

COMPANY INFORMATION

Board of Directors	:	Mr. Zahid Mazhar (Chief Executive) Mr. Omer Bin Zahid (Executive Director) Mr. Hassan Bin Zahid (Executive Director) Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan Mr. Waqar Hassan Siddiqui Mr. Nadeem Ahmed Mr. Noor Muhammad
Chief Financial Officer	:	Mr. Omer Bin Zahid
Company Secretary	:	Mr. Abdul Amin
Audit Committee	:	Mr. Waqar Hassan Siddiqui (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
H. R. & Remuneration Committee	:	Mr. Nadeem Ahmed (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
Auditors	:	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants
Legal Advisor	:	Mr. Muhammad Mushtaq Qadri (Advocate)
Bankers	:	Habib Bank Limited Bank Al-Falah Limited Soneri Bank Limited Habib Metropolitan Bank Limited J. S. Bank Limited Samba Bank Limited Askari Bank Limited Dubai Islamic Bank
Head Office / Registered Office	:	A 801-804, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi - Pakistan. Phone : (92-21) 35220481-8 Fax : (92-21) 35220495-6
Share Registrar	:	M/s Hameed Majeed Associates (Pvt.) Ltd. 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Phone : 32424826 E-mail : khi@hmaconsultants.com
Mills	:	Unit 1: A-265, S.I.T.E., Nooriabad, District jamshoro, Sindh. Unit 2: E-11, S.I.T.E, Kotri, District jamshoro, Sindh.
URL	:	www.nadeem.com.pk

CHAIRMAN's REVIEW REPORT

On behalf of the Board of Directors, I am pleased to present the Chairman's Review Report for the first quarter ended September 30, 2024.

During the current period, the Company recorded a sales turnover of Rs. 1,783.67 million, compared to Rs. 3,485.72 million in the comparative period of last year. The Company reported a net loss after tax of Rs. (58.05) million, as compared to a net profit after tax of Rs. 5.34 million in the corresponding period of the previous year.

The country's economy has started to stabilize during the period. The appreciation of the Pakistani rupee, supported by stable dollar rates over the past few months, along with a reduction in markup rates, has improved macro economic indicators. However, despite these positive developments, the high costs of energy, interest and labor continue to pose significant challenges to maintaining smooth business operations.

The Board of Directors, comprising nine members with diverse expertise, remains steadfast in its commitment to upholding the highest standards of corporate governance. We strictly comply with the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019. Our governance practices meet the required standards for the composition, meetings, and procedures of the Board and its Committees.

The Board's performance has been evaluated as satisfactory, reflecting our dedication to strategic planning, policymaking, resource management, and operational efficiency. Regular self-assessments ensure our actions align with the Company's objectives and governance framework, allowing us to remain focused on achieving long-term success.

On behalf of the Board of Directors, I would like to acknowledge the collective efforts of all the employees to the success of the company. I would also like to thank our shareholders, customers, suppliers, bankers, and other stakeholders for their continued trust and support.

On behalf of the Board of Directors



Naila Zahid
Chairperson

Karachi:
November 28, 2024

چیمبر میں کی جائزہ رپورٹ

محترم شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے چیمبر میں کی جائزہ رپورٹ پیش کرتے ہیں۔

موجودہ مدت کے دوران کمپنی نے 1,783.67 ملین روپے کی فروخت کی، جبکہ پچھلے سال کی اسی مدت میں یہ رقم 3,485.72 ملین روپے تھی۔ کمپنی نے اس مدت میں بعد از ٹیکس 58.05 ملین روپے کا خالص خسارہ رپورٹ کیا، جبکہ پچھلے سال کی اسی مدت میں 5.34 ملین روپے کا خالص منافع رپورٹ ہوا تھا۔

