

HALF YEAR
FINANCIAL STATEMENTS

2023-24



***The National Silk
& Rayon Mills Ltd.***

Manufacturer & Exporter of Quality Textile Products.

Company Information

Board of Directors	Sh. Faisal Tauheed Sh. Kashif Tauheed Mrs. Samira Faisal Mrs. Tahira Kashif Sh Mustafa Faisal Tauheed Mr. Muhammad Arif Mr. Shehzad Ehsan	(Executive Director) -do- Non Executive Director Non Executive Director/Chairman Non Executive Director Independent Director Independent Director
Board Audit Committee	Mr. Shahzad Ehsan Sh Mustafa Faisal Tauheed Mrs. Tahira Kashif	(Chairman)
Board Human Resource and Remuneration Committee	Mr. Shehzad Ehsan Mrs. Samira Faisal Mrs. Tahira Kashif	(Chairman)
Management Team	Sh. Faisal Tauheed Puri Qaisar Ali Faheem Imran Zafar Hafiz Sultan Nasir	(Chief Executive) (Chief Financial Officer) (Company Secretary) (Internal Auditor)
Auditors	Riaz Ahmad and Company Chartered Accountants	
Bankers	National Bank of Pakistan The Bank of Punjab Bank Alfalah Limited Habib Metropolitan Bank Limited Askari Bank Limited Bank Al-Habib Limited MCB Limited Meezan Bank Limited	
Registered Office	House No. 8/3, Aziz Avenue, Canal Road, Gulberg V, Lahore.	
Factory	Dhuddiwala, Jaranwala Road, Faisalabad.	
Share Registrar	Corplink (pvt.) Ltd. Share Registrar & Corporate Consultants Wings Arcade, 1-K Commercial, Model Town, Lahore. Tel: 035916714, 35916719, 035839182 Fax: 92-42-35869037	
Legal Advisor	Sahibzada Muhammad Arif Advocate High Court, Chamber No.52, District Courts, Faisalabad.	

Directors' Report

The Board Directors of your company are pleased to present Condensed Interim Financial Statements of the company for the half year ended December 31, 2023.

The financial performance of your Company during the half year ended on December 31, 2023 is as follow:

Half Year December 31		
Operating Results	2023	2022
	RUPEES	
Gross profit	36,564,763	38,221,034
Selling, administrative and operating expenses	(30,673,009)	(25,252,415)
Profit before taxation	8,701,508	6,614,111
Taxation	(7,189,150)	(9,883,921)
Profit after taxation	1,512,358	(3,269,810)
Earning per share	0.10	(0.21)

The Company remains committed to deliver on its long-term objective of sustainable growth and value creation. This is being achieved through continued focus on operational excellence, product portfolio diversification, cost reduction and a strong capital structure.

The company recorded sale of Rs.954,612,195/- in its first six months as compared to Rs. 843,556,680/- during the first six months of the last year showing increase in sale by 13%. Due to reduced demand, increase in electricity, Sui gas Tariffs, increase in prices of imported and local raw material, the company was not successful to achieve the required result.

Future Outlook and Challenges:

The Government's initiatives aimed at addressing the foreign exchange liquidity crunch are anticipated to yield positive results, stimulating economic activities across the country.

The management of the Company is working hard to minimize the cost pressures, optimize the cost levels and finding new avenues of revenue generation in all segments of the company to maximize benefit to the shareholders. We are also working internally to become more efficient by becoming more cost effective, focusing on energy conservation and expenditure reduction techniques.

Appreciation

We would like to thank all of our staff members for the way they have responded to challenges of the year. Their hard work and commitment is greatly appreciated and is reflected in these results.

We are also thankful for the encouragement and support, which we received from our suppliers, shareholders, bankers and financial institutions.

