

**Condensed Interim Financial Information  
Half Year Ended July 01,  
2022 to December 31, 2022 (Un-audited)**



**INDUS DYEING & MANUFACTURING  
COMPANY LIMITED**

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## COMPANY INFORMATION

### **Board of Directors**

1	Mr. Naveed Ahmed	Chairman
2	Mian Shahzad Ahmed	Chief Executive Officer
3	Mr. Kashif Riaz	
4	Mian Imran Ahmed	
5	Mr. Irfan Ahmed	
6	Mr. Sheikh Shafqat Masood	
7	Mrs. Fadia Kashif	
8	Mr. Faisal Hanif	
9	Mr. Aamir Amin ( NIT )	
10	Ms. Azra Yaqub Vawda	

### **Audit Committee**

1	Mr. Faisal Hanif	Chairman
2	Mr. Irfan Ahmed	Member
3	Mr. Sheikh Shafqat Masood	Member

### **Human Resource and Remuneration Committee**

1	Mr. Faisal Hanif	Chairman
2	Mrs. Fadia Kashif	Member
3	Mr. Sheikh Shafqat Masood	Member

### **Company Secretary**

Mr. Ahmed Faheem Niazi

### **Chief Financial Officer**

Mr. Muhammad Waseem Umar

### **Chief Internal Auditor**

Mr. Yaseen Hamidia

### **Legal Advisor**

Mr. M. Yousuf Naseem ( Advocates & Solicitors )

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## Registered Office

Office # 508, UAN 021 - 111 - 404 - 404  
5th floor, Beaumont Plaza, Tel 009-221-35693641 - 60  
Civil Lines Quarters, Karachi.

**Symbol of the Company** IDYM

## Website

www.indus-group.com

## Auditors

M/s Yousuf Adil  
Chartered Accountants

## Registrar & Share Transfer Office

JWAFFS Registrar ( Pvt ) Ltd.  
407-408, AI - Ameera Centre,  
Shahrah-e-Iraq, Saddar, Karachi. Tel. 35662023 - 24  
Fax. 35221192

## Factory Location

- |   |  |             |   |
|---|--|-------------|---|
| 1 | P 1 & P 5 S.I.T.E.<br>Hyderabad, Sindh.  | Tel.        | 0223 - 886281 & 84                              |
| 2 | Plot # 3 & 7, Sector - 25,<br>Korangi Industrial Area, Karachi.                                      | Tel.        | 021- 35061577 - 9                               |
| 3 | Muzaffergarh, Bagga Sher,<br>District Multan.  | Tel.        | 0662 - 490202 - 205                             |
| 4 | Indus Lyallpur Limited.<br>38th Kilometer, Shaikhupura Road,<br>District Faisalabad.                 | Tel.        | 041 - 4689235 - 6                               |
| 5 | Indus Home Limited.<br>2.5 Kilometer,<br>Off Manga Raiwind Road,<br>Manga Mandi, Lahore.             | UAN<br>Tel. | 042 - 111 - 404 - 405<br>042 - 35385021 - 7     |
| 6 | Indus Wind Energy Limited.<br>Deh Kohistan 7/3 & 7/4<br>Tapo Jangshahi,<br>Taluka & District Thatta. | UAN<br>Tel. | 111 - 404 - 405<br>021 - 35693654 ( Ext - 177 ) |

**DIRECTORS' REPORT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

The Directors of Indus Dyeing & Manufacturing Co. Ltd are pleased to present the group's consolidated interim financial statements for the half year ended December 31, 2022.

**FINANCIAL RESULTS**

Consolidated turnover for the six months period ending on December 31, 2022 is Rs.34,646 million as compared to a turnover of Rs. 34,819 million for the same period last year showing a stability in a challenging period. As always, the management continued to strive for cost reductions in all areas of operation.

Following are the operating financial results:

	Six months ended December 31, (Rs in Millions)	
	2022	2021
Sales-Net	34,646	34,819
Gross Profit	3,447	6,416
Other Operating Income	341	283
<b>Profit Before Taxation</b>	<b>1,223</b>	<b>4,759</b>
Taxation	(315)	(593)
<b>Profit After Taxation</b>	<b>908</b>	<b>4,166</b>

**REVIEW OF OPERATIONS**

Sales have decreased by Rs.173 million during the six months under review over the last corresponding period. Administrative expense has increased by Rs.124 million and distribution cost has increased by 98 million. Financial cost has also increased by Rs.607 million over the last corresponding period due to increase in markup rate. Trend in decrease of yarn prices remained constant and resulted in a decrease of Rs. 3,258 million in profit after tax for the six-month period ended 31st Dec 2022 when compared to the corresponding period of last year 2021.

**DIVIDEND**

There is no interim dividend announced during the period under review.

**EARNINGS PER SHARE**

On a consolidated basis, the earnings per share for the half year ended December 31, 2022 are Rs. 16.75 per share as compared to Rs. 76.84 per share over the previous corresponding period.

**CHANGE IN NATURE OF BUSINESS**

There is no change occurred in the nature of Company's business during the period.

**FUTURE PROSPECTS**

The year 2022 ended with the unpleasant news of the partial shutting down of the textile industry due to the prevailing economic crisis. Pakistan entered 2023 with multiple challenges, including rising debt, low foreign exchange reserves, and energy shortages in addition to the political chaos it went through in 2022. As for textiles, cotton yarn exports decreased by 34.87 % to \$328.20 million. Meanwhile, the value of textile machinery imports by Pakistan in July-November 2022 decreased significantly by 41.16 % year-on-year to \$212.76 million, showing a drop in new investments.

The most significant factor in the decline of the textile industry over the years has been the energy crisis, lack of modernization of the machinery and equipment, lack of investment, rising costs and low production of cotton and other raw materials.

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

There is massive potential for the textile industry to revamp itself and build upon its potential to invite foreign investment as well as generate much-needed revenue through exports.

## 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		
1	Male	08
2	Female	02

S. No	Composition	No. Of Director
1	Independent Director	03
2	Executive Director	02
3	Non -Executive Director	05

The names of the Directors as at December 31, 2022 are as follows:

S. No	Name	Position
1	Mr. Naveed Ahmed	Chairman
2	Mian Shahzad Ahmed	Chief Executive
3	Mian Imran Ahmed	Director
4	Mr. Irfan Ahmed	Director
5	Mr. Kashif Riaz	Director
6	Mr. Sheikh Shafqat Masood	Director
7	Mr. Faisal Hanif	Director
8	Mr. Aamir Amin	Director
9	Ms. Azra Yaqub Vawda	Director
10	Mrs. Fadia Kashif	Director

## 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 Group. We would like to express our thanks to our customers for the trust they have shown in our products and our bankers for their continued support to the Company. We are grateful to our shareholders for their confidence in our management.



On behalf of the Board  
**SHAHZAD AHMED**  
Chief Executive Officer  
Karachi: March 01, 2023

31 دسمبر 2022 پر موجود ڈائریکٹرز کے نام درج ذیل ہیں۔

چیرمین	نوید احمد صاحب
چیف ایگزیکٹو آفیسر	میاں شہزاد احمد صاحب
ڈائریکٹر	میاں عمران احمد صاحب
ڈائریکٹر	عرفان احمد صاحب
ڈائریکٹر	کاشف ریاض صاحب
ڈائریکٹر	شیخ شفیقت مسعود صاحب
ڈائریکٹر	فیصل حنیف صاحب
ڈائریکٹر	عامر امین صاحب
ڈائریکٹر	عذرا یعقوب واوڈ اصحابہ
ڈائریکٹر	فادیہ کاشف صاحبہ

#### WEB PRESENCE

کمپنی کے سالانہ اور متواتر مالی بیانات بھی کمپنی کی ویب سائٹ <http://www.indus-group.com> پر شیئر ہولڈرز اور دیگر کی معلومات کے لئے دستیاب ہیں۔

ماحول، 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۔

اظہار تشکر

ہم اپنی کمپنی کے ہر ملازم، صارفین، بینکرز اور حصص یافتگان کے مشکور ہیں جنہوں نے کمپنی کے مقاصد میں اپنا حصہ لیا اور ہم پر اعتماد کیا۔

بورڈ کی جانب سے

*Shahzad Ahmad*

شہزاد احمد

چیف ایگزیکٹو آفیسر

کراچی

01 مارچ 2023

## فی حصص آمدنی

مجموعی بنیاد پر 31 دسمبر 2022 کو ختم ہونے والی دوسری سہ ماہی کے لئے فی حصص کمائی 16.75 روپے جبکہ پچھلے سال اسی مدت کے دوران فی حصص کمائی 76.84 تھی۔

## کاروبار کی فطرت میں تبدیلی

سال کے دوران کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں آئی۔

## مستقبل کے امکانات

سال 2022 موجودہ معاشی بحران کی وجہ سے ٹیکسٹائل انڈسٹری کے جزوی طور پر بند ہونے کی ناخوشگوار خبروں کے ساتھ ختم ہوا۔ پاکستان 2023 میں متحدر چین جو پاکستان کے ساتھ داخل ہوا، جس کے علاوہ 2022 کا سال بڑھتے ہوئے قرضوں، زرمبادلہ کے کم ذخائر، اور توانائی کی قلت کے اور سیاسی افراتفری میں گزرا۔ ٹیکسٹائل کے حوالے سے سوتی دھاگے کی برآمدات 34.82 فیصد کم ہو کر 328.20 ملین ڈالر رہ گئیں۔ دریں اثنا، جولائی۔ نومبر 2022 میں پاکستان کی طرف سے ٹیکسٹائل مشینری کی درآمدات کی مالیت 41.16 فیصد سال بہ سال نمایاں طور پر کم ہو کر 212.76 ملین ڈالر ہو گئی، جو کہ نئی سرمایہ کاری میں کمی کو ظاہر کرتی ہے۔

