

THIRD QUARTERLY ACCOUNTS 2023-2024 (UN - AUDITED)

**UMER GROUP OF COMPANIES** 

FAISAL SPINNING MILLS LIMITED



# Vision

A company providing quality textile products by maintaining an excellent level of ethical & professional standards.



# **Mission Statement**

To become the leader of textile products globally and to achieve the epitome level of success.

## **Directors' Review**

On behalf of the board of directors of Faisal Spinning Mills Limited, I am pleased to present the unaudited condensed interim financial statements for the nine months ended March 31, 2024.

### Significant Financial Performance for the Nine Months Ended March 31, 2024

Loss after tax for the nine months ended March 31, 2024 is (PKR 584.797) million as compared to profit after tax amounting to PKR 1,347.524 million in the corresponding period ended March 31, 2023.

Loss per share is (PKR 58.48) for nine months ended March 31, 2024 (March 31 2023: PKR 134.75).

Break-up value of the share as on March 31, 2024 is PKR 1,311.84 (June 30, 2023: PKR 1,381.82).

The current ratio as on March 31, 2024 is PKR 1.54 (June 30, 2023: PKR 1.53).

## **Economic Outlook**

Pakistan's economy is still struggling due to its low foreign reserves and high inflation rate, albeit with modest signs of recovery. A combination of strict monetary and fiscal policy, as well as import restrictions, have resulted in low economic activity. The World Bank has painted a grim economic picture of Pakistan in its biannual report predicted sluggish economic growth rate of 1.8 per cent, coupled with soaring double-digit inflation during the current fiscal year. It seems impossible to maintain even a growth rate of 2-3 percent in the absence of significant changes or major reforms.

The high energy cost in Pakistan has emerged as a critical challenge affecting all segments of society in particular industrial sectors. The textile industry, generates jobs and foreign exchange however, the soaring costs of gas and electricity are making it difficult for this sector to survive. The textile exporters are disproportionately affected by high operating costs because it is becoming more challenging for textile exporters to compete globally with their rivals in the market due to the recent rise in gas and electricity prices. The rising costs of gas and electricity are having a negative impact on production costs and profitability. The potential ramifications for the recent hike in energy prices that textile sector shall resort to importing the yarn however, this would put exert more pressure on the nation's foreign exchange reserves and weaken the rupee.

The profitability of textile sector has also been impacted due to increase in finance cost and global slowdown. The textile manufacturers find it challenging to design and price their products competitively due to fluctuations in the prices of cotton and yarn. Pakistan is up against some very tough competition from regional competitors. These rivals frequently benefit from government assistance, access to cutting-edge technology, and cheaper production costs.

We recommend the government for providing energy to the textile sector at the regionally competitive rates, addressing inefficiencies in the energy sector to lower energy costs for businesses. Besides, offer subsidies, tax breaks or low-interest loans for installing solar panels, wind turbines or other renewable energy systems, facilitate investment potential local / foreign investors for investing in installing requisite solar panels manufacturing capacity for local consumption as well as for exports.

## Acknowledgment

The Board highly appreciates the contribution of employees, bankers, corporate regulators, stakeholders and other government authorities for their continuous support.

On behalf of the Board

By S

**Bilal Sharif** (Chief Executive Officer) Dated: 29<sup>th</sup> April 2024

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**Mohammad Salim** (Director) 2

Faisal Spinning Mills Ltd

#### **Condensed Interim Statement of Financial Position**

As at March 31, 2024

	Note	March 31, 2024	June 30, 2023		Note	March 31, 2024	June 30, 2023
EQUITY AND LIABILITIES		Un-Audited Rupees	Audited Rupees	ASSETS		Un-Audited Rupees	Audited Rupees
SHARE CAPITAL AND RESERVES				NON CURRENT ASSETS			
Authorized capital				Property, plant and equipment	7	10,109,282,694	10,117,690,255
12,000,000 (June 30, 2023: 12,000,000) ordinary shares of PKR 10 each	1	120,000,000	120,000,000	Long term investment		1,490,512,177	1,762,526,599
Issued, subscribed and paid up capital	[	100,000,000	100,000,000	Long term deposits		36,424,217	31,189,580
Reserves		10,000,000,000	10,000,000,000		I	11,636,219,088	11,911,406,434
Unappropriated profits		1,945,710,191	2,645,507,664				
Loans from directors and sponsors	4	1,072,718,600	1,072,718,600				
	F	13,118,428,791	13,818,226,264				
NON CURRENT LIABILITIES				CURRENT ASSETS			
Long term financing - secured		3,472,136,312	4,019,675,982	Stores, spare parts and loose tools		882,807,358	741,495,000
Long term payables	5	1,092,925,561	1,069,733,571	Stock in trade		11,940,525,559	15,327,363,107
Employees retirement benefits		452,506,937	395,311,495	Trade debts		4,529,403,698	3,693,493,152
Deferred taxation		377,881,715	418,683,878	Loans and advances		153,434,667	183,321,157
Deferred government grant		84,258,578	103,090,128	Trade deposits and prepayments		704,708,021	431,245,292
		5,479,709,103	6,006,495,054	Other receivables		19,363,606	96,401,357
CURRENT LIABILITIES	_			Advance income tax		414,879,161	408,225,866
Trade and other payables		4,733,799,692	3,450,544,451	Sales tax refundable		1,015,198,179	1,324,147,128
Unclaimed Dividend		19,468,185	18,325,851	Cash and bank balances		314,021,625	579,854,395
Accrued markup / interest		252,480,082	416,282,045			19,974,341,874	22,785,546,454
Short term borrowings - secured		7,225,060,312	10,260,976,667				
Current portion of non current liabilities		781,614,797	726,102,556				
		13,012,423,068	14,872,231,570				
CONTINGENCIES AND COMMITMENTS	6	-	-				
TOTAL EQUITY AND LIABILITIES	-	31,610,560,962	34,696,952,888	TOTAL ASSETS		31,610,560,962	34,696,952,888
The annexed notes form an integral part of this	condense	d interim financial inform	nation.				
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Chief Executive			Director				iof Einancial Officar