ملک کی معیشت اس مدت کے دوران استحکام کی جانب گامزن رہی۔ پچھلے چند مہینوں میں مستحکم ڈالر ریٹ اور پاکستانی روپے کی قدر میں اضافے کے ساتھ ساتھ مارک اپ کی شرح میں کمی نے میکرو اکنامک اشارے بہتر کیے ہیں۔ تاہم، ان مثبت عوامل کے باوجود، توانائی، سود اور مزدوری کے بلند اخراجات کاروباری آپریشنز کو ہموار رکھنے میں اب بھی اہم چیلنجز پیش کر رہے ہیں۔

بورڈ آف ڈائریکٹرز، جس کے نوارا کین مختلف مہارتوں کے حامل ہیں، کارپوریٹ گورننس کے اعلیٰ معیار کو برقرار رکھنے کے لیے پرعزم ہے۔ ہم کمپنیز ایکٹ 2017 اور سڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی سختی سے پاسداری کرتے ہیں۔ ہماری گورننس کے عملی طریقے بورڈ اور اس کی کمیٹیوں کی تشکیل، میٹنگز اور طریقہ کار کے مطلوبہ معیارات پر پورا اترتے ہیں۔

بورڈ کی کارکردگی کو تسلی بخش قرار دیا گیا ہے، جو کہ ہماری حکمت عملی کی منصوبہ بندی، پالیسی سازی، وسائل کے انتظام، اور آپریشنل کارکردگی کے عزم کی عکاسی کرتی ہے۔ باقاعدہ خود تشخیص ہمیں کمپنی کے مقاصد اور گورننس فریم ورک کے ساتھ ہم آہنگ رہنے میں مدد دیتی ہے، جس سے ہم طویل مدتی کامیابی کے حصول پر توجہ مرکوز رکھ سکتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے، میں تمام ملازمین کی اجتماعی کوششوں کو کمپنی کی کامیابی کے لیے سراہنا چاہتی ہوں۔ میں اپنے شیئر ہولڈرز، گاہکوں، سپلائرز، بیکاروں، اور دیگر اسٹیک ہولڈرز کا بھی شکریہ ادا کرتی ہوں جنہوں نے ہماری مسلسل حمایت جاری رکھی۔

منجانب بورڈ آف ڈائریکٹرز

Naaila Zahid

ناائلہ زاہد

چیمبر پرسن

کراچی 28 نومبر 2024

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors hereby presents before you its report together with the Interim Financial Statements of the Company for the 1st quarter ended September 30, 2024..

FINANCIAL RESULTS

Here are the key financial results for the first quarter, with comparisons to the same period of last year:

	Sep. 30, 2024	Sep. 30, 2023
	Rs. In Million	Rs. In Million
Sales – net	1,783.67	3,485.72
Gross Profit	15.49	317.74
Gross Profit %	0.89%	9.11%
Profit / (Loss) before Tax and levies	(226.90)	47.14
Profit / (Loss) after tax and levies	(58.04)	5.34
Profit / (Loss) after tax and levies %	(3.25)%	0.15%
Earnings per share	Rs. (2.73)	Rs. 0.25

OVERVIEW

Pakistan's economy showed signs of stability during this period due to some business-friendly initiatives taken by the government. These measures have led to a decrease in inflation to single digits, a stable currency outlook, a downward trend in borrowing and policy rates, and positive growth in the stock market. However, rising energy tariffs remain a significant challenge to economic stability.

The company reported net sales of Rs. 1,783.67 million for the quarter, compared to Rs. 3,485.72 million during the same period last year. This decline is primarily due to reduced production activities caused by massive increase in cost of doing business.

To counter these challenges, the management remains committed to expanding market share in domestic and international markets through aggressive marketing strategies and reducing cost of production.

PRESENT AND FUTURE OUTLOOK

The textile industry is currently facing significant challenges, including prohibitive energy costs, very high rates of interest, and higher transportation expenses.

Cotton arrivals have drastically declined, with only 2.04 million bales reported as of September 30, 2024, compared to 5.025 million bales in the comparative period of last year. This sharp decrease is due to various factors such as delayed sowing, heavy rains, non-availability of good quality seeds, pest attacks, reduced cultivation area, and inadequate government support for research and development. The textile spinning sector will have to rely heavily on imported cotton to meet raw material requirements.