گزشتہ برسوں کے دوران ٹیکسٹائل انڈسٹری کے زوال کا سب سے اہم عنصر توانائی کا بحران، مشینری اور آلات کی جدید کاری کا فقدان، سرمایہ کاری کی کمی، بڑھتی ہوئی لاگت، کپاس اور دیگر خام مال کی کم پیداوار ہے۔

ٹیکسٹائل کی صنعت میں اپنے آپ کو بہتر بنانے اور بیرونی سرمایہ کاری کو مدعو کرنے کے ساتھ ساتھ برآمدات کے ذریعے انتہائی ضروری آمدنی پیدا کرنے کی اپنی صلاحیتوں کو بروئے کار لانے کے وسیع امکانات موجود ہیں۔

## بورڈ کی تشکیل

بورڈ کی تشکیل کو ڈ آف کارپوریٹ گورننس کے ضوابط، 2019 کے تقاضوں کے مطابق ہے جو درج فہرست اداروں پر لاگو ہوتا ہے جو ذیل میں دیا گیا ہے۔

## ڈائریکٹرز کی کل تعداد

08 ا- مرد ڈائریکٹر

02 ب- خاتون ڈائریکٹر

## تشکیل

03 ا- Independent Director

02 ب- Executive Director

05 پ- Non-Executive Director



ڈائریکٹرز کا جائزہ

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2022 کو ختم ہونے والی دوسری سہ ماہی کیلئے گروپ کے مجموعی مالیاتی گوشواروں کے مالی نتائج پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

مالیاتی نتائج

31 دسمبر 2022 کو ختم ہونے والے چھ مہینوں کے لئے مجموعی فروخت اسی مدت کے لئے 34,646 ملین روپے کے مقابلہ میں پچھلے سال 34,819 ملین روپے جو کہ مستحکم پوزیشن کو ظاہر کرتا ہے۔ ہمیشہ کی طرح انتظامیہ نے آپریشن کے تمام شعبوں میں لاگت میں کمی کے لیے کوشش جاری رکھی۔

آپریٹنگ مالیاتی نتائج درج ذیل ہیں۔

31 دسمبر کو ختم ہونے والی دوسری سہ ماہی (روپے ملین میں)		
2021	2022	
34,819	34,646	کل فروخت
6,416	3,447	مجموعی نفع
283	341	دیگر فعال آمدنی (نقصان)
4,759	1,223	ٹیکس سے پہلے نفع
(593)	(315)	ٹیکس
4,166	908	ٹیکس کے بعد نفع

جائزہ برائے افعال

گزشتہ اسی مدت کے مقابلے میں زیر جائزہ چھ ماہ کے دوران فروخت میں 173 ملین روپے کی کمی واقع ہوئی ہے۔ انتظامی اخراجات میں 124 ملین اور تقسیم کی لاگت میں 98 ملین روپے کا اضافہ ہوا ہے۔ سود کی شرح میں اضافے کی وجہ سے مالی لاگت میں بھی گزشتہ اسی مدت کے دوران 607 ملین روپے کا اضافہ ہوا ہے۔ سوت کی قیمتوں میں کمی کا رجحان برقرار رہا اور اس کے نتیجے میں گزشتہ سال 2021 کی اسی مدت کے مقابلے میں 31 دسمبر 2022 کو ختم ہونے والی چھ ماہ کی مدت کے لئے 3,258 ملین روپے بعد از ٹیکس منافع کی کمی واقع ہوئی

منافع

زیر جائزہ مدت کے دوران کسی عبوری منافع کا اعلان نہیں کیا گیا۔

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF INDUS DYEING AND MANUFACTURING COMPANY LIMITED

### Report on review of unconsolidated condensed interim financial statements

#### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Indus Dyeing & Manufacturing Company Limited (the Company) as at December 31, 2022, the related unconsolidated condensed interim profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six months period then ended (here-in-after referred to as "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 - 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of unconsolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

#### Other matters

The figures of unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income and related notes for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2022.

The engagement partner on the review resulting in this independent auditor's review report is Shafqat Ali.

*Yousuf Adil*

#### Chartered Accountants

Place: Karachi

Date: Mar 01, 2023

UDIN: RR202210186Ro3jIVY9L

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

	Note	(Un-Audited) December 31, 2022	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	11,907,335	9,920,873
Intangibles		4,235	4,982
Long-term investments	5	6,399,992	6,399,992
Long-term deposits		6,287	6,287
		18,317,849	16,332,134
<b>Current assets</b>			
Stores, spares and loose tools		570,044	473,268
Stock-in-trade		15,168,113	11,159,676
Trade debts		8,386,128	9,348,186
Loans and advances		549,649	341,524
Trade deposits and short term prepayments		97,574	68,126
Other receivables		262,116	127,244
Other financial assets		66,901	76,688
Tax refundable	6	1,427,357	121,646
Cash and bank balances		203,564	309,882
		26,731,446	22,026,240
<b>TOTAL ASSETS</b>		<b>45,049,295</b>	<b>38,358,374</b>
<b>EQUITY AND LIABILITIES</b>			
Authorised share capital			
100,000,000 ordinary shares of Rs.10 each		1,000,000	1,000,000
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up capital			
54,221,196 ordinary shares of Rs.10 each		542,211	542,211
General reserve		14,977,568	8,977,568
Capital reserve		22,432	22,432
Revenue reserve - Unappropriated profits		8,488,963	13,719,428
		24,031,174	23,261,639
<b>Non-current liabilities</b>			
Long-term financing		6,385,918	4,679,766
Deferred taxation		143,711	110,177
Deferred liabilities		499,074	665,423
Lease liabilities		17,748	35,111
		7,046,451	5,490,477
<b>Current liabilities</b>			
Trade and other payables		3,489,717	3,557,725
Unclaimed dividend		3,730	3,735
Interest / mark-up payable		211,271	126,578
Short-term borrowings	7	9,161,504	4,914,087
Current portion of long-term financing		499,734	490,743
Current portion of deferred liabilities		586,986	496,365
Current portion of lease liabilities		18,728	17,025
		13,971,670	9,606,258
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>45,049,295</b>	<b>38,358,374</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

	Note	Six months period ended		Three months period ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
		(Restated)		(Restated)	
		----- (Rupees in '000) -----			
Revenue from contracts with customers	9	21,957,844	23,706,145	8,827,915	12,353,175
Cost of goods sold	10	<b>(20,002,598)</b>	(18,934,769)	<b>(8,479,446)</b>	(9,878,330)
Gross profit		<b>1,955,246</b>	4,771,376	<b>348,469</b>	2,474,845
Other income		<b>87,227</b>	78,962	<b>20,694</b>	57,086
		<b>2,042,473</b>	4,850,338	<b>369,163</b>	2,531,931
Distribution cost		<b>(251,923)</b>	(265,863)	<b>(77,806)</b>	(159,846)
Administrative expenses		<b>(214,437)</b>	(170,393)	<b>(105,642)</b>	(91,404)
Other operating expenses		<b>(107,390)</b>	(271,525)	<b>140,533</b>	(57,699)
Finance cost		<b>(501,669)</b>	(432,833)	<b>(316,422)</b>	(270,604)
<b>Profit before taxation</b>		<b>967,054</b>	3,709,724	<b>9,826</b>	1,952,378
Taxation	11	<b>(197,519)</b>	(464,706)	<b>167,098</b>	25,982
<b>Profit for the period</b>		<b>769,535</b>	3,245,018	<b>176,924</b>	1,978,361
		----- (Rupees) -----			
<b>Earnings per share - basic and diluted</b>	12	<b>14.19</b>	59.85	<b>3.26</b>	36.49

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	<u>(Restated)</u>		<u>(Restated)</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	----- (Rupees in '000) -----			
Profit for the period	<b>769,535</b>	3,245,018	<b>176,924</b>	1,978,361
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>769,535</b>	<b>3,245,018</b>	<b>176,924</b>	<b>1,978,361</b>

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

Note	Issued, subscribed and paid-up capital	Reserves					Total
		Capital		Revenue			
		Share Premium	Merger Reserve	Sub-total	General Reserve	Un- appropriated Profits	
(Rupees in '000)							
<b>Balance at June 30, 2021</b>	542,211	10,920	11,512	22,432	8,977,568	6,039,579	15,581,790
Impact of change in policy	-	-	-	-	-	271,261	271,261
<b>Balance at June 30, 2021 (Restated)</b>	542,211	10,920	11,512	22,432	8,977,568	6,310,840	15,853,051
<b>Total comprehensive income for the period ended December 31, 2021</b>							
Profit for the period - as reported	-	-	-	-	-	3,187,051	3,187,051
Impact of change in policy	-	-	-	-	-	57,967	57,967
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income - as restated	-	-	-	-	-	3,245,018	3,245,018
<b>Balance at December 31, 2021- Restated</b>	542,211	10,920	11,512	22,432	8,977,568	9,555,858	19,098,069
<b>Balance at June 30, 2022</b>	542,211	10,920	11,512	22,432	8,977,568	13,719,428	23,261,639
<b>Total comprehensive income for the period ended December 31, 2022</b>							
Transfer from unappropriated profits to general reserve	-	-	-	-	6,000,000	(6,000,000)	-
Profit for the period	-	-	-	-	-	769,535	769,535
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	-	769,535	769,535
<b>Balance at December 31, 2022</b>	542,211	10,920	11,512	22,432	14,977,568	8,488,963	24,031,174