**Chief Executive** 

Director

**Chief Financial Officer** 

## Condensed Interim Statement of Profit or Loss (Un-Audited) For the Nine Months Period ended March 31, 2024

	Nine Mont	hs ended	Three Mont	nths ended	
Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
	Rupees	Rupees	Rupees	Rupees	
Sales	34,640,313,730	26,901,699,105	11,600,793,865	11,095,047,041	
Cost of sales	(31,706,922,746)	(23,334,059,546)	(10,801,200,677)	(9,477,231,495)	
Gross profit	2,933,390,984	3,567,639,559	799,593,188	1,617,815,546	
Distribution cost	(1,367,435,846)	(1,194,195,176)	(517,091,148)	(484,272,952)	
Administrative expenses	(370,487,741)	(281,018,982)	(136,741,071)	(97,488,353)	
	(1,737,923,587)	(1,475,214,158)	(653,832,219)	(581,761,305)	
Other income	105,903,147	392,926,592	53,937,702	90,508,604	
	1,301,370,544	2,485,351,993	199,698,671	1,126,562,845	
Other operating expenses	-	(118,972,565)	8,138,735	(47,140,271)	
Finance cost	(1,295,230,639)	(713,193,579)	(375,793,732)	(412,197,598)	
	(1,295,230,639)	(832,166,144)	(367,654,997)	(459,337,869)	
Operating Profit / (loss)	6,139,905	1,653,185,849	(167,956,326)	667,224,976	
Share of (loss) / profit of associated undertakin	(252,393,282)	130,244,718	(40,667,761)	33,811,325	
(Loss) / Profit before taxation	(246,253,377)	1,783,430,567	(208,624,087)	701,036,301	
Provision for taxation 8	(338,544,096)	(435,906,084)	(35,732,552)	(146,319,484)	
(Loss) / Profit after taxation	(584,797,473)	1,347,524,483	(244,356,639)	554,716,817	
(Loss) / Earning per share - basic and diluted	(58.48)	134.75	(24.44)	55.47	

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**Chief Executive** 

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Director

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**Chief Financial Officer** 

## Condensed Interim Statement of Comprehensive Income (Un-Audited) For the Nine Months Period ended March 31, 2024

	Nine Months ended		Three Months ended		
Note	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
	Rupees	Rupees	Rupees	Rupees	
(Loss) / profit for the period after taxation	(584,797,473)	1,347,524,483	(244,356,639)	554,716,817	
Other comprehensive income for the period	-	-	-	-	
Total comprehensive (loss) / Income for the period	(584,797,473)	1,347,524,483	(244,356,639)	554,716,817	

B **Chief Executive** 

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Director

**Chief Financial Officer** 

Condensed Interim Statement of Changes in Equity (Un-Audited) For the Nine Months Period ended March 31, 2024

				Revenue Reserves		Loans from	
	Share Capital	Capital Reserves	General Reserves	Unappropriated Profit	Total	Directors & Sponsors	Grand Total
	PKR	PKR	PKR	PKR	PKR	PKR	PKR
Balance as at July 01, 2022 - Audited	100,000,000	24,150,000	9,975,850,000	1,431,590,875	11,407,440,875	937,781,000	12,469,371,875
Comprehensive income							
Profit after taxation	-	-	-	1,347,524,483	1,347,524,483	-	1,347,524,483
Other comprehensive income	-	-	-	- 1,347,524,483	- 1,347,524,483	-	- 1,347,524,483
Final dividend @PKR 21.45 per share for the							
year ended June 30, 2022				(214,500,000)	(214,500,000)		(214,500,000)
Loans proceeds from directors & sponsors						134,937,600	134,937,600
Balance as at March 31, 2023	100,000,000	24,150,000	9,975,850,000	2,564,615,358	12,540,465,358	1,072,718,600	13,737,333,958
Balance as at July 01, 2023 - Audited	100,000,000	24,150,000	9,975,850,000	2,645,507,664	12,621,357,664	1,072,718,600	13,818,226,264
Comprehensive income	-	-			-	-	-
Loss after taxation	-	-	-	(584,797,473)	(584,797,473)	-	(584,797,473)
Other comprehensive income	-	-	-	- (584,797,473)	- (584,797,473)	-	- (584,797,473)
Final dividend @PKR 11.50 per share for the				(001)/07/110/	(00 1) 01 ( 10 0)		(001)/07)/100
year ended June 30, 2023	-	-	-	(115,000,000)	(115,000,000)	-	(115,000,000)
Balance as at March 31, 2024	100,000,000	24,150,000	9,975,850,000	1,945,710,191	11,921,560,191	1,072,718,600	13,118,428,791

