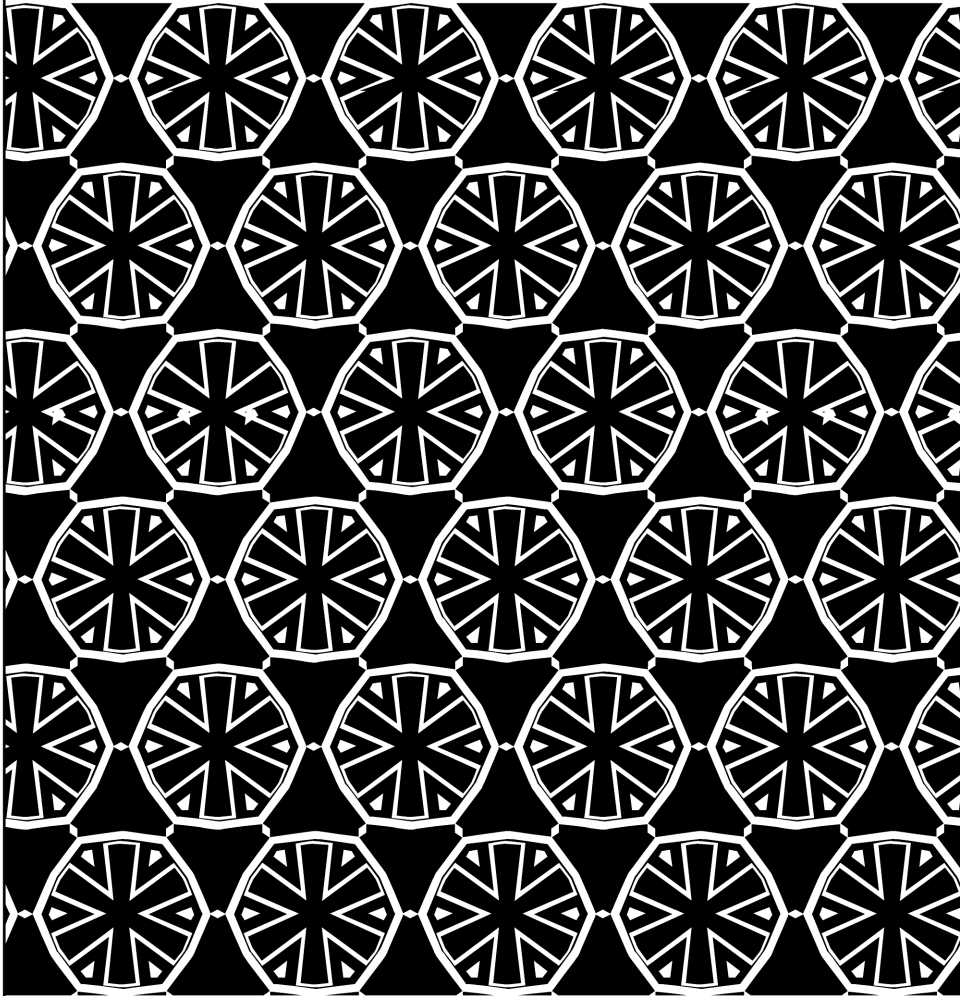


International Knitwear Limited



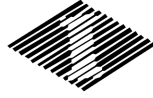
**FINANCIAL INFORMATION  
FOR THE 3RD QUARTER ENDED  
MARCH 31, 2023**



International Knitwear Limited

## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Waseem Shafi	Chairman
	Naeem Shafi	Chief Executive
	Javed Khan	Director
	Khalid Jamil Siddiqi	Director
	Abdullah Ahsan Saleem	Director
	Saleha Majid	Director
	Muhammad Shafi	Director
<b>AUDIT COMMITTEE</b>	Khalid Jamil Siddiqi	Chairman
	Abdullah Ahsan Saleem	Member
	Saleha Majid	Member
<b>HR &amp; REMUNERATION COMMITTEE</b>	Abdullah Ahsan Saleem	Chairman
	Saleha Majid	Member
	Muhammad Shafi	Member
<b>RISK MANAGEMENT COMMITTEE</b>	Naeem Shafi	Chairman
	Javed Khan	Member
	Khalid Jamil Siddiqi	Member
<b>NOMINATION COMMITTEE</b>	Khalid Jamil Siddiqi	Chairman
	Waseem Shafi	Member
	Naeem Shafi	Member
<b>LEGAL ADVISOR</b>	Ali Associates	
<b>BANKERS</b>	Bank Al Habib Limited	
	Habib Bank Limited	
	Bank Alfalah	
	Dubai Islamic Bank	
	Faysal Bank Limited	
<b>REGISTERED OFFICE &amp; FACTORY</b>	F-2A/(L), S.I.T.E., Karachi-75730	
<b>REGISTRAR</b>	CDC Registrar Services Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shakra-e-Faisal, Karachi-74400	
<b>WEBSITE</b>	www.internationalknitwear.com	