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Six months period ended	
	(Restated)	
	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	967,054	3,709,724
<b>Adjustments</b>		
Depreciation of property, plant and equipment	446,218	350,646
Depreciation on right of use assets	7,331	7,331
Amortisation on intangibles	747	1,068
Provision for gratuity	51,776	118,419
Unrealised loss on revaluation of foreign currency loans	28,415	47,428
Gain on revaluation of foreign currency debtors	(5,170)	(3,194)
Gain on disposal of property, plant and equipment	(4,113)	(1,751)
Amortisation of grant income	(5,753)	(15,284)
Gain on forward contracts	6,490	(47,832)
Unrealised loss on revaluation of other financial assets	(2,074)	(2,073)
Dividend Income	466,919	432,833
Finance cost	-	(3,396)
Reversal of provision against doubtful debts	3,297	972
Unrealised loss on valuation of units of mutual funds	-	18,905
Discounting of provision of Gas Infrastructure Development Cess	-	-
<b>Cash generated before working capital changes</b>	1,963,137	4,616,107
<b>Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	(96,776)	(156,037)
Stock in trade	(4,008,437)	(7,220,630)
Trade debts	967,228	(1,545,607)
Loans and advances	145,758	55,493
Trade deposits and short term prepayments	(29,448)	(23,289)
Other receivables	(134,872)	(1,185,520)
	(3,156,547)	(10,071,490)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	(273,578)	1,276,590
Short-term borrowings	(1,954,317)	2,062,375
<b>Cash used in operations</b>	(3,421,305)	(2,116,418)
Income taxes paid	(1,618,010)	(460,901)
Finance cost paid	(361,450)	(331,096)
Gratuity paid	(140,393)	(44,571)
Gas Infrastructure Development Cess paid	(4,133)	(4,133)
<b>Net cash used in operating activities</b>	(5,545,291)	(2,957,119)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment- net of capital work in progress	(2,453,009)	(2,029,145)
Proceeds from disposal of property, plant and equipment	17,111	18,246
Long term investments made	-	(250,000)
Investment in other financial assets	-	(139,739)
Dividend received	2,074	2,093
<b>Net cash used in investing activities</b>	(2,433,824)	(2,398,545)
	<b>Six months period ended</b>	
	December 31, 2022	December 31, 2021
	Note ----- (Rupees in '000) -----	
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term financing obtained	2,065,031	984,171
Long-term financing repaid	(349,888)	(274,591)
Rentals paid against lease liabilities	(15,660)	(11,714)
Dividend paid	(5)	(25)
<b>Net cash generated from financing activities</b>	1,699,478	697,841
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	(6,279,637)	(4,657,823)
<b>Cash and cash equivalents at beginning of the period</b>	(705,865)	(1,593,295)
<b>Cash and cash equivalents at end of the period</b>	(6,985,502)	(6,251,118)
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	203,564	167,052
Short-term running finance	(7,189,066)	(6,418,170)
	(6,985,502)	(6,251,118)

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Indus Dyeing & Manufacturing Company Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act, 1913 (subsequently replaced by repealed Companies Ordinance, 1984 and now Companies Act, 2017). Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The addresses of these facilities are as follows:

Manufacturing Unit	Address
Hyderabad	P-1, P-5 S.I.T.E, Hyderabad, Sindh
Karachi	Plot Number 03 & 07, Sector 25, Korangi Industrial Area, Karachi.
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan

The Company has the investments in the following entities:

- Indus Lyallpur Limited - Wholly owned Subsidiary
- Indus Home Limited - Wholly owned subsidiary
- Indus Home USA Inc. - Wholly owned subsidiary of Indus Home Limited
- Indus Wind Energy Limited - Wholly owned subsidiary
- Sunrays Textile Mills Limited - Associated undertaking

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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

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

2.1.2 These unconsolidated condensed interim financial statements are unaudited. However, a limited scope review of these unconsolidated condensed interim financial statements have been performed by the external auditors of the Company and they have issued their review report thereon. These unconsolidated condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.

2.1.3 These are separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiaries are carried at cost less impairment, if any.

2.2.1 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for:

- recognition of certain employee retirement benefits at present value;
- recognition of certain financial instruments at fair value; and
- recognition of lease liabilities at present value.

2.2.2 These unconsolidated condensed interim financial statements do not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2022.

2.2.3 The comparative statement of financial position presented has been extracted from unconsolidated annual audited financial statements for the year ended June 30, 2022, whereas comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity presented in these unconsolidated condensed interim financial statements have been extracted from the unaudited unconsolidated condensed interim financial statements for the six months period ended December 31, 2021.

#### 2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.



# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## 3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies, underlying estimates and methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2022.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards for interim financial reporting 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.

### 3.2 Amendments to published approved accounting standards that are effective

"There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2022, however, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these unconsolidated condensed interim financial statements."

### 3.3 Amendments to published approved accounting standards that are not yet effective

Certain amendments to the approved accounting standards which are not yet effective, however, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

### 3.4 Changes in accounting policies

During the year ended June 30, 2022, management decided to change valuation method of raw material from weighted average method to moving average method for depicting more appropriate results. Considering this change as a change in accounting policy as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period figures have been restated. Further, during the period management reclassified trading income from other income to revenue and shown respective cost in cost of goods sold for better presentation. Effects of restatement and reclassification for the six months period ended December 31, 2021 are as follows:

#### Impact on statement of profit or loss

	For the six months period ended December 31, 2021			
	Previously reported amount	Impact of reclassification	Impact of change in policy	Restated amount
	----- (Rupees in '000) -----			
<b>Revenue from contracts with customers</b>	<b>23,553,555</b>	<b>152,590</b>	<b>-</b>	<b>23,706,145</b>
<b>Cost of goods sold</b>	<b>18,850,812</b>	<b>141,924</b>	<b>(57,967)</b>	<b>18,934,769</b>
- Cost of goods sold				
- Raw material consumed	14,614,783	141,924	(191,184)	14,565,523
- Work in process	(98,107)	-	52,648	(45,459)
- Finished goods	(17,372)	-	80,569	63,197
	14,499,304	141,924	(57,967)	14,583,261
<b>Other income</b>	<b>89,628</b>	<b>(10,666)</b>	<b>-</b>	<b>78,962</b>

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

For the three months period ended December 31, 2021			
Previously reported amount	Impact of reclassification	Impact of change in policy	Restated amount
----- (Rupees in '000) -----			
<b>Revenue from contracts with</b>	<b>12,288,000</b>	<b>65,175</b>	<b>12,353,175</b>
<b>Cost of goods sold</b>	<b>10,077,142</b>	<b>58,596</b>	<b>9,878,330</b>
- Cost of goods sold			
- Raw material consumed	7,545,389	58,596	7,332,642
- Work in process	(41,768)	-	(18,294)
- Finished goods	127,981	-	118,442
	<u>7,631,602</u>	<u>58,596</u>	<u>7,432,790</u>
<b>Other income</b>	<b>63,666</b>	<b>(6,580)</b>	<b>57,086</b>
		<b>Unappropriated Profits</b>	
		<b>Rupees in '000</b>	

## Impact of changes in unappropriated profits

As at June 30, 2021 - as reported	6,310,840
Profit for the period - as reported	3,187,051
Impact of change in policy as December 31, 2021	<u>57,967</u>
As at December 31, 2021 - Restated	<u><b>9,555,858</b></u>

Due to above restatements, no material change has been occurred between operating, financing and investing activities of statement of cash flows.