EXPANSION AND MODERNIZATION

The company is actively investing in expanding and upgrading its mills. It plans to install a 3MW solar system to reduce energy costs and add Autocoro machines to increase productivity and profitability. These steps are aimed to keep the mills competitive and aligned with customer demands.

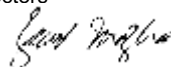
ACKNOWLEDGEMENT

The Board of Directors thanks our shareholders, customers, and bankers for their continued support, and appreciates the hard work and dedication of the Company's staff and workers.

On behalf of the Board of Directors



Omer Bin Zahid
Director



Zahid Mazhar
Chief Executive

Karachi:
November 28, 2024

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز آپ کے سامنے 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے عبوری مالی بیانات کے ساتھ اپنی رپورٹ پیش کرتا ہے۔

مالیاتی نتائج

30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے مالی نتائج پچھلے سال کی اسی مدت کے تقابلی اعداد و شمار کے ساتھ درج ذیل ہیں:

30 ستمبر 2023	30 ستمبر 2024	
روپے ملین میں	روپے ملین میں	
3,485.72	1,783.67	خالص فروخت
317.74	15.49	مجموعی منافع
9.11%	0.89%	مجموعی منافع %
47.13	(226.90)	نقصان قبل از ٹیکس اینڈ لیویز
5.34	(58.04)	نقصان بعد از ٹیکس اینڈ لیویز
0.15%	(3.25%)	نقصان بعد از ٹیکس %
Rs. 0.25	Rs. (2.73)	فی حصص نقصان

جائزہ

پاکستان کی معیشت میں اس مدت کے دوران حکومت کی جانب سے کاروبار دوست اقدامات کی وجہ سے استحکام کے آثار دکھائی دے رہے ہیں۔ ان اقدامات نے مہنگائی کو سنگل ڈیجیٹ میں لانے، کرنسی کو مستحکم رکھنے، قرض اور پالیسی ریٹ میں کمی اور اسٹاک مارکیٹ میں مثبت نمو میں مدد فراہم کی۔ تاہم بڑھتے ہوئے توانائی کے نرخ اب بھی معیشت کے لئے ایک اہم چیلنج ہیں۔

کمپنی نے سہ ماہی کے دوران 1,783.67 ملین روپے کی خالص فروخت رپورٹ کی جو پچھلے سال کی اسی مدت کے دوران 3,485.72 ملین روپے تھی۔ اس کمی کی بنیادی وجہ کاروباری اخراجات میں بڑے اضافے کے باعث پیداوار میں کمی ہے۔

انتظامیہ ان چیلنجز کا مقابلہ کرنے کے لئے ملکی اور بین الاقوامی مارکیٹس میں جارحانہ مارکیٹنگ حکمت عملیوں اور پیداواری اخراجات میں کمی کے ذریعے مارکیٹ شیئر بڑھانے کے لئے پرعزم ہے۔

موجودہ صورتحال اور مستقبل کا نقطہ نظر

ٹیکسٹائل انڈسٹری اس وقت چیلنجز کا سامنا کر رہی ہے۔ جن میں توانائی کے بڑھتے ہوئے اخراجات، بہت زیادہ شرح سود اور ٹرانسپورٹ کے بڑھتے ہوئے اخراجات شامل ہیں۔

کپاس کی فصل میں زبردستی کمی ہوئی ہے۔ 30 ستمبر 2024 تک صرف 2.04 ملین گانٹھیں رپورٹ ہوئیں جبکہ پچھلے سال کی اسی مدت کے دوران 5.025 ملین گانٹھیں تھیں۔ اس کمی کی وجوہات میس تاخیر سے بوائی، شدید بارشیں، معیاری بیج کی عدم دستیابی، کیڑوں کے حملے، کاشت کے علاقے میں کمی اور تحقیق و ترقی کے لئے حکومتی معاونت کی کمی شامل ہیں۔

