

International Knitwear Limited



**FIRST QUARTER REPORT  
SEPTEMBER 2024**



## International Knitwear Limited

### COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Waseem Shafi Mr. Javed Khan Mr. Abdullah Ahsan Saleem Ms. Saleha Majid Mr. Muhammad Shafi	Chairman Chief Executive
<b>CHIEF FINANCIAL OFFICER &amp; COMPANY SECRETARY</b>	Mr. Javed Khan	
<b>AUDIT COMMITTEE</b>	Mr. Abdullah Ahsan Saleem Mr. Khalid Jamil Siddiqi Ms. Saleha Majid	Chairman
<b>HR &amp; REMUNERATION COMMITTEE</b>	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Javed Khan	Chairman
<b>AUDITORS</b>	RSM Avais Hyder Liaquat Nauman Chartered Accountants	
<b>LEGAL ADVISOR</b>	Ali Associates	
<b>BANKERS</b>	Bank Al Habib Limited Habib Bank Limited Bank Alfalah Dubai Islamic Bank Faysal Bank Limited	
<b>REGISTERED OFFICE &amp; FACTORY</b>	F-2A/(L), S.I.T.E., Karachi-75730	
<b>REGISTRAR</b>	CDC Registrar Services Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400	
<b>WEBSITE</b>	<a href="http://www.internationalknitwear.com">www.internationalknitwear.com</a>	



# International Knitwear Limited

## Directors' Report

The Board of Directors of International Knitwear Limited (INKL) is pleased to present the unaudited financial statements of the Company for the three-month period ending September 30, 2024.

FINANCIAL PERFORMANCE	1 <sup>st</sup> Quarter ended September 30,	
	2024	2023
Net Sales	341,898,578	240,337,595
Cost of goods sold	(318,260,981)	(193,241,505)
Gross profit	23,637,597	47,096,090
Profit before taxation	9,679,496	23,847,946
Profit after taxation	6,872,442	19,812,080
Earnings per share	0.71	2.05

### PROFIT AND LOSS ANALYSIS

During the period under review, the net sales of the Company amounted to Rs. 341.89 million as compared to Rs. 240.33 million in the comparative period an increase of Rs. 101.56 million. As a result, the Company recorded a gross profit of Rs. 23.63 million during the period under review against Rs. 47.09 million as compared to the same period last year. Earnings per share (EPS) for the period were Rs.0.71 compared to Rs. 2.05 for the corresponding period.

### REVIEW OF OPERATION

The company's net turnover grew from Rs. 240.33 million to Rs. 341.89 million compared to the previous year. A substantial portion of manufacturing costs is comprised of raw materials, wages, and power expenses, which the management continually monitors for cost efficiency. Gross margins declined from 19.59% to 6.91%, largely due to increased prices for raw materials, higher power costs (driven by elevated gas tariffs and electricity rates), and additional conversion costs. To uphold our commitment to our export buyer, we had to ship their order by air during this period, resulting in a significant cost of Rs. 14.10 million, which adversely impacted our profit margin.

Administrative expenses remained consistent with the previous year's levels. Despite these challenges, the Company successfully raised its overall sales value and volume, with growth across both Export and Local sales segments. However, net profit margins declined compared to the same period last year due to the aforesaid reasons.

### FUTURE OUTLOOK

The Company faces significant pressure from the global economic slowdown and high production costs, resulting in intense competition in the international and local markets. However, the recent monetary easing by the State Bank of Pakistan is expected to help to ease cost pressures. In response to the current economic environment, the Company's management has proactively worked to reduce controllable costs, particularly by focusing on more affordable electricity generation options with minimal financial impact. In line with this, a 100 kW solar project has been commissioned, with plans to further expand its capacity.

Management remains optimistic about achieving sustainable profitability in this competitive landscape, supported by the Company's diversified business operations. Moving forward, we are committed to enhancing operational efficiency and innovation to ensure sustainable returns for our shareholders.

### ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the efforts made by the workers and staff of the Company for their deep devotion to work. Your Directors would also like to express their thanks to the Shareholders and Financial Institutions for their support and assistance.