# International Knitwear Limited

## Directors' Report

The Board of Directors of International Knitwear Limited (INKL) is pleased to present the un-audited financial statements of the Company for the 3<sup>rd</sup> Quarter that ended March 31, 2023

### FINANCIAL PERFORMANCE

	March-2023	March-2022
	Rupees	Rupees
Sales	550,671,126	508,120,214
Gross profit	81,981,722	42,293,206
Other income	8,623,560	5,445,500
Profit before taxation	45,824,855	17,899,414
Profit after taxation	36,625,099	12,818,212
Earnings per share-basic and diluted	3.79	1.32

### PROFIT AND LOSS ANALYSIS

During the period under review, the net sales of the Company amounted to Rs.550.67 million against Rs. 508.12 million in the preceding year showing an increase of Rs. 42.55 million. The Company recorded a gross profit of Rs. 81.98 million during the period under review against Rs. 42.29 million as compared to the previous year. Earnings per share (EPS) for the period were Rs. 3.79 compared to Rs. 1.32 for the corresponding period.

### REVIEW OF OPERATION

The company recorded a satisfactory performance in spite of the significant increase in finance cost by Rs. 15.01 million in the current period as compared with Rs.9.95 million in the same period last year, due to increases in average borrowing cost and short-term loans which were obtained to finance increased working capital requirements.

This quarter was very challenging for the Company. Despite the economic slowdown and political instability prevalent in the country, the company managed to earn a sales turnover of Rs. 134.45 million during this 3<sup>rd</sup> Quarter of the year ended on March 31, 2023, as compared to Rs. 195.82 million during the corresponding period of the last year.

The company's management is determined to achieve the best possible results by rigorously increasing its market share in both the international and domestic markets through aggressive marketing strategies.

### Future Prospects

The Company is under pressure due to the global recession and high inflation. The domestic environment in the form of political uncertainty as well as the high cost of doing business including high financial costs and expected increase in energy prices is creating tremendous pressure. Management will keep striving to overcome ongoing challenges and is optimistic to end this year by achieving reasonable profitability.

### Acknowledgment

The Management would like to place on record its appreciation for the support of the Board of Directors, regulatory authorities, shareholders, customers, financial institutions, suppliers, and the dedication & hard work of the Staff and Workers.

on behalf of the Board

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO

Karachi: April 19, 2023



# International Knitwear Limited

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT MARCH 31, 2023

		(Un-Audited) March 2023	(Audited) June 2022
	Note	Rupees	Rupees
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	4	59,494,742	53,236,051
Long term deposits		2,052,602	2,052,600
Loan and advances	9	1,873,655	885,665
Long term investments	5	20,322,844	20,867,356
		<b>83,743,843</b>	<b>77,041,672</b>
<b>Current Assets</b>			
Stock in trade	7	98,932,048	126,572,714
Short term investments	6	19,157,813	17,439,319
Trade debts - considered good	8	119,190,190	144,689,705
Loans and advances	9	3,369,194	10,144,284
Other receivables	10	2,877,885	9,673,404
Taxation - net		23,435,890	25,015,756
Cash and bank balances	11	4,834,779	5,481,510
		<b>271,797,799</b>	<b>339,016,692</b>
<b>TOTAL ASSETS</b>		<b>355,541,642</b>	<b>416,058,364</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Issued, subscribed & paid-up capital	12	96,750,000	96,750,000
<b>Revenue Reserves</b>			
Unappropriated profit		74,586,947	45,218,098
		<b>171,336,947</b>	<b>141,968,098</b>
<b>Capital Reserves</b>			
Unrealized gain on revaluation of investments - FVTOCI		1,401,082	1,945,594
		<b>172,738,029</b>	<b>143,913,692</b>
<b>Non-Current Liabilities</b>			
Lease liabilities		513,752	642,288
		<b>513,752</b>	<b>642,288</b>
<b>Current Liabilities</b>			
Short term finance under mark-up arrangement	14	80,140,392	152,477,501
Current maturity of lease liabilities		262,789	514,441
Current maturity of MTF salary and wages (Covid-19) liabilities	15	-	4,504,707
Creditors, accrued and other payables	16	99,915,110	111,162,376
Unclaimed dividend		1,971,571	1,812,391
Current portion of deferred grant	15	-	1,030,968
		<b>182,289,861</b>	<b>271,502,384</b>
<b>Contingencies and Commitments</b>			
	17	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>355,541,642</b>	<b>416,058,364</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial information