	(Unaudited)	
	Six months period ended December 31, 2021	Three months period ended December 31, 2021
<b>Impact on EPS due to above restatements</b>		
Profit for the period - as reported (Rupees in '000)	3,187,051	1,720,953
Profit for the period - restated (Rupees in '000)	3,245,018	1,978,361
Impact of restatements (Rupees in '000)	<u>(57,967)</u>	<u>(257,408)</u>
Weighted average number of shares outstanding (Numbers)	<u>54,221,196</u>	<u>54,221,196</u>
Impact on earnings per share (Rupees)	(1.07)	(4.75)
There were no dilutive potential ordinary shares in issue.		
	<b>(Un-Audited)</b>	(Audited)
	<b>December 31, 2022</b>	June 30, 2022
<b>Note</b>	----- (Rupees in '000) -----	

## 4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	4.1	<b>10,240,065</b>	9,331,688
Capital work in progress	4.2	<b>1,630,614</b>	545,198
Right of use assets	4.3	<u><b>36,656</b></u>	<u>43,987</u>
		<u><b>11,907,335</b></u>	<u>9,920,873</u>

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

	(Un-Audited) December 31, 2022	(Audited) June 30, 2022
Note	----- (Rupees in '000) -----	
<b>4.1 Operating fixed assets</b>		
Opening written down value	9,331,688	6,479,846
<b>Additions during the period / year</b>		
Freehold land	-	837,000
Factory building on leasehold land	88,463	275,642
Plant and machinery	1,037,317	2,018,582
Electric installations	81,496	64,210
Solar panels	126,882	193,219
Power generators	4,924	111,818
Office equipment	658	1,741
Furniture and fixtures	1,538	2,994
Vehicles	26,315	129,169
	1,367,593	3,634,375
<b>Disposals during the period / year</b>		
<b>Cost</b>		
Plant and machinery	27,354	194,673
Power generator	12,855	2,913
Vehicles	16,594	16,729
<b>Accumulated depreciation</b>		
Plant and machinery	(22,671)	(177,204)
Power generator	(11,223)	(2,600)
Vehicles	(9,911)	(7,295)
<b>- Written down value of operating fixed assets disposed off</b>	12,998	27,216
<b>- Depreciation charged during the period / year</b>	(446,218)	(755,317)
Written down value at end of the period / year	10,240,065	9,331,688
<b>4.2 Capital work in progress</b>		
Opening balance	545,198	663,049
<b>Additions during the period / year</b>		
Civil works	210,339	327,565
Plant and machinery	1,346,994	1,224,857
Solar panels	196,011	215,480
Power Generator	58,944	4,599
Electric installations	11,877	-
	1,824,165	1,772,501
<b>Transfers during the period / year</b>		
Civil works	(88,463)	(224,465)
Plant and machinery	(462,690)	(1,479,137)
Solar panels	(126,882)	(186,750)
Power Generator	(4,924)	-
Electric installations	(52,272)	-
Stores and spares	(3,518)	-
	(738,749)	(1,890,352)
Closing balance	1,630,614	545,198

4.2.1 Finance costs amounting to Rs. 31 million is capitalised in this cost as per IAS-23 - 'Borrowing costs'.

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

		(Un-Audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
<b>4.3 Right of use assets</b>			
Opening net book value		43,987	58,649
Depreciation for the period / year		(7,331)	(14,662)
Closing net book value		<u>36,656</u>	<u>43,987</u>
<b>Lease term in years</b>		<u>5</u>	<u>5</u>
<b>5. LONG TERM INVESTMENTS</b>			
Investment in an associate - at cost		13,476	13,476
Investment in subsidiaries - at cost	5.1	6,386,516	6,386,516
		<u>6,399,992</u>	<u>6,399,992</u>
<b>5.1 Investment in subsidiaries - at cost</b>			
Indus Home Limited (IHL)		2,491,204	2,491,204
Indus Lyallpur Limited (ILP)		1,635,000	1,635,000
Indus Wind Energy Limited (IWE)		2,260,312	2,260,312
		<u>6,386,516</u>	<u>6,386,516</u>
<b>6. TAX REFUNDABLE</b>			
Sales tax refundable		1,368,088	26,433
Income tax refundable		59,269	95,213
		<u>1,427,357</u>	<u>121,646</u>
<b>7. SHORT-TERM BORROWINGS</b>			
<b>- from banking companies - secured</b>			
Running finance		7,189,066	1,015,747
Foreign currency financing against exports		1,972,438	3,898,340
		<u>9,161,504</u>	<u>4,914,087</u>
<b>8. CONTINGENCIES AND COMMITMENTS</b>			
<b>8.1 Contingencies</b>			
There are no changes in contingencies disclosed in the annual financial statements expect below:			
		(Un-Audited)	(Audited)
		December 31,	June 30,
		2022	2022
		----- (Rupees in '000) -----	
<b>8.1.1</b>	Bank guarantees against payment of infrastructure cess.	<u>1,001,542</u>	<u>791,542</u>
<b>8.1.2</b>	Contingencies are not materially changed as disclosed in the note 26.1 to the unconsolidated annual audited financial statements for the year ended June 30, 2022.		

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

(Un-Audited) (Audited)  
December 31, June 30,  
2022 2022  
----- (Rupees in '000) -----

## 8.2 Commitments

Letters of credit for raw material and stores and spares	<u>2,377,294</u>	<u>4,491,068</u>
Letters of credit for property, plant and equipment	<u>738,618</u>	<u>2,570,918</u>
Stand by letter of credit (Indus Wind Energy Limited)	<u>1,375,657</u>	<u>1,942,218</u>
Sales contracts to be executed	<u>5,333,452</u>	<u>4,146,212</u>
Commitment under forward contract	<u>-</u>	<u>602,531</u>
Commitment to Pakistan State Oil	<u>7,500</u>	<u>7,500</u>

## 9. REVENUE FROM CONTRACTS WITH CUSTOMERS

		----- (Un-Audited) -----			
		Six months period ended		Three months period ended	
		(Restated)		(Restated)	
		December 31,	December 31,	December 31,	December 31,
		2022	2021	2022	2021
Note		----- (Rupees in '000) -----			
Export sales					
-Yarn	9.1	7,697,535	16,424,578	1,729,554	7,955,905
-Waste sale		229,329	116,456	93,024	45,240
		<u>7,926,864</u>	<u>16,541,034</u>	<u>1,822,578</u>	<u>8,001,145</u>
Local sales					
-Yarn		13,400,413	6,379,924	6,683,718	3,914,064
-Cotton / Fiber	9.2	461,216	152,590	294,634	65,175
-Waste sale		459,555	577,262	237,058	288,918
		<u>14,321,184</u>	<u>7,109,776</u>	<u>7,215,410</u>	<u>4,268,157</u>
Yarn conversion		103,358	147,331	40,072	88,814
Brokerage and commission		(208,785)	(188,088)	(83,847)	(98,033)
Sales discount		(15,061)	-	(14,907)	-
Sales exchange rate difference		(169,716)	96,091	(151,391)	93,091
		<u>(393,562)</u>	<u>(91,996)</u>	<u>(250,145)</u>	<u>(4,942)</u>
		<u>21,957,844</u>	<u>23,706,145</u>	<u>8,827,915</u>	<u>12,353,175</u>

9.1 This includes indirect exports of Rs. 3,639 million for six months ended December 31, 2022 [2021: Rs. 8,535 million] and Rs. 0.642 million for three months ended December 31, 2022 [2021: Rs. 3,743 million].

9.2 It represents trading of cotton and fiber.

9.3 Disaggregation of export sales into geographical areas :

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

----- (Un-Audited) -----				
Six months period ended		Three months period ended		
December 31,	December 31,	December 31,	December 31,	
2022	2021	2022	2021	
----- (Rupees '000) -----				
- Bangladesh	301,595	117,425	8,965	69,834
- Belgium	37,467	59,624	29,029	8,710
- Brazil	39,320	101,388	5,250	61,118
- China	2,374,094	6,377,856	806,907	3,213,502
- Egypt	140,671	-	7,503	-
- France	68,139	53,609	68,139	19,427
- Germany	-	22,212	-	22,212
- Italy	89,229	27,878	11,268	27,878
- Japan	63,128	121,450	42,483	59,523
- Malaysia	12,376	-	-	-
- Mexico	16,101	-	-	-
- Philippine	20,456	-	6,517	-
- Portugal	272,984	388,241	12,932	211,488
- Republic of Korea	194,727	87,731	194,727	44,786
- Spain	18,386	-	18,386	-
- Sweden	39,728	38,764	13,105	29,485
- Taiwan	122,360	47,827	34,774	20,172
- Turkey	381,768	415,757	23,708	339,759
- United Kingdom	-	21,417	-	21,417
- United States	237,632	29,085	47,768	15,840
- Vietnam	27,439	-	-	-
	<b>4,457,600</b>	7,910,264	<b>1,331,461</b>	4,165,151
Exchange rate difference	(169,716)	96,091	(151,391)	93,091
Indirect exports	<b>3,638,980</b>	8,534,679	<b>642,508</b>	3,742,903
	<b>7,926,864</b>	16,541,034	<b>1,822,578</b>	8,001,145

## 10. COST OF GOODS SOLD

----- (Un-Audited) -----				
Six months period ended		Three months period ended		
(Restated)		(Restated)		
December 31,	December 31,	December 31,	December 31,	
2022	2021	2022	2021	
----- (Rupees '000) -----				
Raw material consumed	17,845,999	14,565,523	8,550,015	7,332,642
Manufacturing expenses	3,283,529	3,348,919	1,491,287	1,714,796
Outside purchases	529,992	1,002,589	89,988	730,744
	<b>21,659,520</b>	18,917,031	<b>10,131,290</b>	9,778,182
Work in process				
Opening stock	411,547	348,076	576,687	375,241
Closing stock	(637,898)	(393,535)	(637,898)	(393,535)
	<b>(226,351)</b>	(45,459)	<b>(61,211)</b>	(18,294)
Cost of goods manufactured	<b>21,433,169</b>	18,871,572	<b>10,070,079</b>	9,759,888
Finished goods				
Opening stock	914,754	841,206	754,691	896,451
Closing stock	(2,345,325)	(778,009)	(2,345,325)	(778,009)
	<b>(1,430,571)</b>	63,197	<b>(1,590,634)</b>	118,442
	<b>20,002,598</b>	18,934,769	<b>8,479,445</b>	<b>9,878,330</b>

10.1 This includes cost of raw material sold of Rs. 436 million for six months ended December 31, 2022 [2021: Rs. 142 million] and Rs. 285 million for three months ended December 31, 2022 [2021: Rs. 59 million].