On behalf of the Board



Sh. Faisal Tauheed Puri
Chief Executive



Sh. Kashif Tauheed
Director

LAHORE:
February 29, 2024

Independent Auditors' Review Report

To the Members of the National Silk & Rayan Mills Ltd.
Report on review of Condensed Interim Financial Statement

Introduction

We have reviewed the accompanying condensed interim statement of financial position of THE NATIONAL SILK AND RAYON MILLS LIMITED as at 31 December 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (herein-after referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2023 and 31 December 2022 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2023.

Scope of Review

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

Conclusion

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

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



RIAZ AHMAD & COMPANY
CHARTERED ACCOUNTANTS
Faisalabad:
February 29, 2024
UDIN: RR202310184QHp39Bq1

Condensed Interim Statement of Financial Position

AS AT 31 DECEMBER 2023

	Note	Un-audited 31 December 2023 RUPEES	Audited 30 June 2023 RUPEES	Note	Un-audited 31 December 2023 RUPEES	Audited 30 June 2023 RUPEES
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital		200,000,000	200,000,000			
20 000 000 (30 June 2023; 20 000 000) A - class ordinary shares of Rupees 10 each				4	1,359,249,418	1,366,046,875
400 000 (30 June 2023; 400 000) B - class ordinary shares of Rupees 10 each		4,000,000	4,000,000		3,405,100	4,109,603
		<u>204,000,000</u>	<u>204,000,000</u>		<u>24,907,046</u>	<u>26,217,046</u>
Issued, subscribed and paid up share capital		155,531,740	155,531,740		1,387,561,564	1,396,373,524
Reserves						
Capital reserve - surplus on revaluation of freehold land		1,123,279,091	1,123,279,091			
Revenue reserve - unappropriated profit		127,259,306	125,746,948			
Total reserves		<u>1,250,538,397</u>	<u>1,249,026,039</u>			
TOTAL EQUITY		<u>1,406,070,137</u>	<u>1,404,557,779</u>			
LIABILITIES						
NON-CURRENT LIABILITIES						
Deferred income tax liability		16,228,744	21,067,374	5	133,752,585	116,146,881
					24,886,337	-
					303,119,863	319,465,692
CURRENT LIABILITIES					20,635,686	9,688,249
Trade and other payables		444,945,988	492,398,916		3,249,846	1,084,521
Unclaimed dividend		594,836	594,836		57,255,049	51,054,284
Accrued mark-up		576,816	340,382		19,087,455	17,361,167
Short term borrowings		169,377,770	86,920,368		71,557,863	305,000
		615,495,410	580,254,502		16,688,043	94,400,337
TOTAL LIABILITIES		<u>631,724,154</u>	<u>601,321,876</u>		<u>650,232,727</u>	<u>609,506,131</u>
CONTINGENCIES AND COMMITMENTS	3					
TOTAL EQUITY AND LIABILITIES		<u>2,037,794,291</u>	<u>2,005,879,655</u>		<u>2,037,794,291</u>	<u>2,005,879,655</u>

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Profit or Loss Account (un-audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	NOTE	Half year ended		Quarter ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
-----RUPEES-----					
REVENUE FROM CONTRACTS WITH CUSTOMERS		954,612,195	843,556,680	537,638,782	449,371,258
COST OF SALES	6	(918,047,432)	(805,335,646)	(531,869,980)	(440,096,435)
GROSS PROFIT		36,564,763	38,221,034	5,768,802	9,274,823
DISTRIBUTION COST		(1,364,489)	(616,656)	(986,939)	(268,914)
ADMINISTRATIVE EXPENSES		(23,457,614)	(21,911,625)	(9,676,050)	(8,669,241)
OTHER EXPENSES		(5,850,906)	(2,724,134)	(5,692,281)	(2,066,054)
		(30,673,009)	(25,252,415)	(16,355,270)	(11,004,209)
		5,891,754	12,968,619	(10,586,468)	(1,729,386)
OTHER INCOME		3,575,562	493,823	3,344,878	272,131
PROFIT / (LOSS) FROM OPERATIONS		9,467,316	13,462,442	(7,241,590)	(1,457,255)
FINANCE COST		(765,808)	(6,848,331)	(731,532)	(4,432,159)
PROFIT / (LOSS) BEFORE TAXATION		8,701,508	6,614,111	(7,973,122)	(5,889,414)
TAXATION		(7,189,150)	(9,883,921)	(3,430,684)	(4,894,201)
PROFIT / (LOSS) AFTER TAXATION		1,512,358	(3,269,810)	(11,403,806)	(10,783,615)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)		0.10	(0.21)	(0.73)	(0.69)

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Comprehensive Income (un-audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Half year ended		Quarter ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- RUPEES -----			
PROFIT / (LOSS) AFTER TAXATION	1,512,358	(3,269,810)	(11,403,806)	(10,783,615)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss in subsequent periods	-	-	-	-
Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	1,512,358	(3,269,810)	(11,403,806)	(10,783,615)

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Cash Flow Statement (un-audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	Half Year Ended	
		31 December 2023	31 December 2022
		RUPEES	RUPEES
Cash flows from operating activities			
Cash (used in) / generated from operations	7	(64,948,183)	64,919,594
Finance cost paid		(529,374)	(5,949,354)
Income tax paid		(18,228,545)	(16,626,621)
Decrease in long term deposits		1,310,000	-
Net cash (used in) / generated operating activities		(82,396,102)	42,343,620
Cash flows from investing activities			
Capital expenditure on property, plant and equipment		(6,738,458)	(6,079,576)
Profit received on saving account and term deposit receipt		157,994	36,803
Investments made		(71,193,130)	-
Net cash used in investing activities		(77,773,594)	(6,042,773)
Cash flows from financing activities			
Short term borrowings - net		82,457,402	(20,214,804)
Net cash from / (used in) financing activities		82,457,402	(20,214,804)
Net (decrease) / increase in cash and cash equivalents		(77,712,294)	16,086,043
Cash and cash equivalents at the beginning of the period		94,400,337	10,973,293
Cash and cash equivalents at the end of the period		16,688,043	27,059,336

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (un-audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	RESERVES			TOTAL EQUITY
		CAPITAL	REVENUE	Total	
		Surplus on revaluation of freehold land	Unappropriated profit		
----- RUPEES -----					
Balance as at 01 July 2022 - (Audited)	155,531,740	561,529,091	148,679,684	710,208,775	865,740,515
Loss for the period	-	-	(3,269,810)	(3,269,810)	(3,269,810)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	(3,269,810)	(3,269,810)	(3,269,810)
Balance as at 31 December 2022 - (Un-audited)	155,531,740	561,529,091	145,409,874	706,938,965	862,470,705
Loss for the period	-	-	(19,662,926)	(19,662,926)	(19,662,926)
Other comprehensive income for the period	-	561,750,000	-	561,750,000	561,750,000
Total comprehensive income for the period	-	561,750,000	(19,662,926)	542,087,074	542,087,074
Balance as at 30 June 2023 - (Audited)	155,531,740	1,123,279,091	125,746,948	1,249,026,039	1,404,557,779
Profit for the period	-	-	1,512,358	1,512,358	1,512,358
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,512,358	1,512,358	1,512,358
Balance as at 31 December 2023 - (Un-audited)	155,531,740	1,123,279,091	127,259,306	1,250,538,397	1,406,070,137

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Notes to the Condensed Interim Financial Information (un-audited)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

1. THE COMPANY AND ITS OPERATIONS

The National Silk and Rayon Mills Limited (the Company) is a public limited company incorporated in Pakistan on 27 June 1950 under the Companies Act, 1913 (Now Companies Act, 2017), and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at H-8/3, Aziz Avenue, Canal Road, Gulberg V, Lahore. The head office and production unit are situated at Dhuddiwala, Jaranwala Road, Faisalabad. The principal activity of the Company is manufacturing, dyeing, bleaching, finishing and embroidery of fabric.