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO



# International Knitwear Limited

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTH & 3RD QUARTER ENDED MARCH 31, 2023

	3RD QUARTER ENDED		NINE MONTH ENDED	
	MARCH	MARCH	MARCH	MARCH
	2023	2022	2023	2022
	----- (Rupees) -----		----- (Rupees) -----	
Sales - net	134,452,391	195,823,831	550,671,126	508,120,214
Cost of goods sold	(108,730,794)	(175,388,015)	(468,689,404)	(465,827,007)
<b>Gross profit</b>	<b>25,721,597</b>	<b>20,435,816</b>	<b>81,981,722</b>	<b>42,293,207</b>
Administrative and selling expenses	(11,159,883)	(5,785,066)	(26,367,833)	(18,557,021)
<b>Operating profit</b>	<b>14,561,714</b>	<b>14,650,750</b>	<b>55,613,889</b>	<b>23,736,186</b>
Other income	2,157,299	(204,571)	9,695,920	6,904,903
Unrealized gain/(loss) on revaluation of investments through P&L	1,136,857	154,936	(1,072,360)	(1,459,403)
	3,294,156	(49,635)	8,623,560	5,445,500
	17,855,870	14,601,115	64,237,449	29,181,686
Financial charges	(7,171,068)	(4,302,642)	(15,016,337)	(9,955,677)
Other charges	(737,251)	(710,595)	(3,396,257)	(1,326,595)
	(7,908,319)	(5,013,237)	(18,412,594)	(11,282,272)
<b>Profit before taxation</b>	<b>9,947,551</b>	<b>9,587,878</b>	<b>45,824,855</b>	<b>17,899,414</b>
<b>Taxation</b>				
Taxation Current year	(1,344,524)	(1,958,238)	(5,506,711)	(5,081,202)
Taxation prior year	-	-	(3,693,045)	-
<b>Profit after taxation</b>	<b>8,603,027</b>	<b>7,629,640</b>	<b>36,625,099</b>	<b>12,818,212</b>
Earning per share-basic and diluted	0.89	0.79	3.79	1.32

The annexed notes 1 to 21 form an integral part of these condensed interim financial information

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO



# International Knitwear Limited

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTH & 3RD QUARTER ENDED MARCH 31, 2023

	3RD QUARTER ENDED		NINE MONTH ENDED	
	MARCH 2023	MARCH 2022	MARCH 2023	MARCH 2022
	------(Rupees)-----		------(Rupees)-----	
Profit for the period	8,603,027	7,629,640	36,625,099	12,818,212
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Unrealised (loss) /gain on remeasurement of investments classified as fair value through OCI	639,193	1,105,755	(544,512)	(271,948)
Reclassification of OCI on disposal of fair value through OCI investment directly into equity	-	-	-	-
	639,193	1,105,755	(544,512)	(271,948)
<b>Total comprehensive income for the period</b>	<b>9,242,220</b>	<b>8,735,395</b>	<b>36,080,587</b>	<b>12,546,264</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial information