2 **Chief Executive** 

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**Chief Financial Officer** 

# Condensed Interim Statement of Cash Flows (Un-Audited)

For the Nine Months Period ended March 31, 2024

Cash flows from operating activities         (246,253,377)         1,783,430,567           Adjustments for:         694,200,000         252,333,282         (130,244,718)           Provision for bad debts         -         (42,625,77)         1,783,430,567           MDD provision for bad debts         -         (42,625,377)         1,783,430,567           MDD provision for bad debts         -         (42,687,149)         (42,687,149)           Provision for emplayee benefits         96,300,000         (860,181)         (5,907,881)           Gain on disposal of property, plant and equipment         (6,445,778)         (5,907,881)         1,303,1265,649           Operating cash flows before working capital changes         2,083,553,997         3,087,599,216         (141,312,358)         (261,416,795)           Stock in trade         1,324,328,673,440         (29,523,340)         (29,523,340)         (29,523,340)           Stores, spares and loose tools         (141,312,358)         (261,416,795)         (3,64,939,777,71)         (6,61,82,623)           Stores, spares and dowances         (23,462,279)         (190,979,783)         (190,979,783)           Trade debts         (23,462,791)         (190,979,783)         (16,61,82,623)           Sales tax refund         30,69,489,499         (269,780,245)         (28,760,972) <th></th> <th>March 31, 2024 Rupees</th> <th>March 31, 2023 Rupees</th>		March 31, 2024 Rupees	March 31, 2023 Rupees
Adjustments for:Depreciation of property, plant and equipmentShare of profit of associated undertakingProvision for bad debtsDoubtful debts recoveredProvision for employee benefitsGain on disposal of property, plant and equipmentFinance costChanges in working capital changesChanges in working capitalChanges in working capitalStores, spares and loose toolsStores, spares and loose toolsStores, spares and loose toolsTrade debtsLoans and advancesStores, spares and loose toolsTrade debtsLoans and advancesStores, spares and loose toolsTrade debtsLoans and advancesStores, spares and loose toolsTrade debtsLoans and advancesSales tax refundTrade depositsTrade dother payablesLong term payablesLong term payablesLong term depositsCash generated from / (used in) operationsProceed from investing activitiesProceed from investing activitiesProceed from long term financingProceed from long term financingProceed from long term financingProceed from long term financingProceed from long term financingStores, spary and financing activitiesCash (lows from linexet and sponsorsProceed from long term financingProceed from long term financingStores, spary and finance activitiesProceed from long term financingStores, spary and	Cash flows from operating activities		
Depreciation of property, plant and equipment         694,200,000         253,293,282           Provision for bad debts         (130,244,718)           Doubtful debts recovered         (1,870,769)         72,574,999           Provision for employee benefits         (6,487,149)         72,574,999           Gain on disposal of property, plant and equipment         (6,487,148)         (5,607,881)           Finance cost         713,193,579         2,232,807,374         (3,087,599,216           Operating cash flows before working capital changes         (141,312,358)         (3,087,599,216           Changes in working capital         (3,366,837,548)         (8,01,53,178)         (4,01,68,649           Stores, spares and loose tools         (141,312,358)         (3,087,599,216         (2,01,813,913)           Trade debts         (834,039,777)         (6,47,821,674)         (2,95,623,340)           Loans and advances         29,886,490         (2,67,802,455)         (3,00,02,45)           Trade deposits         (2,73,462,729)         (1,10,783,913)         (1,90,979,783)           Other receivable         77,037,751         (6,6128,632)         (2,69,70,02,45)         (3,663,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)         (5,975,854,221)           Finance co		(246,253,377)	1,783,430,567
Share of profit of associated undertaking         252,393,282         (130,244,718)           Provision for bad debts         -         (42,687,149)           Doubtful debts recovered         (1,870,769)         72,574,999           Provision for employee benefits         96,300,000         (860,181)           Gian on disposal of property, plant and equipment         (6,445,778)         (72,974,999           Finance cost         1,295,220,639         731,313,579           Operating cash flows before working capital changes         2,083,553,997         3,087,599,216           Changes in working capital         (344,1312,358)         (261,416,795)           Stores, spares and loose tools         (141,312,358)         (261,416,795)           Stores, spares and loose tools         (141,312,358)         (261,416,795)           Stores, spares and dovances         29,886,490         (295,623,340)           Short term investment         -         (1,107,833,913)           Trade deposits         (273,462,729)         (149,977,833)           Other receivable         77,037,751         (66,182,623)           Sale pareted from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid	-	694,200,000	698,100,000
Provision for bad debts         -         (42,687,149)           Doubtful debts recovered         (1,870,769)         72,574,999           Provision for employee benefits         (6,445,778)         (5,907,881)           Gain on disposal of property, plant and equipment         (6,445,778)         (5,907,881)           Finance cost         2,329,807,374         1,304,168,649           Operating cash flows before working capital changes         2,083,553,997         3,087,599,216           Stores, spares and loose tools         (141,312,388)         (647,821,674)           Stores, spares and doances         (834,039,777)         (647,821,674)           Loans and advances         (239,864,900)         (1107,833,913)           Trade debts         (273,462,729)         (190,979,783)           Other receivable         77,751         (66,182,632)           Sales tax refund         3,86,431,05         (9,63,453,437,422)           Long term payables         1,283,255,241         1,51,889,305           Trade and other payables         3,860,433,105         (9,63,453,437)           Employee benefit costs paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (1,459,032,602)         (422,93,291)           Long-term deposits         (5,24,759,751			
Doubtful debts recovered         (1,870,769)         72,574,999           Provision for employee benefits         96,300,000         (860,181)           Gain on disposal of property, plant and equipment         (1,2870,769)         (860,181)           Finance cost         713,193,579         713,193,579           Operating cash flows before working capital changes         2,083,553,997         3,087,599,216           Changes in working capital         (141,312,388)         (261,416,795)           Stock in trade         (843,039,777)         (8647,821,674)           Loans and advances         2,986,490         (1,107,833,913)           Stock in trade debts         (1,107,933,913)         (1107,833,913)           Trade edposits         (273,462,729)         (190,979,783)           Other receivable         77,037,751         (66,182,632)           Sales tax refund         308,948,949         (26,9780,245)           Trade and other payables         1,283,255,241         (1,439,932,602)           Long term payables         3,860,343,105         (28,750,972)           Income taxes payments - net         (385,999,554)         (428,2933,241)           Long-term deposits         (1,439,932,602)         (28,750,972)           Income taxes payments - net         (385,999,554)         (428,29		_	
Provision for employee benefits         96,300,000         (860,181)           Gain on disposal of property, plant and equipment         (6,445,778)         (5,907,881)           Finance cost         2,329,807,374         1,304,168,649           Operating cash flows before working capital changes         2,083,553,997         3,087,599,216           Changes in working capital         (141,312,358)         (261,416,795)           Stock in trade         3,386,837,548         (8,015,321,782)           Trade debts         (141,312,358)         (261,416,795)           Loans and advances         (273,462,729)         (140,783,913)           Trade debts         (273,462,729)         (190,979,783)           Other receivable         7,7037,751         (66,182,632)           Sales tax refund         308,948,949         (269,780,245)           Trade and other payables         2,386,397,102         (9,975,854,221)           Income taxes payments - net         (385,999,554)         (482,933,291)           Long term payables         3,860,343,105         (9,963,453,437)           Employee benefit costs paid         (1,459,323,602)         (479,848,855)           Income taxes payments - net         (385,999,554)         (3,257,265)           Income taxes payments - net         (385,997,5521)		(1,870,769)	
Gain on disposal of property, plant and equipment         (6,445,778)         (5,907,881)           Finance cost         713,133,579         733,133,579           Operating cash flows before working capital changes         2,329,2907,374         1,304,168,649           Stores, spares and loose tools         (141,312,358)         (261,416,795)           Stores, regrand advances         (386,837,548         (8,015,321,782)           Short term investment         (1,07,833,913)         (1,07,833,913)           Trade deposits         (273,462,729)         (190,979,783)           Other receivable         77,037,751         (66,122,632,40)           Trade and other payables         1,283,255,241         1,639,617,422           Long term payables         1,283,255,241         1,639,617,422           Long term payables         2,391,999         (15,274,627)           Income taxes payments - net         (330,948,949         (282,973,972)           Long-term deposits	Provision for employee benefits		
Finance cost         1,295,230,639         713,193,579           Operating cash flows before working capital changes         2,329,807,374         1,304,168,649           Changes in working capital         2,083,553,997         3,087,599,216           Stores, spares and loose tools         (141,312,358)         (261,416,795)           Stock in trade         3,386,837,548         (8,043,039,777)           Loans and advances         29,886,490         (295,623,340)           Short term investment         -         -           Trade deposits         (77,037,751         (66,182,632)           Sales tax refund         306,948,949         (269,780,245)           Trade and other payables         1,283,255,241         1,639,617,422           Long term payables         3,860,343,105         (9,063,453,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,555)           Employee benefit costs paid         (1,889,371,351)         (994,850,383)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (5,234,637)         (5,270,704,604)           Aystoring activities         (655,725,521)         (659,702,704,604) </th <th></th> <th></th> <th></th>			
Operating cash flows before working capital changes         2,083,553,997         3,087,599,216           Changes in working capital         Stores, spares and loose tools         (141,312,358)         (261,416,795)           Stores, spares and loose tools         3,386,837,548         (8,015,321,782)         (647,821,674)           Loans and advances         29,886,490         (295,623,340)         (1,107,833,913)           Short term investment         7,037,751         (66,182,632)         (190,979,783)           Other receivable         77,037,751         (66,182,632)         (269,780,245)           Trade and other payables         1,283,255,241         (269,780,245)         (15,975,854,221)           Trade and other payables         2,3191,990         1,518,89,305         (3,906,343,105         (9,063,453,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)         (182,932,91)         (28,70,972)           Income taxes payments - net         (385,999,554)         (482,933,291)         (23,27,265)         (26,970,704,604)           Cash flows from investing activities         (659,725,521)         (589,064,307)         (589,064,307)           Cash flows from insosting activities         (659,725,521)         (589,064,307)         (28,70,004,425,25,751         (59,70,704,604)         (59,75,854,201) </th <th></th> <th></th> <th></th>			
Changes in working capital           Stores, spares and loose tools           Stock in trade           Trade debts           Loans and advances           29,886,490           Short term investment           Trade deposits           Other receivable           Sales tax refund           Trade and other payables           Loans and advances           Sales tax refund           Trade and other payables           Long term payables           Cash generated from / (used in) operations           5,943,897,105           (14,152,252,241           Long term payables           Short term deposits           Cash generated from / (used in) operations           5,943,897,105           (14,152,252,241           Long term payables           Shop term deposits           Cash generated from / (used in) operating activities           Cash flows from investing activities           Proceeds from disposal of property, plant and equipment           Addition in property plant and equipment           Proceed from long term financing         <			
Stores, spares and lose tools         (141,312,358)         (261,416,795)           Stock in trade         3,386,837,7584         (8,30,39,777)         (647,821,674)           Loans and advances         29,886,490         (1,107,833,913)         (1,107,833,913)           Trade deposits         (273,462,729)         (190,979,783)         (66,182,632)           Other receivable         77,037,751         (66,182,632)         (269,632,340)           Sales tax refund         308,948,940         (259,762,834,221)         (1,599,617,422)           Long term payables         23,191,990         151,889,305         (2,597,5854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)         (28,750,972)           Icome taxes payments - net         (385,999,554)         (382,932,951)         (328,752,551)         (6,970,704,604)           Cash generated from / (used in) operating activities         (1,489,301,331)         (94,850,333)         (948,855)           Employee benefit costs paid         (1,489,371,351)         (948,855)         (28,750,972)           Icome taxes payments - net         (386,937,1351)         (948,855)         (28,750,972)           Long-term deposits         (1,489,371,351)         (948,850,333)         (948,850,333)           Net cash generated from / (used in) operating ac	Operating cash flows before working capital changes	2,083,553,997	3,087,599,216
Stock in trade         3,386,837,548         (8,015,321,782)           Trade debts         (834,039,777)         (647,821,674)           Loans and advances         29,864,900         (295,623,340)           Short term investment         -         (1,107,833,913)           Trade deposits         (273,462,729)         (190,979,783)           Other receivable         77,037,751         (66,182,632)           Sales tax refund         308,948,949         (269,780,245)           Trade and other payables         23,191,990         151,889,305           Long term payables         23,191,990         151,1889,305           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (1,849,371,351)         (94,850,383)           Long-term deposits         (5,234,637)         (3,257,265)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (6,97,704,604)         (3,257,265)           Cash flows from investing activities         4,054,525,751         (6,97,704,604)           Proceeds from disposal of property, plant and equipment         14,800,000         23,753,000	Changes in working capital		