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

	----- (Un-Audited) -----			
	Six months period ended		Three months period ended	
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
----- (Rupees in '000) -----				
<b>10.2 Manufacturing expenses</b>				
Salaries, wages and benefits	973,333	929,839	360,693	465,421
Utilities	1,144,045	1,426,829	544,099	712,359
Packing material consumed	207,953	226,932	102,145	114,900
Stores and spares consumed	315,448	307,374	185,667	174,076
Repairs and maintenance	74,181	35,354	50,167	20,182
Insurance	17,374	5,304	7,211	(2,954)
Rates and taxes	906	2,329	-	1,363
Depreciation - on property, plant and equipment	422,731	332,973	216,133	174,733
Others	127,558	81,985	25,172	54,716
	<b>3,283,529</b>	<b>3,348,919</b>	<b>1,491,287</b>	<b>1,714,796</b>

## 11. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In these unconsolidated condensed interim financial statements, tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary differences that exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is recognized to the extent of local operations.

	(Un-Audited)	
	December 31,	December 31,
	2022	2021
----- (Rupees in '000) -----		
Tax charge for:		
- Current year	306,888	470,719
- Prior year tax	(142,903)	-
	<b>163,985</b>	470,719
- Deferred tax expense / (income)	33,534	(6,013)
	<b>197,519</b>	464,706

## 12. EARNINGS PER SHARE - BASIC AND DILUTED

	----- (Un-Audited) -----			
	Six months period ended		Three months period ended	
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
----- (Rupees in '000) -----				
<b>12.1 Basic earnings per share</b>				
Profit for the period	769,535	3,245,018	176,924	1,978,361
	<b>54,221</b>	<b>54,221</b>	<b>54,221</b>	<b>54,221</b>
	<b>14.19</b>	<b>59.85</b>	<b>3.26</b>	<b>36.49</b>

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

12.2 No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

## 13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries Indus Lyallpur Limited, Indus Home Limited, Indus Home USA Inc. and Indus Wind Energy Limited, the associates (Sunrays Textiles Mills Limited, Indus Heartland Limited, Riaz Cotton Factory and Haji Mola Buksh Cotton Company Limited) and key management personnel. The Company carries out transactions with related parties as per agreed terms. Transactions with related parties during the period and balances with them at period end are as follows:

			----- (Un-Audited) -----		
			Six months period ended		
			December 31 2022	December 31 2021	
			----- (Rupees in '000) -----		
13.1 Transactions during the period	Name of party	Basis of relationship	Nature of transactions		
	Indus Lyallpur Limited	Wholly owned Subsidiary	Purchase of yarn	-	25,807
			Conversion cost received	6,487	17,059
			Conversion cost	105,721	39,490
			Doubling cost received	-	454
			Waste sales	21,887	-
			Investment made	-	250,000
	Indus Home Limited	Wholly owned Subsidiary	Sale of yarn and waste	315,745	426,523
			Conversion cost received	96,871	130,280
			Doubling cost received	-	40
	Indus Wind Energy Limited	Wholly owned Subsidiary	Repayment of loan	136,411	-
	Indus Heartland Limited	Associate	Purchase of land	-	837,000
	Key management personnel	Employment	Remuneration paid	108,308	43,512
	Key management personnel	Directorship	Meeting fees	250,000	375,000
<b>13.2 Balances with related parties:</b>					
	Indus Lyallpur Limited	Subsidiary	Receivable against yarn and conversion process services	15,993	2,360
	Indus Home Limited	Subsidiary	Receivable against yarn and conversion process services	305,832	45,941
	Sunrays Textile Mills	Associate on common	Payable against various expenses	(241)	(316)
	Indus Wind Energy Limited	Wholly owned subsidiary	Receivable against loan.	104,709	209,206
<b>14. FAIR VALUE OF FINANCIAL INSTRUMENTS</b>					

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows



# INDUS DYEING & MANUFACTURING COMPANY LIMITED

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Company's financial assets which are carried at fair value:

As at December 31, 2022							
Carrying Amount				Fair Value			
Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>Financial assets measured at fair value</b>							
Other financial assets	66,901	-	-	66,901	66,901	-	-
<b>Financial assets not measured at fair value</b>							
Long-term deposits	-	-	6,287	6,287			
Trade debts	-	-	8,386,128	8,386,128			
Loans	-	-	111,075	111,075			
Other receivables	-	-	262,116	262,116			
Cash and bank balances	-	-	203,564	203,564			
	-	-	8,968,170	8,968,170			
<b>Financial liabilities not measured at fair value</b>							
Long-term financing	-	-	6,885,652	6,885,652			
Trade and other payables	-	-	3,022,996	3,022,996			
Unclaimed dividend	-	-	3,730	3,730			
Short-term borrowings	-	-	9,161,504	9,161,504			
Interest / mark-up payable	-	-	211,271	211,271			
Lease liabilities	-	-	36,476	36,476			
	-	-	19,321,229	19,321,229			

(Audited)

As at June 30, 2022

As at June 30, 2022							
Carrying Amount				Fair Value			
Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>Financial assets measured at fair value</b>							
Other financial assets	76,688	-	-	76,688	76,688	-	-
<b>Financial assets not measured at fair value</b>							
Long-term deposits	-	-	6,287	6,287			
Trade debts	-	-	9,348,186	9,348,186			
Loans	-	-	10,012	10,012			
Other receivables	-	-	127,244	127,244			
Cash and bank balances	-	-	309,942	309,942			
	-	-	9,801,671	9,801,671			
<b>Financial liabilities not measured at fair value</b>							
Long-term financing	-	-	5,170,509	5,170,509			
Trade and other payables	-	-	2,401,038	2,401,038			
Unclaimed dividend	-	-	3,735	3,735			
Short-term borrowings	-	-	4,914,087	4,914,087			
Interest / mark-up payable	-	-	126,578	126,578			
Lease liabilities	-	-	52,136	52,136			
	-	-	12,668,083	12,668,083			

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

- 14.1 The carrying amounts are reasonable approximation of their fair values.
- 14.2 There were no transfers of items between levels of fair value hierarchy during the period.

## 15. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on 01, March 2023 by the Board of Directors of the Company.

## 16. GENERAL

- 16.1 Figures have been rounded off to the nearest thousand of Rupee.
- 16.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.
- 16.3 The figures for the three months period ended December 31, 2022 in these unconsolidated condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**Consolidated Condensed  
Interim Financial Information  
Half Year Ended December 31, 2022**

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

		Dec 31, 2022 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	35,473,048	33,231,075
Intangibles		6,356	7,476
Long-term investments	8	82,104	80,218
Long-term deposits		18,590	19,898
Long-term advances		2,760	1,955
		35,582,858	33,340,622
<b>Current assets</b>			
Stores, spares and loose tools		990,378	1,004,358
Stock-in-trade		22,970,253	19,120,314
Trade debts		13,833,687	14,636,476
Loans and advances		687,836	220,101
Trade deposits & short term prepayments		111,842	90,261
Other receivables		977,696	477,827
Other financial assets		790,855	76,688
Tax refundable		2,490,380	1,281,971
Cash and bank balances		1,802,452	1,172,533
		44,655,379	38,080,529
		80,238,237	71,421,151
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Authorised share capital</b>			
100,000,000 ordinary shares of Rs.10 each		1,000,000	1,000,000
<b>Share capital and reserves</b>			
<b>Issued, subscribed and paid-up capital</b>			
54,221,196 ordinary shares of Rs.10 each		542,212	542,211
Capital reserve		14,978,505	8,977,567
General reserve		22,432	22,432
Unappropriated profits		15,000,198	20,092,138
		30,543,347	29,635,026
<b>Non-current liabilities</b>			
Long-term financing		21,747,717	19,520,193
Deferred taxation		143,531	129,463
Deferred liabilities		579,514	729,056
Lease liabilities		53,036	73,502
		22,523,798	20,452,214
<b>Current liabilities</b>			
Current portion of long-term financing		1,916,219	2,067,958
Current portion of deferred liabilities		645,800	508,310
Current maturity of lease liabilities		24,362	21,091
Trade and other payables		5,796,670	5,766,530
Unclaimed dividend		3,730	3,735
Interest / mark-up payable		477,553	331,015
Short-term borrowings	9	18,306,758	12,635,272
		27,171,092	21,333,911
		80,238,237	71,421,151
<b>TOTAL EQUITY AND LIABILITIES</b>			

### CONTINGENCIES AND COMMITMENTS

10

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ( UN-AUDITED ) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

		Six months period ended		Three months period ended	
		Dec 31, 2022	Restated Dec 31, 2021	Dec 31, 2022	Restated Dec 31, 2021
<b>Note</b>	-----	(Rupees in '000) -----			
Sales - net	11	33,901,247	34,818,788	14,572,877	18,287,596
Revenue from sale of electricity		744,722	-	243,995	-
Directly attributable cost for generating revenue	12	<u>(31,199,049)</u>	<u>(28,402,350)</u>	<u>(14,057,007)</u>	<u>(14,951,720)</u>
Gross profit		3,446,920	6,416,438	759,865	3,335,876
Other income		341,261	283,230	149,864	146,338
		<u>3,788,181</u>	6,699,668	<u>909,729</u>	3,482,214
Distribution cost		(645,766)	(547,500)	(261,292)	(309,513)
Administrative expenses		(472,258)	(348,558)	(235,977)	(186,759)
Other operating expenses		(150,313)	(362,778)	199,657	(103,171)
Finance cost		<u>(1,298,143)</u>	<u>(690,998)</u>	<u>(747,713)</u>	<u>(411,038)</u>
		<u>(2,566,480)</u>	(1,949,834)	<u>(1,045,325)</u>	(1,010,481)
Share of profit from associate - net of tax		1,886	9,629	95	4,361
<b>Profit before taxation</b>		<u>1,223,587</u>	4,759,463	<u>(135,501)</u>	2,476,094
Taxation		(315,527)	(593,223)	138,195	(41,225)
<b>Profit after taxation</b>		<u>908,060</u>	<u>4,166,240</u>	<u>2,694</u>	<u>2,434,869</u>
		----- (Rupees) -----			
<b>Earnings per share - basic and diluted</b>		<u>16.75</u>	<u>76.84</u>	<u>0.05</u>	<u>44.91</u>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME ( UN-AUDITED ) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