For and on behalf of the Board

NAEEM SHAFI  
Chief Executive Officer

JAVED KHAN  
Director & Chief Financial Officer

Karachi: October 30, 2024



# International Knitwear Limited

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

		(Un-Audited) SEPTEMBER 2024	(Audited) JUNE 2024
	Note	Rupees	Rupees
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	71,591,030	73,514,794
Long term deposits		1,500,000	1,500,000
Loan and advances	8	1,055,500	861,000
Long term investments	5	33,327,182	28,025,260
		107,473,712	103,901,054
<b>Current Assets</b>			
Stock in trade	6	153,538,018	243,547,295
Short term investments	5	35,124,447	32,485,208
Trade debts - considered good	7	95,200,047	53,207,686
Short term loans and advances	8	13,273,343	6,306,459
Other receivables	9	29,003,834	25,279,007
Taxation - net		15,355,788	14,609,852
Cash and bank balances	10	6,617,271	3,272,247
		348,112,749	378,707,754
<b>TOTAL ASSETS</b>		<b>455,586,461</b>	<b>482,608,807</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised Capital</b>			
20,000,000 Ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed & paid-up capital	11	96,750,000	96,750,000
<b>Revenue Reserves</b>			
Unappropriated profit		68,276,735	61,404,293
		165,026,735	158,154,293
<b>Capital Reserves</b>			
Unrealized (loss) / gain on revaluation of investments - FVTOCI		14,459,490	9,157,568
		179,486,225	167,311,861
<b>Non-Current Liabilities</b>			
<b>Current Liabilities</b>			
Short term finance under mark-up arrangement - Secured	13	72,515,002	142,299,171
Creditors, accrued and other liabilities	14	201,261,576	170,699,762
Unclaimed dividend		2,323,657	2,298,013
		276,100,236	315,296,946
<b>Contingencies and Commitments</b>			
	15	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>455,586,461</b>	<b>482,608,807</b>

The annexed notes 1 to 18 form an integral part of these financial statements.

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO



## International Knitwear Limited

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

		30-Sep-24 Rupees	30-Sep-23 Rupees
Net sales	Note	341,898,578	240,337,595
Cost of goods sold		(318,260,981)	(193,241,505)
<b>Gross profit</b>		<b>23,637,597</b>	<b>47,096,090</b>
Administrative and selling expenses		(9,224,380)	(9,867,958)
<b>Operating profit</b>		<b>14,413,217</b>	<b>37,228,132</b>
Other income	12	484,413	(2,229,366)
Unrealized (loss) on revaluation of investments through P&L		2,139,195	65,422
		2,623,608	(2,163,944)
		<b>17,036,825</b>	<b>35,064,188</b>
Finance cost		(6,639,945)	(9,448,778)
Other charges		(717,385)	(1,767,463)
		(7,357,330)	(11,216,241)
<b>Profit before income taxes and final taxes</b>		<b>9,679,496</b>	<b>23,847,947</b>
Taxation - Final taxes		-	-
<b>Profit before income tax</b>		<b>9,679,496</b>	<b>23,847,947</b>
<b>Taxation - Income tax</b>			
Current - for the year		(2,807,054)	(4,035,867)
Deferred Tax		-	-
		(2,807,054)	(4,035,867)
<b>Profit after taxation</b>		<b>6,872,442</b>	<b>19,812,080</b>
Earnings per share - basic and diluted		0.71	2.05

The annexed notes 1 to 18 form an integral part of these financial statements.

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO



## International Knitwear Limited

### CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	30-Sep-24 Rupees	30-Sep-23 Rupees
Profit after taxation for the period	6,872,442	19,812,080
<b>Other comprehensive loss</b>		
<b>Items that will not be subsequently reclassified to statement of profit or loss</b>		
Unrealised loss on remeasurement of investments classified as FVTOCI	5,301,922	(361,997)
Reclassification of OCI component on disposal of FVTOCI investment directly into equity	-	-
	5,301,922	(361,997)
<b>Total comprehensive Income for the period</b>	<b>12,174,364</b>	<b>19,450,083</b>