ٹیکسٹائل اسپننگ سیکٹر کو خام مال کی ضروریات پوری کرنے کے لئے بڑی حد تک درآمد شدہ کپاس پر انحصار کرنا ہوگا۔

توسیع اور جدت طرازی

کمپنی کی انتظامیہ نے ملز کی توسیع اور BMR میں ضرورت کے مطابق سرمایہ کاری کی ایک فعال پالیسی اپنائی ہے۔ توانائی کے اخراجات کم کرنے کے لئے 3 میگا واٹ کا سولر سٹم نصب کرنے اور پیداوار و منافع بڑھانے کے لئے آٹو کوریو مشینیں شامل کرنے کا منصوبہ زیر غور ہے۔ یہ اقدامات ملز کو مسابقتی رکھنے اور گاہکوں کی ضروریات کے مطابق ڈھالنے کے لئے کئے جا رہے ہیں۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے اپنے شیئر ہولڈرز صارفین اور بیکاروں کا شکر یہ ادا کرتا ہے اور کمپنی کے ملازمین اور مزدوروں کی محنت اور لگن کی دل سے تعریف کرتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

زاهد مظہر

چیف ایگزیکٹو

عمر بن زاهد

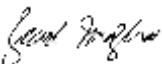
ڈائریکٹر

کراچی 28 نومبر 2024

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		Un-audited September 30, 2024	Audited June 30, 2024
	Note	Rupees	
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	3,500,502,213	3,579,775,573
Long term deposits		33,303,456	33,303,456
Deferred tax - net		124,268,142	-
		<u>3,658,073,811</u>	<u>3,613,079,029</u>
Current Assets			
Stores, spares and loose tools		228,832,408	245,746,781
Stock in trade	4	1,756,023,788	1,555,022,575
Trade debtors - unsecured, considered good		1,478,628,140	1,504,000,691
Investments - at amortized cost		177,307,921	172,307,921
Loans and advances		121,818,174	147,587,572
Other receivables		16,509,911	35,856,465
Tax refunds due from government		-	74,030,149
Cash and bank balances		81,264,277	182,240,917
		<u>3,860,384,619</u>	<u>3,916,793,071</u>
Total assets		<u><u>7,518,458,430</u></u>	<u><u>7,529,872,100</u></u>
Authorized Share Capital			
33,000,000 ordinary shares of Rs. 10/- each		<u>330,000,000</u>	<u>330,000,000</u>
Issued, Subscribed and Paid-up Capital			
21,266,735 (June 30, 2024: 21,266,735) ordinary shares of Rs. 10/- each		212,667,350	212,667,350
Capital Reserve			
Share premium		388,683,536	388,683,536
Surplus on revaluation of property, plant & equipment		1,180,758,937	1,184,716,919
Unappropriated profits		519,365,144	573,452,787
		<u>2,301,474,967</u>	<u>2,359,520,592</u>
Contribution from associated undertaking		340,000,000	340,000,000
		<u>2,641,474,967</u>	<u>2,699,520,592</u>
Non-current liabilities			
Long term financing		408,460,236	448,453,463
Deferred liabilities		137,915,085	206,529,873
		<u>546,375,321</u>	<u>654,983,336</u>
Current liabilities			
Trade and other payables		1,424,439,987	1,379,465,914
Accrued mark-up		164,402,890	130,469,647
Short term borrowings	5	2,424,883,615	2,352,411,500
Unclaimed dividend		1,506,408	1,506,408
Loan from directors		139,300,000	139,300,000
Current portion of long term financing		144,175,242	137,764,703
Loan from associated undertaking		31,900,000	34,450,000
		<u>4,330,608,142</u>	<u>4,175,368,172</u>
Contingencies and commitments	6	-	-
Total equity and liabilities		<u><u>7,518,458,430</u></u>	<u><u>7,529,872,100</u></u>

The annexed notes from 1 to 10 form an integral part of this condensed interim financial statements.