	Six months period ended		Three months period ended	
	Dec 31, 2022	Restated Dec 31, 2021	Dec 31, 2022	Restated Dec 31, 2021
	Note ----- (Rupees in '000) -----			
Profit for the period	908,060	4,166,240	2,694	2,434,869
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>908,060</b>	<b>4,166,240</b>	<b>2,694</b>	<b>2,434,869</b>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Reserves						Total
	Capital			Revenue			
	Issued, subscribed and paid-up capital	Share Premium	Merger Reserve	Exchange translation reserve	General Reserve	Un- appropriated Profits	
	----- (Rupees in '000) -----						
<b>Balance at June 30, 2021 (Audited)</b>	542,211	10,920	11,512	677	8,977,568	10,389,074	19,931,962
<b>Total comprehensive income for the period ended</b>							
Profit for the period	-	-	-	-	-	4,166,240	4,166,240
Other comprehensive income	-	-	-	107	-	-	107
	-	-	-	107	-	4,166,240	4,166,347
<b>Balance at December 31, 2021 ( Un-Audited )</b>	<b>542,211</b>	<b>10,920</b>	<b>11,512</b>	<b>784</b>	<b>8,977,568</b>	<b>14,555,314</b>	<b>24,098,309</b>
<b>Balance at June 30, 2022 (Audited)</b>	<b>542,211</b>	<b>10,920</b>	<b>11,512</b>	<b>677</b>	<b>8,977,568</b>	<b>20,092,138</b>	<b>29,635,026</b>
<b>Total comprehensive income for the period ended</b>							
<b>December 31, 2022</b>	-	-	-	-	6,000,000	(6,000,000)	-
Profit for the period	-	-	-	-	-	908,060	908,060
Other comprehensive income	-	-	-	261	-	-	261
	-	-	-	261	-	908,060	908,321
<b>Balance at December 31, 2022 ( Un-Audited )</b>	<b>542,211</b>	<b>10,920</b>	<b>11,512</b>	<b>938</b>	<b>14,977,568</b>	<b>15,000,198</b>	<b>30,543,347</b>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS ( UN-AUDITED ) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Six months period ended	
	Dec 31, 2022	Restated Dec 31, 2021
	----- (Rupees in '000) -----	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,223,587	4,759,463
<b>Adjustments</b>		
Depreciation of property, plant and equipment	1,227,846	742,594
Depreciation on right of use assets	9,818	9,223
Amortization on intangibles	1,122	1,068
Provision for gratuity	61,976	130,108
Share of profit from Associate	(1,886)	(9,629)
Unrealized loss / (gain) on revaluation of foreign currency loans	47,785	58,205
(Gain) / loss on revaluation of foreign currency debtors	(130,270)	(3,194)
Loss on disposal of property, plant and equipment	434	1,317
Unwinding of deferred government grant ( Gain ) on forward Booking	(5,753)	(15,284)
Unrealized loss / (gain) on revaluation of other financial assets	9,787	2,286
Dividend income	(2,074)	(2,093)
Finance cost	1,275,367	690,998
Reversal of provision against doubtful debts	6,575	(3,396)
Unrealized loss on valuation of mutual funds units	31	972
Discounting of provision of GIDC	22,775	31,304
<b>Cash generated before working capital changes</b>	<b>3,747,120</b>	<b>6,350,915</b>
<b>Working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	13,980	(248,281)
Stock in trade	(3,849,939)	(1,986,020)
Trade debts	802,789	(2,195,423)
Loans and advances	(467,735)	(179,918)
Trade deposits & short term prepayments	(21,581)	(30,599)
Other receivables	(499,868)	(1,045,442)
	(4,022,354)	(15,685,683)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	285,387	791,121
Short-term borrowings	(295,783)	2,323,240
<b>Cash (used in) / generated from operations</b>	<b>(285,630)</b>	<b>(6,220,407)</b>
Income taxes paid	(830,216)	(979,131)
Finance cost paid	(1,131,642)	(500,409)
Gratuity paid	(91,050)	(50,668)
<b>Net cash (used in) / generated from operating activities</b>	<b>(2,338,538)</b>	<b>(7,750,615)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment- net of capital work in progress	(3,504,322)	(5,031,844)
Proceeds from disposal of property, plant and equipment	24,252	46,946
Dividend received	2,074	2,093
<b>Net cash used in investing activities</b>	<b>(3,477,996)</b>	<b>(4,982,805)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term financing	3,628,701	4,471,900
Repayment of long-term financing	(965,998)	(520,819)
Rentals paid / recognized against lease liabilities	(17,195)	(14,745)
Dividend paid	(5)	(25)
Long term advance	805	-
<b>Net cash generated from financing activities</b>	<b>2,646,308</b>	<b>3,936,311</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(3,170,226)</b>	<b>(8,797,109)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(994,591)</b>	<b>(909,382)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(4,164,817)</b>	<b>(9,706,491)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	1,802,452	743,776
Short-term running finance	(5,967,269)	(10,450,267)
	<b>(4,164,817)</b>	<b>(9,706,491)</b>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER



# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS ( UN-AUDITED ) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

### 1. THE GROUP AND ITS OPERATIONS

The "Group" consists of Indus Dyeing & Manufacturing Company Limited (the Holding Company), its subsidiaries and associates.

#### 1.1 Holding Company

Indus Dyeing & Manufacturing Company Limited (the Holding Company) was incorporated in Pakistan on July 23, 1957 as a public limited Company under the Companies Act 1913 ( subsequently replaced by the repealed Companies Ordinance, 1984 and now Companies Act 2017 ). Registered office of the Holding Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company is currently listed on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn. The manufacturing facilities of the Holding Company are located in Karachi, Hyderabad & Muzaffargarh. The addresses of these facilities are as follows:

Manufacturing Unit	Address
Hyderabad	P-1 & P-5, S.I.T.E, Hyderabad, Sindh
Karachi	Plot No. 03 & 07, Sector 25, Korangi Industrial Area, Karachi
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan.

#### 1.2 Subsidiary Companies

##### 1.2.1 Indus Lyallpur Limited - 100% wholly owned

Indus Lyallpur Limited ( ILP ) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984 ( subsequently replaced by the repealed Companies Act 2017 ). Principal business of the ILP is manufacturing and sale of yarn. Its manufacturing facility is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the ILP is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

##### 1.2.2 Indus Home Limited - 100% wholly owned

Indus Home Limited ( IHL ) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984 ( subsequently replaced by the repealed Companies Act 2017 ). The registered office of the company is located at 174 Abu Bakar Block, New Garden Town, Lahore. The principal activities of the IHL are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Company is located at Manga Mandi, Lahore. On November 21, 2013, the Holding Company acquired 75 million shares of Indus Home Limited from WestPoint Pakistan LLC for an aggregate purchase consideration of USD 12 million. As a result of the acquisition, the Holding Company acquired controlling interest in Indus Home Limited by way of 100% ownership.

##### 1.2.3 Indus Home USA Inc. (100% wholly owned by Indus Home Limited)

Indus Home USA Inc. was established during the year ended June 30, 2014. Its principal business activity is to act as commission agent to generate sales order in textile sector.

##### 1.2.4 Indus Wind Energy Limited - 100% wholly owned

Indus Wind Energy Limited ( IWEL ) was established during the year ended June 30, 2015. Its principal business activity is to generate and sale electricity to the national grid. The power generation facility of the Company is located at Deh Kohistan 7/3 & 7/4 Tapu Jung Shahi, Taluka & District Thatta. Registered office of IWEL is situated at office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

##### 1.2.5 Sunrays Textile Mills Limited - Associated Company

Sunrays Textile Mills Limited was incorporated in Pakistan on August 27, 1987 as a public limited company under the Companies Ordinance, 1984 ( subsequently replaced by the repealed Companies Act 2017 ). Its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in trade, manufacture and sale of yarn. The registered office of the Company is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding Company has 0.99% voting rights in the Company and it is regarded associate due to common directorship.

### 2. BASIS OF CONSOLIDATION

- These consolidated condensed interim financial statements includes the condensed interim financial statements of the Holding Company, its subsidiaries and an associate company collectively referred to as "the Group" in these financial statements.
- Subsidiary companies are 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 condensed interim financial statements of the subsidiary companies are prepared for the same reporting period as of the Holding Company for the purpose of consolidation, using consistent accounting policies.
- The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis.
- Material inter-group balances and transactions have been eliminated.
- Non-controlling Interest in equity of the subsidiary companies are measured at fair value as of the acquisition date of the subsidiaries.