Trade debts       (834,039,777)       (647,821,674)         Loans and advances       29,886,490       (295,623,340)         Short term investment       -       (1,107,833,913)         Trade deposits       (273,462,729)       (190,979,783)         Other receivable       77,037,751       (66,182,632)         Sales tax refund       308,948,949       (269,780,245)         Trade and other payables       23,191,990       151,889,305         Long term payables       23,191,990       151,889,305         Cash generated from / (used in) operations       5,943,897,102       (5,975,854,221)         Finance cost paid       (1,459,032,602)       (479,848,855)         Employee benefit costs paid       (1,459,032,602)       (479,848,855)         Income taxes payments - net       (385,999,554)       (482,993,291)         Long-term deposits       (5,234,637)       (3,257,265)         Net cash generated from / (used in) operating activities       4,054,525,751       (6,970,704,604)         Cash flows from investing activities       (694,146,661)       (652,059,587)         Dividend Received       19,621,140       39,242,280         Net cash used in investing activities       (510,858,979)       (427,168,723)         Proceed from long term financing       (5		(141,312,358)	(261,416,795)
Loans and advances         29,886,490         (295,623,340)           Short term investment         -         (1,107,833,913)           Trade deposits         277,037,751         (66,182,632)           Other receivable         308,948,949         (269,780,245)           Trade and other payables         1,283,255,241         1,639,617,422           Long term payables         3,860,343,105         (9,063,453,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (39,104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,523,4637)         (3,257,265)           Income taxes payments - net         (385,999,554)         (6,570,704,604)           Cash flows from investing activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         (659,725,521)         (589,064,307)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (510,858,979)         (427,168,723)           Repayment of loans from directors and sponsors <td< th=""><th>Stock in trade</th><th>3,386,837,548</th><th>(8,015,321,782)</th></td<>	Stock in trade	3,386,837,548	(8,015,321,782)
Short term investment         -         (1,107,833,913)           Trade deposits         (273,462,729)         (190,979,783)           Other receivable         308,948,949         (269,780,245)           Sales tax refund         1,283,255,241         1,639,617,422           Long term payables         2,3191,990         151,889,305           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,948,855)           Employee benefit costs paid         (1,4859,032,602)         (479,848,855)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,889,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         (14,880,000         23,753,000           Proceeds from disposal of property, plant and equipment         14,800,000         23,753,000           Addition in property plant and equipment         (694,146,661)         (652,055,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (51,129,031         (13,4937,600           Repaymen	Trade debts	(834,039,777)	(647,821,674)
Trade deposits       (273,462,729)       (190,979,783)         Other receivable       77,037,751       (66,182,632)         Sales tax refund       308,948,949       (269,780,245)         Trade and other payables       1,283,255,241       1,639,617,422         Long term payables       3,860,343,105       (9,063,453,437)         Cash generated from / (used in) operations       5,943,897,102       (5,975,854,221)         Finance cost paid       (1,459,032,602)       (479,848,855)         Employee benefit costs paid       (1,459,032,602)       (479,848,855)         Icome taxes payments - net       (385,999,554)       (28,750,972)         Long-term deposits       (1,889,371,351)       (994,850,383)         Net cash generated from / (used in) operating activities       4,054,525,751       (6,970,704,604)         Cash flows from disposal of property, plant and equipment       14,800,000       23,753,000         Addition in property plant and equipment       (694,146,661)       (652,059,587)         Dividend Received       19,621,140       39,242,280         Net cash used in investing activities       (510,858,979)       (427,168,723)         Proceed from long term financing       51,129,031       51,229,031         Repayment of loas from directors and sponsors       134,937,600	Loans and advances	29,886,490	(295,623,340)
Other receivable         77,037,751         (66,182,632)           Sales tax refund         308,948,949         (269,780,245)           Trade and other payables         1,283,255,241         1,639,617,422           Long term payables         3,860,343,105         (9,063,453,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (39,104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,489,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         (694,146,661)         (652,059,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (659,725,521)         (589,064,307)           Cash flows from financing activities         (659,725,521)         (589,064,307)           Cash flows from financing activities         (3035,916,355)         4,142,916,873)           Proceed from long term financing         134,937,600         134,937,600	Short term investment	-	(1,107,833,913)
Sales tax refund         308,948,949         (269,780,245)           Trade and other payables         1,283,255,241         1,639,617,422           Long term payables         3,860,343,105         (9,063,453,437)           Cash generated from / (used in) operations         3,860,343,105         (9,063,453,437)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (3,9104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,489,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         (1,889,371,351)         (994,850,383)           Proceeds from disposal of property, plant and equipment         14,800,000         23,753,000           Addition in property plant and equipment         (694,146,661)         (652,059,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (659,725,521)         (589,064,307)           Cash flows from financing activities         (510,858,979)         (427,168,723)           (Decrease) / Increase in short term borrowings         (3,035,916,3	Trade deposits		(190,979,783)
Trade and other payables       1,283,255,241       1,639,617,422         Long term payables       23,191,990       151,889,305         3,860,343,105       (9,063,453,437)         Cash generated from / (used in) operations       5,943,897,102       (5,975,854,221)         Finance cost paid       (1,459,032,602)       (479,848,855)         Employee benefit costs paid       (1,459,032,602)       (479,848,855)         Income taxes payments - net       (385,999,554)       (482,993,291)         Long-term deposits       (1,889,371,351)       (994,850,383)         Net cash generated from / (used in) operating activities       4,054,525,751       (6,970,704,604)         Cash flows from investing activities       4,054,525,751       (6,970,704,604)         Proceeds from disposal of property, plant and equipment       14,800,000       23,753,000         Addition in property plant and equipment       (694,146,661)       (652,059,587)         Dividend Received       19,621,140       39,242,280         Net cash used in investing activities       (559,725,521)       (589,064,307)         Cash flows from financing activities       (510,858,979)       (427,168,723)         (Decrease) / Increase in short term borrowings       (3,035,916,355)       4,146,245,059         Dividends paid       (113,857,666)			
Long term payables         23,191,990         151,889,305           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (39,104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,889,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         14,800,000         23,753,000           Proceeds from disposal of property, plant and equipment         (694,146,661)         (652,059,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (659,725,521)         (589,064,307)           Cash flows from financing activities         134,937,600         134,937,600           Repayment of long term financing         (13,857,666)         (212,421,712)           Net cash (used in) / generated from financing activities         (3,660,633,000)         3,692,721,255           Net cash used in investing activities         (13,857,666)         (212,421,712)           Net cash used in jong term financing			
3,860,343,105         (9,063,453,437)           Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (39,104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,489,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         14,800,000         23,753,000           Addition in property plant and equipment         14,800,000         23,753,000           Addition in property plant and equipment         (694,146,661)         (652,059,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (510,858,979)         (427,168,723)           Cash flows from financing         51,129,031         51,129,031           Repayment of loans from directors and sponsors         134,937,600         134,937,600           Repayment of long term financing         (30,35,916,355)         4,146,245,059 <th></th> <th></th> <th></th>			
Cash generated from / (used in) operations         5,943,897,102         (5,975,854,221)           Finance cost paid         (1,459,032,602)         (479,848,855)           Employee benefit costs paid         (39,104,558)         (28,750,972)           Income taxes payments - net         (385,999,554)         (482,993,291)           Long-term deposits         (1,889,371,351)         (994,850,383)           Net cash generated from / (used in) operating activities         4,054,525,751         (6,970,704,604)           Cash flows from investing activities         4,054,525,751         (6,970,704,604)           Proceeds from disposal of property, plant and equipment         (694,146,661)         (652,059,587)           Dividend Received         19,621,140         39,242,280           Net cash used in investing activities         (659,725,521)         (589,064,307)           Cash flows from financing activities         51,129,031         39,242,280           Net cash used in investing activities         51,129,031         34,937,600           Repayment of loans from directors and sponsors         134,937,600         134,937,600           Repayment of long term financing         (510,858,979)         (427,168,723)           (Decrease) / Increase in short term borrowings         (3,035,916,355)         4,146,245,059           Dividends paid	Long term payables		
Finance cost paid(1,459,032,602)(479,848,855)Employee benefit costs paid(39,104,558)(28,750,972)Income taxes payments - net(385,999,554)(482,993,291)Long-term deposits(5,234,637)(3,257,265)Net cash generated from / ( used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activities4,054,525,751(6,970,704,604)Cash flows from investing activities14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(659,725,521)(589,064,307)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities51,129,031Repayment of long term financing51,129,031Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331<			
Employee benefit costs paid(39,104,558)(28,750,972)Income taxes payments - net(385,999,554)(482,993,291)Long-term deposits(5,234,637)(3,257,265)(1,889,371,351)(994,850,383)Net cash generated from / ( used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activities4,054,525,751(6,970,704,604)Proceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(510,858,979)(427,168,723)Proceed from long term financing134,937,600134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	Cash generated from / (used in) operations	5,943,897,102	(5,975,854,221)
Income taxes payments - net(385,999,554)(482,993,291)Long-term deposits(1,889,371,351)(994,850,383)Net cash generated from / (used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activities4,054,525,751(6,970,704,604)Cash flows from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	Finance cost paid	(1,459,032,602)	(479,848,855)
Long-term deposits(5,234,637)(3,257,265)Net cash generated from / (used in) operating activities(1,889,371,351)(994,850,383)Net cash generated from / (used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activities4,054,525,751(6,970,704,604)Proceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(659,725,521)(589,064,307)Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	Employee benefit costs paid		(28,750,972)
(1,889,371,351)(994,850,383)Net cash generated from / ( used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activities14,800,00023,753,000Proceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(659,725,521)(589,064,307)Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(113,857,666)(212,421,712)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Net cash generated from / ( used in) operating activities4,054,525,751(6,970,704,604)Cash flows from investing activitiesProceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(659,725,521)(589,064,307)Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	Long-term deposits		
Cash flows from investing activitiesProceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Proceeds from disposal of property, plant and equipment14,800,00023,753,000Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	Net cash generated from / ( used in) operating activities	4,054,525,751	(6,970,704,604)
Addition in property plant and equipment(694,146,661)(652,059,587)Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Dividend Received19,621,14039,242,280Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Net cash used in investing activities(659,725,521)(589,064,307)Cash flows from financing activities-51,129,031Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Cash flows from financing activitiesProceed from long term financing-Status51,129,031Repayment of loans from directors and sponsors-Repayment of long term financing(510,858,979)(Decrease) / Increase in short term borrowings(3,035,916,355)Dividends paid(113,857,666)Net cash (used in) / generated from financing activities(3,660,633,000)Net decrease in cash and cash equivalents(265,832,770)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
Proceed from long term financing-51,129,031Repayment of loans from directors and sponsors-134,937,600Repayment of long term financing(510,858,979)(427,168,723)(Decrease) / Increase in short term borrowings(3,035,916,355)4,146,245,059Dividends paid(113,857,666)(212,421,712)Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	-	(659,725,521)	(589,064,307)
Repayment of loans from directors and sponsors       -       134,937,600         Repayment of long term financing       (510,858,979)       (427,168,723)         (Decrease) / Increase in short term borrowings       (3,035,916,355)       4,146,245,059         Dividends paid       (113,857,666)       (212,421,712)         Net cash (used in) / generated from financing activities       (3,660,633,000)       3,692,721,255         Net decrease in cash and cash equivalents       (265,832,770)       (3,867,047,656)         Cash and cash equivalent at the beginning of period       579,854,395       4,442,516,331	-		54 400 004
Repayment of long term financing       (510,858,979)       (427,168,723)         (Decrease) / Increase in short term borrowings       (3,035,916,355)       4,146,245,059         Dividends paid       (113,857,666)       (212,421,712)         Net cash (used in) / generated from financing activities       (3,660,633,000)       3,692,721,255         Net decrease in cash and cash equivalents       (265,832,770)       (3,867,047,656)         Cash and cash equivalent at the beginning of period       579,854,395       4,442,516,331		-	
(Decrease) / Increase in short term borrowings       (3,035,916,355)       4,146,245,059         Dividends paid       (113,857,666)       (212,421,712)         Net cash (used in) / generated from financing activities       (3,660,633,000)       3,692,721,255         Net decrease in cash and cash equivalents       (265,832,770)       (3,867,047,656)         Cash and cash equivalent at the beginning of period       579,854,395       4,442,516,331		-	
Dividends paid         (113,857,666)         (212,421,712)           Net cash (used in) / generated from financing activities         (3,660,633,000)         3,692,721,255           Net decrease in cash and cash equivalents         (265,832,770)         (3,867,047,656)           Cash and cash equivalent at the beginning of period         579,854,395         4,442,516,331			
Net cash (used in) / generated from financing activities(3,660,633,000)3,692,721,255Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331		•••••	
Net decrease in cash and cash equivalents(265,832,770)(3,867,047,656)Cash and cash equivalent at the beginning of period579,854,3954,442,516,331	-		
Cash and cash equivalent at the beginning of period579,854,3954,442,516,331			
	•		
Cash and cash equivalent at the end of period314,021,625575,468,675			
	cash and cash equivalent at the end of period	314,021,625	575,468,675