*The annexed notes 1 to 18 form an integral part of these financial statements.*

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO



## International Knitwear Limited

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

	Reserves		Total	
	Capital Reserve	Revenue Reserve		
	Issued, Subscribed and Paid up Share Capital	Unrealized gain / (loss) on revaluation of investments	Unappropriated profit	
	Rupees			
Balance as at July 01, 2023	96,750,000	1,521,192	60,035,753	158,306,945
<b>Total comprehensive income:</b>				
Net profit for the year ended June 30, 2024	-	-	11,043,540	11,043,540
Reclassification on disposal of FVTOCI directly into equity	-	7,634,203	-	7,634,203
Fair value adjustment on investment classified as FVTOCI	-	2,173	-	2,173
Unrealized loss realized and transfer of FVTOCI	-	-	-	-
<b>Transaction with owners:</b>				
10% cash dividend paid for the year ended June 30, 2023	-	-	(9,675,000)	(9,675,000)
<b>Balance as at June 30, 2024</b>	<b>96,750,000</b>	<b>9,157,568</b>	<b>61,404,293</b>	<b>167,311,861</b>
<b>Total comprehensive income:</b>				
Net profit for the period ended September 30, 2024	-	-	6,872,442	6,872,442
Reclassification on disposal of FVTOCI directly into equity	-	5,301,922	-	5,301,922
Fair value adjustment on investment classified as FVTOCI	-	-	-	-
<b>Balance as at September 30, 2024</b>	<b>96,750,000</b>	<b>14,459,490</b>	<b>68,276,735</b>	<b>179,486,225</b>

The annexed notes 1 to 18 form an integral part of these financial statements.

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO



## International Knitwear Limited

### CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2024 (UN-AUDITED)

	30-Sep-24 Rupees	30-Sep-23 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	9,679,496	23,847,947
<b>Adjustment for non cash items:</b>		
Depreciation	2,575,026	2,086,360
Loss / (Gain) on sale of property, plant and equipment	(58,300)	-
Other (income)/loss	(484,413)	2,163,944
Finance cost	6,639,945	9,448,778
	<u>8,672,258</u>	<u>13,699,082</u>
<b>Profit before changes in working capital</b>	<b>18,351,754</b>	<b>37,547,029</b>
<b>(Increase)/ decrease in current assets</b>		
Stock in trade	90,009,277	(4,597,310)
Trade debts	(41,992,361)	(32,622,346)
Short term loans and advances	(7,161,384)	15,440,867
Other receivables	(3,724,827)	(13,963,316)
	<u>37,130,705</u>	<u>(35,742,105)</u>
<b>Increase in current liabilities</b>		
Creditors, accrued and other liabilities	30,561,815	21,232,248
	<u>30,561,815</u>	<u>21,232,248</u>
Financial charges paid	(6,639,945)	(9,448,778)
Taxes paid	(3,552,990)	(1,470,586)
	<u>(10,192,935)</u>	<u>(10,919,364)</u>
<b>Net cash generated/ (used) in operating activities</b>	<b>75,851,338</b>	<b>12,117,808</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(894,860)	(4,064,562)
Additions in investment	(7,941,161)	(3,367,825)
Disposal of investment	-	6,509,430
Proceeds from sale of property, plant and equipment	301,900	-
<b>Net cash (used in) / generated from investing activities</b>	<b>(8,534,121)</b>	<b>(922,958)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash proceeds from short term finance under markup arrangement	64,318,492	35,308,993
Repayment of short term finance under markup arrangement	(134,244,319)	(45,823,437)
Dividend paid	25,644	(1,207)
<b>Net cash generated from / (used) financing activities</b>	<b>(69,900,183)</b>	<b>(10,515,651)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(2,582,966)</b>	<b>679,199</b>
Cash and cash equivalents at the beginning of the year	3,272,247	1,613,678
<b>Cash and cash equivalents at the end of the period</b>	<b><u>689,281</u></b>	<b><u>2,292,877</u></b>
<b>Cash and cash equivalent at the end of the period</b>		
Cash and bank balances	6,617,271	2,292,877
Running finance facility	(5,927,990)	-
	<u>689,281</u>	<u>2,292,877</u>

The annexed notes 1 to 18 form an integral part of these financial statements.