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO



## International Knitwear Limited

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023

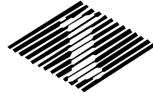
	Issued, Subscribed and Paid up Share Capital	Unrealized gain / (loss) on revaluation of investments	Unappropriated profit	Total
	----- Rupees -----			
Balance as at July 01, 2021 (Audited)	96,750,000	905,089	23,133,365	120,788,454
<b>Total comprehensive income:</b>				
Net profit for the period ended March 31, 2022	-	-	12,818,212	12,818,212
Reclassification on disposal of FVTOCI directly into equity	-	-	-	-
Fair value adjustment on investment classified as FVTOCI	-	(271,948)	-	(271,948)
<b>Transaction with owners:</b>				
0% cash dividend paid for the year ended June 30, 2021	-	-	-	-
<b>Balance as at March 31, 2022 (Un-audited)</b>	<b>96,750,000</b>	<b>633,141</b>	<b>35,951,577</b>	<b>133,334,718</b>
<b>Balance as at June 30, 2022 (Audited)</b>	<b>96,750,000</b>	<b>1,945,594</b>	<b>45,218,098</b>	<b>143,913,692</b>
<b>Total comprehensive income:</b>				
Net profit for the period ended March 31, 2023	-	-	36,625,099	36,625,099
Reclassification on disposal of FVTOCI directly into equity	-	-	-	-
Fair value adjustment on investment classified as FVTOCI	-	(544,512)	-	(544,512)
<b>Transaction with owners:</b>				
7.5% cash dividend paid for the year ended June 30, 2022	-	-	(7,256,250)	(7,256,250)
<b>Balance as at March 31, 2023 (Un-Audited)</b>	<b>96,750,000</b>	<b>1,401,082</b>	<b>74,586,947</b>	<b>172,738,029</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial information

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO



# International Knitwear Limited

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023

	March 2023	March 2022
	------(Rupees)-----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	45,824,855	17,899,414
<b>Adjustment for non cash items:</b>		
Depreciation	5,468,137	4,005,850
Gain on sale of property, plant and equipment	(2,532,800)	(1,240,000)
Other Income	(7,163,120)	(4,205,500)
Finance cost	15,016,337	9,955,677
	<u>10,788,554</u>	<u>8,516,027</u>
<b>Profit before changes in working capital</b>	<b>56,613,409</b>	<b>26,415,441</b>
<b>(Increase)/decrease in current assets</b>		
Stock in trade	27,640,666	(415,115)
Trade debts	25,499,515	(10,190,536)
Loans and advances	5,787,100	(5,759,074)
Other receivables	6,795,519	13,443,036
	<u>65,722,800</u>	<u>(2,921,689)</u>
<b>Increase/(decrease) in current liabilities</b>		
Creditors, accrued and other payables	(11,247,266)	14,377,070
	<u>(11,247,266)</u>	<u>14,377,070</u>
Financial charges paid	(14,670,337)	(9,247,191)
Taxes paid	(7,619,891)	(6,253,649)
Cash proceed from Sales tax	7,860,005	-
	<u>(14,430,223)</u>	<u>(15,500,840)</u>
<b>Net cash generated from operating activities</b>	<b>96,658,720</b>	<b>22,369,982</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(11,730,028)	(23,901,541)
Additions in investment	(94,096,775)	(14,165,444)
Disposal of investment	89,751,850	12,636,228
Proceeds from sale of property, plant and equipment	2,536,000	1,240,000
<b>Net cash used in investing activities</b>	<b>(13,538,953)</b>	<b>(24,190,757)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash proceeds from short term finance under mark-up arrangement	144,254,046	125,498,000
Repayment of short term finance under mark-up arrangement	(223,248,657)	(127,501,328)
Lease rentals paid	(380,188)	(354,175)
Dividend paid	(7,097,071)	(5,542)
<b>Net cash used/(generated) in/from financing activities</b>	<b>(86,471,870)</b>	<b>(2,363,045)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,352,102)</b>	<b>(4,183,817)</b>
Cash and bank balances at the beginning of the period	5,481,510	577,891
<b>Cash and cash equivalent at the end of the period</b>	<b><u>2,129,408</u></b>	<b><u>(3,605,926)</u></b>
<b>Cash and cash equivalent at the end of the period</b>		
Cash and bank balances	4,834,779	2,385,794
Running finance facility	(2,705,372)	(5,991,720)
	<u>2,129,408</u>	<u>(3,605,926)</u>

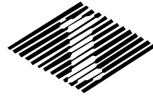
The annexed notes 1 to 21 form an integral part of these condensed interim financial information

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO





# International Knitwear Limited

## **NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023**

### **1 STATUS AND NATURE OF THE BUSINESS**

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

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

We are leaders in creating, developing and ,manufacturing knitted and woven apparel products right from basic to fashioned garments.

We are engaged in the export of quality garments. We have established a name of credentials owing to the projected commitments, working speed and quality practices. Our operating philosophy is to provide buyers with products that meet their specification, and are reliably delivered at a reasonable price in domestic and international markets

### **2 STATEMENT OF COMPLIANCE**

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

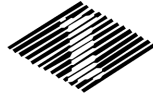
Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2022.

