Deferred	-	(13,048)

10 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

- 10.1 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.

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values.

10.2 Fair value estimation

The Company discloses the financial instruments measured in the condensed interim statement of financial position at fair value in accordance with the following fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets 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., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1 and 2 during the period.

- 10.3 There are no assets or liabilities to classify under above levels except the Company's plant and machinery which are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of the Company's plant and machinery carried out as at February 28, 2021, were performed by M/s Asif Associates (Private) Limited (valuer), an independent valuer not related to the Company, using depreciated replacement cost method. The valuer is listed on panel of Pakistan Banks Association and they have appropriate qualification and experience in the fair value measurement of properties, plant and machinery Value determined by independent valuer is classified as Level 3 in the fair value hierarchy.

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel of the Company. Transactions with related parties are carried out as per agreed terms. The transaction with related parties during the period generally consist of sales and purchases. Nature and description of related party transactions during the period along with monetary values are as follows:

Shahtaj Textile Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

Nature of relationship	Nature of relationship	Quarter ended (Un-audited)	
		September 30, 2024	September 30, 2023
		----- (Rupees in 000) -----	
Key management personnel		7,530	6,320
Associated undertakings			
- Shahnawaz (Private) Limited	Purchase of computer equipment and supplies	-	41
	Administrative services received	1,326	1,310
	Software development charges	600	600
- Shezan International Limited	Purchase of goods	42	56
Other related party- Close Family Member			
- Lionsmill Trading LLC	Commission on sales	2,083	2,324
		(Un-audited) September 30, 2024	(Audited) June 30, 2024
		----- (Rupees in 000) -----	
Balances due to related parties			
- Shahnawaz (Private) Limited		1,926	3,513
- Shezan International Limited		42	-
- Lionsmill Trading LLC		3,079	996

12. DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial statements were authorized for issue on October 28, 2024 by the Board of Directors of the Company.



(Taqi Mohammad)
Chief Executive



(Amir Ahmed)
Chief Financial Officer



(M. Naeem)
Director

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