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO





# International Knitwear Limited

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

### 1 STATUS AND NATURE OF THE BUSINESS

International Knitwear Limited (hereinafter referred as the "Company" or "IKL") is incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The geographical location and address of the head office and manufacturing plant of the Company is Plot # F-2A/L, SITE, Karachi, Pakistan.

We are leaders in creating, developing and manufacturing knitted and woven apparel products right from basic to highly fashioned garments. We are engaged in the export of quality garments. We have established a name of credentials owing to the projected commitments, working speed and quality practices. Our operating philosophy is to provide buyers with products that meet their specification, and are reliably delivered at a reasonable price in domestic and international markets.

### 2 BASIS OF PREPARATION

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 3 ACCOUNTING POLICIES

The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2024.

	Note	(Un-audited) September 30, 2024 ------(Rupees)-----	(Audited) June 30, 2024
<b>4 PROPERTY, PLANT &amp; EQUIPMENT</b>			
Property and equipment - at cost less accumulated depreciation	4.1	71,293,170	73,514,794
Capital work in progress	4.4	297,860	-
		<u>71,591,030</u>	<u>73,514,794</u>
<b>4.1 Operating assets</b>			
Opening book value		73,514,794	60,017,214
Additions during the period	4.2	597,000	22,766,231
Disposals during the period at book value	4.3	(243,600)	(108,625)
Depreciation charged during the period		(2,575,026)	(9,160,026)
		<u>71,293,168</u>	<u>73,514,794</u>
<b>4.2 Additions during the period/year</b>			
Factory building		-	5,851,211
Plant and machinery		-	10,045,500
Computers		-	747,000
Furniture Fitting		86,000	196,000
Office equipment		231,000	586,520
Motor vehicles		280,000	5,340,000
		<u>597,000</u>	<u>22,766,231</u>
<b>4.3 Deletions / write-off / adjustments at book value - period/year</b>			
Office equipment		85,000	43,292
Motor vehicles		291,000	65,333
		<u>376,000</u>	<u>108,625</u>
<b>4.4 Movement in Capital Work in Progress</b>			
Opening balances		-	-
Add: Additions during the period		297,860	5,851,211
Less: Transfer to operating assets		-	(5,851,211)
		<u>297,860</u>	<u>-</u>



# International Knitwear Limited

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

	Note	(Un-audited) September 30, 2024	(Audited) June 30, 2024
-----{Rupees}-----			
<b>5 INVESTMENTS</b>			
<b>Long Term Investments</b>			
At fair value through other comprehensive income (FVTOCI)			
Equity securities - listed	5.1	33,327,182	28,025,260
<b>Short Term Investments</b>			
At fair value through profit or loss (FVTPL)			
Equity securities - listed	5.2	15,787,789	14,544,578
Mutual funds - listed	5.3	19,336,658	17,940,630
		35,124,447	32,485,208
		<u>68,451,629</u>	<u>60,510,468</u>
<b>5.1 Long Term Investments</b>			
<b>Equity Securities - listed</b>			
<u>Name of Shares</u>			
- Engro fertilizer Limited.		5,041,890	4,404,830
- Engro Corporation Limited		303,720	332,000
-The Hub Power Company Limited		1,730,430	2,364,660
- Pakistan Oilfields Limited		25,309,665	19,842,570
- Millat Tractors Limited		941,477	1,081,200
		<u>33,327,182</u>	<u>28,025,260</u>
<b>5.2 Short Term Investments</b>			
<b>Equity securities - listed</b>			
<u>Name of Shares</u>			
- Attock Petroleum Limited		1,005,000	965,600
- Engro Fertilizers Limited.		5,707,800	4,980,600
- Pakistan Oilfields Limited		5,374,398	4,213,484
- Pakistan State Oil Co. Limited		1,999,996	2,061,004
-The Hub Power Company Limited		1,700,595	2,323,890
		<u>15,787,789</u>	<u>14,544,578</u>
<b>5.3 Short Term Investments</b>			
<b>Mutual Funds - listed</b>			
<u>Name of the Fund</u>			
AKD Islamic Fund		700,066	667,337
Faysal Funds		1,318,234	1,259,112
MCB Cash Management Optimizer Fund		926,788	879,942
UBL Al-Ameen Islamic Cash Plan-I Fund		4,715,370	4,015,367
UBL Cash Fund		286	261
UBL Liquidity Plus Fund		11,675,804	11,118,537
UBL Money Market Fund		109	74
		<u>19,336,658</u>	<u>17,940,630</u>
<b>6 STOCK IN TRADE</b>			
Raw material		36,720,454	39,891,589
Work-in-process		101,556,320	164,940,280
Finished goods	6.1	15,261,245	38,715,426
		<u>153,538,018</u>	<u>243,547,295</u>
<b>6.1 Finished goods</b>			
Finished stock		7,261,245	1,492,762
Finished stock in transit		-	30,287,083
Scrap / Left over stock		8,000,000	6,935,581
		<u>15,261,245</u>	<u>38,715,426</u>
<b>7 TRADE DEBTS - CONSIDERED GOOD</b>			
Foreign - secured, considered good		30,579,549	18,723,463
Gain/(loss) on translation of export debtors		(10,382)	(21,632)
		30,569,167	18,701,831
<b>Local - unsecured</b>			
- Considered good		64,630,880	34,505,855
- Considered doubtful		523,270	523,270
		65,154,150	35,029,125
Less: Provision for doubtful debts		(523,270)	(523,270)
		<u>95,200,047</u>	<u>53,207,686</u>



