



J.K. SPINNING
MILLS LIMITED

2023-24

3RD QUARTER REPORT

“ Building Tomorrow's
Textile Legacy



Contents

| | |
|----|--|
| 02 | Company Information |
| 03 | Directors' Report to the Shareholders |
| 06 | Directors' Report to the Shareholders (Urdu) |
| 08 | Condensed Interim Statement of Financial Position (Un-Audited) |
| 10 | Condensed Interim Statement of Profit or Loss (Un-Audited) |
| 11 | Condensed Interim Statement of Comprehensive Income (Un-Audited) |
| 12 | Condensed Interim Statement Of Changes In Equity (Un-Audited) |
| 13 | Condensed Interim Statement of Cash Flows (Un-Audited) |
| 14 | Selected Notes To The Condensed Interim Financial Information (Un-Audited) |

Company Information

| | |
|----------------------------------|---|
| Chairman | Mr. Jawed Anwar |
| Chief Executive | Mr. Faiq Jawed |
| Directors | Mr. Shaiq Jawed Syed Sohaib Mansoor Naqvi Mrs. Farhat Jehan Mrs. Sadaf Aamir Arshad Mr. Muhammad Tayyab Zahid |
| Audit Committee | |
| Chairman | Syed Sohaib Mansoor Naqvi |
| Members | Mrs. Farhat Jehan Mrs. Sadaf Aamir Arshad |
| HR Committee | |
| Chairman | Mr. Muhammad Tayyab Zahid |
| Members | Mr. Shaiq Jawed Syed Sohaib Mansoor Naqvi |
| Risk Management Committee | |
| Chairman | Mr. Faiq Jawed |
| Members | Mr. Shaiq Jawed Syed Sohaib Mansoor Naqvi |
| Nomination Committee | |
| Chairman | Mr. Jawed Anwar |
| Members | Mr. Faiq Jawed Mr. Shaiq Jawed |
| Company Secretary | Syed Hussain Shahid Mansoor Naqvi |
| Chief Financial Officer | Mr. Ghulam Muhammad |
| Head of Internal Audit | Mr. Farhan Safdar |
| Auditors | Riaz Ahmad & Company Chartered Accountants |
| Legal Advisor | Mahfooz Ahmad Khan Advocates |
| Registrar's and Share | CORPTEC Associates (Pvt.) Ltd., |
| Registration office | 503-E, Johar Town, Lahore |
| Bankers | Standard Chartered Bank (Pakistan) Limited The Bank of Punjab National Bank of Pakistan Habib Bank Limited Meezan Bank Limited Askari Bank Limited Summit Bank The Bank of Khyber Dubai Islamic Bank Industrial and Commercial Bank of China |
| Registered office | 34-Falcon Enclave, Tufail Road, Lahore Cantt. Lahore. |
| Head Office & Mills | 29-KM, Sheikhpura Road, khurrianwala Faisalabad. |

Directors' Report to the Shareholders

In the name of Almighty Allah The Most Gracious, The beneficent, The Merciful

Dear Shareholders,

The Directors' of your company feel pleasure to submit Un-audited Financial Statements of the company for the Nine months period ended March 31, 2024.

Financial Results and Operational Performance

The summarized financial results of the company for the Nine months period ended March 31, 2024 are as under:

| Particulars | Rupees in Million | |
|---------------------------------------|-------------------|----------------|
| | Nine months ended | |
| | 31 March, 2024 | 31 March, 2023 |
| Revenue from contracts with customers | 31,942.490 | 26,746.914 |
| Cost of sales | 27,811.032 | 22,335.930 |
| Gross profit | 4,131.458 | 4,410.984 |
| Operating expenses | 1,440.425 | 1,581.349 |
| Other income | 237.226 | 83.275 |
| Profit from operations | 2,928.259 | 2,912.910 |
| Finance cost | 1,833.615 | 509.853 |
| Profit before taxation | 1,094.644 | 2,403.057 |
| Taxation | 415.288 | 325.967 |
| Profit after taxation | 679.356 | 2,077.090 |
| Earnings per share - rupees | 6.64 | 20.30 |

Sales for the period under review increased to Rupees 31,942.490 million from Rupees 26,746.914 million of the corresponding period. Raw material consumed percentage to sale decreased to 60.47 % from 61.26 % of corresponding period. Cost of Stores and spares and loose tools consumed, packing material and insurance cost increased in view of increase in volume and inflationary impact. Salaries and wages cost increased due to increase in minimum wage rate and increase in spinning capacity while fuel and power cost increased due to increase in spinning capacity, addition of processing machinery and increase in power tariff. Operating expenses increased due to increase in volume and inflationary trend. Financial cost increased in view of increase in borrowings and increase in Kibor rates as a result of increase in policy rates.

Your company has earned profit after tax of Rupees 679.356 million during the Nine Months period ended on March 31, 2024 against Rupees 2,077.090 million of the same period of last year.

In view of increasing requirements of working capital as a result of devaluation of Pak rupee, increase in raw material prices, and expansion plans, the Board of Directors did not approve any interim cash dividend.

The production of yarn converted into 20/5 for the period under review was 35.435 million Kgs against 31.049 million kgs of corresponding period of last year. Your company's management believes on continuing policy of Balancing Modernization and Replacement (BMR) of machinery and equipment's of its production facilities. The company has opened letter of credit to add solar power project of 2.4 MW on roof top of mills premises. Another solar power project of 3 MW is also likely to be added in next financial year. The management is planning to convert its ring spin PC yarn unit into auto core spin yarn to make it more viable by using its cotton waste presently being sold in local market.