Chief Executive
November 28, 2024



Director

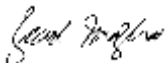


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	For the 1st quarter ended September 30,	
	2024	2023
	Rupees	
Sales	1,783,672,264	3,485,720,692
Cost of sales	<u>(1,768,177,875)</u>	<u>(3,167,982,351)</u>
Gross profit	15,494,389	317,738,341
Administrative expenses	<u>(43,871,321)</u>	<u>(48,290,870)</u>
Distribution costs	<u>(25,436,859)</u>	<u>(53,091,769)</u>
	<u>(69,308,180)</u>	<u>(101,382,639)</u>
Operating profit	(53,813,791)	216,355,702
Finance costs	<u>(171,714,803)</u>	<u>(177,036,629)</u>
Other operating expenses	<u>(10,111,635)</u>	<u>(921,737)</u>
Other operating income	<u>8,739,033</u>	<u>8,741,220</u>
	<u>(173,087,405)</u>	<u>(169,217,146)</u>
Profit/(loss) before levies and taxation	(226,901,196)	47,138,556
Levies	<u>(20,340,108)</u>	<u>(40,037,444)</u>
Profit/(loss) before taxation	(247,241,304)	7,101,112
Taxation	<u>189,195,652</u>	<u>(1,757,913)</u>
Profit/(loss) after taxation	<u>(58,045,652)</u>	<u>5,343,199</u>
Earnings/(loss) per share - basic and diluted	<u>(2.73)</u>	<u>0.25</u>

The annexed notes from 1 to 10 form an integral part of this condensed interim financial statements.



Chief Executive
November 28, 2024



Director

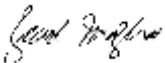


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2024

	For the 1st quarter ended September 30,	
	2024	2023
	Rupees	
Profit for the period	(58,045,652)	5,343,199
Other comprehensive income	3,958,009	4,667,507
Total comprehensive income for the period	<u>(54,087,643)</u>	<u>10,010,706</u>

The annexed notes from 1 to 10 form an integral part of this condensed interim financial statements.



Chief Executive
November 28, 2024



Director

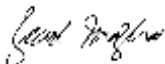


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	September 30, 2024	2023
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(226,901,196)	47,138,559
Adjustment for non-cash and other items:		
Depreciation on operating fixed assets	58,505,129	60,351,525
Provision for gratuity	16,815,050	14,023,523
(Gain) / loss on disposal of operating fixed assets	10,111,635	(1,528,409)
Finance costs	171,714,803	177,036,629
	257,146,617	249,883,268
<i>Operating profit before working capital changes</i>	30,245,421	297,021,827
<i>(Increase) / decrease in current assets</i>		
Stores, spares and loose tools	16,914,373	(21,616,024)
Stock in trade	(201,001,213)	737,933,506
Loans advances	25,769,398	(258,075,765)
Investment, deposits and other receivables	14,346,554	7,529,576
Sales tax refundable	97,405,962	36,618,261
Tardebts	25,372,551	(895,233,032)
	(21,192,375)	(392,843,478)
<i>(Decrease)/increase in current liabilities</i>		
Trade and other payable	4,052,283	23,519,706
	13,105,329	(72,301,945)
Taxes paid	(2,794,318)	(11,593,912)
Gratuity paid	(20,502,118)	(7,308,441)
Finance costs paid	(137,781,560)	(158,944,040)
	(161,077,996)	(177,846,393)
Net cash generated from / (used in) operating activities	(147,972,667)	(250,148,338)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(3,491,450)	(4,844,723)
Long term deposits	-	6,768,957
Proceeds from disposal of operating fixed assets	14,148,050	2,021,000
Net cash (used in) / generated from investing activities	10,656,600	3,945,234
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained / (repaid) - net	(33,582,688)	(25,069,916)
Loan obtained/(repaid) from directors - net	-	(3,000,000)
Loan obtained/(repaid) from associate - net	(2,550,000)	(3,150,000)
Net cash generated from financing activities	(36,132,688)	(31,219,916)
Net increase / (decrease) in cash and cash equivalents	(173,448,755)	(277,423,020)
Cash and cash equivalents at beginning of the period	(2,170,170,583)	(1,935,455,368)
Cash and cash equivalents at end of the period	(2,343,619,338)	(2,212,878,388)
Cash and cash equivalents comprise of :		
Cash and bank balances	81,264,277	45,296,153
Short term borrowings	(2,424,883,615)	(2,258,174,541)
	(2,343,619,338)	(2,212,878,388)

