

**SUNRAYS TEXTILE MILLS LIMITED**



**QUARTERLY STATEMENT  
(UN-AUDITED)**

**FOR THE FIRST QUARTER  
ENDED SEPTEMBER 30, 2024**

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## **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 REMUNERATION 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**

5<sup>th</sup> 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, AI – 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 Alfalah Limited

Bank Al Habib Limited

### **AUDITORS**

Yousuf Adil

Chartered Accountants

## **DIRECTOR'S REPORT**

The Directors are pleased to present the un-audited condensed interim financial information of the Company for the first quarter ended on Sep 30, 2024. The Comparative figures for the corresponding quarter ended on Sep 30, 2023 have been used for comparison, except in statement of financial position where figures used are for the year ended on Jun 30, 2024.

### **FINANCIAL RESULTS**

Sales for the three-month period ending on September 30, 2024 was Rs. 4,802.593 million against Rs. 4686.932 million for the same period last year, whereas the consolidated net profit after tax was Rs.72.956 million as compared to Rs. 71.33 million in the last corresponding period. The Company has shown satisfactory performance during the three months under review despite various challenges such as higher energy prices and uncertain economic conditions in Pakistan. The following are the financial results of the Company for the three months ended September 30, 2024.

### **FINANCIAL HIGHLIGHTS**

	1st Quarter Ended September 30 (Rs. in Million)	
	2024	2023
Sales – Net	4,802.593	4686.932
Gross Profit	395.634	450.797
Other Income	24.839	35.029
Profit Before Taxation	113.128	110.358
Taxation	(40.172)	(39.027)
Profit After Taxation	72.956	71.331

### **REVIEW OF OPERATIONS**

During the period Rs.126.062 million was invested by the Company in the fixed assets for BMR plan to improve the quality .These investments were financed through retained earning and long term financing.

### **EARNING PER SHARE**

The earnings per share for the first quarter ended September 30, 2024 is Rs.3.52 per share as compared to Rs. 3.45per share over the last corresponding period.

### **FUTURE OUTLOOK**

Pakistan has recently made strides in macroeconomic stabilization, restoring exchange rate flexibility, relaxing import controls, and implementing measures to manage the fiscal deficit. The economy has shown positive signs in the first quarter of 2024-25, with most economic indicators improving. Pakistan remains committed to macroeconomic stability and is positioning itself for sustainable and inclusive growth. Following the successful conclusion of the Stand-by Arrangement with the IMF at the start of FY2024, Pakistan now aims to implement an extended stabilization and home-grown growth program. The State Bank of Pakistan has maintained a tight monetary policy to moderate inflation, which has now fallen to single digits. Industrial production has risen, and key export sectors have shown growth, fostering a positive outlook for exports. The current account deficit has narrowed, with the external account strengthening due to increased exports and remittances, though imports have also risen.

Looking ahead, challenges remain for the textile industry, which continues to struggle with high production costs, particularly energy prices, that reduce its competitiveness. Although a reduction in interest rates has provided some relief, the industry requires regionally competitive energy pricing to compete effectively in export markets alongside countries like India, Bangladesh, and Vietnam.

**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 09  
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 Directors	Ms. Azra Yaqub Vawda Mrs. Fadia Kashif Ms. Mehr-Un-Nisa Kashif

**ENVIRONMENT, HEALTH AND SAFETY.**

Your Company is committed towards protecting a sound climate for everyone by complying with all environmental policies at the production facilities.

**WEB PRESENCE**

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

**ACKNOWLEDGEMENT**

The Directors acknowledge the contribution of each and every employee of the Company. We would like to express our thanks to our customers for the trust they have shown in our products and the bankers for continued support to the Company. We are also grateful to our shareholders for their confidence in our management.