Future Outlook

The textile sector in Pakistan is facing numerous challenges such as high interest rates, uncertainty in exchange rate, increasing ocean freight cost, elevated power tariffs, rising raw material costs, and higher inflation rates. Moreover, unexpected fluctuations in the foreign exchange rate have created uncertainty into pricing strategies. Looking ahead, the remaining part of financial year 2023-24 is expected to be even more challenging in view of unrest in the Middle as a

Directors' Report

result of Iranian missile attacks on Israel and counter attack of Israel on Iran are posing persistent threats to the global economy, potentially leading to reduced economic activity worldwide and increase in fuel prices. The economists and institutions are not predicting any improvement in global growth for the fiscal year 2024, with no significant demand recovery in textile products in international market.

The management of your company is proactively addressing these challenges by focusing on cost minimization, operational optimization, enhancing capacity and improving efficiencies to achieve favourable financial results in the enduring financial year.

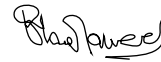
Acknowledgement

The Directors wish to express their gratitude to our valued clients and bankers for the cooperation extended by them during the course of business activities. The Directors also wish to place on record their appreciation for the hard work and devoted services demonstrated by the staff members and the workers of the company. The company Acknowledges and thanks all stakeholders for the confidence reposed.

For and on behalf of the Board of Directors



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director

Faisalabad
April 29, 2024

ڈائریکٹرز رپورٹ برائے حصص یافتگان:

عبوری نقد ڈیویڈنڈ کی منظوری نہیں دی۔

زیر جائزہ مدت کے لیے 20/S میں تبدیل شدہ یارن کی پیداوار گزشتہ سال کی اسی مدت کے 31.049 ملین کلوگرام کے مقابلے 35.435 ملین کلوگرام تھی۔ آپ کی کمپنی کی انتظامیہ اپنی پیداواری سہولیات کی سببوری اور آلات کے توازن جدید اور تبدیلی (BMR) کی پالیسی پر یقین رکھتی ہے۔ کمپنی نے ملز کے احاطے کی بھرت پر 2.4 میگاواٹ کاسولر پاور پراجیکٹ شامل کرنے کے لیے لیٹر آف کریڈٹ کھول دیا ہے۔ آئندہ مالی سال میں 3 میگاواٹ کا ایک اور سولر پاور پراجیکٹ بھی شامل کیے جانے کا امکان ہے۔ انتظامیہ اپنے رنگ اسپن پی سی یارن یونٹ کو آٹو کور اسپن یارن میں تبدیل کرنے کی منصوبہ بندی کر رہی ہے تاکہ اس کے روٹی کے فضلے کو استعمال کر کے اسے مزید قابل عمل بنایا جاسکے جو اس وقت مقامی مارکیٹ میں فروخت ہو رہی ہے۔

مستقبل کا نقطہ نظر:

پاکستان میں ٹیکسٹائل سیکٹر کو بہت سے چیلنجز کا سامنا ہے جیسے کہ شرح سود، شرح مبادلہ میں غیر یقینی صورتحال، سمندری مال برداری کی بڑھتی ہوئی لاگت، بجلی کے نرخوں میں اضافہ، خام مال کی بڑھتی ہوئی قیمتیں اور مہنگائی کی بلند شرح۔ مزید برآں، زر مبادلہ کی شرح میں غیر متوقع اتار چڑھاؤ نے قیمتوں کے تعین کی حکمت عملیوں میں غیر یقینی صورتحال پیدا کر دی ہے۔ آگے دیکھتے ہوئے، مالی سال 2023-24 کا بقیہ حصہ مشرق میں بدامنی کے پیش نظر اور بھی زیادہ چیلنجنگ ہونے کی توقع ہے کیونکہ اسرائیل پر ایرانی میزائل حملوں اور ایران پر اسرائیل کے جوئی حملے عالمی معیشت کے لیے مستقل خطرات کا باعث ہیں۔ ممکنہ طور پر دنیا بھر میں اقتصادی سرگرمیوں میں کمی اور ایندھن کی قیمتوں میں اضافے کا باعث بنتی ہے۔ ماہرین اقتصادیات اور ادارے مالی سال 2024 کے لیے عالمی نمو میں کمی بہتری کی پیش گوئی نہیں کر رہے ہیں، بین الاقوامی مارکیٹ میں ٹیکسٹائل مصنوعات کی مانگ میں کوئی خاص بحالی نہیں ہے۔

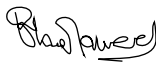
آپ کی کمپنی کی انتظامیہ لاگت کو کم کرنے، آپریشنل آپٹیمائزیشن، صلاحیت کو بڑھانے اور مستقل مالی سال میں سازگار مالیاتی نتائج حاصل کرنے کے لیے افادیت کو بہتر بنانے پر توجہ مرکوز کرتے ہوئے ان چیلنجوں سے نمٹ رہی ہے۔

اعتراف:

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے گاہکوں اور بکریز کے کمپنی کے کاروبار میں تعاون پر شکرگزار ہیں ڈائریکٹرز کمپنی کے سٹاف اور مزدوروں کی محنت اور کوششوں کو بھی سراہتے ہیں۔ کمپنی سٹیک ہولڈرز کے پُر اعتماد سپورٹس کا اقرار کرتی ہے اور شکرگزار بھی ہے۔

منجانب بورڈ آف ڈائریکٹرز:

فیصل آباد: 29 اپریل 2024



شائق جاوید
ڈائریکٹر



فائق جاوید
چیف ایگزیکٹو

ڈائریکٹرز رپورٹ برائے حصص یافتگان:

