



SHADAB TEXTILE MILLS LIMITED



## Shadab Textile Mills Limited

### CONTENTS

Company Information	3
Directors' Report	4
Directors' Report (Urdu)	5
Condensed Interim Statement of Financial Position	6
Condensed Interim Statement of Profit or Loss	7
Condensed Interim Statement of Comprehensive Income	8
Condensed Interim Statement of Changes in Equity	9
Condensed Interim Statement of Cash Flows	10-11
Selected Notes to the Condensed Interim Financial Information	12-15



## Shadab Textile Mills Limited

### COMPANY INFORMATION

CHIEF EXECUTIVE	Mian Aamir Naseem	
BOARD OF DIRECTORS	Mian Farrukh Naseem	Chairman/Non Executive Director
	Mr. Saad Naseem	Non Executive Director
	Mr. Yasir Naseem	Executive Director
	Mr. Hamza Naseem	Non Executive Director
	Mrs. Fatima Aamir	Female - Non Executive Director
	Mr. Fahad Shafiq	Independent Director
	Mr. Ghazanfer Feroz	Independent Director
AUDIT COMMITTEE	Mr. Fahad Shafiq	Chairman
	Mian Farrukh Naseem	Member
	Mr. Hamza Naseem	Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Fahad Shafiq	Chairman
	Mr. Ghazanfer Feroz	Member
	Mr. Saad Naseem	Member
CHIEF FINANCIAL OFFICER	Mr. Muhammad Aslam	
COMPANY SECRETARY	Mr. Muhammad Adeel Anwar Khan	
AUDITORS	M/s. Fazal Mehmood & Company, Chartered Accountants	
SHARE REGISTRAR	Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Ph: 042-35887262, 35839182 Fax: 042-35869037	
BANKERS	Bank Al-falah Limited Bank Al- Habib Limited	
REGISTERED OFFICE	A-601/A, City Towers, 6-K Main Boulevard, Gulberg-II, Lahore Ph: No. 042-35788714-16	
WEBSITE ADDRESS	<a href="http://www.shadabtextile.com">www.shadabtextile.com</a>	
MILLS	Unit # 1: Nasimabad, Shahkot, District Nankana Sahib. Unit # 2: Habibabad, Pattoki, District Kasur	



## Shadab Textile Mills Limited

### DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present un-audited financial statements of the Company for the nine months period ended and 3rd quarter ended March 31, 2023.

During the period under review, the Company sustained loss after tax of Rs.76.557 million as compared to profit after tax of Rs.179.714 million of the corresponding period of previous year. Total sales were made amounting to Rs.4322.181 million as compared to corresponding period of previous year sales of Rs.3823.745 million showing increase of Rs.498.436 million i.e 13.04% against previous year period. Earning per share is Rs.(4.61) as compared to Rs.10.83 per share.

The textile industry has probably never been in such a dire situation. Many units are closed during the period being no longer economically viable under the prevailing circumstances. Performance of textile sector overall remain depressed. During the period under review, the financial results of the company mainly affected due to the market conditions is very slow down because of unfortunately heavy flood came in Pakistan and overall recession period in the world. In this situation the company reduced its production capacity by 10% and operated at 90% of its production capacity and sustained all fixed cost of the company. During the period the prices of raw material remained on higher side due to huge devaluation in Pak Rupees, increase in high energy cost, very higher mark-up rates and increase in other input costs.

The textile industry in Pakistan is facing such a depressing operating environment and still passing through severe crises. Presently it is very difficult time for textile sector due to rising in raw material prices, high cost of production i.e very high energy cost due to the Government withdrawal of subsidy in electricity for export oriented sectors w.e.f 01.03.2023 and also 7% increase in markup rate during the financial year . In these circumstances, it is very difficult task to compete with the other countries, resultantly the textile units are forced to close of their operation due to heavy losses. Currently in prevailing political scenario and worst economic conditions in Pakistan one cannot predict economic improvement as a whole and especially in textile sector. The government should have to take further well planned concrete steps to uplift the economy and textile industry especially for spinning sector which is the core industry of Pakistan and is backbone of economy of the country.

The board avails the opportunity to appreciate the devoted work done by the executives, officers, staff and workers of the company.