The annexed notes from 1 to 10 form an integral part of this condensed interim financial statements.



Chief Executive
November 28, 2024



Director

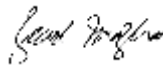


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

	Issued, subscribed and paid-up capital	Share premium	Unappropriated profits	Revaluation surplus on property, plant & equipment	Contribution from associated undertaking	Total
	Rupees					
Balance as at July 1, 2023	212,667,350	388,683,536	1,666,651,145	1,260,116,348	340,000,000	3,868,118,379
Total comprehensive income for the 1st quarter ended September 30, 2023	-	-	5,343,202	-	-	5,343,202
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	3,955,143	(3,955,143)	-	-
Balance as at Septemebr 30, 2023	<u>212,667,350</u>	<u>388,683,536</u>	<u>1,675,949,490</u>	<u>1,256,161,205</u>	<u>340,000,000</u>	<u>3,873,461,581</u>
Balance as at July 1, 2024	212,667,350	388,683,536	573,452,787	1,184,716,919	340,000,000	2,699,520,592
Total comprehensive income for the 1st quarter ended September 30, 2024			(58,045,652)	-	-	(58,045,652)
Incremental depreciation transferred from surplus on revaluation of fixed assets - net of deferred tax	-	-	3,958,009	(3,958,009)	-	-
Balance as at September 30, 2024	<u>212,667,350</u>	<u>388,683,536</u>	<u>519,365,144</u>	<u>1,180,758,910</u>	<u>340,000,000</u>	<u>2,641,474,967</u>

The annexed notes from 1 to 10 form an integral part of this condensed interim financial statements.


Chief Executive
November 28, 2024


Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2024

1. STATUS AND NATURE OF BUSINESS

Nadeem Textile Mills Limited ("the Company") was incorporated in Pakistan as public limited company on July 15, 1984 under the Companies Act, 2017, and is listed on Pakistan Stock Exchange Limited. The principle activity of the Company is manufacture and sales of yarn.

The geographical location and address of company's business units, including plant are as under:

Head Office:

The registered office of the Company is situated at 801-804, Lakson square building No.3, Sarwar Shaheed Road, Karachi.

Manufacturing Facilities:

The company's mills are located at A-265, S.I.T.E, Nooriabad district Jamshoro, Sindh and E-11, S.I.T.E, Kotri district Jamshoro,

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements (here-in-after referred to as the 'interim financial statements') have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:

International Accounting Standard 34: 'International Financial Reporting' (IAS 34) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

Provision 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 do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2024.

The figures presented in these condensed interim financial statements as at September 30, 2024 has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative statement of profit or loss, statement of comprehensive income, statement of changes in equity and the statement of cash flows are extracted from the unaudited condensed interim financial statements for the 1st quarter ended September 30, 2023.

These condensed interim financial statements is unaudited and is being submitted to the members of the Company as required under section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited as required by the Code of Corporate Governance.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except;

- Land and building carried at revaluation model ;

2.3 Functional and presentation currency

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency. All figures have been rounded off to the nearest rupee.

2.4 Judgements and sources of estimation uncertainty

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

2.5 Significant accounting policies

The significant accounting policies adopted in the preparation of these interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2024.

2.6 Accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and 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 recognized prospectively commencing from the period of revision.