شروع اللہ کے نام سے جو نہایت مہربان اور رحم والا ہے۔

معزز حصص یافتگان،

آپ کی کمپنی کے ڈائریکٹرز سال کے پہلے 9 ماہ کے اختتام 31 مارچ 2024 کے مالیاتی حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالیاتی نتائج:

مالیاتی سال 2024 کے پہلے 9 ماہ کے نتائج کی تفصیل درج ذیل ہیں:

| ملین روپے | | ملین روپے | تفصیلات |
|--------------|--------------|-----------|-------------------|
| اختتام نومبر | | | |
| 31 مارچ 2023 | 31 مارچ 2024 | | |
| 26,746.914 | 31,942.490 | | سیلز |
| 22,335.930 | 27,811.032 | | سیلز کے اخراجات |
| 4,410.984 | 4,131.458 | | خام منافع |
| 1,581,349 | 1,440.425 | | آپریٹنگ اخراجات |
| 83.275 | 237.226 | | دیگر آمدن |
| 2,912.910 | 2,928.259 | | آپریٹنگ منافع |
| 509.853 | 1,833.615 | | مالی لاگت |
| 2,403.057 | 1,094.644 | | منافع قبل از ٹیکس |
| 325.967 | 415.288 | | ٹیکس |
| 2,077.090 | 679.356 | | منافع بعد از ٹیکس |
| 20.30 | 6.64 | | فی شیئر آمدنی |

مالی سال کے نومبر کے دوران یہ میں فروخت 26,746.914 ملین روپے سے بڑھ کر 31,942.490 ملین روپے ہوئی ہے۔ اسی طرح خام مال کے استعمال کی سیلو سے شرح تناسب %61.26 سے کم ہو کر %60.47 تک ہو گئی ہے۔ سٹورز، پارٹس اور اوزاروں، ہیکنگ میٹریل، پروسیسنگ، کنورژن اور دوسرے اوور ہیڈز کے خرچے پیدا واری صلاحیت میں اضافہ اور مہنگائی کی وجہ سے بڑھ گئے ہیں۔ تنخواہوں کے اخراجات کم از کم اجرت میں اضافہ کی وجہ سے بڑھے ہیں۔ جبکہ ایندھن اور بجلی کی لاگت میں اضافہ اسپننگ کی صلاحیت، پروسیسنگ مشینری کے اضافے اور بجلی کے نرخوں میں اضافے کی وجہ سے ہوا۔ آپریٹنگ اخراجات میں اضافہ حجم کے بڑھنے اور افراط زر کی وجہ ہوا۔ پالیسی کی شرح میں اضافے کے نتیجے میں کنپور کی شرح میں اضافے کے پیش نظر مالی لاگت میں اضافہ ہوا۔

آپ کی کمپنی نے پہلے نومبر کے اختتام 31 مارچ 2024 میں 679.356 ملین روپے خالص منافع کمایا ہے جبکہ پچھلے سال کا منافع 2,077.090 ملین روپے تھا۔ پاکستانی روپے کی قدر میں کمی، خام مال کی قیمتوں میں اضافے اور توسیعی منصوبوں کے نتیجے میں ورکنگ کیپٹل کی بڑھتی ہوئی ضروریات کے پیش نظر بورڈ آف ڈائریکٹرز نے کسی

Financial Statements

For the Nine months ended 31 March 2024

Condensed Interim Statement of Financial Position (Un-Audited)

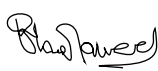
As At 31 March 2024

| | NOTE | Un-audited | Audited |
|--|------|------------------|-----------------|
| | | 31 March 2024 | 30 June 2023 |
| (RUPEES IN THOUSAND) | | | |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| 200 000 000 (30 June 2023: 200 000 000) ordinary shares of Rupees 10 each | | 2,000,000 | 2,000,000 |
| Issued, subscribed and paid up share capital | | 1,023,175 | 1,023,175 |
| Capital reserves | | | |
| Premium on issue of right shares | | 60,904 | 60,904 |
| Merger reserve | | 289,636 | 289,636 |
| Surplus on revaluation of freehold land | | 597,419 | 597,419 |
| | | 947,959 | 947,959 |
| Revenue reserve - unappropriated profit | | 11,196,692 | 10,517,336 |
| Total reserves | | 12,144,651 | 11,465,295 |
| TOTAL EQUITY | | 13,167,826 | 12,488,470 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Long term financing | 3 | 2,693,076 | 3,142,272 |
| Lease liability | | 39,642 | 46,474 |
| Deferred income - government grant | | 283,370 | 367,952 |
| | | 3,016,088 | 3,556,698 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 2,817,406 | 2,332,900 |
| Accrued mark-up | | 419,009 | 411,628 |
| Short term borrowings | 4 | 9,912,712 | 7,860,721 |
| Unclaimed dividend | | 707 | 783 |
| Current portion of non-current liabilities | | 982,794 | 862,382 |
| Provision for taxation - net | | 18,820 | - |
| | | 14,151,448 | 11,468,414 |
| TOTAL LIABILITIES | | 17,167,536 | 15,025,112 |
| CONTINGENCIES AND COMMITMENTS | 5 | | |
| TOTAL EQUITY AND LIABILITIES | | 30,335,362 | 27,513,582 |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

Condensed Interim Statement of Financial Position (Un-Audited)