### 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 Pakistan for interim financial reporting comprises of :

- 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 recognized 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 the Group for the year ended June 30, 2022.

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, 2022.

### 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, 2022.

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, 2022, 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 six months period ended December 31, 2021.

### 6. Changes in accounting policies

During the year ended June 30, 2022, management decided to change valuation method of raw material from weighted average method to moving average method for depicting more appropriate results. Considering this change as a change in accounting policy as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period figures have been restated. Further, during the period management reclassified trading income from other income to revenue and shown respective cost in cost of goods sold for better presentation. Effects of restatement and reclassification for the six months period ended December 31, 2021 are as follows:

#### Impact on consolidated statement of profit or loss

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

For the six months period ended December 31, 2021

	Previously reported amount	Impact of reclassification	Impact of change in policy	Restated amount
----- (Rupees in '000) -----				
<b>Revenue from contracts with customers</b>	<b>34,666,198</b>	<b>152,590</b>	<b>-</b>	<b>34,818,788</b>
<b>Cost of goods sold</b>	<b>28,331,207</b>	<b>141,924</b>	<b>(70,781)</b>	<b>28,402,350</b>
<b>- Cost of goods sold</b>				
- Raw material consumed	21,335,126	141,924	(211,254)	21,265,796
- Work in process	(352,988)	-	60,402	(292,586)
- Finished goods	20,134	-	80,071	100,205
	<b>21,002,272</b>	<b>141,924</b>	<b>(70,781)</b>	<b>21,073,415</b>
<b>Other income</b>	<b>293,896</b>	<b>(10,666)</b>	<b>-</b>	<b>283,230</b>

For the three months period ended December 31, 2021

	Previously reported amount	Impact of reclassification	Impact of change in policy	Restated amount
----- (Rupees in '000) -----				
<b>Revenue from contracts with customers</b>	<b>18,222,421</b>	<b>65,175</b>	<b>-</b>	<b>18,287,596</b>
<b>Cost of goods sold</b>	<b>15,165,964</b>	<b>58,595</b>	<b>(272,839)</b>	<b>14,951,720</b>
<b>- Cost of goods sold</b>				
- Raw material consumed	11,181,600	58,595	(291,412)	10,948,783
- Work in process	(124,647)	-	31,798	(92,849)
- Finished goods	104,174	-	(13,225)	90,949
	<b>11,161,127</b>	<b>58,595</b>	<b>(272,839)</b>	<b>10,946,883</b>
<b>Other income</b>	<b>152,918</b>	<b>(6,580)</b>	<b>-</b>	<b>146,338</b>

**Unappropriated Profits**  
Rupees in '000

## Impact of changes in unappropriated profits

As at June 30, 2021 - as reported	10,389,074
Profit for the period - as reported	4,095,459
Impact of change in policy as December 31, 2021	70,781
As at December 31, 2021 - Restated	<b>14,555,314</b>

Due to above restatements, no material change has been occurred between operating, financing and investing activities of statement of cash flows.

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## Impact on EPS due to above restatements

	(Unaudited)	
	Six months period ended December 31,	Three months period ended December 31,
Profit for the period - as reported (Rupees in '000)	4,095,459	2,162,030
Profit for the period - restated (Rupees in '000)	4,166,240	2,434,869
	(70,781)	(272,839)
Impact of restatements (Rupees in '000)		
Weighted average number of shares outstanding (Numbers)	54,221,196	54,221,196
Impact on earnings per share (Rupees)	(1.31)	(5.03)

There were no dilutive potential ordinary shares in issue.

## 7. PROPERTY, PLANT AND EQUIPMENT

		Dec 31, 2022 ( Un-Audited ) ----- ( Rupees in '000 ) -----	June 30, 2022 ( Audited ) -----
Operating fixed assets	6.1	33,148,171	32,285,817
Capital work in progress	6.2	2,251,270	861,833
Right-of-use-assets	6.3	73,607	83,425
		35,473,048	33,231,075

### 7.1 Operating fixed assets - owned

Opening written down value		32,285,817	14,853,752
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#### Additions during the period / year

##### Owned assets

Free hold land		-	983,196
Factory building		88,463	1,233,043
Plant and machinery		1,741,890	16,292,496
Electric installations		81,726	64,210
Power generator		4,924	111,818
Solar panels		126,882	193,219
Office equipment		658	8,246
Factory equipment		32,952	118,432
Furniture and fixtures		8,687	17,552
Vehicles		26,315	253,141
Computers		2,389	-
		2,114,886	19,275,353

#### Disposal during the period / year

##### Owned assets - Cost

Plant and machinery		76,928	408,947
Power generator		12,855	6,748
Factory equipment		-	155
Office equipment		-	858
Furniture and fixtures		719	629
Vehicles		18,914	27,845

##### Owned assets - Accumulated depreciation

Plant and machinery		(61,539)	(342,443)
Power generator		(11,223)	(5,678)
Factory equipment		-	(113)
Office equipment		-	(612)
Furniture and fixtures		(472)	(415)
Vehicles		(11,496)	(13,861)
		24,686	82,060

Depreciation charged during the period		(1,227,846)	(1,761,228)
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#### Written down value at the end of the period / year

		33,148,171	32,285,817
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# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## 7.2 Capital work in progress

Opening balance	861,833	10,324,790
<b>Additions during the period / year</b>		
Plant and machinery	1,842,584	5,761,679
Civil works	251,517	931,997
Power generator	58,944	4,599
Electric installations	11,877	-
Solar panels	196,011	215,480
	2,360,933	6,913,755
<b>Transfers during the period / year</b>		
Plant and machinery	(698,955)	(15,008,096)
Civil works	(88,463)	(1,181,866)
Power generator	(4,924)	-
Electric installations	(29,580)	-
Solar panels	(149,574)	(186,750)
	(971,496)	(16,376,712)
<b>Closing balance</b>	2,251,270	861,833

## 7.3 Right-of-use assets

- Opening balance	83,425	103,060
- Depreciation charged during the period	(9,818)	(19,635)
<b>Written down value at end of the period</b>	73,607	83,425

## 8. LONG TERM INVESTMENTS

Investment in an associate	Note	8.1	82,104		80,218
			82,104		80,218

### 8.1 Investment in associate

Cost	1,716	1,716
Share of post acquisition profits:		
Opening	78,502	41,921
Dividend received	-	(1,025)
Share of profit from associate for the period	1,886	37,606
	80,388	78,502
	82,104	80,218
Number of shares held	205,962	205,962
Ownership interest	0.99%	0.99%
Book value (Rupees in '000)	82,104	80,622
Cost of investment (Rupees in '000)	1,716	1,716
	Dec 31, 2022	June 30, 2022
	( Un-Audited )	( Audited )
	----- ( Rupees in '000 ) -----	----- ( Rupees in '000 ) -----

## 9. SHORT TERM BORROWINGS

### - from banking companies - secured

Running finance	8,134,393	2,167,124
Foreign currency financing against export / import	2,928,712	10,189,672
Foreign bill discounting	-	278,476
Money market loan	7,243,653	-
	18,306,758	12,635,272

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

	Dec 31, 2022 ( Un-Audited )	June 30, 2022 ( Audited )
	----- ( Rupees in '000 ) -----	
<b>10. CONTINGENCIES AND COMMITMENTS</b>		
<b>10.1 Contingencies</b>		
Claim of arrears of social security contribution not acknowledged. Appeal is pending in Honorable High Court of Sindh. The management is hopeful for favorable outcome.	<u>453</u>	<u>453</u>
Bank guarantees in favour of Collector of Customs on behalf of the Group	<u>3,817</u>	<u>3,817</u>
Guarantees issued by banks in favour of gas and electric distribution companies	<u>801,349</u>	<u>422,349</u>
Bank guarantees against payment of infrastructure cess	<u>1,416,696</u>	<u>1,156,696</u>
Bank guarantees in favour of Pakistan State Oil Company Limited	<u>16,250</u>	<u>16,250</u>
Guarantees for Central Power Purchase Authority	<u>396,692</u>	<u>358,033</u>
SBLC for Indus Wind Energy Limited	<u>1,375,657</u>	<u>1,942,218</u>
<b>10.2 Commitments</b>		
Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases	<u>5,944,255</u>	<u>8,890,447</u>
Foreign currency forward contracts	<u>464,142</u>	<u>1,507,120</u>
Sales contract to be executed	<u>11,318,708</u>	<u>10,586,426</u>
<b>11. REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
	----- ( Un-Audited ) -----	
	<b>Six months period ended</b>	<b>Three months period ended</b>
	(Restated)	(Restated)
	Dec 31, 2022	Dec 31, 2021
	Dec 31, 2022	Dec 31, 2021
	----- ( Rupees in '000 ) -----	
Export sales		
-Yarn	16,296,220	25,783,969
-Waste sale	<u>229,329</u>	<u>116,466</u>
	<b>16,525,549</b>	<b>25,900,435</b>
	<b>5,829,185</b>	<b>93,024</b>
		<b>16,881,632</b>
Local sales		
-Yarn	16,708,760	8,142,194
-Cotton/fiber	<u>461,216</u>	<u>152,590</u>
-Waste sale	<u>726,136</u>	<u>817,970</u>
	<b>17,896,112</b>	<b>9,112,754</b>
	<b>8,270,241</b>	<b>294,634</b>
		<b>378,311</b>
		<b>1,440,495</b>
Brokerage and commission	<b>(350,698)</b>	<b>(290,482)</b>
Sales exchange rate difference	<b>(169,716)</b>	<b>96,091</b>
	<b>(520,414)</b>	<b>(194,391)</b>
	<b>(146,088)</b>	<b>(146,430)</b>
		<b>93,092</b>
	<b>(292,518)</b>	<b>(34,531)</b>
	<b>33,901,247</b>	<b>34,818,798</b>
		<b>14,572,877</b>
		<b>18,287,596</b>