**FOR AND ON BEHALF OF THE BOARD**

**Kashif Riaz**  
CHIEF EXECUTIVE OFFICER  
Karachi  
Dated: October 30, 2024

  
**Director**

# سنریز ٹیکسٹائل ملز لمیٹڈ

ڈائریکٹرز رپورٹ سرمایہ ۳۰ ستمبر ۲۰۲۳

بورڈ آف ڈائریکٹرز اپنی رپورٹ اور اس کے ساتھ پہلی سرمایہ ۳۰ ستمبر ۲۰۲۳ کے مالیاتی گوشوارے (غیر آڈٹ شدہ) بخوشی پیش کرتے ہیں۔ ۳۰ ستمبر ۲۰۲۳ کو ختم ہونے والی اسی سرمایہ کے تقابلی اعداد و شمار کو مقابلے کے لیے استعمال کیا گیا ہے سوائے مالیاتی پوزیشن کے بیان کے جہاں استعمال کیے گئے اعداد و شمار ۳۰ جون ۲۰۲۳ کو ختم ہونے والے سال کے ہیں۔

مالیاتی نتائج:

۳۰ ستمبر ۲۰۲۳ کو ختم ہونے والی تین ماہ کی مدت کے لیے فروختنگی 4802.593 ملین روپے کے مقابلے میں گزشتہ سال اسی مدت کے لیے 4686.932 ملین تھی۔ جبکہ ٹیکس کے بعد مجموعی خالص منافع 72.956 ملین روپے کے مقابلے میں گزشتہ اسی مدت میں 71.337 ملین تھا۔ کمپنی نے پاکستان میں توانائی کی بلند قیمتوں اور غیر یقینی معاشی حالات جیسے مختلف چیلنجوں کے باوجود بر جائزہ تین ماہ کے دوران تسلی بخش کارکردگی دکھائی ہے۔

۳۰ ستمبر ۲۰۲۳ کو ختم ہونے والے تین ماہ کے لیے کمپنی کے مالی نتائج درج ذیل ہیں۔

مالی اور آپریشنل نتائج:

سرمایہ ۳۰ ستمبر		تفصیل
2024	2023	
4,802.593	4686.932	فروختنگی
395.634	450.797	خام منافع
24.839	35.029	دیگر آمدن
113.128	110.358	قبل از ٹیکس منافع
(40.172)	(39.027)	ٹیکس
72.956	71.331	بعد از ٹیکس منافع

آپریشنل تجربہ

دوران مدت 126.062 ملین روپے مقررہ اثاثوں میں سرمایہ کاری کی گئی جو کہ کمپنی کے معیار کو بہتر بنانے کے لیے BMR پلان کا حصہ ہے۔ اس مقصد کی مالی امانت کے لیے برقرار رکھی گئی آمدنی اور طویل مدتی قرضوں کا استعمال کیا گیا۔

فی حصص آمدن:

فی حصص آمدن سرمایہ ۳۰ ستمبر ۲۰۲۳ کو ختم ہونے پر 3.52 روپے ہے، جبکہ پچھلی اسی مدت میں یہ 3.45 روپے تھی۔

مستقبل کی صورت حال:

پاکستان نے حال ہی میں معاشی استحکام، شرح مبادلہ میں چلک کی بحالی، درآمدی کنٹرول میں نرمی اور مالیاتی خسارے کو سنبھالنے کے لیے اقدامات پر عمل درآمد میں پیش رفت کی ہے۔ معیشت 25-2024 کی پہلی سرمایہ میں مثبت اشارے دکھائے ہیں۔ زیادہ تر اقتصادی اشاریوں میں بہتری کے ساتھ پاکستان نیکرو اکنامک استحکام کے لیے پرعزم ہے اور پائیدار اور جامع ترقی کے لیے خود کو کھڑا کر رہا ہے۔ مالی سال 2024 کے آغاز میں آئی ایم ایف کے ساتھ اسٹیڈ بائی آرٹیمینٹ کے کامیاب اختتام کے بعد پاکستان کا مقصد اب توسیعی استحکام اور گھریلو ترقی کے پروگرام کو نافذ کرنا ہے۔