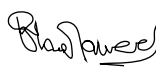
As At 31 March 2024

| | | Un-audited | Audited |
|-------------------------------------|------|-------------------|-------------------|
| | | 31 March | 30 June |
| | NOTE | 2024 | 2023 |
| (RUPEES IN THOUSAND) | | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 11,364,325 | 11,664,607 |
| Right-of-use asset | | 62,795 | 73,877 |
| Long term investment | | - | - |
| Long term deposits | | 1,081 | 24,281 |
| | | 11,428,201 | 11,762,765 |
| CURRENT ASSETS | | | |
| Stores, spare parts and loose tools | | 367,536 | 283,957 |
| Stock-in-trade | | 10,279,601 | 8,489,011 |
| Trade debts | | 4,748,841 | 4,009,764 |
| Advances | | 129,101 | 108,903 |
| Short term deposits and prepayments | | 46,494 | 22,010 |
| Other receivables | | 84,838 | 55,201 |
| Sales tax refundable | | 2,794,142 | 2,293,891 |
| Advance income tax - net | | - | 94,089 |
| Short term investments | | 28,351 | 21,755 |
| Cash and bank balances | | 428,257 | 372,236 |
| | | 18,907,161 | 15,750,817 |
| TOTAL ASSETS | | 30,335,362 | 27,513,582 |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un-Audited)

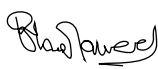
For the Nine months ended 31 March 2024

| | NOTE | Nine months ended | | Quarter ended | |
|---|------|----------------------|--------------|----------------------|-------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2024 | 2023 | 2024 | 2023 |
| | | (RUPEES IN THOUSAND) | | (RUPEES IN THOUSAND) | |
| Revenue from contracts with customers | 7 | 31,942,490 | 26,746,914 | 11,511,969 | 9,735,823 |
| Cost of sales | 8 | (27,811,032) | (22,335,930) | (10,122,892) | (7,971,932) |
| Gross Profit | | 4,131,458 | 4,410,984 | 1,389,077 | 1,763,891 |
| Distribution cost | | (892,866) | (751,893) | (355,623) | (182,176) |
| Administrative expenses | | (479,039) | (482,150) | (189,039) | (227,998) |
| Other expenses | | (68,520) | (347,306) | (11,248) | (44,436) |
| | | (1,440,425) | (1,581,349) | (555,910) | (454,610) |
| | | 2,691,033 | 2,829,635 | 833,167 | 1,309,281 |
| Other income | | 237,226 | 83,275 | 79,066 | 1,840 |
| Profit from operations | | 2,928,259 | 2,912,910 | 912,233 | 1,311,121 |
| Finance cost | | (1,833,615) | (509,853) | (608,039) | (236,054) |
| Profit before taxation | | 1,094,644 | 2,403,057 | 304,194 | 1,075,067 |
| Taxation | | (415,288) | (325,967) | (135,790) | (89,301) |
| Profit after Taxation | | 679,356 | 2,077,090 | 168,404 | 985,766 |
| Earnings per share - basic and diluted (Rupees) | | 6.64 | 20.30 | 1.65 | 9.63 |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-Audited)

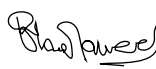
For the Nine months ended 31 March 2024

| | Nine months ended | | Quarter ended | |
|---|----------------------|------------------|----------------------|------------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | (RUPEES IN THOUSAND) | | (RUPEES IN THOUSAND) | |
| Profit after taxation | 679,356 | 2,077,090 | 168,404 | 985,766 |
| 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 for the period | 679,356 | 2,077,090 | 168,404 | 985,766 |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

Condensed Interim Statement of Changes In Equity (Un-Audited)

For the Nine months ended 31 March 2024

| | RESERVES | | | | | | TOTAL EQUITY |
|--|----------------------|----------------------------------|----------------|---|-----------------|------------|--------------|
| | SHARE CAPITAL | CAPITAL RESERVES | | | REVENUE RESERVE | TOTAL | |
| | | PREMIUM ON ISSUE OF RIGHT SHARES | MERGER RESERVE | SURPLUS ON REVALUATION OF FREEHOLD LAND | SUB TOTAL | | |
| | (RUPEES IN THOUSAND) | | | | | | |
| Balance as at 30 June 2022 - (Audited) | 1,023,175 | 60,904 | 289,636 | 597,419 | 947,959 | 8,901,872 | 10,873,006 |
| Transaction with owners: | | | | | | | |
| Final dividend for the year ended 30 June 2022 at the rate of Rupees 2 per share | - | - | - | - | - | (204,635) | (204,635) |
| Profit for the Nine months ended 31 March 2023 | - | - | - | - | - | 2,077,090 | 2,077,090 |
| Other comprehensive income for the Nine months ended 31 March 2023 | - | - | - | - | - | - | - |
| Total comprehensive income for the Nine months ended 31 March 2023 | - | - | - | - | - | 2,077,090 | 2,077,090 |
| Balance as at 31 March 2023 - (Un-audited) | 1,023,175 | 60,904 | 289,636 | 597,419 | 947,959 | 10,774,327 | 12,745,461 |
| Profit for the quarter ended 30 June 2023 | - | - | - | - | - | (256,991) | (256,991) |
| Other comprehensive income for the quarter ended 30 June 2023 | - | - | - | - | - | - | - |
| Total comprehensive income for the quarter ended 30 June 2023 | - | - | - | - | - | (256,991) | (256,991) |
| Balance as at 30 June 2023 - (Audited) | 1,023,175 | 60,904 | 289,636 | 597,419 | 947,959 | 10,517,336 | 12,488,470 |
| Profit for the nine months ended 31 March 2024 | - | - | - | - | - | 679,356 | 679,356 |
| Other comprehensive income for the nine months ended 31 March 2024 | - | - | - | - | - | - | - |
| Total comprehensive income for the nine months ended 31 March 2024 | - | - | - | - | - | 679,356 | 679,356 |
| Balance as at 31 March 2024 - (Un-audited) | 1,023,175 | 60,904 | 289,636 | 597,419 | 947,959 | 11,196,692 | 13,167,826 |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

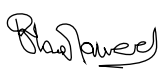
For the Nine months ended 31 March 2024

| | NOTE | Nine months ended | |
|---|------|--------------------|--------------------|
| | | 31 March 2024 | 31 March 2023 |
| (RUPEES IN THOUSAND) | | | |
| Cash flows from operating activities | | | |
| Cash generated from operations | 9 | 1,136,634 | 399,633 |
| Finance cost paid | | (1,819,549) | (147,039) |
| Mark-up paid on leases liabilities | | (6,685) | (1,490) |
| Income tax paid | | (321,199) | (271,153) |
| Net decrease / (increase) in long term deposits | | 23,200 | (845) |
| Workers' profit participation fund paid | | (101,944) | (221,018) |
| Net cash used in operating activities | | (1,089,543) | (241,912) |
| Cash flows from investing activities | | | |
| Capital expenditure on property, plant and equipment | | (534,057) | (3,869,026) |
| Proceeds from sale of property, plant and equipment | | 26,313 | 126,546 |
| Proceeds from sale of investments | | - | 958,827 |
| Profit on saving accounts and term deposit receipts received | | 25,475 | 40 |
| Net cash used in investing activities | | (482,269) | (2,783,613) |
| Cash flows from financing activities | | | |
| Proceeds from long term financing | | 184,279 | 2,541,368 |
| Repayment of long term financing | | (595,335) | (313,574) |
| Repayment of lease liabilities | | (13,102) | (7,535) |
| Short term borrowings - net | | 2,051,991 | 741,435 |
| Dividend paid | | - | (204,498) |
| Net cash from financing activities | | 1,627,833 | 2,757,196 |
| Net increase in cash and cash equivalents | | 56,021 | (268,329) |
| Cash and cash equivalents at the beginning of the period | | 372,236 | 137,357 |
| Cash and cash equivalents at the end of the period | | 428,257 | (130,972) |

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



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

1. THE COMPANY AND ITS ACTIVITIES

J.K. Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 07 January 1987 under the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017), and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 34-Falcon Enclave, Tufail Road, Lahore Cantt. The head office and factory premises of the Company are located at 29-Kilometers, Sheikhpura Road, Faisalabad. A sales office is located at Montgomery Bazar, Opposite Habib Bank Limited, Near Clock Tower, Faisalabad while a godown is located at Dost Street, Maqbool Road, Faisalabad. The Company is engaged in business of textile manufacturing which comprises spinning, weaving, processing, stitching, buying, selling and otherwise dealing in yarn, fabrics and other goods.

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

2.1 Statement of compliance

- i) 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 the information and disclosures as 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 Statement of material accounting policy information

The accounting policies adopted in the preparation of these condensed interim financial statements are the consistent with those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2023.

2.4 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as on those that applied to the annual financial statements of the Company for the year ended 30 June 2023.

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | Un-audited 31 March 2024 | Audited 30 June 2023 |
|---|--------------------------------|----------------------------|
| | (RUPEES IN THOUSAND) | |
| 3. LONG TERM FINANCING | | |
| From banking companies - secured | | |
| Opening balance | 3,866,229 | 2,055,330 |
| Add: | | |
| Obtained during the period / year | 184,279 | 2,827,934 |
| Amortization during the period / year | 89,474 | 92,735 |
| | 4,139,982 | 4,975,999 |
| Less: | | |
| Repaid during the period / year | 595,335 | 554,344 |
| Deferred income recognized during the period / year | - | 555,426 |
| | 595,335 | 1,109,770 |
| | 3,544,647 | 3,866,229 |
| Less: Current portion shown under current liabilities | 851,571 | 723,957 |
| | 2,693,076 | 3,142,272 |
| 4. SHORT TERM BORROWINGS | | |
| From banking companies - secured | | |
| Export refinances | 3,074,500 | 2,656,000 |
| Other short term finances | 6,338,212 | 5,204,721 |
| | 9,412,712 | 7,860,721 |
| Others - unsecured | | |
| Related parties | 500,000 | - |
| | 9,912,712 | 7,860,721 |

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There has been no significant change during the period in the status of contingencies reported in annual financial statements of the Company for the year ended 30 June 2023, except for the following:

- i) Guarantees of Rupees 284.557 million (30 June 2023: Rupees 219.328 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited and Faisalabad Electric Supply Company Limited against gas connections and electricity connection respectively.
- ii) Post dated cheques and security cheques of Rupees 6,104.141 million (30 June 2023: Rupees 5,626.249 million) have been issued to custom authorities in respect of duties on imported material availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security can be encashed by the custom authorities.

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

b) Commitments

- i) Letters of credit for capital expenditure are of Rupees 119.059 million (30 June 2023: Rupees 12.632 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 157.313 million (30 June 2023: Rupees 2,933.176 million).
- iii) Outstanding foreign currency forward contracts are of Rupees 730.913 million (30 June 2023: Rupees 49.612 million).
- iv) Jjarah commitments are of Rupees 9.918 million (30 June 2023: Rupees 16.338 million).

| | NOTE | Un-Audited | Audited |
|--|-------|------------------------|-------------------|
| | | 31 March 2024 | 30 June 2023 |
| | | (Rupees in thousand) | |
| 6. PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating fixed assets | 6.1 | 10,532,487 | 11,131,327 |
| Capital work-in-progress | 6.2 | 831,838 | 533,280 |
| | | 11,364,325 | 11,664,607 |
| 6.1 Operating fixed assets | | | |
| Opening book value | | 11,131,327 | 5,377,900 |
| Add: | | | |
| Cost of additions during the period / year | 6.1.1 | 235,499 | 6,350,547 |
| Book value of assets transferred from right-of-use-assets during the period / year | | - | 15,286 |
| | | 235,499 | 6,365,833 |
| | | 11,366,826 | 11,743,733 |
| Less: Book value of deletions during the period / year | 6.1.2 | 23,811 | 40,974 |
| | | 11,343,015 | 11,702,759 |
| Less: Depreciation charged during the period / year | | 810,528 | 571,432 |
| | | 10,532,487 | 11,131,327 |
| 6.1.1 Cost of additions during the period / year | | | |
| Freehold land | | 2,198 | 12,555 |
| Buildings on freehold land | | 42,195 | 546,348 |
| Plant and machinery | | 98,097 | 4,775,778 |
| Factory tools and equipment | | 16,142 | 228,829 |
| Electric installations and appliances | | 945 | 223,801 |
| Vehicles | | 75,922 | 352,960 |
| Furniture and fixtures | | - | 8,938 |
| Stand-by equipment | | - | 201,338 |
| | | 235,499 | 6,350,547 |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | NOTE | Un-Audited | Audited |
|---|------|------------------|-----------------|
| | | 31 March 2024 | 30 June 2023 |
| (Rupees in thousand) | | | |
| 6.1.2 Book value of deletions during the period / year | | | |
| Plant and machinery | | - | 12,080 |
| Vehicles | | 12,891 | 28,894 |
| Stand-by equipment | | 10,920 | - |
| | | 23,811 | 40,974 |
| 6.2 Capital work-in-progress | | | |
| Freehold land | | 14,890 | 4,034 |
| Buildings on freehold land | | 571,431 | 476,784 |
| Plant and machinery | | 208,948 | 18,536 |
| Vehicles | | 31,034 | 30,763 |
| Electric installations and appliances | | 5,535 | 3,163 |
| | | 831,838 | 533,280 |

(Un-audited)

| | Nine months ended | | Quarter ended | |
|---|----------------------|-------------------|----------------------|------------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | (RUPEES IN THOUSAND) | | (RUPEES IN THOUSAND) | |
| 7. REVENUE FROM CONTRACTS WITH CUSTOMERS | | | | |
| Export sales | 16,937,045 | 18,662,619 | 6,869,051 | 6,889,965 |
| Local sales - net | 14,948,248 | 8,034,088 | 4,617,364 | 2,825,083 |
| Export rebate | 57,197 | 50,207 | 25,554 | 20,775 |
| | 31,942,490 | 26,746,914 | 11,511,969 | 9,735,823 |
| 8. COST OF SALES | | | | |
| Raw materials consumed | 19,318,096 | 16,385,782 | 6,388,213 | 5,607,026 |
| Stores, spare parts and loose tools consumed | 1,003,143 | 696,780 | 358,395 | 266,534 |
| Packing materials consumed | 456,162 | 327,895 | 164,756 | 110,965 |
| Processing, sizing and conversion charges | 1,872,175 | 1,447,598 | 765,038 | 348,828 |
| Fuel and power | 2,954,125 | 1,928,646 | 1,091,670 | 655,750 |
| Salaries, wages and other benefits | 1,341,664 | 1,211,192 | 487,734 | 405,563 |
| Repair and maintenance | 36,773 | 22,466 | 11,758 | 6,299 |
| Insurance | 25,653 | 18,130 | 5,377 | 7,422 |
| Other factory overheads | 16,265 | 14,849 | 5,402 | 5,920 |
| Depreciation on property, plant and equipment | 730,186 | 327,943 | 244,856 | 114,850 |
| | 27,754,242 | 22,381,281 | 9,523,199 | 7,529,157 |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | (Un-audited) | | | |
|----------------------------|----------------------|-------------|----------------------|-------------|
| | Nine months ended | | Quarter ended | |
| | 31 March | 31 March | 31 March | 31 March |
| | 2024 | 2023 | 2024 | 2023 |
| | (RUPEES IN THOUSAND) | | (RUPEES IN THOUSAND) | |
| Work-in-process: | | | | |
| Opening stock | 957,701 | 915,302 | 1,362,945 | 613,503 |
| Closing stock | (1,105,863) | (964,168) | (1,105,863) | (964,168) |
| | (148,162) | (48,866) | 257,082 | (350,665) |
| Cost of goods manufactured | 27,606,080 | 22,332,415 | 9,780,281 | 7,178,492 |
| Finished goods: | | | | |
| Opening stock | 3,012,656 | 2,279,326 | 3,150,315 | 3,069,251 |
| Closing stock | (2,807,704) | (2,275,811) | (2,807,704) | (2,275,811) |
| | 204,952 | 3,515 | 342,611 | 793,440 |
| | 27,811,032 | 22,335,930 | 10,122,892 | 7,971,932 |

| | NOTE | Un-audited | |
|---|------|----------------------|-------------|
| | | Nine months ended | |
| | | 31 March | 31 March |
| | | 2024 | 2023 |
| | | (RUPEES IN THOUSAND) | |
| 9. CASH GENERATED FROM OPERATIONS | | | |
| Profit before taxation | | 1,094,644 | 2,403,057 |
| Adjustments for non-cash charges and other items: | | | |
| Depreciation on property, plant and equipment | | 810,528 | 376,956 |
| Depreciation on right-of-use assets | | 11,082 | 10,645 |
| Finance cost | | 1,833,615 | 509,853 |
| Reversal of allowance for expected credit losses - net | | 493 | - |
| Provision for workers' welfare fund | | - | 1,334 |
| Provision for workers' profit participation fund | | 57,533 | 116,618 |
| Gain on sale of property, plant and equipment | | (2,266) | (40,318) |
| Profit on saving accounts and term deposit receipts | | (25,483) | - |
| Unrealized (gain) / loss on remeasurement of investments at FVTPL | | (12,645) | 7,512 |
| Working capital changes | 9.1 | (2,630,867) | (2,993,536) |
| | | 1,136,634 | 399,633 |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | NOTE | Un-audited | |
|--|------|-------------------|------------------|
| | | Nine months ended | |
| | | 31 March 2024 | 31 March 2023 |
| (RUPEES IN THOUSAND) | | | |
| 9.1 Working capital changes | | | |
| (Increase) / decrease in current assets: | | | |
| Stores, spare parts and loose tools | | (83,579) | (23,562) |
| Stock-in-trade | | (1,799,066) | (1,369,016) |
| Trade debts | | (739,570) | (469,733) |
| Advances | | (20,198) | (78,276) |
| Short term deposits and prepayments | | (24,484) | (8,990) |
| Other receivables | | (29,629) | (20,441) |
| Sales tax refundable | | (500,251) | (1,325,029) |
| | | (3,196,777) | (3,295,047) |
| Increase in trade and other payables | | 565,910 | 301,511 |
| | | (2,630,867) | (2,993,536) |

10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associate, other related parties, post employment benefit plan and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties is as follows:

| | (Un-audited) | | | |
|--|-------------------|------------------|------------------|------------------|
| | Nine months ended | | Quarter ended | |
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| (RUPEES IN THOUSAND) | | | | |
| i) Transactions | | | | |
| Associate | | | | |
| J.K. Tech (Private) Ltd (JKTPL) | | | | |
| Service charges | 1,890 | 1,890 | 630 | 630 |
| Rental income | 1,710 | 1,710 | 570 | 570 |
| Expenses paid on behalf of JKTPL | 61 | 223 | - | - |
| Other related parties: | | | | |
| Company's contribution to Employees' Provident Fund Trust | 49,660 | 38,321 | 17,382 | 13,519 |
| Dividend paid to Chief Executive Officer, directors and their spouses | - | 192,425 | - | - |
| Remuneration paid to Chief Executive Officer, directors and executives | 135,326 | 106,766 | 42,742 | 35,849 |
| Dividend paid to executives | - | 17 | - | - |
| Vehicles sold to executives | 13,465 | 14,656 | 4,381 | 649 |
| Loans obtained from Chief Executive Officer and director | 500,000 | - | - | - |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | (Un-audited) | Audited |
|--------------------------------|----------------------|---------|
| | 31 March | 30 June |
| | 2024 | 2023 |
| | (RUPEES IN THOUSAND) | |
| <hr/> | | |
| ii) Period end balances | | |
| Associate | | |
| Trade and other payables | 370 | 251 |
| Associated company | | |
| Trade and other payables | 2,421 | - |
| Short term borrowings | 500,000 | - |
| Loans and advances | 4,619 | 5,658 |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

11. SEGMENT INFORMATION

| | Spinning | | Fabric | | Elimination of inter-segment transactions | | Total Company | |
|--|------------------------------------|---------------|------------------------------------|---------------|---|---------------|------------------------------------|---------------|
| | (Un-audited) | | (Un-audited) | | (Un-audited) | | (Un-audited) | |
| | Nine months ended 31 March 2024 | 31 March 2023 | Nine months ended 31 March 2024 | 31 March 2023 | Nine months ended 31 March 2024 | 31 March 2023 | Nine months ended 31 March 2024 | 31 March 2023 |
| ----- (RUPEES IN THOUSAND) ----- | | | | | | | | |
| Revenue from contracts with customers | | | | | | | | |
| External Intersegment | 14,409,366 | 11,782,387 | 17,533,124 | 14,964,527 | - | - | 31,942,490 | 26,746,914 |
| | 2,067,230 | 2,430,517 | | | (2,067,230) | (2,430,517) | | |
| Cost of sales | 16,476,596 | 14,212,904 | 17,533,124 | 14,964,527 | (2,067,230) | (2,430,517) | 31,942,490 | 26,746,914 |
| | (15,153,130) | (13,624,589) | (14,725,132) | (11,141,858) | 2,067,230 | 2,430,517 | (27,811,032) | (22,335,930) |
| Gross profit | 1,323,466 | 588,315 | 2,807,992 | 3,822,669 | - | - | 4,131,458 | 4,410,984 |
| Distribution cost | (93,159) | (80,366) | (799,707) | (671,527) | - | - | (892,866) | (751,893) |
| Administrative expenses | (314,694) | (260,971) | (164,345) | (221,179) | - | - | (479,039) | (482,150) |
| Profit before taxation and unallocated income and expenses | (407,853) | (341,337) | (964,052) | (892,706) | - | - | (1,371,905) | (1,234,043) |
| | 915,613 | 246,978 | 1,843,940 | 2,929,963 | - | - | 2,759,553 | 3,176,941 |
| Unallocated income and expenses | | | | | | | | |
| Other expenses | | | | | | | (68,520) | (347,306) |
| Other income | | | | | | | 237,226 | 83,275 |
| Finance cost | | | | | | | (1,833,615) | (509,853) |
| Taxation | | | | | | | (415,288) | (325,967) |
| Profit after taxation | | | | | | | 679,356 | 2,077,090 |

11.1 Reconciliation of reportable segment assets and liabilities:

| | Spinning | | Fabric | | Total Company | |
|--|---------------|--------------|---------------|--------------|---------------|--------------|
| | (Audited) | | (Audited) | | (Audited) | |
| | 31 March 2024 | 30 June 2023 | 31 March 2024 | 30 June 2023 | 31 March 2024 | 30 June 2023 |
| ----- (RUPEES IN THOUSAND) ----- | | | | | | |
| Total assets for reportable segments | 19,058,131 | 17,919,702 | 8,483,089 | 7,205,900 | 27,541,220 | 25,125,602 |
| Sales tax refundable | | | | | 2,794,142 | 2,293,891 |
| Advance income tax - net | | | | | - | 94,089 |
| Total assets as per condensed interim statement of financial position | | | | | 30,335,362 | 27,513,582 |
| Total liabilities for reportable segments | 11,158,107 | 10,680,545 | 5,770,273 | 4,079,820 | 16,928,380 | 14,760,365 |
| Unallocated liabilities | | | | | 239,156 | 264,747 |
| Total liabilities as per condensed interim statement of financial position | | | | | 17,167,536 | 15,025,112 |

All segment liabilities are allocated to reportable segments other than corporate and tax liabilities.

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

| | Spinning (Un-audited) | | Fabric (Un-audited) | | Total Company (Un-audited) | |
|--|--------------------------|---------------|------------------------|---------------|-------------------------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |

11.2 Geographical Information

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

| | ----- (RUPEES IN THOUSAND) ----- | | | | | |
|---------------|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| Europe | - | - | 12,952,359 | 11,250,701 | 12,952,359 | 11,250,701 |
| North America | - | - | 3,347,376 | 2,941,316 | 3,347,376 | 2,941,316 |
| South America | - | - | 240,103 | 403,967 | 240,103 | 403,967 |
| Asia | - | - | 127,497 | 67,121 | 127,497 | 67,121 |
| Australia | - | - | 9,283 | - | 9,283 | - |
| Africa | 178,237 | 173,193 | 82,190 | 4,574 | 260,427 | 177,767 |
| Pakistan | 14,231,129 | 7,787,365 | 717,119 | 246,723 | 14,948,248 | 8,034,088 |
| Export rebate | - | 82 | 57,197 | 50,125 | 57,197 | 50,207 |
| Others-SPOs | - | 3,821,747 | - | - | - | 3,821,747 |
| | 14,409,366 | 11,782,387 | 17,533,124 | 14,964,527 | 31,942,490 | 26,746,914 |

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

| | | | | | | |
|-------------------|------------|------------|------------|------------|------------|------------|
| Yarn | 13,688,001 | 11,226,809 | 402,302 | 97,146 | 14,090,303 | 11,323,955 |
| Fabric | - | - | 4,251,434 | 3,114,843 | 4,251,434 | 3,114,843 |
| Made ups | - | - | 12,727,475 | 11,708,766 | 12,727,475 | 11,708,766 |
| Processing income | - | - | 71,942 | 17,323 | 71,942 | 17,323 |
| Waste | 721,365 | 555,578 | 79,971 | 26,449 | 801,336 | 582,027 |
| | 14,409,366 | 11,782,387 | 17,533,124 | 14,964,527 | 31,942,490 | 26,746,914 |

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

12. 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:

| | Level 1 | Level 2 | Level 3 | Total |
|--|----------------------------------|---------------|----------|---------------|
| | ----- (Rupees in thousand) ----- | | | |
| Recurring fair value measurements | | | | |
| FINANCIAL ASSETS: | | | | |
| At 31 March 2024 - (Un-audited) | | | | |
| At fair value through profit or loss | 28,351 | - | - | 28,351 |
| Derivative financial assets | - | 12,411 | - | 12,411 |
| | <u>28,351</u> | <u>12,411</u> | <u>-</u> | <u>40,762</u> |
| At 30 June 2023 - (Audited) | | | | |
| At fair value through profit or loss | 21,755 | - | - | 21,755 |
| | <u>21,755</u> | <u>-</u> | <u>-</u> | <u>21,755</u> |
| FINANCIAL LIABILITIES: | | | | |
| At 31 March 2024 - (Un-audited) | | | | |
| Derivative financial liabilities | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| At 30 June 2023 - (Audited) | | | | |
| Derivative financial liabilities | - | 3,526 | - | 3,526 |
| | <u>-</u> | <u>3,526</u> | <u>-</u> | <u>3,526</u> |

The above table does not include fair value information for financial assets and financial liabilities 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 and financial liabilities 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.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Selected Notes To The Condensed Interim Financial Information (Un-Audited)

For the Nine months ended 31 March 2024

13. 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.

14. DATE OF AUTHORIZATION FOR ISSUE

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

15. 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.

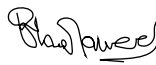
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

16. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



Faiq Jawed
Chief Executive Officer



Shaiq Jawed
Director



Ghulam Muhammad
Chief Financial Officer



jkgroup.net

J.K. SPINNING MILLS LIMITED

Registered Office:
34-Falcon Enclave, Tufail Road,
Lahore Cantt. Lahore.
Telephone No. +92-42-36672695
E-mail: jkgroup@jkgroup.net