2. BASIS OF PREPARATION AND STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 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; 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 of the information and disclosures required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2023.

2.3 These condensed interim financial statements are un-audited and are being submitted to the shareholders and subject to limited scope review by external auditors as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.

2.4 These condensed interim financial statements are presented in Pak Rupees and all figures have been rounded off to the nearest Rupee, unless otherwise stated.

2.5 Statement of material accounting policy information

The accounting policies and methods of computations adapted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2023.

2.6 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements and estimates made by the management in the preparation of these condensed interim financial statements were the same as those applied to the annual financial statements of the Company for the year ended 30 June 2023.

2.7 Financial risk management.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 30 June 2023.

3. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There is no material change in the status of contingencies as reported in annual financial statements of the Company for the year ended 30 June 2023.

b) Commitments

- i) Letters of credit for capital expenditure are of Rupees 19,486 million (30 June 2023: Rupees Nil).
- ii) Letters of credit other than for capital expenditure are of Rupees 56,070 million (30 June 2023: Rupees 52,750 million).

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 4.1)

Capital work-in-progress (Note 4.2)

4.1 Operating fixed assets

Opening book value

Add:

Cost of additions during the period / year

Add: Effect of revaluation surplus during the period / year

Less: Book value of deletions during the period / year

Less: Depreciation charged during the period / year

4.2 Capital work-in-progress

Advance against purchase of vehicles

5. STORES AND SPARE PARTS

Dyes and chemicals

Thread, textured / filament yarn

Coal

Spare parts

Packing materials

Other stores

	Un-audited 31 December 2023 RUPEES	Audited 30 June 2023 RUPEES
	1,352,510,960	1,366,046,875
	6,738,458	-
	<u>1,359,249,418</u>	<u>1,366,046,875</u>
	1,366,046,875	818,689,017
	-	18,840,476
	-	561,750,000
	<u>1,366,046,875</u>	<u>1,399,279,493</u>
	-	4,649,327
	<u>1,366,046,875</u>	<u>1,394,630,166</u>
	<u>13,535,915</u>	<u>28,583,291</u>
	<u>1,352,510,960</u>	<u>1,366,046,875</u>
	6,738,458	-
	76,388,631	50,006,934
	27,802,985	14,256,122
	20,382,518	45,047,394
	4,600,944	1,896,859
	1,031,651	2,159,328
	3,545,856	2,780,244
	<u>133,752,585</u>	<u>116,146,881</u>

6. COST OF SALES

Salaries, wages and other benefits

Dyes chemicals and cloth consumed

Fuel and power

Packing materials consumed

Thread, texture / filament and yarn consumed

Stores and spare parts consumed

Repair and maintenance

Depreciation

(Un-audited)			
Half year ended		Quarter ended	
31 December 2023	31 December 2022	31 December 2023	31 December 2022
RUPEES			
77,462,503	69,067,044	43,551,556	37,502,888
511,738,282	431,849,312	290,697,521	246,048,322
244,841,534	226,612,962	155,780,744	111,014,023
10,036,577	9,030,248	4,556,971	4,976,172
52,274,140	50,322,606	25,780,317	30,620,476
9,272,071	5,514,066	5,283,709	3,433,223
240,000	206,550	128,000	71,880
12,182,324	12,732,858	6,091,162	6,429,451
<u>918,047,432</u>	<u>805,335,646</u>	<u>531,869,980</u>	<u>440,096,435</u>

		(Un-audited)	
		Half year ended	
		31 December 2023	31 December 2022
		RUPEES	RUPEES
7. CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation		8,701,508	6,614,111
Adjustments for non-cash charges and other items:			
Depreciation		13,535,915	14,147,620
Amortization on intangible asset		704,503	704,503
Allowance for expected credit losses - net		3,504,940	-
Profit on saving account and term deposit receipt		(165,609)	(39,023)
Provision for doubtful loans and advances		16,662	-
Unwinding of GIDC payable		-	46,167
Finance cost		765,808	6,848,331
Unrealized gain on remeasurement of investment at Fair Value Through Profit or Loss (FVTPL)		(59,733)	-
Working capital changes (Note 7.1)		(91,952,177)	36,597,885
		<u>(64,948,183)</u>	<u>64,919,594</u>
7.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spare parts		(17,605,704)	14,234,078
Stock-in-trade		(24,886,337)	-
Trade debts		12,840,889	(130,477,185)
Loans and advances		(10,964,099)	3,214,495
Short term deposit, prepayments and other receivables		(2,157,710)	(112,444)
Sales tax refundable		(1,726,288)	4,512,377
		<u>(44,499,249)</u>	<u>(108,628,679)</u>
(Decrease) / increase in trade and other payables		<u>(47,452,928)</u>	<u>145,226,564</u>
		<u>(91,952,177)</u>	<u>36,597,885</u>

8. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise other related parties and key management personnel. Detail of transactions and balances with related parties is as follows:

(Un-audited)					
		Half year ended		Quarter ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		RUPEES			
i) Transactions					
Other related parties					
Loans obtained from Mr. Kashif Tauheed, Director		26,778,688	-	8,850,000	-
Company's contribution to Employees' Provident Fund Trust		2,176,003	2,304,361	1,102,489	1,252,888
Remuneration paid to Chief Executive Officer, Director and Executive		6,462,000	6,909,972	3,000,000	3,454,986
				Un-audited	Audited
				31 December 2023	30 June 2023
				RUPEES	RUPEES
ii) Period end balances					
Other related parties					
Short term borrowings				26,778,688	-
Trade and other payables				694,410	732,053

9. SEGMENT INFORMATION

	Dyeing		Embroidery		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)	
	Half year ended		Half year ended		Half year ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
RUPEES						
Revenue from contracts with customers	902,242,681	714,914,286	52,369,514	128,642,394	954,612,195	843,556,680
Cost of sales	(867,683,841)	(682,546,770)	(50,363,591)	(122,788,876)	(918,047,432)	(805,335,646)
Gross profit	34,558,840	32,367,516	2,005,923	5,853,518	36,564,763	38,221,034
Distribution cost	(1,289,634)	(535,444)	(74,855)	(81,212)	(1,364,489)	(616,656)
Administrative expenses	(22,170,742)	(18,776,214)	(1,286,872)	(3,135,411)	(23,457,614)	(21,911,625)
	<u>(23,460,376)</u>	<u>(19,311,658)</u>	<u>(1,361,727)</u>	<u>(3,216,623)</u>	<u>(24,822,103)</u>	<u>(22,528,281)</u>
Profit before taxation and unallocated income and expenses	11,098,464	13,055,858	644,196	2,636,895	11,742,660	15,692,753
Unallocated income and expenses:						
Other expenses					(5,850,906)	(2,724,134)
Other income					3,575,562	493,823
Finance cost					(765,808)	(6,848,331)
Taxation					(7,189,150)	(9,883,921)
Profit / (loss) after taxation					<u>1,512,358</u>	<u>(3,269,810)</u>