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## 11.1 Disaggregation of export sales into geographical areas :

	----- ( Un-Audited ) -----			
	Six months period ended		Three months period ended	
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
	----- (Rupees in '000) -----			
- Albania	-	9,194	-	9,194
- Australia	48,226	68,083	13,620	-
- Bangladesh	373,705	117,426	81,075	69,834
- Belgium	103,437	65,293	83,495	14,379
- Brazil	122,705	101,388	88,635	61,118
- Canada	-	89,380	-	89,380
- China	2,146,388	7,818,769	191,835	3,657,619
- Denmark	5,425	385,413	5,425	170,203
- Egypt	252,967	-	93,489	-
- France	155,162	53,609	98,071	19,427
- Germany	640,970	977,686	230,510	524,134
- Greece	176,746	80,216	124,531	28,426
- Hong Kong	94,897	65,261	47,415	35,849
- Ireland	8,785	-	-	-
- Italy	228,310	221,109	106,269	144,228
- Japan	463,807	345,993	239,744	175,870
- Republic of Korea	194,727	87,731	194,727	44,786
- Malaysia	76,314	-	63,938	-
- Mexico	84,254	-	33,622	-
- Netherland	11,512	10,162	-	10,162
- New Zealand	28,747	10,881	28,747	-
- Norway	-	16,246	-	-
- Paraguay	17,254	-	17,254	-
- Phillipine	20,456	-	6,517	-
- Poland	42,234	-	13,667	-
- Portugal	510,071	453,140	116,670	276,387
- Saudi Arabia	38,265	7,287	25,147	-
- Singapore	718,311	616,940	391,652	337,119
- South Africa	28,628	29,283	22,575	20,293
- Spain	245,029	359,433	87,099	236,483
- Sweden	39,728	38,764	13,105	29,486
- Switzerland	-	206,147	-	26,689
- Taiwan	122,360	59,882	122,360	22,866
- Turkey	762,493	415,767	350,360	338,769
- United Arab Emirates	299,807	172,262	209,057	109,461
- United Kingdom	1,638,077	1,158,910	953,705	696,764
- United States	904,018	1,026,120	150,440	617,835
- Vietnam	27,439	-	-	-
Indirect exports	5,894,295	10,832,660	1,717,453	9,114,871
	<b>16,525,549</b>	<b>25,900,435</b>	<b>5,922,209</b>	<b>16,881,632</b>

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

		----- ( Un-Audited ) -----				
		Six months period ended		Three months period ended		
		Restated		Restated		
		Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021	
		----- ( Rupees in '000 ) -----				
<b>12.</b>	<b>DIRECTLY ATTRIBUTABLE COST FOR GENERATING REVENUE</b>					
		Note				
	Raw material consumed	11.1	26,048,833	21,265,796	12,807,158	10,948,783
	Manufacturing expenses		7,258,485	6,312,479	3,521,418	3,265,281
	Outside purchases		960,358	1,016,456	375,073	739,556
			<b>34,267,676</b>	28,594,731	<b>16,703,649</b>	14,953,620
	Work in process					
	Opening stock		1,325,963	1,224,795	1,536,820	1,424,532
	Closing stock		(2,319,980)	(1,517,381)	(2,319,980)	(1,517,381)
			<b>(994,017)</b>	(292,586)	<b>(783,160)</b>	(92,849)
	Cost of goods manufactured		<b>33,273,659</b>	28,302,145	<b>15,920,489</b>	14,860,771
	Finished Goods					
	Opening stock		2,199,725	1,920,947	2,410,853	1,911,691
	Closing stock		(4,274,335)	(1,820,742)	(4,274,335)	(1,820,742)
			<b>(2,074,610)</b>	100,205	<b>(1,863,482)</b>	90,949
			<b>31,199,049</b>	28,402,350	<b>14,057,007</b>	14,951,720

## 12.1 Manufacturing expenses

Salaries, wages and benefits	2,022,228	1,869,039	867,632	958,193
Fuel, water and power	2,318,669	2,164,634	1,111,582	1,124,733
Stores and spares consumed	851,681	834,637	484,287	460,532
Packing material consumed	478,368	552,052	245,803	274,279
Insurance	68,691	15,593	31,265	302
Repairs and maintenance	226,223	104,420	131,613	56,391
Rent, rate and taxes	2,351	3,780	3	1,634
Depreciation	1,182,059	710,478	597,419	368,157
Others	108,215	57,846	51,813	21,060
	<b>7,258,485</b>	6,312,479	<b>3,521,417</b>	3,265,281

## 13. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In these unconsolidated condensed interim financial statements, tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary differences that exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is recognized to the extent of local operations.

## 14. EARNINGS PER SHARE - BASIC AND DILUTED

		----- (Un-Audited) -----			
		Six months period ended		Three months period ended	
		Restated		Restated	
		Dec 31, 2022	Dec 31, 2021	Dec 31, 2022	Dec 31, 2021
		----- (Rupees in '000) -----			
<b>14.1</b>	<b>Basic earnings per share</b>				
	Profit for the period	908,060	4,166,240	2,694	2,434,869
		----- (Number of shares in '000) -----			
	Weighted average number of ordinary shares outstanding during the period	54,221	54,221	54,221	54,221
		----- (Rupees) -----			
	Earnings per share - basic and diluted	16.75	76.84	0.05	44.91



# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## 15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries Indus Lyallpur Limited, Indus Home Limited, Indus Home USA Inc. and Indus Wind Energy Limited, the associates (Sunrays Textiles Mills Limited, Indus Heartland Limited) and key management personnel. The Company carries out transactions with related parties as per agreed terms. Transactions with related parties during the period and balances with them at period end are as follows:

15.1	Transactions during the period	Name of party	Basis of relationship	Nature of transactions	Six months period ended	
					Dec 31	Dec 31
					2022	2021
					(Un-Audited)	(Un-Audited)
					----- (Rupees in '000)	-----
		Indus Heartland Limited	Associate on common directorship	Purchase of land	-	837,000
		Sun Rays Textile Mills Limited	Associate on common directorship	Purchase of yarn	22,118	38,326
				Paid yarn conversion cost	4,747	16,197
				Paid doubling cost	1,915	6,331
		Key management personnel	Employment	Remuneration paid	304,586	189,855

## 15.2 Balances with related parties:

Name of party	Basis of relationship	Nature of balances	Dec 30	June 30,
			2022	2022
			(Un-Audited)	(Audited)
			----- (Rupees in '000)	-----
Sunrays Textile Mills Limited	Associate on common directorship	Receivable / (payable)	(14,617)	(1,679)

## 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Company's financial assets which are carried at amortized cost except financial assets:

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

----- As at Dec 31, 2022 -----

----- ( Un-Audited ) -----

## Carrying Amount

	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
<b>measured at amortized cost</b>				
Long-term deposits	-	-	18,590	18,590
Trade debts	-	-	13,833,687	13,833,687
Loans and advance	-	-	6,366	6,366
Other receivables	-	-	977,696	977,696
Other financial assets	790,855	-	-	790,855
Cash and bank balances	-	-	1,802,452	1,802,452
	790,855	-	16,638,791	17,429,646

### Financial liabilities measured at amortized cost

Long-term financing	-	-	23,663,936	23,663,936
Deferred liabilities	-	-	637,783	637,783
Lease liabilities	-	-	77,398	77,398
Trade and other payables	-	-	2,280,039	2,280,039
Short-term borrowings	-	-	18,306,758	18,306,758
Unclaimed dividend	-	-	3,730	3,730
Interest / mark-up payable	-	-	477,553	477,553
	-	-	45,447,197	45,447,197

----- As at June 30, 2022 -----

----- ( Audited ) -----

## Carrying Amount

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total
----- (Rupees in '000) -----				
<b>Financial assets</b>				
<b>measured at amortized cost</b>				
Long-term deposits	-	-	19,898	19,898
Trade debts	-	-	14,636,476	14,636,476
Loans and advances	-	-	11,158	11,158
Other receivables	-	-	477,827	477,827
Other financial assets	76,688	-	-	76,688
Cash and bank balances	-	-	1,172,533	1,172,533
	76,688	-	16,317,892	16,394,580

### Financial liabilities measured at amortized cost

Long-term financing	-	-	21,588,151	21,588,151
Deferred liabilities	-	-	900,677	900,677
Lease liabilities	-	-	94,593	94,593
Trade and other payables	-	-	4,127,225	4,127,225
Unclaimed dividends	-	-	3,735	3,735
Short-term borrowings	-	-	12,635,272	12,635,272
Interest / mark-up payable	-	-	331,015	331,015
	-	-	39,680,668	39,680,668

**17. DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on March 01, 2023 by the Board of Directors of the Company.

**18. GENERAL**

**18.1** Figures have been rounded off to the nearest thousand of Rupee.

**18.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



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