For and on behalf of the Board

MIAN AAMIR NASEEM  
(Chief Executive)

MIAN FARRUKH NASEEM  
(Chairman/Director)

Lahore: April 27, 2023



## ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

ہم نہایت مسرت کے ساتھ کمپنی کے غیر آڈٹ شدہ حسابات کے گوشوارے برائے مالی نوامی مئی 31 مارچ 2023 کو آپ کی خدمت میں پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، کمپنی کو ٹیکس ادا کرنے کے بعد 76.557 ملین روپے کا نقصان اٹھانا پڑا جو کہ گذشتہ برس اسی مدت کے لئے 179.714 ملین روپے کا ٹیکس ادا کرنے کے بعد منافع تھا۔ مجموعی فروخت 4322.181 ملین روپے کی گئی جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 3823.745 ملین روپے کی فروخت ہے جو کہ گذشتہ برس اسی مدت کے مقابلے میں 498.436 ملین روپے یعنی 13.04 فیصد کا اضافہ ظاہر کرتی ہے۔ فی شیئر آمدنی گذشتہ مدت 10.83 روپے کے مقابلے میں (4.61) روپے فی شیئر ہے۔

ٹیکسٹائل کی صنعت کو شاید اس طرح کی سنگین صورت حال کبھی نہیں ملی۔ بہت سے بزنس اس مدت کے دوران بند ہیں جو کہ موجودہ حالات میں معاشی طور پر قابل عمل نہیں ہیں۔ مجموعی طور پر ٹیکسٹائل سیکٹر کی کارکردگی اتر ہے۔ زیر نظر نوامی کے دوران کمپنی کے مالیاتی نتائج بنیادی طور پر مارکیٹ کے حالات کی وجہ سے بہت سست رہے کیونکہ بد قسمتی سے پاکستان میں شدید سیلاب آیا اور دنیا میں مجموعی طور پر کساد بازاری کا دور رہا۔ اس صورتحال میں کمپنی نے اپنی پیداواری صلاحیت میں 10 فیصد کمی کی اور اپنی پیداواری صلاحیت کے 90 فیصد پر کام کیا اور کمپنی کی تمام مقررہ آلات کو برقرار رکھا۔ نوامی کے دوران خام مال کی قیمتیں بلند سطح پر ہیں۔ جس کی وجہ سے پاک روپے کی قدر میں بہت زیادہ کمی ہوئی۔ توانائی کی لاگت میں بے حد اضافہ، مارک اپ کی بہت زیادہ بلند شرح اور دیگر ان پٹ لاگت میں اضافہ ہوا ہے۔

پاکستان میں ٹیکسٹائل انڈسٹری کو اس طرح کے مایوس کن آپریٹنگ ماحول کا سامنا ہے اور وہ اب بھی شدید بحرانوں سے گزر رہی ہے۔ اس وقت ٹیکسٹائل سیکٹر کے لئے خام مال کی قیمتوں میں اضافے، پیداواری زیادہ لاگت یعنی بہت زیادہ توانائی کی لاگت کی وجہ سے حکومت کی جانب سے برآمدی شیعوں کے لئے بجلی پر سبسڈی ختم کرنے کی وجہ سے 01.03.2023 بہت مشکل وقت ہے اور مالی سال کے دوران شرح سود میں 7 فیصد اضافہ بھی ان حالات میں دوسرے ممالک سے مقابلہ کرنا بہت مشکل کام ہے۔ نتیجتاً ٹیکسٹائل پوائنٹس بھاری نقصان کی وجہ سے اپنا آپریشن بند کرنے پر مجبور ہیں۔ اس وقت پاکستان کی موجودہ سیاسی منظر نامے اور بدترین معاشی حالات میں مجموعی طور پر اور خاص طور پر ٹیکسٹائل کے شعبے میں معاشی بہتری کی پیش گوئی کی جاسکتی ہے۔ حکومت کو معیشت اور ٹیکسٹائل انڈسٹری بالخصوص سہنگ سیکٹر جو کہ پاکستان کی بنیادی صنعت ہے اور ملکی معیشت میں ریڑھ کی ہڈی کی حیثیت رکھتی ہے کی بہتری کے لئے مزید منصوبہ بندی اور ٹھوس اقدامات کرنے ہوں گے۔

بورڈ کمپنی کے ایگزیکٹوز، افسران، کمپنی کے عملے اور کارکنوں کی انتھک کوششوں کا شکر گزار ہے۔

منجانب بورڈ

میاں فرخ نسیم

(چیئرمین / ڈائریکٹر)

Aamir Nadeem

میاں عامر نسیم  
(چیف ایگزیکٹو)