- 2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended March 31, 2023 and 2022 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the quarter ended March 31, 2023 and 2022.

### **3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the consistent as those applied in the preparation of the audited annual financial statements for the year ended 30 June 2022.



# International Knitwear Limited

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023

	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
------(Rupees)-----			
<b>4 PROPERTY, PLANT &amp; EQUIPMENT</b>			
Property and equipment - at cost less accumulated depreciation	4.1	56,837,205	52,511,801
Capital work in progress	4.4	2,367,837	-
Right-of-use assets	4.5	289,700	724,250
		<u>59,494,742</u>	<u>53,236,051</u>
<b>4.1 Operating assets</b>			
Opening book value		52,511,801	31,416,026
Additions during the period	4.2	9,362,191	26,081,317
Disposals during the period at book value	4.3	(3,200)	-
Depreciation charged during the period		(5,033,587)	(4,985,542)
		<u>56,837,205</u>	<u>52,511,801</u>
<b>4.2 Additions during the period/year</b>			
Factory building		-	20,168,896
Plant and machinery		231,000	1,207,000
Computers		352,200	452,644
Furniture Fitting		242,300	626,052
Office equipment		215,000	151,000
Motor vehicles		8,321,691	3,475,725
		<u>9,362,191</u>	<u>26,081,317</u>
<b>4.3 Deletions / write-off / adjustments at book value - period/year</b>			
Plant and machinery		-	100,000
Computers		291,800	25,000
Motor vehicles		1,825,000	1,400,090
		<u>2,116,800</u>	<u>1,525,090</u>
<b>4.4 Movement in Capital Work in Progress</b>			
Opening balances		-	3,263,852
Add: Additions during the period		2,367,837	16,905,044
Less: Transfer to operating assets		-	(20,168,896)
		<u>2,367,837</u>	<u>-</u>
<b>4.5 Right-of-use assets</b>			
Opening balances		724,250	1,303,650
Depreciation for the period		(434,550)	(579,400)
		<u>289,700</u>	<u>724,250</u>
<b>5 LONG TERM INVESTMENTS</b>			
<b>At fair value through other comprehensive income (FVTOCI)</b>			
Equity securities- listed	5.1	20,322,844	20,867,356
		<u>20,322,844</u>	<u>20,867,356</u>
<b>5.1 FVTOCI - Equity Securities</b>			
<b>Name of Shares</b>			
- The Searle Company Limited		49,317	83,618
- Engro fertilizer Limited.		2,247,730	2,348,960
- Engro Corporation Limited		276,780	257,090
-The Hub Power Company Limited		979,185	988,465
- Pakistan Oilfields Limited		16,155,045	16,435,305
- Millat Tractors Limited		614,787	753,918
		<u>20,322,844</u>	<u>20,867,356</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE 3RD QUARTER ENDED MARCH 31, 2023**