اسٹیٹ بینک آف پاکستان نے افراط زر کو کم کرنے کے لیے سخت مانیٹری پالیسی برقرار رکھی ہے جو اب سنگل ہندسوں کی طرف آ رہی ہے۔ صنعتی پیداوار میں اضافہ ہوا ہے اور اہم درآمدی شعبوں نے نمو ظاہر کی ہے جس سے برآمدات کے لیے مثبت نقطہ نظر کو فروغ دیا گیا ہے۔ برآمدات اور ترسیلات زر میں اضافے کی وجہ سے بیرونی اکاؤنٹ مضبوط ہونے کے ساتھ کرنٹ اکاؤنٹ خسارہ کم ہو گیا ہے حالانکہ درآمدات میں بھی اضافہ ہوا ہے۔ آگے بھی ٹیکسٹائل کی صنعت کے لیے چیلنجز باقی ہیں جو اعلیٰ پیداواری لاگت خاص طور پر توانائی کی قیمتوں کے ساتھ جدوجہد کرتی رہتی ہے جو اس کی مسابقت کو کم کرتی ہے۔ اگرچہ شرح سود میں کمی نے کچھ راحت فراہم کی ہے لیکن صنعت کو ہندوستان، بنگلہ دیش اور ویتنام

جیسے ممالک کے ساتھ برآمدی منڈیوں میں موثر طریقے سے مقابلہ کرنے کے لیے علاقائی سطح پر مسابقتی توانائی کی قیمتوں کی ضرورت ہے۔  
 بورڈ کی تشکیل:-  
 بورڈ کی تشکیل کارپورٹ گورننس کے ضوابط 2019 کے تقاضوں کے مطابق درج ذیل ہے۔  
 ڈائریکٹرز کی کل تعداد:-

الف۔	مرد	8
ب۔	خاتون	3
تفصیل:-		
i۔	آزاد ڈائریکٹرز	3
ii۔	فعال ڈائریکٹرز	1
iii۔	غیر فعال ڈائریکٹرز	7

کیٹیگری	نام
آزاد ڈائریکٹرز	فیصل حفیظ مس عذر ابھتوب فاروق حسن
فعال ڈائریکٹرز	کاشف ریاض
غیر فعال ڈائریکٹرز	میال نوید احمد میال شہزاد احمد میال عمران احمد مسز فادیہ کاشف شاہد یز احمد مس مہر النساء کاشف شیخ شفقت مسعود
خواتین ڈائریکٹرز	مس عذر ابھتوب مسز فادیہ کاشف مس مہر النساء کاشف

ماحولیات، صحت اور حفاظت:

آپ کی کمپنی پیداواری سہولیات پر تمام ماحولیاتی پالیسیوں کی تعمیل کرتے ہوئے ہر ایک کے لئے اچھی آب و ہوا کے تحفظ کے لئے پرعزم ہے۔  
 ویب پر موجود گی:

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

اظہار تشکر:-

ادارے کے ڈائریکٹرز تمام ملازمین کی کوششوں کا اعتراف کرتے ہیں۔ ہم اپنے ان تمام گاہکوں کا شکریہ ادا کرتے ہیں جنہوں نے ہماری مصنوعات پر اعتماد کیا اور وہ تمام بینکرز جنہوں نے تسلسل  
 کے ساتھ ہماری معاونت کی۔ ہم اپنے تمام حصہ داروں کے شکر گزار ہیں جنہوں نے انتظامیہ پر اپنے اعتماد کا اظہار کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے

Shahid  
 کاشف ریاض  
 چیف ایگزیکٹو آفیسر

Shahid  
 ڈائریکٹر

130 اکتوبر 2024

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF  
FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2024**