# International Knitwear Limited

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

	(Un-audited) September 30, 2024	(Audited) June 30, 2024
	----- (Rupees) -----	
<b>8 LOANS AND ADVANCES</b>		
<b>Loans and advances to employees - Long term portion - unsecured, considered good</b>		
Loan to employees	1,777,000	1,997,733
Less: current portion of loan to employees	<u>(721,500)</u>	<u>(1,136,733)</u>
	<b>1,055,500</b>	<b>861,000</b>
<b>Short term Loans and advances - unsecured, considered good</b>		
Advance to contractor and supplier	12,551,843	5,169,726
Current portion of advances to employees	<u>721,500</u>	<u>1,136,733</u>
	<b>13,273,343</b>	<b>6,306,459</b>
<b>9 OTHER RECEIVABLES</b>		
Sales tax refundable	20,404,169	17,656,462
Export rebate receivables	5,780,511	5,047,766
Research and development receivable	2,574,779	2,574,779
Dividend receivable	<u>244,375</u>	<u>-</u>
	<b>29,003,834</b>	<b>25,279,007</b>
<b>10 CASH AND BANK BALANCES</b>		
Cash in hand	95,521	200,000
<b>With banks in:</b>		
Treasures call accounts (deposit accounts)	7,161,904	3,802,721
Saving account	130,541	381,494
Current accounts	<u>729,305</u>	<u>388,032</u>
	8,021,750	4,572,247
Security deposit	<u>(1,500,000)</u>	<u>(1,500,000)</u>
	<b>6,617,271</b>	<b>3,272,247</b>
<b>11 Share capital</b>		
<b>Authorized share capital</b>		
	September 30, 2024	June 30, 2024
	Number of Shares	
	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
	Ordinary Shares of Rs. 10/- each	
	----- (Rupees) -----	
	200,000,000	200,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
<b>Issued, subscribed and paid-up share capital</b>		
	September 30, 2024	June 30, 2024
	Number of Shares	
	3,000,000	3,000,000
	225,000	225,000
	<u>6,450,000</u>	<u>6,450,000</u>
	<b>9,675,000</b>	<b>9,675,000</b>
	Ordinary shares of Rs. 10/- each fully paid in cash.	
	Ordinary shares of Rs. 10/- each issued as bonus shares	
	Right shares of Rs. 10/- each fully paid in cash	
	30,000,000	30,000,000
	2,250,000	2,250,000
	<u>64,500,000</u>	<u>64,500,000</u>
	<b>96,750,000</b>	<b>96,750,000</b>
<b>12 OTHER INCOME</b>		
<b>Income From Financial Assets</b>		
Profit on bank accounts	224,315	331,674
Dividend income	421,919	3,297,095
Exchange loss - net	<u>(209,739)</u>	<u>(6,022,523)</u>
Gain / (loss) on disposal of investment - net	-	209,120
Loss on translation of foreign currency debtors	<u>(10,382)</u>	<u>(44,731)</u>
<b>Income From Non-Financial Assets</b>		
Gain on disposal of property, plant and equipment	<u>58,300</u>	<u>-</u>
	<b>484,413</b>	<b>(2,229,366)</b>



# International Knitwear Limited

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

Note	(Un-audited)	(Audited)
	September 30, 2024	June 30, 2024
	------(Rupees)-----	
<b>13 SHORT TERM FINANCE UNDER MARK-UP ARRANGEMENT</b>		
Running finance facility	5,927,990	5,968,608
Export refinance facility	29,000,000	10,000,000
Short term finance - Local sales	5,000,000	-
Short term finance - Against Raw Material Load	9,089,000	-
Finance against Twinco Capital Management	23,498,012	126,330,563
	<u>72,515,002</u>	<u>142,299,171</u>
<b>14 CREDITORS, ACCRUED AND OTHER PAYABLES</b>		
Creditors	171,425,745	146,599,026
Accrued expenses	16,714,436	14,660,873
Compensated absences payable	2,765,367	2,559,329
Other fund payable	1,357,466	683,456
Workers' profit participation fund	1,958,103	1,438,259
Workers' welfare fund	3,691,658	3,494,117
Advance from customers	703,411	443,657
Advance from others	-	-
Others	2,645,390	821,045
	<u>201,261,576</u>	<u>170,699,762</u>

### 15 CONTINGENCIES AND COMMITMENTS

#### 15.1 Contingencies

For tax year 2008, an amended assessment order has been passed under section 122(SA) of the Income Tax Ordinance, 2001 by the Additional Commissioner Inland Revenue (ACIR) against which the company filed an appeal with Commissioner Inland Revenue Appeals-II who passed an order with certain amendments. In pursuance of such order, Company filed an appeal in 2011 before Appellate Tribunal and matter is pending for hearing.

#### 15.2 Commitments

Commitments under letter of credit are Rs. Nil (June 30, 2024: Rs Nil million)

### 16 CORRESPONDING FIGURES

Corresponding figures have been reclassified / rearranged, wherever necessary.

### 17 DATE OF AUTHORIZATION

These condensed interim financial statements was authorised by the Board of Directors of the Company on October 30, 2024.

### 18 GENERAL

18.1 Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.

18.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of better presentation and comparison. However no significant reclassification has been made during the period.

Khalid Jamil Siddiqi  
Chairman

Naeem Shafi  
Chief Executive

Javed Khan  
Director / CFO



International Knitwear Limited

## ڈائریکٹران کی رپورٹ

انٹرنیشنل نٹ ویئر لمیٹڈ (INKL) کا بورڈ آف ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے سہ ماہیہ 30 ستمبر 2024 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

پہلی ششماہی 2023	پہلی ششماہی 2024	
240,337,595	341,898,578	خالص فروخت
(193,241,505)	(318,260,981)	لاگت فروخت
47,096,090	23,637,597	خام منافع
23,847,946	9,679,496	منافع قبل از ٹیکس
19,812,080	6,872,442	منافع بعد از ٹیکس
2.05	0.71	فی شخص آمدنی

### منافع و خسارے کا تجزیہ

زیر جائزہ مدت کے دوران کمپنی کی خالص فروخت 341.89 ملین روپے رہی جو کہ گزشتہ سال اسی مدت میں 240.33 ملین روپے تھی یعنی گزشتہ سال کی نسبت 101.56 ملین روپے کا اضافہ ہوا۔ جس کے نتیجے میں کمپنی کا خام منافع 23.63 ملین روپے رہا جو کہ گزشتہ سال اسی مدت میں 47.09 ملین روپے تھا۔ فی شخص آمدن 0.71 روپے رہی جو کہ گزشتہ سال 2.05 روپے تھی۔