	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees) -----			
<b>6 SHORT TERM INVESTMENTS</b>			
<b>At fair value through profit or loss (FVTPL)</b>			
Equity securities- listed	6.1	9,790,539	14,126,546
Mutual funds- listed	6.2	9,367,274	3,312,773
		<u>19,157,813</u>	<u>17,439,319</u>
<b>6.1 FVTPL - Equity Securities</b>			
<b>Name of Shares</b>			
- The Searle Company Limited.		106,461	3,441,216
- Attock Petroleum Limited		734,050	642,620
- Engro Fertilizers Limited.		2,799,060	2,969,440
- Engro Polymer & Chemical Limited		612,818	995,375
- Pakistan Petroleum Limited		434,928	-
- Pakistan Oilfields Limited		2,552,896	2,597,184
- Pakistan State Oil Co. Limited		1,638,671	2,560,416
-The Hub Power Company Limited		911,655	920,295
		<u>9,790,539</u>	<u>14,126,546</u>
<b>6.2 FVTPL - Mutual funds</b>			
<b>Name of the Fund</b>			
- AKD Islamic income Fund		553,558	493,745
-UBL Liquidity Plus Fund		-	2,819,028
-UBL Liquidity Plus Fund -02		800,809	-
-UBL Liquidity Plus Fund -03		500,506	-
-UBL Fixed Plan-III-C Fund -01		5,273,580	-
-UBL Fixed Plan-III-C Fund -03		1,525,685	-
-Mcb Cash Management Optimizer Fund		713,136	-
		<u>9,367,274</u>	<u>3,312,773</u>
<b>7 STOCK IN TRADE</b>			
Raw material		41,580,202	12,197,441
Work-in-process		53,630,612	99,503,116
Finished goods	7.1	3,721,234	14,872,157
		<u>98,932,048</u>	<u>126,572,714</u>
<b>7.1 Finished goods</b>			
Finished stock		1,221,234	-
Finished stock in transit		-	9,831,332
Scrap / Left over stock		2,500,000	5,040,825
		<u>3,721,234</u>	<u>14,872,157</u>
<b>8 TRADE DEBTS - CONSIDERED GOOD</b>			
Foreign - secured, considered good		28,048,196	71,303,596
<b>Local - unsecured</b>			
- Considered good		91,141,994	73,386,109
- Considered doubtful		523,270	523,270
		91,665,264	73,909,379
Less: Provision for doubtful debts		(523,270)	(523,270)
		<u>119,190,190</u>	<u>144,689,705</u>
<b>9 LOANS AND ADVANCES</b>			
<b>Loan to employees - Long term portion - unsecured, considered good</b>			
Loan to employees		2,191,155	1,945,165
Less: current portion of loan to employees		(317,500)	(1,059,500)
		<u>1,873,655</u>	<u>885,665</u>
<b>Short term Advances - unsecured, considered good</b>			
Advance to contractor and supplier		3,051,694	1,311,254
Current portion of advances to employees		317,500	1,059,500
Short term deposits (BAH against LC)		-	7,773,530
		<u>3,369,194</u>	<u>10,144,284</u>



# International Knitwear Limited

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023

	(Un-audited) March 31, 2023		(Audited) June 30, 2022	
<b>10 OTHER RECEIVABLES</b>	------(Rupees)-----			
Sales tax refundable	(1,396,678)		5,974,154	
Export rebate receivables	404,952		347,110	
Research and development receivable	2,574,779		2,574,779	
Other receivable	1,294,832		777,361	
	<b>2,877,885</b>		<b>9,673,404</b>	
<b>11 CASH AND BANK BALANCES</b>				
Cash in hand	100,000		100,000	
<b>With banks in:</b>				
Treasuries call accounts (deposit accounts)	4,451,999		6,789,175	
Current accounts	1,782,780		92,335	
	6,234,779		6,881,510	
Security deposit	(1,500,000)		(1,500,000)	
	<b>4,834,779</b>		<b>5,481,510</b>	
<b>12 Share capital</b>				
<b>Authorized share capital</b>				
	<b>March 31, 2023</b>	<b>June 30, 2022</b>	<b>March 31, 2023</b>	<b>June 30, 2022</b>
<b>Number of Shares</b>	------(Rupees)-----		------(Rupees)-----	
20,000,000	20,000,000	20,000,000	200,000,000	200,000,000
	<b>20,000,000</b>	<b>20,000,000</b>	<b>200,000,000</b>	<b>200,000,000</b>
<b>Issued, subscribed and paid-up share capital</b>				
	<b>March 31, 2023</b>	<b>June 30, 2022</b>	<b>March 31, 2023</b>	<b>June 30, 2022</b>
<b>Number of Shares</b>	------(Rupees)-----		------(Rupees)-----	
3,000,000	3,000,000	30,000,000	30,000,000	
		225,000	2,250,000	2,250,000
	6,450,000	6,450,000	64,500,000	64,500,000
	<b>9,675,000</b>	<b>9,675,000</b>	<b>96,750,000</b>	<b>96,750,000</b>
<b>13 OTHER INCOME</b>				
	(Un-audited) Quarter ended		(Un-audited) Half year ended	
	<b>March 2023</b>	<b>March 2022</b>	<b>March 2023</b>	<b>March 2022</b>
<b>Income From Financial Assets</b>	------(Rupees)-----		------(Rupees)-----	
Exchange gain -Net	(1,218,032)	1,883,908	415,660	3,261,717
Grant Income	-	524,018	257,495	524,018
Profit on bank accounts	344,361	49,059	725,351	96,822
Dividend Income	2,069,049	1,800,484	6,647,670	2,179,722
(Loss) on disposal of investment	(1,352,775)	(766,266)	(1,533,756)	(777,193)
Income from insurance claim	-	-	650,700	-
Reversal of provision against doubtful debts	-	150,000	-	350,000
Gain on translation of foreign currency debtors	(185,304)	234,388	-	234,388
<b>Income From Non-Financial Assets</b>				
Gain / (loss) on disposal of property, plant and equipment	2,500,000	1,240,000	2,532,800	1,240,000
	<b>2,157,299</b>	<b>5,115,591</b>	<b>9,695,920</b>	<b>7,109,474</b>
<b>14 SHORT TERM FINANCE UNDER MARK-UP ARRANGEMENT</b>				
Running finance facility			2,705,372	5,964,501
Export refinance facility			5,000,000	59,000,000
Short term finance - local sales			-	5,000,000
Finance against Foreign documentary bills			-	36,824,000
Finance against local documentary bills			4,380,955	45,689,000
Twinco Capital Finco Spain, S.L			68,054,065	-
			<b>80,140,392</b>	<b>152,477,501</b>
<b>15 MTF SALARY AND WAGES(COVID-19) LIABILITIES</b>				
<b>MTF salary and wages (Covid-19)</b>				
				<b>5,535,675</b>
<b>MTF salary and wages (Covid-19)</b>				
Up to one year				4,504,707
Later than one year and not later then five years				-
				<b>4,504,707</b>
<b>Deferred Grant</b>				
Up to one year				1,030,968
Later than one year and not later then five years				-
				<b>1,030,968</b>