**Chief Executive** 

-2-1a Director

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**Chief Financial Officer** 

#### Notes to the Condensed Interim Financial Information (Un-audited)

For the Nine Months Period ended March 31, 2024

#### 1 REPORTING ENTITY

Faisal Spinning Mills Limited ('the Company') is incorporated in Pakistan as a Public Limited Company under the Repealed Companies Ordinance, 1984, now Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The Company is primarily a spinning, weaving, dyeing, stitching unit engaged in the manufacture and sale of yarn and woven fabric, dyed and stitched fabric, however, it is also engaged in the generation of electricity for self consumption. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at Nooriabad District Dadu in the Province of Sindh and District Sheikhupura in the Province of Punjab.

#### 2 BASIS OF PREPARATION

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2023.

#### 2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017.

#### 2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

#### 2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

#### 2.4 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

#### **3** SIGNIFICANT ACCOUNTING POLICIES

All accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2023.

#### 4 LOAN FROM DIRECTORS AND SPONSORS

Directors and sponsors entered into a contract with the Company to provide funds to the Company. As per the contract, the loans are unsecured, interest free and repayable at the discretion of the Company. The loans are presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

		Note	March 31, 2024	June 30, 2023
			Rupees	Rupees
			(Un-Audited)	(Audited)
5	LONG TERM PAYABLES			
	Infrastructure development cess payable - ETO		640,002,742	602,416,909
	Infrastructure fee payable - Gas		452,922,819	467,316,662
			1,092,925,561	1,069,733,571

#### 6 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2023 except following:

6.1 6.1.1	Contingencies Bills Discounted	5,410,640,111	6,549,622,870
6.1.2	Share of contingencies of associated company - Blessed Textiles Limited:		
	Bills discounted	360,519,590	382,520,529
		360,519,590	382,520,529
6.2	Commitments		
6.2.1	Letter of credit (for store, raw material and machinery)	6,390,185,572	705,867,442
6.2.2	Share of commitments of associated company - Blessed Textiles Limited:		
	Letter of credit (for store, raw material and machinery)	1,278,780,799	85,332,588
		1,278,780,799	85,332,588

#### 6.2.3 Commitments under ijarah contracts

 The aggregate amount of ujrah payments for ijarah financing and the period in which these payments will become due are as follows:

 - payments not later than one year
 28,969,224
 13,710,843

 - payments later than one year
 87,351,920
 40,030,459

53,741,302

116,321,144

#### Notes to the Condensed Interim Financial Information (Un-audited) For the Nine Months Period ended March 31, 2024

		Note	March 31, 2024	June 30, 2022
			Rupees	Rupees
			(Un-Audited)	(Audited)
PROF	PERTY, PLANT AND EQUIPMENT			
Oper	ating fixed assets	7.1	9,265,583,312	9,832,038,95
Capit	al work in progress		843,699,382	285,651,30
			10,109,282,694	10,117,690,25
7.1	Operating fixed assets			
	Net book value at the beginning of the period/year		9,832,038,951	9,891,076,39
	Additions / transfers during the period/year			
	Freehold land		1,330,911	3,492,3
	Factory buildings lease hold		-	169,873,8
	Factory buildings free hold		-	114,973,8
	Plant and machinery		66,572,885	453,737,5
	Electric installation		-	25,519,5
	Factory equipment		-	6,572,92
	Furniture and fixture		-	8,257,1
	Equipment and other assets		27,857,311	20,626,6
	Vehicles		40,337,476	75,912,8
			136,098,583	878,966,7
	Net book value of assets disposed during the period/year		(8,354,222)	(24,225,3
	Depreciation for the period/year		(694,200,000)	(913,778,90
	Net book value at the end of the period/year		9,265,583,312	9,832,038,95

8 Provision for current tax has been made in accordance with the requirements of Income Tax Ordinance, 2001 and Deferred tax on temporary difference for the year has not been accounted for as revenue of the Company is expected to be subject to taxation under the final tax regime. Deferred tax is provided for only investment in associates based on tax rates notified by the Government of Pakistan for dividends of current and future years.