لاہور 27 اپریل 2023

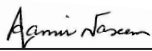


## Shadab Textile Mills Limited


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

	NOTE	(RUPEES IN THOUSAND)	
		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	1,499,101	1,478,907
Right of use assets	7	34,837	40,985
Long term deposits		2,434	2,434
		<u>1,536,372</u>	<u>1,522,326</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		146,850	100,379
Stock in trade		742,359	747,603
Trade debts		309,275	333,150
Loans and advances		78,346	46,852
Trade deposits and prepayments		49,335	128,047
Other receivables		122,443	75,195
Cash and bank balances		36,740	16,343
		<u>1,485,348</u>	<u>1,447,569</u>
<b>TOTAL ASSETS</b>		<u><b>3,021,720</b></u>	<u><b>2,969,895</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL &amp; RESERVES</b>			
Authorised share capital 40,000,000 (June 30, 2022: 40,000,000) ordinary shares of Rs. 10/- each		<u>400,000</u>	<u>400,000</u>
Issued, subscribed & paid-up capital		166,000	166,000
Capital reserves		204,000	204,000
Revenue reserves		740,743	825,600
Equity contributions from sponsors		373,102	375,600
<b>TOTAL EQUITY</b>		<u>1,483,845</u>	<u>1,571,200</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term loans		273,225	322,285
Lease liabilities		12,428	19,596
Deferred liabilities		120,952	114,151
		<u>406,605</u>	<u>456,032</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		351,658	257,715
Unclaimed dividend		721	773
Accrued mark up		26,154	12,610
Short term borrowings		610,220	515,731
Current portion of long term liabilities		88,135	79,752
Provision for taxation		54,382	76,082
		<u>1,131,270</u>	<u>942,663</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>3,021,720</b></u>	<u><b>2,969,895</b></u>

The annexed notes form an integral part of this condensed interim financial information.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer




## Shadab Textile Mills Limited

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)

(RUPEES IN THOUSAND)

	For the nine months ended		For the quarter ended	
	Jul.-Mar. 2023	Jul.-Mar. 2022	Jan.-Mar. 2023	Jan.-Mar. 2022
Sales-net	4,322,181	3,823,745	1,499,671	1,336,024
Cost of sales	<u>4,190,893</u>	<u>3,439,666</u>	<u>1,477,206</u>	<u>1,229,485</u>
GROSS PROFIT	131,288	384,079	22,465	106,539
Administrative and general expenses	104,082	84,968	33,805	30,354
Selling and distribution expenses	1,438	7,259	45	2,148
	<u>105,520</u>	<u>92,227</u>	<u>33,850</u>	<u>32,502</u>
OPERATING PROFIT/(LOSS)	25,768	291,852	(11,385)	74,037
Finance cost	99,708	49,160	36,856	19,490
Other charges	-	17,192	-	4,076
	<u>(73,940)</u>	<u>225,500</u>	<u>(48,241)</u>	<u>50,471</u>
Other income	2,277	6,465	508	4,514
(LOSS) / PROFIT BEFORE TAXATION	(71,663)	231,965	(47,733)	54,985
TAXATION	4,894	52,251	1,177	17,953
(LOSS) / PROFIT AFTER TAXATION	<u>(76,557)</u>	<u>179,714</u>	<u>(48,910)</u>	<u>37,032</u>
Basic and diluted (loss) earning per share	<u>(4.61)</u>	<u>10.83</u>	<u>(2.95)</u>	<u>2.23</u>

The annexed notes form an integral part of this condensed interim financial information.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer



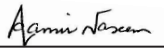
## Shadab Textile Mills Limited

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

(RUPEES IN THOUSAND)

	For the nine months ended		For the quarter ended	
	Jul.-Mar. 2023	Jul.-Mar. 2022	Jan.-Mar. 2023	Jan.-Mar. 2022
(LOSS) / PROFIT AFTER TAXATION	(76,557)	179,714	(48,910)	37,032
Other Comprehensive Income	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(76,557)</u>	<u>179,714</u>	<u>(48,910)</u>	<u>37,032</u>

The annexed notes form an integral part of this condensed interim financial information.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer





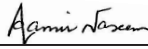
## Shadab Textile Mills Limited

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)


(RUPEES IN THOUSAND)