	Note	Sep. 30 2024	June. 30 2024
		----- Rupees -----	
		(000)	(000)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		7,532,983	7,583,548
Long term investment		190,850	190,850
Long term advances		97,846	86,968
Long term deposits		6,991	6,991
		<b>7,828,670</b>	<b>7,868,357</b>
<b>Current assets</b>			
Stores and spares		240,408	247,706
Stock in trade		2,988,477	2,395,400
Trade debts		4,001,754	3,068,459
Loans and advances		76,946	102,153
Advance income tax		56,605	185,868
Trade deposits		39,787	21,896
Other receivables		14,566	12,870
Other financial assets		531,812	531,794
Sales tax refundable		651,159	773,150
Income tax refundable		123,733	123,733
Cash and bank balances		87,852	83,986
		<b>8,813,100</b>	<b>7,547,016</b>
<b>Total assets</b>		<b>16,641,770</b>	<b>15,415,373</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up capital		207,000	207,000
Share premium		3,600	3,600
Surplus on revaluation of property, plant and equipment		-	-
General reserves		1,520,024	1,536,986
Unappropriated profit		6,112,000	6,112,000
		<b>433,842</b>	<b>343,841</b>
		<b>8,276,466</b>	<b>8,203,427</b>
<b>Non-current liabilities</b>			
Long term financing		2,619,171	2,707,707
Deferred taxation		352,535	369,174
Deferred liabilities		121,767	115,515
		<b>3,093,474</b>	<b>3,192,396</b>
<b>Current liabilities</b>			
Trade and other payables		917,736	976,285
Accrued markup		168,607	175,789
Short term borrowings		3,673,930	2,285,390
Current portion of long term financing		282,645	223,945
Unclaimed dividend		22,523	22,523
Provision for taxation		206,389	335,618
		<b>5,271,830</b>	<b>4,019,550</b>
Contingencies and commitments			
<b>Total equity and liabilities</b>		<b>16,641,770</b>	<b>15,415,373</b>

The annexed notes from 1 to 8 form an integral part of these financial statements.

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF  
PROFIT OR LOSS (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	<i>Note</i>	Sep. 30 2024	Sep. 30 2023
		----- Rupees ----- (000)	(000)
Sales-net		4,802,593	4,686,932
Cost of sales	6	(4,406,959)	(4,236,135)
Gross profit		395,634	450,797
Distribution cost		(35,758)	(55,152)
Administrative expenses		(73,079)	(69,649)
Other expenses		(8,508)	(5,788)
Finance cost		(189,573)	(244,727)
Other income		24,323	34,492
		(282,595)	(340,824)
Profit before taxation		113,039	109,973
Final Taxes		(3,002)	(25,636)
		110,037	84,337
Revenue taxes		(35,040)	(12,827)
		74,997	71,510
Income tax		(1,958)	(553)
Profit for the period		73,039	70,957
<i>Earnings per share - basic and diluted</i>		3.53	3.43

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	<b>Sep. 30 2024</b>	<b>Sep. 30 2023</b>
<i>Note</i>	<i>Rupees</i>	
	(000)	(000)
Profit for the year	73,039	70,957
<b>Other comprehensive income - net of tax</b>		
Remeasurement of defined benefit obligation - gratuity	-	-
Related deferred tax	-	-
<b>Total comprehensive income for the year</b>	<b>73,039</b>	<b>70,957</b>

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY ( UNAUDITED )  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**


	Capital reserve		Surplus on revaluation of fixed assets	Revenue reserves		Total
	Share premium	Capital reserve		General reserve	Unappropriated profit	
<b>Balance as at June 30, 2023</b>	3,600	-	1,983,350	612,000	5,543,302	8,349,252
<b>Comprehensive income for the year</b>	-	-	-	-	177,194	177,194
Profit for the year	-	-	(334,175)	-	11,156	(323,019)
Other comprehensive loss	-	-	(334,175)	-	188,350	(145,825)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-
Transfer from unappropriated to capital reserve	-	2,500,000	-	3,000,000	(2,500,000)	-
Transfer from unappropriated to revenue reserve	-	-	-	-	(3,000,000)	-
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	(112,189)	-	112,189	-
<b>Balance as at June 30, 2024</b>	3,600	2,500,000	1,536,986	3,612,000	343,841	8,203,427
<b>Comprehensive income for the year</b>	-	-	-	-	73,039	73,039
Profit for the year	-	-	-	-	-	-
Other comprehensive loss	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	73,039	73,039
<b>Transactions with owners</b>	-	-	-	-	-	-

Transferred to unappropriated profit on account of incremental depreciation on surplus on revaluation of property, plant and equipment - net of deferred tax