9.1 Reconciliation of reportable segment assets and liabilities:

	Dyeing		Embroidery		Total - Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	31 December 2023	30 June 2023	31 December 2023	30 June 2023	31 December 2023	30 June 2023
	RUPEES					
Total assets for reportable segments	636,977,159	739,196,529	190,948,639	195,635,643	827,925,798	934,832,172
Unallocated assets					1,209,868,493	1,071,047,483
Total assets as per condensed interim statement of financial position					<u>2,037,794,291</u>	<u>2,005,879,655</u>
Unallocated assets represent major portion of property, plant and equipment excluding plant and machinery, intangible asset, long term deposits, loans and advances, deposits, prepayments and other receivables, corporate and tax assets and cash and bank balances.						
Total liabilities for reportable segments	361,671,118	387,990,233	35,465,953	58,482,742	397,137,072	446,472,975
Unallocated liabilities					234,587,082	154,848,901
Total liabilities as per condensed interim statement of financial position					<u>631,724,154</u>	<u>601,321,876</u>
Unallocated liabilities represent some portion of trade and other payables, unclaimed dividend, accrued mark-up, short term borrowings and deferred income tax liability.						

9.2 Geographical information

The Company's revenue from external customers by geographical locations is detailed below:

	Dyeing		Embroidery		Total Company	
	(Un-audited)		(Un-audited)		(Un-audited)	
	Half year ended		Half year ended		Half year ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	-----RUPEES-----					
Africa	11,456,060	-	-	-	11,456,060	-
Pakistan	890,786,621	714,914,286	52,369,514	128,642,394	943,156,135	843,556,680
	902,242,681	714,914,286	52,369,514	128,642,394	954,612,195	843,556,680

9.3 The Company's revenue from external customers in respect of services / products is detailed below:

Processing income	886,492,289	714,914,286	-	-	886,492,289	714,914,286
Embroidery income	-	-	52,369,514	128,642,394	52,369,514	128,642,394
Fabric sale	15,750,392	-	-	-	15,750,392	-
	902,242,681	714,914,286	52,369,514	128,642,394	954,612,195	843,556,680

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements

Financial assets

At 31 December 2023 - (Un-audited)

At fair value through profit or loss

	Level 1	Level 2	Level 3	Total
	-----RUPEES-----			
	71,252,863	-	-	71,252,863
	71,252,863	-	-	71,252,863

At 30 June 2023 - (Audited)

At fair value through profit or loss

The above table does not include fair value information for financial assets not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer out of level 3 measurements.

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

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

11. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	(Un-audited)	Audited
	31 December 2023	30 June 2023
	-----RUPEES-----	
Shariah compliant bank deposits / bank balances		
Bank balances	441,292	19,410,215
Loans / advances obtained as per Islamic mode		
Short term borrowings	26,778,688	-
Contract liabilities	3,930,998	27,525,728

Description	Un-audited	
	Half year ended	
	31 December 2023	31 December 2022
	-----RUPEES-----	
Revenue earned from shariah compliant business		
Exchange gain - net	954,612,195	843,556,680
Profit earned from shariah compliant bank deposits / bank balances		
	143,161	23,654

Description	Un-audited	
	Half year ended	
	31 December 2023	31 December 2022
	-----RUPEES-----	
Gain or dividend earned from shariah compliant investments		
Dividend income	815,720	-
Unrealized gain on investments at FVTPL	59,733	-
Profit earned or interest paid on any conventional loans		
Profit earned on term deposit receipt	22,448	15,369
Mark-up on short term borrowings	513,171	6,518,419

Relationship with shariah compliant banks

Bank Name	Relationship
Bank Islami Pakistan Limited	Bank balance
Meezan Bank Limited	Bank balances
Bank Alfalah Limited	Bank balances

There was no mark-up on Islamic mode of financing.

12. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been approved and authorized for issue on 29 February, 2024 by the Board of Directors of the Company.

13. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangement has been made in these condensed interim financial statements except following:

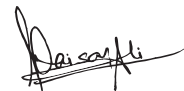
PARTICULARS	RECLASSIFICATION		AMOUNT IN RUPEES
	FROM	TO	
Gas Infrastructure Development Cess (GIDC) payable	Face of Statement of financial position	Trade and other payables	27,109,729



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ڈائریکٹرز کی جائزہ رپورٹ

آپ کی کمپنی کے بورڈ ڈائریکٹرز 31 دسمبر 2023 کو ختم ہونے والے لاشٹماہی کے لیے کمپنی کے کنڈیڈسڈ عبوری مالیاتی بیانات پیش کرنے پر خوش ہیں۔
31 دسمبر 2023 کو ختم ہونے والے لاشٹماہی کے دوران آپ کی کمپنی کی مالی کارکردگی حسب ذیل ہے:

آپریٹنگ نتائج

31 دسمبر کو ختم ہونے والا نصف سال

2022	2023	مالیاتی کارکردگی
RUPEES		
38,221,034	36,564,763	خالص نفع
(25,252,415)	(30,673,009)	فروخت، انتظامی اور آپریٹنگ اخراجات
6,614,111	8,701,508	منافع قبل از ٹیکس
(9,883,921)	(7,189,150)	ٹیکسیشن
(3,269,810)	1,512,358	منافع (نقصان) بعد از ٹیکس
(0.21)	0.10	نی آمدنی حصص

کمپنی پائیدار ترقی اور قدر کی تخلیق کے اپنے طویل مدتی مقصد کو پورا کرنے کے لیے پرعزم ہے۔ یہ آپریٹنگ ایکسیلسنس، پروڈکٹ پورٹ فولیو میں تنوع، لاگت میں کمی اور مضبوط سرمائے کے ڈھانچے پر مسلسل توجہ کے ذریعے حاصل کیا جا رہا ہے۔

کمپنی نے اپنے پہلے چھ مہینوں میں -/Rs.954,612,195 کی فروخت ریکارڈ کی جبکہ گزشتہ سال کے پہلے چھ مہینوں کے دوران -/Rs.843,556,680 جو کہ فروخت میں 13 فیصد اضافہ ظاہر کرتا ہے۔ طلب میں کمی، بجلی، سوئی گیس کے نرخوں میں اضافہ، درآمدی اور مقامی خام مال کی قیمتوں میں اضافے کی وجہ سے کمپنی مطلوبہ نتیجہ حاصل کرنے میں کامیاب نہیں ہو سکی۔

مستقبل کا آؤٹ لک اور چیلنجز:

حکومت کے اقدامات جن کا مقصد غیر ملکی زر مبادلہ کی لیکویڈیٹی کی کمی کو حل کرنا ہے، ان کے مثبت نتائج برآمد ہونے کی توقع ہے، جس سے ملک بھر میں اقتصادی سرگرمیوں کو تحریک ملے گی۔ کمپنی کی انتظامیہ لاگت کے دباؤ کو کم کرنے، لاگت کی سطح کو بہتر بنانے اور کمپنی کے تمام حصوں میں آمدنی پیدا کرنے کی نئی راہیں تلاش کرنے کے لیے سخت محنت کر رہی ہے تاکہ شیئرز ہولڈرز کو زیادہ سے زیادہ فائدہ پہنچایا جاسکے۔ ہم توانائی کے تحفظ اور اخراجات میں کمی کی تکنیکوں پر توجہ مرکوز کرتے ہوئے زیادہ لاگت سے موثر بننے کے لیے اندرونی طور پر بھی کام کر رہے ہیں۔

تعریف

ہم اپنے تمام عملے کے ارکان کا شکریہ ادا کرنا چاہیں گے کہ انہوں نے سال کے چیلنجوں کا جس طرح جواب دیا ہے۔ ان کی محنت اور عزم کو بہت سراہا جاتا ہے اور ان نتائج سے ظاہر ہوتا ہے۔ ہم اس حوصلہ افزائی اور حمایت کے لیے بھی شکرگزار ہیں، جو ہمیں اپنے سپلائرز، بشیئرز، ہولڈرز، بینکرز اور مالیاتی اداروں سے ملی۔



شیخ فیصل توحید
چیف ایگزیکٹو



شیخ کاشف توحید
ڈائریکٹر

لاہور:

29 فروری 2024



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