# International Knitwear Limited

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE 3RD QUARTER ENDED MARCH 31, 2023

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
	------(Rupees)-----	
<b>16 CREDITORS, ACCRUED AND OTHER PAYABLES</b>		
Creditors	75,865,678	89,983,279
Accrued expenses	11,337,503	12,815,221
Compensated absences payable	1,600,712	1,271,959
Other fund payable	479,260	409,080
Workers' profit participation fund	3,942,550	1,481,494
Workers' welfare fund	3,688,913	3,398,893
Contract liability	826,307	489,449
Advance from others	340,000	340,000
Others	1,834,187	973,000
	<u>99,915,110</u>	<u>111,162,376</u>

### 17 CONTINGENCIES AND COMMITMENTS

#### 17.1 Contingencies

There are no significant changes in the status of contingencies as reported in the note 20 to the annual audited financial statements of the Company for the year ended June 30, 2022.

#### 17.2 Commitments

Commitments under letter of credit are Rs. 9.360 million (June 30, 2022: Rs 30.57 million)

### 18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### 18.1 Financial risk factors

The Company is exposed to market risk (including return rate risk, currency risk and other price risk), credit risk and liquidity risk. The Company's finance and treasury departments oversee the management of these risks.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

#### 18.2 Fair value hierarchy

The carrying values of financial assets and liabilities approximate their fair values. The table below analyses financial assets that are measured 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 or indirectly; and
- Level 3 : Inputs for the asset or liability that are not based on observable market data

The Company held the following financial assets at fair value;

	March 31, 2023			Total	June 30, 2022
	(Level 1)	(Level 2)	(Level 3)		
	Rupees				
Investment at FVTOCI	20,322,844	-	-	20,322,844	20,867,356
Investment at FVTPL	19,157,813	-	-	19,157,813	17,439,319
	<u>39,480,657</u>	-	-	<u>39,480,657</u>	<u>38,306,675</u>

### 19 Transactions with related parties

All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The related parties comprise staff retirement funds, directors and key management personnel. Transactions with related parties, other than those disclosed elsewhere in these financial statements, are follows:

	March 31 2023	March 31 2022
	------(Rupees)-----	
<b>Balances:</b>		
Provident Fund - outstanding balance	479,260	1,036,996
<b>Transactions:</b>		
Contribution to staff retirement benefit plans	1,936,532	1,124,630
Key management personnel's remuneration and other benefits	8,488,065	7,296,774

### 20 DATE OF AUTHORIZATION

These condensed interim financial statements was authorised by the Board of Directors of the Company on April 19, 2023.

### 21 GENERAL

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

21.2 Corresponding figures and balances have been rearranged and / or reclassified, where considered necessary, for the purpose of comparison and better presentation the effects of which are not material.

WASEEM SHAFI  
Chairman

NAEEM SHAFI  
Chief Executive

JAVED KHAN  
Director / CFO



International Knitwear Limited

## ڈائریکٹران کی رپورٹ

انٹرنیشنل نٹ ویئر لمیٹڈ (آئی این کے ایل) کے بورڈ آف ڈائریکٹرز 31 مارچ، 2023 کو ختم ہونے والی تیسری سہ ماہی کیلئے کمپنی کے غیر پرنٹال شدہ مالی گوشوارے پیش کرنے میں سرست محسوس کرتے ہیں۔

مالی کارکردگی

جولائی-مارچ	جولائی-مارچ	
2022	2023	
روپے	روپے	
508,120,214	550,671,126	فروخت
42,293,206	81,981,722	مجموعی منافع
5,445,500	8,623,560	دیگر آمدن
17,899,414	45,824,855	قبل از ٹیکس منافع
2,818,212	36,625,099	بعد از ٹیکس منافع
1.32	3.79	فی شخص آمدن

منافع اور نقصان کا تجزیہ

زیر جائزہ مدت کے دوران کمپنی کی خالص فروخت گزشتہ سال 508.12 ملین روپے کے مقابلے میں 550.67 ملین روپے رہی جو 42.55 ملین روپے اضافہ ظاہر کرتا ہے۔ زیر جائزہ مدت کے تحت کمپنی کا مجموعی منافع گزشتہ سال کے 42.29 ملین روپے کے مقابلے میں 81.98 ملین روپے رہا۔ اس مدت کیلئے کمپنی کی فی شخص آمدن گزشتہ سال کی اسی مدت کی 1.32 روپے فی شخص کے مقابلے میں 3.79 روپے فی شخص رہی۔

کاروباری جائزہ

کمپنی کی مالی کارکردگی لاگت میں گزشتہ سال کی اسی مدت کے 9.95 ملین روپے کے مقابلے میں موجودہ مدت میں 15.01 ملین روپے نمایاں اضافہ کے باوجود اطمینان بخش رہی جن کی وجوہات میں قرضوں کی اوسط لاگت اور مختصر المدتی قرضوں میں اضافہ ہے جو ورگنگ کمپنیل کی ضروریات کے مطابق سرمایہ لگانے کیلئے حاصل کئے گئے۔

یہ سہ ماہی کیلئے کافی محنت طلب تھی۔ ملک میں معاشی سست روی اور سیاسی عدم استحکام کے باوجود 31 مارچ، 2023 کو ختم ہونے والے سال کی تیسری سہ ماہی کے دوران فروخت سے 134.45 ملین روپے کی آمدن حاصل کرنے میں کامیاب رہی جبکہ گزشتہ سال کی اسی مدت کے دوران یہ آمدن 195.82 ملین روپے تھی۔

کمپنی کی انتظامیہ جارحانہ مارکیٹنگ حکمت عملیوں کے ذریعے عالمی اور ملکی مارکیٹوں میں اپنا مارکیٹ شیئر بڑھاتے ہوئے بہترین نمائندگی حاصل کرنے کیلئے پرعزم ہے۔

مشغلیں کا کاروباری جائزہ

عالمی کساد بازاری اور افراط زر کی بلند شرح کے باعث کمپنی دباؤ کا شکار ہے۔ سیاسی عدم استحکام کی شکل میں ملکی ماحول کے ساتھ ساتھ کاروبار کرنے کی بلند لاگت بشمول بہت زیادہ مالی لاگتوں اور توانائی کی قیمتوں میں متوقع اضافہ بہت زیادہ دباؤ کا سبب بن رہا ہے۔ کمپنی کی انتظامیہ جاری مشکلات پر قابو پانے کیلئے کوششیں جاری رکھے گی۔ انتظامیہ رواں سال کا مناسب منافع کے حصول کے ذریعے مثبت اختتام کیلئے پرامید ہے۔

اظہار تشکر

انتظامیہ بورڈ آف ڈائریکٹرز، ریگولیٹری اتھارٹیز، حصص یافتگان، صارفین، مالیاتی اداروں، سپلائرز کی مسلسل معاونت اور کمپنی کے ملازمین کے عزم اور محنت کا اعتراف کرتے ہوئے اظہار تشکر کرتی ہے۔

منجانب بورڈ

برائے منجانب



نعم شیع

چیف ایگزیکٹو آفیسر



جاوید خان

ڈائریکٹر/چیف فنانشل آفیسر

کراچی، 19 اپریل، 2023



International Knitwear Limited



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