	Share Capital	Revenue Reserves		Capital Reserves	Equity Contribution from sponsors	Total Equity
	Issued, Subscribed & Paid up Ordinary shares	General Reserve	Un-appropriated profit	Share Premium		
Balance as at July 01, 2021 (Audited)	166,000	260,000	386,945	204,000	385,600	1,402,545
Total comprehensive income						
Profit after taxation for the period ended March 31, 2022	-	-	179,714	-	-	179,714
Transaction with owners						
Final Dividend for the year ended June 30, 2021 @Rs. 1.00 per share	-	-	(16,600)	-	-	(16,600)
Transfer to equity contribution from sponsors	-	-	-	-	(10,000)	(10,000)
Balance as at March 31, 2022 (Un-audited)	166,000	260,000	550,059	204,000	375,600	1,555,659
Total comprehensive income						
Profit after taxation for the period ended June 30, 2022	-	-	15,541	-	-	15,541
Balance as at June 30, 2022 (Audited)	166,000	260,000	565,600	204,000	375,600	1,571,200
Total comprehensive income (Loss) after taxation for the period ended March 31, 2023	-	-	(76,557)	-	-	(76,557)
Transaction with owners						
Final Dividend for the year ended June 30, 2022 @Rs. 0.50 per share	-	-	(8,300)	-	-	(8,300)
Transfer from equity contribution to sponsors	-	-	-	-	(2,498)	(2,498)
Balance as at March 31, 2023 (Un-audited)	166,000	260,000	480,743	204,000	373,102	1,483,845

The annexed notes form an integral part of this condensed interim financial information.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer



## Shadab Textile Mills Limited

### CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)


	(RUPEES IN THOUSAND)	
	March 31, 2023	March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(71,663)	231,965
Adjustments for:		
Depreciation	115,852	114,820
Finance cost	99,708	49,160
Workers' profit participation fund	-	12,458
Workers' welfare fund	-	4,734
Gain on sale of fixed assets	(1,008)	(5,297)
Profit on deposits with bank	(1,269)	(960)
Operating profit before working capital changes	141,620	406,880
Adjustments for working capital changes: (Increase) / decrease in current assets		
Stores, spares and loose tools	(46,471)	(5,939)
Stock-in-trade	5,244	(315,581)
Trade debts	23,875	(36,163)
Loans and advances	(31,494)	(10,376)
Trade deposits and prepayments	78,712	(42,121)
Other receivables	(18,582)	62,046
	11,284	(348,134)
Increase in current liabilities		
Trade and other payables	109,652	7,384
Cash generated from operations	262,556	66,130
Finance cost paid	(86,164)	(46,177)
Income tax paid	(42,410)	(34,935)
Workers' profit participation fund paid	(15,708)	(12,862)
Profit on deposits with bank	1,269	960
	(143,013)	(93,014)
Net cash generated from / (used in) operating activities	119,543	(26,884)



## Shadab Textile Mills Limited

	(RUPEES IN THOUSAND)	
	March 31, 2023	March 31, 2022
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for acquisition of property, plant and equipment	(130,028)	(47,321)
Proceeds from disposal of property, plant and equipment	1,138	7,095
Net cash (used in) investing activities	(128,890)	(40,226)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Sponsor loan paid	(2,498)	(10,000)
Long term loan paid	(46,727)	(39,550)
Payment of lease liability - net	(7,168)	(18,110)
Proceeds from short term borrowings (net)	94,489	188,135
Dividend paid	(8,352)	(16,540)
Net cash generated from financing activities	29,744	103,935
<b>NET CASH GENERATED DURING THE PERIOD</b>	<b>20,397</b>	<b>36,825</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>16,343</b>	<b>23,022</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>36,740</b>	<b>59,847</b>

The annexed notes form an integral part of this condensed interim financial information.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer



## Shadab Textile Mills Limited

### SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023 (UN-AUDITED)

#### 1. THE COMPANY AND ITS OPERATIONS

Shadab Textile Mills Limited (the Company) was incorporated as a public limited company on 19th August 1979 under the Companies act 1913 which was replaced by Companies Ordinance, 1984 (now the Companies Act, 2017). The company is registered as a public limited company in Pakistan and quoted on Pakistan Stock Exchange and engaged in the business of manufacturing, selling, buying and dealing in yarn of all types. The registered office of the company is situated at 6th Floor, A-601/A, City Towers, Main Boulevard, Gulberg - II, Lahore. The manufacturing facilities of the Company are located at Faisalabad Road, Nasimabad, Shahkot, District Nankana Sahib and 1-K.M Chunnia Road, Habibabad, Pattoki, District Kasur.

#### 2. STATEMENT OF COMPLIANCE

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 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;

Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

Provision of and directives issued under the Companies Act, 2017.