### کاروباری افعال کا جائزہ

کمپنی کی خالص فروخت گزشتہ سال کی 240.33 ملین روپے سے بڑھ کر 341.89 ملین روپے ہو گئی۔ پیداواری لاگتوں کا ایک قابل ذکر حصہ خام مال، اجرتوں اور توانائی کے اخراجات پر مشتمل ہے جن کی لاگت میں کمی کے لئے کمپنی مسلسل کھرائی کر رہی ہے۔ خام منافع 19.59 فیصد سے کم ہو کر 6.91 فیصد رہ گیا جس کی بڑی وجہ خام مال کی بڑھتی ہوئی قیمتیں، توانائی کی بلند لاگتیں (گیس کے نرخوں اور بجلی کے نرخوں میں اضافے کی وجہ سے) اور ٹیکس کی اضافی لاگتیں ہیں۔ اپنے برآمدی گاہکوں کے ساتھ اپنے وعدوں پر قائم رہنے کے لئے اس مدت کے دوران ہمیں ان کے آرڈر کو بذریعہ ہوائی جہاز ترسیل کرنا پڑا جس کے نتیجے میں 14.10 ملین روپے کی قابل ذکر اضافی لاگت آئی جس سے منافع کی شرح پر ناموافق اثرات مرتب ہوئے۔

### مستقبل کا کاروباری جائزہ

کمپنی کو عالمی معاشی سست روی اور بلند پیداواری لاگتوں کی وجہ سے قابل ذکر دباؤ کا سامنا ہے جس کے نتیجے میں عالمی اور مقامی مارکیٹوں میں شدید مسابقت پیدا ہو گئی ہے۔ تاہم اسٹیٹ بینک آف پاکستان کی طرف سے حالیہ مالیاتی نرمی سے توقع ہے کہ لاگتوں کے دباؤ میں کمی آنے میں مدد ملے گی۔ موجودہ معاشی ماحول سے نمٹنے کے لئے کمپنی کی انتظامیہ نے قابل کنٹرول لاگتوں کا کم کرنے پر مہم چلائی ہے۔ اس سے منافع کی شرح پر بھی کمی کی پیداوار کے سبب طریقوں پر توجہ مرکوز کی ہے تاکہ مالیاتی اثرات کو کم سے کم کیا جاسکے۔ اس سلسلے میں 100 کلو واٹ کا ایک سولر پروجیکٹ قائم کیا گیا ہے جس کی تکمیل میں مزید اضافے کا منصوبہ ہے۔

کمپنی کے متنوع کاروباری افعال کی مدد سے انتظامیہ اس مسابقت پذیر منظر نامے میں پائیدار منافع کو برقرار رکھنے کے لئے پرامن ہے۔ مستقبل میں ہم کاروباری استعداد کو بڑھا کر اور جدت کے ذریعے حصص یافتگان کے لئے پائیدار منافع کو یقینی بنائیں گے۔

### اظہار تشکر

آپ کے ڈائریکٹران مزدوروں اور ملازمین کی کام سے لگن کی کوششوں پر ان کے لئے گہری تہنیت ریکارڈ پر لانا چاہتے ہیں۔ آپ کے ڈائریکٹران حصص یافتگان اور مالیاتی اداروں کے تعاون اور مدد پر بھی ان کے لئے تشکر کا اظہار کرتے ہیں۔

جاوید خان

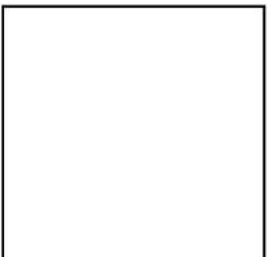
ڈائریکٹر اینڈ سی ایف او

نعیم شفیع

چیف ایگزیکٹو

برائے دلچسپی

کراچی: 30 اکتوبر، 2024



International Knitwear Limited

**BOOK POST**  
Under Postal Certificate

*If undelivered, please return to:*  
**International Knitwear Limited**  
F-2A/L, S.I.T.E., Karachi-75730.