2.7 Financial risk management

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

	Note	Un-audited September 30, 2024	Audited June 30, 2024
— Rupees —			
3. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		3,476,954,824	3,556,228,184
Capital work in process		23,547,389	23,547,389
		<u>3,500,502,213</u>	<u>3,579,775,573</u>

3.1 Following is the summary of class-wise additions to, or disposals from, operating fixed assets:

	1st quarter ended September 30, 2024 (Un-audited)		Year ended June 30, 2024 (Audited)	
	Additions / transfers	Disposals (At NBV)	Additions/ transfers	Disposals (At NBV)
— Rupees —				
Building and godown on freehold land	-	-	1,672,386	-
Plant and machinery	3,430,000	(24,244,735)	227,344,381	8,955,323
Office equipment	-	-	200,500	-
Furniture and fixtures	39,750	-	963,448	-
Computer and allied equipment	21,700	-	36,500	-
Vehicles	-	(14,950)	11,213,000	492,591
	<u>3,491,450</u>	<u>(24,259,685)</u>	<u>241,430,215</u>	<u>9,447,914</u>

	Un-audited September 30, 2024	Audited June 30, 2024
— Rupees —		
4. STOCK IN TRADE		
Raw material	699,728,653	517,595,937
Work in process	100,122,434	96,935,774
Finished goods	427,557,206	386,945,027
Waste	34,621,018	50,718,713
Stock in transit	493,994,477	502,827,124
	<u>1,756,023,788</u>	<u>1,555,022,575</u>

5. SHORT TERM BPRRPINGS

These represent short term working capital finance facilities secured against pledge of stocks (Cotton, Yarn and Polyester fiber), local trade debts of the Company and charge over current assets. The rate of mark-up for running finance and cash finance ranges @ KIBOR + 1.85% to 2.25% per annum (June 30, 2024: KIBOR + 1.85% to 2.25% per annum), KIBOR ranged from 1 month and 3 months.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There has been no change in the status of contingencies as disclosed in annual audited financial statements of the Company for the year ended June 30, 2024.

	Un-audited September 30, 2024	Audited June 30, 2024
	Rupees	
6.2 Commitments		
Against letters of credit	-	264,433,114
Bank guarantee to Excise and Taxation department	152,475,753	147,475,753
Revolving letter of credit to SSGC	91,987,580	91,987,580

7. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, other associated undertakings, directors and key management personnel. Transactions between the Company and the related parties are as follows:

	Relationship and percentage shareholding	Transactions during the year and year end balances	Un-audited September 30, 2024	Un-audited September 30, 2023
			Rupees	
Nadeem International (Private) Limited	Associated company by virtue of common directorship	Weighbridge	45,000	45,000
		Loan received	-	-
		Loan repaid	2,550,000	3,150,000
		Contribution from associated undertaking	-	340,000,000
		Balance outstanding at year end Payable to related party	31,900,000	35,050,000
Zahid Mazhar	Chief Executive Officer	Loan received	-	-
		Loan repaid	-	-
		Balance outstanding at period end Payable to related party	95,000,000	82,000,000
Naila Zahid	Director	Loan received	-	-
		Loan repaid	-	-
		Balance outstanding at period end Payable to related party	40,000,000	-
Hassan Bin Zahid	Director	Loan received	-	-
		Loan repaid	-	3,000,000
		Balance outstanding at period end Payable to related party	4,300,000	12,800,000

8. OPERATING SEGMENT

These interim financial statements have been prepared on the basis of a single reportable segment as the Company's asset allocation decisions are based on a single and integrated business strategy.

All non-current assets of the Company at September 30, 2024 are located in Pakistan.

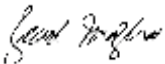
9. DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements has been authorized by the Board of Directors of the Company for issue in their meeting held on November 28, 2024.

10. GENERAL

10.1 The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of applicable financial reporting framework and for the purpose of comparison and better presentation.

10.2 Figures have been rounded off to the nearest rupee.



Chief Executive
November 28, 2024



Director

















Chief Financial Officer



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