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

#### 3. BASIS OF PREPARATION

These condensed interim financial statements have been prepared under the historical cost convention, except as otherwise stated in relevant notes and are presented in Pakistan Rupees (Rs.), which is the functional currency of the company.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted in preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2022, except detailed below or elsewhere. These condensed interim financial statements do not include all the information and disclosures as are required for annual audited financial statements, and therefore, should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2022.



## Shadab Textile Mills Limited

During the period, certain amendments / interpretations became effective and were adopted by the Company. Management has assessed the changes laid down by the amendments / interpretations that became effective during the period and determined that they do not have any significant impact on these condensed interim financial statements.

Taxes on income in the interim periods are accrued using tax rate that would be applicable to expected annual profit or loss. Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2022. The impact of remeasurement of retirement benefit plan has not been incorporated in the condensed interim financial statements.

### 5. CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of condensed interim financial statements in conformity with the approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty were the same as those applied to the annual audited financial statements of the Company for the year ended June 30, 2022, except as disclosed otherwise in respective notes.

		(RUPEES IN THOUSAND)	
	Note	March 31, 2023	June 30, 2022
6.	<u>PROPERTY, PLANT AND EQUIPMENT</u>		
	Operating fixed assets	6.1 1,409,298	1,394,388
	Capital work-in-progress	6.2 89,803	84,519
		<u>1,499,101</u>	<u>1,478,907</u>
6.1	Operating fixed assets		
	Opening net book value	1,394,388	1,436,036
	Additions during the period / year		
	Buildings	3,062	-
	Plant and machinery	72,792	29,767
	Electric installations	-	376
	Factory equipments	-	2,584
	Vehicles	-	7,005
		75,854	39,732
	Disposals during the period / year		
	Plant and machinery	-	341
	Vehicles	130	1,457
		130	1,798
	Transfer from right of use assets	-	7,045
	Transfer from CWIP	48,890	60,775
	Depreciation charged thereon	109,704	147,402
	Closing net book value	<u>1,409,298</u>	<u>1,394,388</u>



## Shadab Textile Mills Limited

		(RUPEES IN THOUSAND)	
		March 31, 2023	June 30, 2022
6.2.	Capital work in progress		
	Civil works	41,689	16,860
	Plant and machinery	48,114	19,299
	Electric installation	-	48,360
		<u>89,803</u>	<u>84,519</u>
7.	<u>RIGHT OF USE ASSETS</u>		
	Opening balance	40,985	7,551
	Additions	-	48,055
	Transferred to owned assets	-	(16,087)
	Depreciation transferred	-	9,043
	Depreciation charge	(6,148)	(7,577)
	Net book value	<u>34,837</u>	<u>40,985</u>
8.	<u>CONTINGENCIES AND COMMITMENTS</u>		
	<u>Contingencies</u>		
	Counter guarantees of Rs.49.756 million ( June 30, 2022 : Rs. 36.545 million ) has been issued by the bank of the company to Sui Northern Gas Pipelines Limited, Lahore Electric Supply Company against gas, electricity connections and TUF rebate.		
	<u>Commitments</u>		
	Capital expenditures commitments are amounting to Rs.Nil (June 30, 2022 Rs. 91.248 million) and non capital expenditures commitments are amounting to Rs.173.747 million (June 30, 2022: Rs.365.905 million).		
9.	<u>TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING</u>		
	The purchases/sales from associated undertaking was Rs.Nil ( June 30, 2022 : Rs.Nil) during the period. The maximum aggregate amount due to associated undertaking at the end of any month during the period was Rs.Nil ( June 30, 2022 : Rs.Nil).		
10.	<u>(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED</u>		
	There is no dilutive effect on the basic earnings per share of the company.		
		Jul. - Mar. 2023	Jul. - Mar. 2022
	(Loss) / profit after taxation	(76,557)	179,714
	Weighted average number of ordinary shares outstanding during the year (No. in '000)	<u>16,600</u>	<u>16,600</u>
	Basic earnings per share (Rupees)	<u>(4.61)</u>	<u>10.83</u>
11.	<u>FINANCIAL RISK MANAGEMENT</u>		
	The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2022.		



## Shadab Textile Mills Limited

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### 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflects in the condensed interim financial statements approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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 either directly or derived from prices.

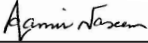
Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

### 13. DATE OF AUTHORIZATION

These condensed interim financial statements have been approved by the Board of Directors of the company and authorized for issue on April 27, 2023.

### 14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer