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# Image Pakistan Limited

## Un-audited Accounts

FOR THE FIRST QUARTER ENDED  
30TH SEPTEMBER, 2023

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## Company Information

<b>Board of Directors:</b>	Mr. S. Hussam Subzwari Mr. Asad Ahmad Ms. Farnaz Ahmad Ms. Uzma Ahmad Ms. Marium Ahmad Mr. Jawed Ahmed Siddiqui Mr. M. Ziyad Akhtar Syed	Non-Executive Chairman/Independent Director Chief Executive Non-Executive Director Non-Executive Director Non-Executive Director Executive Director Non-Executive Director/Independent Director
<b>Auditors:</b>	M/s. Feroze Sharif Tariq & Co. Chartered Accountants	
<b>Bankers:</b>	Al Baraka Bank (Pakistan) Ltd. Bank Alfalah Ltd. Bank AL Habib Ltd. Habib Bank Ltd. MCB Bank Ltd.	
<b>Audit Committee:</b>	Mr. M. Ziyad Akhtar Syed Mr. S. Hussam Subzwari Ms. Farnaz Ahmad	Chairman Member Member
<b>Human Resource Committee:</b>	Mr. S. Hussam Subzwari Ms. Farnaz Ahmad Ms. Uzma Ahmad	Chairman Member Member
<b>Legal Counsel:</b>	Mr. M. Haseeb Jamali LLM	
<b>Liaison Office:</b>	A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, Karachi-75350	
<b>Registered Office:</b>	F/538, S.I.T.E., Karachi-75700	
<b>Shares Registrar / Transfer Agent:</b>	M/s. Hameed Majeed Associates (Pvt) Ltd. 4 <sup>th</sup> Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
<b>Plant:</b>	F/538, S.I.T.E., Karachi-75700	



# UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2023



## **Directors' Report**

### **For the quarter ended September 30, 2023**

The un-audited accounts of Image Pakistan Ltd., for the quarter ended September 30, 2023 are presented herewith.

Alhamdulillah, the revenue growth continued and an increase of 53% and 32% on consolidated and unconsolidated basis respectively was recorded during the three months period ended 31.03.2023 over the same period last year. During the period the Company has imported 12 Nos. more Multi-head Embroidery Machines and 1 No. Schiffli Embroidery Machine which has helped in increasing production and reducing cost of production.

As reported in the annual accounts, the international e-commerce is going strong. Our subsidiaries are in good shape and we are rapidly growing our "global" online business.

The aim is to make *image* a growth business capable of exploiting the power of our brand. We want to make it clear that on doing so we are not declaring victory. We believe that the role of the Board is not just to oversee good governance, it is to be the guardian of the strategy and values of the business.

On behalf of the Board

**Asad Ahmad**  
Chief Executive

**Uzma Ahmad**  
Director

Place: Karachi.

Dated: October 30, 2023







**UNCONSOLIDATED CONDENSED INTERIM  
STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023 (UN-AUDITED)**

	Notes	(Un-audited) Sept 30, 2023	(Audited) June 30, 2023
(Rupees)			
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL &amp; RESERVES</u></b>			
<b><u>Authorized Capital</u></b>			
300,000,000 (2022: 300,000,000) Ordinary Shares of Rs. 10/- each		3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up Capital	5	1,316,398,000	1,316,398,000
Capital Reserve			
Capital Reserve - (a Share Premium account)		252,683,670	252,683,670
Surplus on revaluation of Property, Plant and Equipment		746,875,309	746,875,309
Revenue Reserve			
Unappropriated Profit		261,643,810	128,862,856
Shareholders' Equity		2,577,600,789	2,444,819,835
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term loan from associated and related parties		136,908,255	119,525,000
Diminishing Musharka Finance Facility	6	109,462,739	109,462,739
Diminishing Muharaka facility against Vehicle	7	6,737,086	7,469,329
Deferred Taxation		85,026,675	85,026,675
Provision for Gratuity		12,034,398	13,082,735
<b><u>CURRENT LIABILITIES</u></b>			
Trade and Other Payables		722,407,941	592,684,231
Accrued Interest on Loan from Associates		23,690,849	20,627,359
Non current Liabilities of Long term Liabilities		8,417,233	8,417,233
Unclaimed Dividend		15,614,994	15,614,994
Provision for Taxation		47,845,502	36,845,502
		817,976,520	674,189,319
Contingencies and Commitments	8		
		3,745,746,462	3,453,575,632
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Tangible Fixed Assets			
Property, Plant and Equipments	9	1,463,071,221	1,399,589,120
Long Term Deposits		24,240,671	24,240,671
Long Term Investments	10	22,108,589	22,108,589
<b><u>CURRENT ASSETS</u></b>			
Stores, Spares and Loose Tools		1,277,707	1,277,707
Stock-in-Trade		1,839,151,649	1,612,961,279
Trade Debtors - unsecured		135,016,036	266,128,455
Trade Deposits and Prepayments - considered good		137,146,677	102,216,103
Income Tax Refunds and Advances		11,825,977	8,682,876
Cash and Bank Balances		111,907,935	16,370,832
		2,236,325,981	2,007,637,252
		3,745,746,462	3,453,575,632

The annexed notes form an integral part of these accounts.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM  
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Notes	September 2023	September 2022 (Rupees)
SALES - Net		503,632,232	382,280,791
COST OF SALES		215,603,124	206,459,190
GROSS PROFIT		<u>288,029,108</u>	<u>175,821,601</u>
<b><u>Operating Expenses</u></b>			
Distribution and Selling Cost		96,994,224	83,972,059
Administrative and General Expenses		33,591,904	30,888,208
		<u>130,586,128</u>	<u>114,860,268</u>
OPERATING PROFIT		157,442,981	60,961,333
Other (Income)/Loss		15,610	33,000
		<u>157,458,591</u>	<u>60,994,333</u>
Finance Cost		13,677,636	5,336,042
PROFIT BEFORE TAXATION		<u>143,780,954</u>	<u>55,658,291</u>
Provision for Taxation		(11,000,000)	(5,734,212)
PROFIT AFTER TAXATION		<u><u>132,780,954</u></u>	<u><u>49,924,079</u></u>
Earnings per share - basic and diluted	11	<u><u>1.01</u></u>	<u><u>0.50</u></u>

*The annexed notes form an integral part of these accounts.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM  
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Sept 30, 2023	Sept 30, 2022
	(Rupees)	
<b>Profit for the Period</b>	132,780,954	49,924,079
<b>Total comprehensive income for the period</b>	<u><u>132,780,954</u></u>	<u><u>49,924,079</u></u>

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

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM  
CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 30 2023	September 30 2022
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	143,780,954	55,658,291
Adjustment for Non-Cash and Other Items:		
Depreciation	22,662,363	14,737,538
Provision for Gratuity - net of Payments	(1,048,337)	(190,666)
Financial expenses	13,677,636	5,336,042
	35,291,662	19,882,914
	179,072,617	75,541,205
Working Capital Changes		
<i>(Increase) / Decrease in Current Assets</i>		
Stock in Trade	(226,190,370)	(30,544,864)
Stores and Spares	--	(2,178,190)
Trade debtors	131,112,419	(1,206,772)
Trade deposits, Prepayments & Statutory balances	(34,930,574)	(9,208,819)
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	129,723,710	(60,287,368)
Un-claimed Dividends	--	(550,513)
	(284,815)	(103,976,525)
Taxes Paid	(3,143,101)	(1,998,544)
Financial charges Paid/Write back	(10,614,146)	(2,216,093)
	(13,757,247)	(4,214,637)
<b>Net Cash Inflow/ (Outflow) from Operating Activities</b>	165,030,555	(32,649,957)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(86,144,464)	(3,397,641)
<b>Net Cash Inflow/ (Outflow) from Investing Activities</b>	(86,144,464)	(3,397,641)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term Deposits	--	(2,488,500)
Finance Lease- net	(732,243)	(3,220,743)
(Payments)/Loan Obtained of Diminishing Musharka Finance Facility - net	17,383,255	10,050,000
<b>Net Cash Inflow/ (Outflow) from Financing Activities</b>	16,651,012	4,340,757
Net Increase in Cash and Cash Equivalents	95,537,104	(31,706,841)
Cash and Cash Equivalents at the Beginning	16,370,831	35,164,803
Cash and Cash Equivalents at the End	111,907,935	3,457,962

The annexed notes form an integral part of these accounts.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**UNCONSOLIDATED CONDENSED INTERIM  
STATEMENT OF CHANGE IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Capital Reserve		Revenue Reserves			Total
	Share Capital	A Share Premium Account	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	Unappropriated Profit/Accumulated (Loss)	
Balance as on June 30, 2022	995,386,020	252,683,670	345,505,366	--	232,603,180	1,826,178,236
Net Profit for the quarter ended September 2022	--	--	--	--	49,924,079	49,924,079
Other Comprehensive income	--	--	--	--	--	-
Total Comprehensive income	--	--	--	--	49,924,079	49,924,079
Balance as on September 30, 2022	995,386,020	252,683,670	345,505,366	-	282,527,259	1,876,102,315
Balance as on June 30, 2023	1,316,398,000	252,683,670	746,875,309	--	128,862,856	2,444,819,835
Net Profit for the quarter ended September 2023	--	--	--	--	132,780,954	132,780,954
Other Comprehensive income	--	--	--	--	--	-
Total Comprehensive income	--	--	--	--	132,780,954	132,780,954
Final dividend issued as Bonus Shares @ 15%	--	--	--	--	--	--
Interim dividend issued as Bonus Shares @15%	--	--	--	--	--	--
Surplus arise as on June 30,2023 net of tax	--	--	--	--	--	--
Transfer to Profit and Loss account of incremental depreciation (net of tax)	--	--	--	--	-	-
Balance as on September 30, 2023	1,316,398,000	252,683,670	746,875,309	-	261,643,810	2,577,600,789

*The annexed notes form an integral part of these accounts.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer





**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 CORPORATE INFORMATION**

Image Pakistan Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed in the Pakistan Stock Exchange in Pakistan. The principal activity of the Company is manufacturing and sale of Embroidered Fabric and Ready-To-Wear garments and Polyester Filament

The operations of the Polyester Filament Yarn remain discontinued during the year.

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

The registered office of the company and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

The Company also owned and on rent, selling outlets in Karachi, Lahore, Islamabad, Rawalpindi and Peshawar.

**1.1 Summary of significant events and transactions in the current reporting period**

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

The Company' main unit to produce polyester filament yarn remain not in operation and the company is to manufacture during the year value added embroidered fabric as disclosed in note 1.

The Company obtained interest bearing loan from related parties and Financial Institutions during the period to meet the working capital requirements of the Company.

Further, for a detailed discussion about the Company's performance, refer to the Directors' Report and respected note to the accounts.

**2 STATEMENT OF COMPLIANCE**

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

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

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

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

**3 BASIS OF PREPARATION/MEASUREMENT**

These unconsolidated financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date.

<u>Item</u>	<u>Measurement basis</u>
Land	Revaluation model
Building	Revaluation model
Plant and Machinery	Revaluation model
Employee benefits- Net defined benefit liability	Present value of the defined benefit liability, determined through actuarial valuation

The method used to measure fair values are disclosed in respective policy notes.

These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiary companies, associates and jointly controlled entity are accounted for on the basis of direct equity interest rather than on the basis of reported results. Consolidated financial statements are prepared separately.

**4 APPROVAL OF FINANCIAL STATEMENTS**

These unconsolidated financial statements were approved by the Board of Directors and authorized for issue on September 28, 2023.

**5 Issued, Subscribed and Paid-up Capital**

*No. of Ordinary Shares of Rs. 10/- each*

September 2023	June 2023		September 2023	June 2023
			<b>Rupees</b>	
95,619,629	95,619,629	Fully Paid in cash	956,196,290	956,196,290
36,020,171	36,020,171	Issued as fully paid bonus shares	360,201,710	360,201,710
<u>131,639,800</u>	<u>131,639,800</u>		<u>1,316,398,000</u>	<u>1,316,398,000</u>

		September 2023	June 2023
<b>6 Diminishing Musharka Finance Facility</b>			
Opening Balance: DM Facility I		-	14,625,000
DM Facility II	6.1	59,636,000	59,636,000
DM Facility III	6.1	55,315,000	55,315,000
Paid during the period		-	(14,625,000)
		<u>114,951,000</u>	<u>114,951,000</u>
Maturity During the year			
Less: Current Portion		<u>5,488,261</u>	<u>5,488,261</u>
		<u>109,462,739</u>	<u>109,462,739</u>

**6.1** The Diminishing Musharika has been obtained from a Non-Bank Financial Institution. It is repayable in 60 equal monthly instalments including 1 year grace period and carries profit @ 6 month KIBOR+3.50% p.a and is secured against specific charge on DM assets in favour of NBF.

#### 7 Diminishing Musharaka Facility against Vehicle

Opening Balance - DM I	1,050,075	1,373,175
Opening Balance - DM II	1,050,075	1,373,175
Opening Balance - DM III	672,290	873,986
Opening Balance - DM IV	4,401,486	5,659,062
Opening Balance - DM V	3,224,375	4,048,875
	<u>10,398,301</u>	<u>13,328,273</u>
Paid during the period	(732,243)	(2,929,972)
	<u>9,666,058</u>	<u>10,398,301</u>
Maturity during the year		
Less: Current Portion	<u>2,928,972</u>	<u>2,928,972</u>
	<u>6,737,086</u>	<u>7,469,329</u>

The Diminishing Musharaka Facility has been obtained from a Modaraba (Non-Banking Financial Institution) repayable in 60 installments. The repayment of first installment started from October 2022 and last installment will be paid on December 2026 in equal monthly instalments and carries profit @ 6 month KIBOR+3% per annum and secured against vehicles registered in the name of NBF.

#### 8 Contingencies and Commitments

Guarantees issued by banks  
Letters of Credit in respect of committed capital expenditures  
Letters of Credit for other than capital expenditures

nil million	nil million
nil million	nil million
nil million	nil million

**September  
2023**                      **June  
2023**

Rupees

#### 9 Tangible Fixed Assets

##### Property, Plant and Equipment

1,463,071,221	1,399,589,120
<u>1,463,071,221</u>	<u>1,399,589,120</u>

##### Property, Plant and Equipment - At cost less accumulated depreciation

Particulars	Cost/Revaluation				Rate %	Depreciation				Written Down Value As At September 30, 2023
	As at July 01, 2023	Additions/ Transfers/ (Deletion)	Revaluation	As at September 30, 2023		As at July 01, 2023	Transfer/ (Deletion)	For the year	As at September 30, 2023	
	Rupees					Rupees				
Owned										
<b>Assets Polyester Filament Yarn</b>										
Lease hold land	600,000,000	--	--	600,000,000	--	--	--	--	--	600,000,000
Factory Building on lease hold land	373,432,384	--	--	373,432,384	10	170,761,124	--	5,066,782	175,827,905	197,604,479
Plant and Machinery Polyester Filament Yarn Unit including value added Embroidered Fabric Machinery	910,319,207	85,698,180	--	996,017,387	10	485,553,562	--	12,761,596	498,315,157	497,702,229
Electrical Installations	19,913,937	--	--	19,913,937	10	8,926,845	--	274,677	9,201,523	10,712,414
Furniture and Fixture	36,494,855	--	--	36,494,855	10	11,718,157	--	619,417	12,337,574	24,157,281
Office Equipments	1,770,182	--	--	1,770,182	10	1,039,900	--	18,257	1,058,157	712,025



Air Conditioner and Refrig.	19,439,422	--	--	19,439,422	10	8,251,371	--	279,701	8,531,072	10,908,350
Vehicles	35,333,859	--	--	35,333,859	20	14,573,628	--	1,038,012	15,611,640	19,722,219
Fork Lifter	630,735	--	--	630,735	20	630,032	--	35	630,067	668
Computers	12,613,103	427,500	--	13,040,603	10	3,247,365	--	244,831	3,492,196	9,548,407
Studio Equipments	1,314,972	--	--	1,314,972	10	452,845	--	21,553	474,398	840,574
Generators	14,266,900	--	--	14,266,900	10	5,424,514	--	221,060	5,645,573	8,621,327
Elevator	28,051,938	--	--	28,051,938	10	7,311,417	--	518,513	7,829,930	20,222,008
Fire Fighting Equipments	1,006,872	--	--	1,006,872	10	324,742	--	17,053	341,795	665,077
Gas Installations	883,125	--	--	883,125	10	666,868	--	5,406	672,274	210,850
Solar Penal	70,000,000	18,784	--	70,018,784	10	7,000,000	--	1,575,470	8,575,470	61,443,314
Sep-23	2,125,471,490	86,144,464	--	2,211,615,954		725,882,370	--	22,662,363	748,544,733	1,463,071,221
June 2023	1,472,222,237	213,127,380	440,121,873	2,125,471,490		645,280,323	--	80,602,046	725,882,370	1,399,589,120

Country of incorporation	Amount in Percent	Foreign of holding Jurisdiction
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#### 10 Long Term Investment

Fair value through other comprehensive income

2,455,000 (2022: 2,455,000) N.I.T units 34,510,675 34,510,675

(Average cost price Rs. 14.0573)

Market value as at June 30, are as under

June 30 (2023: June 30) @ Rs. 61.60 (Rs.54.97) per unit 150,056,225 150,056,225

184,566,900 184,566,900

Provision made during the year (184,566,900) (184,566,900)

#### Investments in related parties

##### Subsidiary companies - at cost - unquoted

Image Tech Ltd.

1,998,500 ordinary shares @ Rs. 10/- 19,985,000 19,985,000

Image International Ltd.

4,997 ordinary shares @ £. 1/- per share 1,201,779 1,201,779

Tri-Star Image (USA) Inc.

4,500 ordinary shares @ \$. 1/- per share 921,810 921,810

22,108,589 22,108,589

#### **Name % of Holding**

Image Pakistan Limited  
Asad Ahmad  
Uzma Ahmad  
Mariam Ahmad

#### **Address**

F/538, S.I.T.E, Karachi.  
21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan  
21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan  
21 DMCHS, Block 7/8, Tipu Sultan Road, Karachi. Pakistan

#### 11 Earnings Per Share - Basic and diluted

Profit after Taxation 132,780,954 49,924,079

Weighted Average Number of Ordinary Shares at period end 131,639,800 99,538,602

Earnings per share - basic and diluted Rupees 1.01 0.50

**12 OPERATING SEGMENT**

These unconsolidated financial statements have been prepared on the basis of two reportable segment one Segment of Polyester Filament yarn unit which idle since long and remained closed during the period. The other segment is value added Embroidered fabric/ garments unit which is in operation.

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	September 2023	September 2022	September 2023	September 2022	September 2023	September 2022
Net Sales	503,632,232	382,280,791	-	-	503,632,232	382,280,791
Cost of Sales	208,458,283	201,854,455	7,144,841	4,604,735	215,603,124	206,459,190
Gross Profit/(Loss)	295,173,949	180,426,336	(7,144,841)	(4,604,735)	288,029,108	175,821,601
Selling & Distribution costs	96,994,224	83,972,059	-	-	96,994,224	83,972,059
Administrative Expenses	53,573,969	30,868,451	17,935	19,757	53,591,904	30,888,208
	150,568,193	114,840,510	17,935	19,758	150,586,128	114,860,268
Segment Results	144,605,756	65,585,825	(7,162,775)	(4,624,493)	137,442,982	60,961,334
Segments Assets	2,651,612,506	2,240,246,262	591,737,930	1,214,537,318	2,651,612,506	3,454,783,580
Segments Liabilities	3,745,746,462	3,453,575,632	-	-	3,745,746,462	3,453,575,632
Capital Expenditure - Excluding revaluation at cost	213,127,380	226,508,318	-	-	213,127,380	226,508,318
Depreciation	15,499,587	59,919,980	7,162,775	20,682,065	22,662,363	80,602,045

**13 CORRESPONDING FIGURES**

Corresponding figures have been re-arranged and reclassified, whenever necessary, for the purposes of comparison. During the period there were no major reclassifications to report .

**14 DATE OF AUTHORIZATION**

This unconsolidated condensed interim financial information has been authorized for issue on 30th October, 2023 by the Board of Directors of the Company.

The figures have been rounded off to the nearest Rupee.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer



**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS (UN-AUDITED)**  
FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2023





## **Directors' Report to the Shareholders To the members of Image Pakistan Limited Report on the Audit of the Consolidated Financial Statements**

On behalf of Board of Directors of Holding Company of Image Tech Limited, Image International Limited and Tri-Star Image (USA) Inc., it is our pleasure to present Directors' Report with Un-audited Consolidated Financial Statements for the quarter ended September 30, 2023.

**1. Image Tech Limited**

This subsidiary was incorporated as Public Limited Company on 12<sup>th</sup> July, 2021 to avail the incentives announced by the Government of Pakistan for technology companies including digital electronics and internet related services such as e-commerce. The Company is actively involved in doing e-commerce both locally and internationally.

**2. Image International Limited**

This overseas subsidiary was incorporated on 17<sup>th</sup> November, 2021 in the UK. The Company has made arrangements of fulfilment in the UK and the business has scaled manifolds.

**3. Tri-Star Image (USA) Inc.**

This overseas subsidiary was incorporated on 4<sup>th</sup> January, 2022 in USA. The Company has made arrangements for making delivered duty paid i.e. DDP which has resulted in scaling e-commerce volumes.

On behalf of the Board

**Asad Ahmad**  
Chief Executive

**Uzma Ahmad**  
Director

Place: Karachi.

Dated: October 30, 2023

**CONSOLIDATED CONDENSED INTERIM  
STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023 (UN-AUDITED)**

	Notes	(Un-audited) Sept 30, 2023	(Audited) June 30, 2023 (Rupees)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>CAPITAL &amp; RESERVES</u></b>			
<b><u>Authorized Capital</u></b>			
300,000,000 (2022: 300,000,000) Ordinary Shares of Rs. 10/- each		3,000,000,000	3,000,000,000
Issued, Subscribed and Paid-up Capital		1,316,398,000	1,316,398,000
<b>Capital Reserve</b>			
Capital Reserve - (a Share Premium account of Parent Company)		252,683,670	252,683,670
Surplus on revaluation of Property, Plant and Equipment	4	746,875,309	746,875,309
<b>Revenue Reserve</b>			
Unappropriated Profit		426,916,080	246,532,057
Equity attributable to owners		2,742,873,059	2,562,489,036
Non controlling interest		101,164	101,164
Shareholders Equity		2,742,974,223	2,562,590,200
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long term Loan from Associated and related Parties		144,632,273	119,525,000
Diminishing Musharika finance facilities	5	109,462,739	109,462,739
Diminishing Musharika - vehicle financing	6	6,737,086	7,469,329
Deferred taxation		85,026,675	85,026,675
Provision for Gratuity		12,034,398	13,082,735
<b><u>CURRENT LIABILITIES</u></b>			
Trade and Other Payables		853,031,611	640,217,241
Accrued Interest on Loan from Associates		23,690,849	20,627,359
Non current Liabilities of Long term Liabilities		8,417,233	8,417,233
Unclaimed Dividend		15,614,994	15,614,994
Provision for Taxation		47,845,503	36,845,503
		948,600,191	721,722,330
Contingencies and Commitments	7		
		4,049,467,584	3,618,879,008
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b>Tangible Fixed Assets</b>			
Property, Plant and Equipment	8	1,463,071,221	1,399,589,120
Long Term Deposits		24,240,671	24,240,671
<b><u>CURRENT ASSETS</u></b>			
Stores, Spares and Loose Tools		1,277,707	1,277,707
Stock-in-Trade		1,852,432,376	1,619,916,301
Trade Debtors - unsecured		228,304,453	251,582,186
Trade Deposits, Prepayments & other receivables		342,914,904	263,200,947
Income Tax Refunds and Advances		13,300,956	9,928,326
Cash and Bank Balances		123,925,297	49,143,749
		2,562,155,692	2,195,049,216
		4,049,467,584	3,618,879,008

The annexed notes form an integral part of these consolidated condensed interim Financial Statements.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Muhammad Zameer  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM  
STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 2023	September 2022
	(Rupees)	
SALES	793,699,619	516,765,493
COST OF SALES	422,594,814	302,366,259
GROSS PROFIT	371,104,805	214,399,233
<b><u>Operating Expenses</u></b>		
Distribution & Selling Cost	109,481,281	88,129,749
Administrative & General Expenses	54,090,881	30,931,735
	163,572,162	119,061,484
OPERATING PROFIT	207,532,642	95,337,750
Other Income / (Loss)	15,610	33,000
	207,548,252	95,370,750
Finance Cost	15,038,952	5,385,323
PROFIT BEFORE TAXATION	192,509,300	89,985,427
Provision for Taxation	(11,000,000)	(5,734,212)
PROFIT AFTER TAXATION	181,509,300	84,251,215
Earnings per share - basic and diluted	1.38	0.85

*The annexed notes form an integral part of these accounts.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Muhammad Zameer  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM  
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 30, 2023	September 30, 2022
	(Rupees)	
<b>Profit for the Period</b>	181,509,300	84,251,215
<b>Items that may be subsequently reclassify to Profit or loss</b>		
Exchange Gain on translation of Long term investment in equity accounted investees	(1,125,277)	137,862
<b>Total comprehensive Income for the period</b>	180,384,023	84,389,077
<b>Total comprehensive Income for the period attribute to</b>		
Owners of the Parent company		
Non controlling Interests	-	-

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

Asad Ahmed  
Chief Executive

Uzma Ahmad  
Director

Muhammad Zameer  
Chief Financial Officer



**CONSOLIDATED CONDENSED INTERIM  
CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	September 2023	September 2022
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	192,509,300	89,985,427
Adjustment for Non-Cash and Other Items:		
Depreciation	22,662,363	14,737,538
Provision for Gratuity - net of Payments	(1,048,337)	(190,666)
Financial Expenses	15,038,952	5,385,323
	36,652,978	19,932,195
	229,162,278	109,917,622
Working Capital changes		
<i>(Increase) / Decrease in Current Assets</i>		
Stock in Trade	(232,516,075)	(35,609,573)
Stores and Spares	--	(2,178,190)
Trade debtors	23,277,733	(32,911,703)
Trade deposits, Prepayments & Statutory balances	(79,713,957)	(5,383,789)
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	212,814,371	(12,077,069)
Un-claimed Dividends	--	(550,513)
	(76,137,929)	(88,710,836)
Taxes Paid	(3,372,630)	(1,998,544)
Exchange Gain on translation	(1,125,277)	--
Financial charges Paid	(11,975,462)	(3,016,323)
	(16,473,369)	(5,014,867)
<i>Net Cash Inflow/ (Outflow) from Operating Activities</i>	136,550,981	16,191,919
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	(86,144,464)	(3,397,641)
Capital Work-in-Progress	--	--
<i>Net Cash Inflow/ (Outflow) from Investing Activities</i>	(86,144,464)	(3,397,641)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term Deposits	--	(2,488,500)
Finance Lease		
Diminishing Musharika - vehicle financing	(732,243)	1,958,229
(Payments)/Loan Obtained through Diminishing Musharka Finance Facility - net	--	(8,553,972)
Long term Loan from Associated and related parties	25,107,273	11,043,707
<i>Net Cash Inflow/ (Outflow) from Financing Activities</i>	24,375,030	1,959,464
Net Increase in Cash and Cash Equivalents	74,781,546	14,753,741
Cash and Cash Equivalents at the Beginning	49,143,749	41,724,370
Cash and Cash Equivalents at the End	123,925,295	56,478,111

*The annexed notes form an integral part of these accounts.*

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM  
STATEMENT OF CHANGE IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Capital Reserve			Revenue Reserves			Non- Controlling Interest	Total
	Share Capital	A Share Premium Account	Surplus on Revaluation of Property, Plant and Equipment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	Exchange Translation Reseve	Unappropriated Profit/Accumulated (Loss)		
Balance as on June 30, 2022	995,386,020	252,683,670	345,505,366	--	39,895	266,695,420	40,338	1,860,350,709
Non-Controlling interest on business combination								-
Net Profit for the quarter ended Sep 2022	--	--	--	--	--	84,251,215	-	84,251,215
Other Comprehensive income	--	--	--	--	--	--	--	-
Total comprehensive income	--	--	--	--	--	84,251,215	--	84,251,215
Balance as on September 30, 2022	995,386,020	252,683,670	345,505,366	-	39,895	350,946,635	40,338	1,944,601,924
Balance as on June 30, 2023	1,316,398,000	252,683,670	746,875,309	-	2,802,109	243,729,948	101,164	2,562,590,200
Non-Controlling Interest on business combination							--	-
Net Profit for the quarter ended Sep 2023	--	--	--	--	(1,125,277)	181,509,300	-	181,509,300
Other Comprehensive income	--	--	--	--	(1,125,277)	--	--	(1,125,277)
Total Comprehensive income	--	--	--	--	(1,125,277)	181,509,300	--	180,384,023
Balance as on September 30, 2023	1,316,398,000	252,683,670	746,875,309	-	1,676,832	425,239,248	101,164	2,742,974,223

The annexed notes form an integral part of these accounts.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Mohammad Zameer  
Chief Financial Officer

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 THE GROUP AND ITS OPERATIONS**

Image Pakistan Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed in the Pakistan Stock Exchange in Pakistan. The principal activity of the Company is manufacturing and sale of Embroidered Fabric and Ready-To-Wear garments and Polyester Filament Yarn.

The Parent Company's operations of the Polyester Filament yarn remained discontinued during the period.

The geographical location and address of the Group's business units, including mill/plant are as under:

The registered office of the Group and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

The Company also owned and on rent, selling outlets in Karachi, Lahore, Islamabad, Rawalpindi and Peshawar.

As at the reporting date, the Parent Group has the following subsidiaries, which together with the Parent Group Constitutes "the Group".

<u>Subsidiary companies</u>	<u>Nature of business</u>	<u>Holding</u>	<u>Financial Year</u>
<b>Image Tech Ltd.</b> The registered office of the company is located at A/33, Central Commercial Area, Block 7/8. KCHSU, Main shahrah -e- Faisal , Kararchi, Pakistan.	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	1,998,500 ordinary shares @ Rs 10/-	The financial year is from 01 July - 30 June
<b>Image International Ltd. Incorporated in the UK</b>	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	4,997 ordinary shares @ £. 1/- per share	The first financial year will be ending on 30th June 2023
<b>Tri-Star Image (USA) Inc. incorporated in USA</b>	business of online shopping of consumer and other goods and provide e-commerce services and e-commerce solutions.	4,500 ordinary shares @ \$. 1/- per share	The first financial year will be ending on 30th June 2023

**1.1 Summary of significant events and transactions in the current reporting period**

The Group's financial position and performance was particularly affected by the following events and transactions during the reporting period:

The Group' main unit to produce polyester filament yarn remain not in operation and the Group is to manufacture during the period value added embroidered fabric as disclosed in Note 1.

The Group obtained interest bearing loan from related parties and Financial Institutions during the year to meet the working capital requirements of the Group.

Further, for a detailed discussion about the Group's performance, refer to the Directors' Report and respected note to the accounts.

**2 STATEMENT OF COMPLIANCE**

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

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

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

**3 BASIS OF PREPARATION/MEASUREMENT**

These consolidated financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date.

Item	Measurement basis
Land	Revaluation model
Building	Revaluation model
Plant and Machinery	Revaluation model
Employee benefits- Net defined benefit liability	Present value of the defined benefit liability, determined through actuarial

The method used to measure fair values are disclosed in respective policy notes.

**4 Surplus on Revaluation of Property, Plant and Equipment**

<b>Opening Balance</b>	345,505,366	345,505,366
<b>Surplus arising due to Revaluation - net of tax</b>	411,086,530	411,086,530
<b>Transfer to Profit and Loss account of incremental depreciation (net of tax)</b>		
Related Deferred tax Liability	(9,716,587)	(9,716,587)
Rate difference adjustments and other	--	--
	<u>746,875,309</u>	<u>746,875,309</u>

**5 Diminishing Musharka Finance Facility**

Opening Balance Facility II	5.1	14,625,000	14,625,000
Opening Balance Facility VI	5.1	59,636,000	59,636,000
Opening Balance Facility VII		55,315,000	55,315,000
		<u>129,576,000</u>	<u>129,576,000</u>
Paid during the period		<u>(14,625,000)</u>	<u>(14,625,000)</u>
		114,951,000	114,951,000
Maturity during the period			
Less: Current Portion		5,488,261	5,488,261
		<u>109,462,739</u>	<u>109,462,739</u>

- 5.1 The Diminishing Musharika has been obtained from a Non-Bank Financial Institution. It is repayable in 60 equal monthly instalments including 1 year grace period and carries profit @ 6 month KIBOR+3.50% p.a and is secured against specific charge on DM assets in favour of NBFIL.

**6 Diminishing Musharaka Facility**

Opening Balance - DM I	1,050,075	1,373,175
Opening Balance - DM II	1,050,075	1,373,175
Opening Balance - DM III	672,290	873,986
Opening Balance - DM IV	4,401,486	5,659,062
Opening Balance - DM V	3,224,375	4,048,875
	<u>10,398,301</u>	<u>13,328,273</u>
Paid during the period	<u>(732,243)</u>	<u>(2,929,972)</u>
	9,666,058	10,398,301
Maturity during the year		
Less: Current Portion	<u>2,928,972</u>	<u>2,928,972</u>
	<u>6,737,086</u>	<u>7,469,329</u>

The Diminishing Musharaka Facility has been obtained from a Madaraba (Non-Banking Financial Institution) repayable in 60 equal monthly installments. The payment of first installment started from October 2021 and last installment will be paid on December 2026 and carries profit @ 6 month KIBOR+3% per annum and secured against vehicles.



**7 Contingencies and Commitments**

Guarantees issued by banks  
Letters of Credit in respect of committed capital expenditures  
Letters of Credit for other than capital expenditures

nil million	nil million
nil million	nil million
nil million	nil million

7.1 The Sales Tax department has issued a show cause notice to the Company for non-payment of Sales Tax alongwith penalty and default surcharge amounting to Rs. 99,451,956/-. The Company has filed a Constitutional Petition before the Hon'ble High Court of Sindh challenging the legality of the show cause notice. The Hon'ble High Court of Sindh has restrained the Department from passing any adverse order against the Company.

**8 Tangible Fixed Assets**

Property, Plant and Equipment

September  
2023

June  
2023

Rupees

1,463,071,221	1,399,589,120
1,463,071,221	1,399,589,120

**Property, Plant and Equipment - At cost less accumulated depreciation**

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate	Depreciation				Written Down Value As At September 30, 2023
	As at July 01, 2023	Additions / Transfers/ (Deletion)	Revaluation	As at September 30, 2023		As at July 01, 2023	Transfer/ (Deletion)	For the year	As at September 30, 2023	
	Rupees					Rupees				
<b>Owned</b>										
Lease hold land	600,000,000	--	--	600,000,000	--	--	--	--	--	600,000,000
Factory Building on Lease hold land	373,432,384	--	--	373,432,384	10	170,761,124	--	5,066,782	175,827,905	197,604,479
Plant and Machinery	910,319,207	85,698,180	--	996,017,387	10	485,553,562	--	12,761,596	498,315,157	497,702,229
Electrical Installations	19,913,937	--	--	19,913,937	10	8,926,845	--	274,677	9,201,523	10,712,414
Furniture and Fixture	36,494,855	--	--	36,494,855	10	11,718,157	--	619,417	12,337,574	24,157,281
Office Equipments	1,770,182	--	--	1,770,182	10	1,039,900	--	18,257	1,058,157	712,025
Air Conditioner and Refrig.	19,439,422	--	--	19,439,422	10	8,251,371	--	279,701	8,531,072	10,908,350
Vehicles	35,333,859	--	--	35,333,859	20	14,573,628	--	1,038,012	15,611,639	19,722,220
Fork Lifter	630,735	--	--	630,735	20	630,032	--	35	630,067	668
Computers	12,613,103	427,500	--	13,040,603	10	3,247,365	--	244,831	3,492,196	9,548,407
Studio Equipments	1,314,972	--	--	1,314,972	10	452,845	--	21,553	474,398	840,574
Generators	14,266,900	--	--	14,266,900	10	5,424,514	--	221,060	5,645,573	8,621,327
Elevator	28,051,938	--	--	28,051,938	10	7,311,417	--	518,513	7,829,930	20,222,008
Fire Fighting Equipments	1,006,872	--	--	1,006,872	10	324,742	--	17,053	341,795	665,077
Gas Installations	883,125	--	--	883,125	10	666,868	--	5,406	672,274	210,850
Solar Panel	70,000,000	18,784	--	70,018,784	10	7,000,000	--	1,575,470	8,575,470	61,443,314
September 2023	2,125,471,490	86,144,464	--	2,211,615,954		725,882,369	--	22,662,363	748,544,732	1,463,071,221
June 2023	1,472,222,237	213,127,380	440,121,873	2,125,471,490		645,280,323	--	80,602,046	725,882,369	1,399,589,120

**9 Long Term Investment**

Fair value through other comprehensive income

2,455,000 (2021: 2,455,000) N.I.T units

(Average cost price Rs. 14.0573)

Market value as at June 30, are as under

June 30 (2021: June 30) @ Rs. 54.97 (Rs.53.87) per unit

Provision made during the year

34,510,675		34,510,675
150,056,225		150,056,225
184,566,900		184,566,900
(184,566,900)		(184,566,900)
--		--
--		--

**10 EARNINGS PER SHARE - BASIC AND DILUTED**

Profit after Taxation	181,509,300	84,251,215
Weighted Average Number of Ordinary Shares at year end	131,639,800	99,538,602
Earnings per share - basic and diluted	1.38	0.85

**11 OPERATING SEGMENT**

These consolidated financial statements have been prepared on the basis of two reportable segments: one segment of Polyester Filament yarn unit which remained idle since long and remained closed during the period. The other segment is value added embroidered fabric/ garment unit which is in operation.

	Value added Embroidered Fabric		Polyester Filament Yarn		Total	
	September	September	September	September	September	September
	2023	2022	2023	2022	2023	2022
Net Sales	793,699,619	516,765,493	-	-	784,839,387	516,765,493
Cost of Sales	415,449,974	297,761,524	7,144,841	4,604,735	422,594,814	302,366,259
Gross Profit/(Loss)	378,249,645	219,003,968	(7,144,841)	(4,604,735)	362,244,572	214,399,233
Selling & Distribution costs	109,481,281	88,129,749	-	-	109,481,281	88,129,749
Administrative Expenses	54,072,946	30,911,978	17,935	19,757	54,090,881	30,931,735
	163,554,227	119,041,727	17,935	19,757	163,572,162	119,061,484
Segment Results	214,695,418	99,962,242	(7,162,775)	(4,624,492)	198,672,411	95,337,751
Capital Expenditure - Excluding revaluation at cost	86,144,464	213,127,380	-	-	86,144,464	213,127,380
Depreciation	15,499,587	59,919,980	7,162,775	20,682,065	22,662,363	80,602,045

**12 GENERAL**

Figures have been rounded off to the nearest rupee.

**13 CORRESPONDING FIGURES**

Corresponding figures have been re-arranged and reclassified, whenever necessary, for the purposes of comparison. During the period there were no major reclassifications to report.

**14 DATE OF AUTHORIZATION**

This consolidated condensed interim financial information has been authorized for issue on 30th October, 2023 by the Board of Directors of the Company.

Asad Ahmad  
Chief Executive

Uzma Ahmad  
Director

Muhammad Zameer  
Chief Financial Officer