<b>Balance as at Sep 30, 2024</b>	3,600	2,500,000	1,520,024	3,612,000	433,842	8,276,466
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Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF  
CASH FLOWS (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	<b>Sep. 30 2024</b>	<b>Sep. 30 2023</b>
	<i>Rupees</i>	
	(000)	(000)
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	113,039	109,973
Adjustments for:		
Depreciation on property, plant and equipment	165,749	121,478
Unrealized loss/gain) on re-measurement of other financial assets-net	(11,533)	(28,041)
Realized gain on disposal of other financial assets-net	(230)	-
Provision for staff retirement benefits - gratuity	7,433	4,546
Finance cost	189,573	244,727
Operating cash flows before changes in working capital	350,992	342,711
<b>Changes in working capital</b>		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	7,298	(35,651)
Stock in trade	(593,077)	(1,730,596)
Trade debts	(933,295)	(1,101,386)
Loans and advances (excluding advance income tax )	25,207	4,073
Trade deposits and short term prepayments	(17,890.2)	(8,139.6)
Other receivables	(1,697)	(14,103)
Sales tax refundable	121,990	(356,583)
Income tax refundable	-	-
<i>Increase in current liabilities</i>	-	-
Trade and other payables	(58,550)	601,557
	(1,450,013)	(2,640,829)
Cash (used in) operations	(985,982)	(2,188,145)
Finance cost paid	(196,754)	(159,172)
Staff retirement benefits - gratuity paid	(1,180)	-
Income taxes paid/adjusted	(56,605)	(37,739)
<b>Net cash (used in) operating activities</b>	(1,240,521)	(2,385,056)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(126,062)	(334,643)
Payment for purchase of short term investments	(18)	(2,380)
Proceeds from disposal of short term investments	11,763	-
<b>Net cash generated from / (used in) investing activities</b>	(114,318)	(337,023)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term financing	-	222,795
Repayment long term financing	(29,836)	(33,536)
Short term borrowings - net	1,388,540	2,621,178
Dividends paid	-	(106)
<b>Net cash generated from financing activities</b>	1,358,704	2,810,331
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,866	88,252
Cash and cash equivalents at beginning of the year	83,986	50,403
<b>Cash and cash equivalents at end of the year</b>	87,852	138,655

The annexed notes from 1 to 8 form an integral part of these financial statements.

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENT (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

**1. LEGAL STATUS AND OPERATIONS**

**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 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 n. 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 Marals.

**1.2** These interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of compliance**

These interim financial statements of the Company 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. These interim financial statements are un-audited but subject to limited scope review by auditors and are being submitted to the shareholders as required under Section 237 of the Act.

**2.2** These interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2024. Comparative condensed interim statement of financial position has been extracted from annual audited financial statements for the year ended June 30, 2023 whereas comparative condensed statement profit or loss and condensed interim statement of other comprehensive income, comparative condensed interim statement of changes in equity and comparative condensed interim statement of cash flows has been extracted from un-audited interim financial statements for the three month period ended September 30, 2023

**2.3 Changes in accounting standards, interpretations and amendments**

**2.3.1 Standards, interpretations & amendments to published approved accounting standards that are effective and relevant**

The Securities and Exchange Commission of Pakistan (SECP) has adopted new IFRS - 16 "Leases". Impact of this IFRS Standard on these interim financial statements are explained in note 2.4.

There are other new standards, amendments to standards and interpretations that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2020 but are considered not to be relevant or not to have any significant effect on the Company's operations and are, therefore, not disclosed in these interim financial statements.


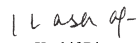

**2.3.2**

**Standards, interpretations & amendments to published approved accounting standards that are not yet effective**

There are certain new standards, amendments to standards and interpretations that will become effective in future accounting periods but are considered not to be relevant or not to have any significant effect on Company's operations and are, therefore, not disclosed in these interim financial statements.

**2.4 Accounting policies and methods of computation**

The accounting policies and methods of computation followed in the preparation of these interim financial statements are the same as those applied in the preparation of the published audited financial statements for the year ended June 30, 2024

	Sep 30, 2024 Rupees (000)	Sep 30, 2023 Rupees (000)
<b>3- CONTINGENCIES AND COMMITMENTS</b>		
<b>CONTINGENCIES</b>		
Bank/financial institution/insurance guarantees	1,137,615	285,394
<b>COMMITMENTS</b>		
Under letters of credit	3,003,125	198,132
<b>4- AGGREGATE TRANSACTION WITH ASSOCIATED UNDERTAKING</b>		
Sales of goods and services	34,627	40,391
Purchase of goods and services	256,164	269,306
4.1 These transaction have been carried out on the commercial terms and conditions.		
<b>5- ACQUISITION OF PROPERTY PLANT AND MACHINERY</b>		
Acquisition	126,062	334,643
<b>6- COST OF GOODS SOLD</b>		
Raw Material	3,576,920	3,167,670
Stores and Spares	74,955	50,322
Packing material	61,728	43,808
Salaries ,wages and benefits & Doubling Charges	195,524	130,760
Power and fuel	348,983	357,259
Insurance	6,000	3,000
Repair and maintenance	5,704	11,587
Depreciation	156,024	116,869
Others	1,634	1,204
Work in process	<b>4,427,474</b>	<b>3,882,478</b>
Opening stock	109,974	79,556
Closing stock	(121,879)	(128,154)
	(11,905)	(48,598)
Cost of goods manufactured	<b>4,415,569</b>	<b>3,833,880</b>
Purchase of yarn	19,556	318,803
Finished Goods		
Opening stock	270,852	510,155
Closing stock	(299,018)	(426,703)
	(28,166)	83,452
	<b>4,406,959</b>	<b>4,236,135</b>
<b>7- These financial statements were authorised for issue by the Board of Directors of the company on October 30, 2024</b>		
<b>8- Figures have been rounded off to the nearest thousand rupee.</b>		
 Shabbir Kausar Chief Financial Officer	 Kashif Riaz Chief Executive Officer	 Mian Imran Ahmed Chairman

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2024**

	Note	Sep. 30 2024	June. 30 2024
		----- Rupees -----	
		(000)	(000)
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment		7,726,919	7,778,150
Long term advances		97,846	86,968
Long term deposits		7,011	7,011
		<b>7,831,776</b>	7,872,129
Current assets			
Stores and spares		240,408	247,706
Stock in trade		2,988,477	2,395,400
Trade debts		4,001,754	3,068,459
Loans and advances		76,946	102,153
Advance income tax		56,605	185,868
Trade deposits		39,787	21,896
Other receivables		14,566	12,870
Other financial assets		535,056	534,610
Sales tax refundable		651,159	773,150
Income tax refundable		123,733	123,733
Cash and bank balances		87,946	84,006
		<b>8,816,438</b>	7,549,851
<b>Total assets</b>		<b>16,648,214</b>	<b>15,421,981</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital and reserves			
Issued, subscribed and paid-up capital		207,000	207,000
Share premium		3,600	3,600
Surplus on revaluation of property, plant and equipment		1,517,425	1,534,704
General reserves		6,112,000	6,112,000
Unappropriated profit		441,968	351,733
		<b>8,281,993</b>	8,209,037
Non-current liabilities			
Long term financing		2,619,171	2,707,707
Deferred taxation		353,164	369,753
Deferred liabilities		121,767	115,515
		<b>3,094,103</b>	3,192,975
Current liabilities			
Trade and other payables		917,858	976,657
Accrued markup		168,607	175,789
Short term borrowings		3,673,930	2,285,390
Current portion of long term financing		282,645	223,945
Unclaimed dividend		22,523	22,523
Provision for taxation		206,555	335,665
		<b>5,272,118</b>	4,019,969
Contingencies and commitments			
		-	
<b>Total equity and liabilities</b>		<b>16,648,214</b>	<b>15,421,981</b>

The annexed notes from 1 to 11 form an integral part of these financial statements.

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
PROFIT OR LOSS (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	Sep. 30 2024	Sep. 30 2023
<i>Note</i>	----- Rupees -----	
	(000)	(000)
Sales-net	4,802,593	4,686,932
Cost of sales	9 (4,406,959)	(4,236,135)
Gross profit	395,634	450,797
Distribution cost	(35,758)	(55,152)
Administrative expenses	(73,506)	(69,801)
Other expenses	(8,508)	(5,788)
Finance cost	(189,573)	(244,727)
Other income	24,839	35,029
	(282,506)	(340,439)
Profit before taxation	113,128	110,358
Final Taxes	(3,002)	(25,636)
	110,126	84,722
Revenue taxes	(35,181)	(12,381)
	74,945	72,341
Income tax	(1,989)	(1,010)
Profit for the period	72,956	71,331
<i>Earnings per share - basic and diluted</i>	3.52	3.45

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman



**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	Sep. 30 2024	Sep. 30 2023
<i>Note</i>	----- Rupees ----- (000)	----- (000)
Profit for the year	72,956	71,331
<b>Other comprehensive income - net of tax</b>		
Remeasurement of defined benefit obligation - gratuity	-	-
Related deferred tax	-	-
Adjustment of deferred tax relating to surplus on revaluation of operating fixed assets due to change in tax rate	142	-
<b>Total comprehensive income for the year</b>	<b>73,098</b>	<b>71,331</b>

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY ( UNAUDITED )  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	Share capital	Capital reserve		Surplus on revaluation of fixed assets	Revenue reserves		Total
		Share premium	Capital reserve		General reserve	Unappropriated profit	
<b>Balance as at June 30, 2023</b>	207,000	3,600	-	1,981,809	612,000	5,550,500	8,354,909
<b>Comprehensive income for the year</b>	-	-	-	-	-	177,139	177,139
Profit for the year	-	-	-	(334,175)	-	11,164	(323,011)
Other comprehensive loss	-	-	-	(334,175)	-	188,303	(145,872)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	188,303	188,303
Transfer from unappropriated to capital reserve	-	-	2,500,000	-	3,000,000	(2,500,000)	-
Transfer from unappropriated to revenue reserve	-	-	-	-	-	(3,000,000)	-
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	-	(112,929)	-	112,929	-
<b>Balance as at June 30, 2024</b>	207,000	3,600	2,500,000	1,534,705	3,612,000	351,732	8,209,037
<b>Comprehensive income for the year</b>	-	-	-	-	-	72,956	72,956
Profit for the year	-	-	-	(142)	-	142	-
Other comprehensive loss	-	-	-	(142)	-	73,098	72,956
<b>Total comprehensive income for the year</b>	-	-	-	(142)	-	73,098	72,956
<b>Transactions with owners</b>	-	-	-	-	-	-	-


Transferred to unappropriated profit on account of incremental depreciation on surplus on revaluation of property, plant and equipment

**Balance as at Sep 30, 2024**

	-	-	-	(17,138)	-	17,138	-
<b>207,000</b>	<b>3,600</b>	<b>2,500,000</b>	<b>1,517,425</b>	<b>3,612,000</b>	<b>441,968</b>	<b>8,281,993</b>	<b>-</b>

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

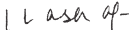
  
Mian Imran Ahmed  
Chairman

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF  
CASH FLOWS (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

	<b>Sep. 30 2024</b>	<b>Sep. 30 2023</b>
	<i>Rupees</i>	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(000)</b>	<b>(000)</b>
Profit before taxation	113,128	110,358
Adjustments for:		
Depreciation on property, plant and equipment	165,972	121,478
Unrealized loss/(gain) on re-measurement of other financial assets-net	(11,391)	(28,041)
Realized gain on disposal of other financial assets-net	(230)	-
Provision for staff retirement benefits - gratuity	7,433	4,546
Finance cost	189,573	244,727
Operating cash flows before changes in working capital	351,357	342,711
<b>Changes in working capital</b>		
<i>(Increase) / decrease in current assets</i>		
Stores and spares	7,298	(35,651)
Stock in trade	(593,077)	(1,730,596)
Trade debts	(933,295)	(1,101,386)
Loans and advances (excluding advance income tax )	24,779	3,854
Trade deposits and short term prepayments	(17,890)	(8,140)
Other receivables	(1,697)	(14,103)
Sales tax refundable	121,990	(356,583)
Income tax refundable	-	-
<i>Increase in current liabilities</i>		
Trade and other payables	(58,500)	601,664
	(1,450,391)	(2,640,941)
Cash (used in) operations	(985,906)	(2,187,872)
Finance cost paid	(196,754)	(159,172)
Staff retirement benefits - gratuity paid	(1,180)	-
Income taxes paid/adjusted	(56,607)	(37,782)
<b>Net cash (used in) operating activities</b>	(1,240,447)	(2,384,826)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
Additions to property, plant and equipment	(126,062)	(334,643)
Payment for purchase of short term investments	(18)	(2,380)
Proceeds from disposal of short term investments	11,763	-
<b>Net cash generated from / (used in) investing activities</b>	(114,318)	(337,023)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term financing	-	222,795
Repayment long term financing	(29,836)	(33,536)
Short term borrowings - net	1,388,540	2,621,178
Dividends paid	-	(106)
<b>Net cash generated from financing activities</b>	1,358,704	2,810,331
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3,940	88,482
Cash and cash equivalents at beginning of the year	84,006	50,482
<b>Cash and cash equivalents at end of the year</b>	87,946	138,964

The annexed notes from 1 to 11 form an integral part of these financial statements.

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENT (UNAUDITED)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024**

- 1. THE GROUP AND ITS OPERATIONS**

The Group consists of Sunrays Textile Mills Limited (the Holding Company) and its subsidiary namely Embee Industries (Private) Limited. 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.
- 1.2 Embee Industries (Private) Limited**

Embee Industries (Private) Limited (the company) 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.
- 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

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

### **3. STATEMENT OF COMPLIANCE**

**3.1** These consolidated 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

- International accounting standards ( 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.

### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES**

**4.1** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires 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. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The accounting policies, underlying estimates and methods of computations adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited consolidated financial statements of

**4.2** The financial risk management policies and objectives adopted by the Group are consistent with those disclosed in the Group's annual audited consolidated financial statements for the year ended June 30, 2024.

### **5. BASIS OF PREPARATION**

**5.1** These consolidated condensed interim financial statements has been prepared under the historical cost convention modified by: -

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

**5.2** These consolidated condensed interim financial statements does not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended June 30, 2024.

**5.3** These consolidated condensed interim financial statements is presented in Pakistani Rupees which is also the Group's functional currency.

**5.4** The comparative consolidated statement of financial position presented has been extracted from annual consolidated audited financial statements for the year ended June 30, 2024, whereas comparative consolidated condensed interim statement of profit and loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity presented in these consolidated condensed interim financial statements have been extracted from the unaudited consolidated condensed interim financial statement for the three months period ended September 30, 2024

	<b>Sep 30, 2024 Rupees (000)</b>	<b>Sep 30, 2023 Rupees (000)</b>
<b>6- CONTINGENCIES AND COMMITMENTS</b>		
<b>CONTINGENCIES</b>		
Bank/financial institution/insurance guarantees	1,137,615	285,394
<b>COMMITMENTS</b>		
Under letters of credit	3,003,125	198,132
<b>7- AGGREGATE TRANSACTION WITH ASSOCIATED UNDERTAKING</b>		
Sales of goods and services	34,627	40,391
Purchase of goods and services	256,164	269,306
4.1 These transaction have been carried out on the commercial terms and conditions.		
<b>8- ACQUISITION OF PROPERTY PLANT AND MACHINERY</b>		
Acquisition	126,062	334,643
<b>9- COST OF GOODS SOLD</b>		
Raw Material	3,576,920	3,167,670
Stores and Spares	74,955	50,322
Packing material	61,728	43,808
Salaries ,wages and benefits & Doubling Charges	195,524	130,760
Power and fuel	348,983	357,259
Insurance	6,000	3,000
Repair and maintenance	5,704	11,587
Depreciation	156,024	116,869
Others	1,634	1,204
	<b>4,427,474</b>	<b>3,882,478</b>
Work in process		
Opening stock	109,974	79,556
Closing stock	(121,879)	(128,154)
	<u>(11,905)</u>	<u>(48,598)</u>
Cost of goods manufactured	<b>4,415,569</b>	<b>3,833,880</b>
Purchase of yarn	19,556	318,803
Finished Goods		
Opening stock	270,852	510,155
Closing stock	(299,018)	(426,703)
	<u>(28,166)</u>	<u>83,452</u>
	<b><u>4,406,959</u></b>	<b><u>4,236,135</u></b>

**10-** These financial statements were authorised for issue by the Board of Directors of the company on October 30, 2024

**11-** Figures have been rounded off to the nearest thousand rupee.

  
Shabbir Kausar  
Chief Financial Officer

  
Kashif Riaz  
Chief Executive Officer

  
Mian Imran Ahmed  
Chairman