#### 9 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Names and details of transactions and balances with related parties are as under:

Name	Nature of relationship	Shareholding in the Company
Bhanero Textile Mills Limited	Associated companies	N/A
Blessed Textiles Limited	Associated companies	N/A
Bhanero Energy Limited	Associated companies	N/A
Admiral (Private) Limited	Associated companies	12.83
Mohammad Salim	Director	0.29
Khurram Salim	Director	2.00
Mohammad Shaheen	Director	0.33
Mohammad Amin	Director	4.61
Hamza Shakeel	Director	4.77
Bilal Sharif	Director	3.64
Yasmeen Begum	Directorship of close family relative	2.39
Farrukh Salim	Directorship of close family relative	1.37
Yousaf Salim	Directorship of close family relative	3.13
Saqib Salim	Directorship of close family relative	1.99
Amna Khurram	Directorship of close family relative	1.10
Sadaf Farrukh	Directorship of close family relative	N/A
Saba Yousaf	Directorship of close family relative	0.98
Saba Saqib	Directorship of close family relative	2.12
Muhammad Umer	Directorship of close family relative	0.97
Samia Bilal	Directorship of close family relative	5.34
Abdullah Bilal	Directorship of close family relative	3.37
Ali Bilal	Directorship of close family relative	3.37
Azan Bilal	Directorship of close family relative	3.37
Seema Shaheen	Directorship of close family relative	3.35
Mohammad Qasim	Directorship of close family relative	3.95
Fatima Amin	Directorship of close family relative	4.51
Mohammad Shakeel	Directorship of close family relative	0.48
Nazli Shakeel	Directorship of close family relative	4.29
Adil Shakeel	Directorship of close family relative	4.77
Faisal Shakeel	Directorship of close family relative	4.77
Yahya Farrukh	Directorship of close family relative	2.74
Sumbul Qasim	Directorship of close family relative	2.35
Anjum Sharif	Directorship of close family relative	N/A

Faisal Spinning Mills Ltd

#### Notes to the Condensed Interim Financial Information (Un-audited)

For the Nine Months Period ended March 31, 2024

		Nine Months ended		Three Months ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Rupees	Rupees	Rupees	Rupees
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
9.1	Transactions with related parties				
	Nature of transaction				
	Purchases	4,218,833,852	5,798,555,235	1,439,861,935	1,784,249,100
	Sales	117,636,092	25,611,811	61,555,717	12,477,449
	Services received	463,500	231,750	154,500	77,250
	Purchase of electricity	51,855,186	3,994,213	51,534,471	2,489,716
	Dividend received	19,621,140	39,242,280	-	-
	Loans received from directors and sponsors during the period	-	134,937,600	-	-
	Remuneration to key management personnel	7,200,000	7,200,000	2,400,000	2,400,000
	Balance with related party	20,000	20,000	20,000	20,000

#### 10 SEGMENT REPORTING

The Company has three reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric
Finishing / Home Textile	Manufacture and sale of dyed and stitched fabric

Information about operating segments as at March 31, 2024 is as follows:

		Nine Mon	ths ended			
		March 31, 2024				
	Spinning	ning Weaving Finishing / Home Textile		Total		
	Rupees	Rupees	Rupees	Rupees		
Revenue from external customers	12,505,215,001	9,666,025,119	12,469,073,610	34,640,313,730		
Inter-segment transfers	-	130,723,343	13,730,993	130,723,343		
Segment results	53,277,909	407,282,773	840,809,862	1,301,370,544		
Other operating expenses				-		
Finance cost				(1,295,230,639)		
Share of loss of associated undertaking				(252,393,282)		
				(246,253,377)		
		Nine Mon	ths ended			

	March 31, 2023			
	Spinning	Weaving	Finishing / Home	Total
	Rupees	Rupees	Rupees	Rupees
Revenue from external customers	8,730,164,291	8,397,079,270	9,774,455,544	26,901,699,105
Inter-segment transfers	7,784,500	323,591,304	-	331,375,804
Segment results	961,509,284	753,983,249	769,859,460	2,485,351,993
Other operating expenses				(118,972,565)
Finance cost				(713,193,579)
Share of profit of associated undertaking				130,244,718
				1,783,430,567

	As at March 31, 2024						
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees	Rupees		
Segment assets	10,174,585,011	5,974,791,817	14,193,760,006	1,267,424,128	31,610,560,962		
			As at June 30, 2023				
	Spinning	Weaving	Finishing / Home	Un-allocated	Total		
	_	_	Textile	_	_		
	Rupees	Rupees	Rupees	Rupees	Rupees		
Segment assets	12,798,863,511	5,777,728,298	13,493,027,607	2,627,333,472	34,696,952,888		

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

For the Nine Months Period ended March 31, 2024

		As at March 31, 2024					
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees	Rupees		
Segment liabilities	3,635,146,393	2,465,858,112	11,373,243,209	1,017,884,457	18,492,132,171		
	As at June 30, 2023						
	Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total		
	Rupees	Rupees	Rupees	Rupees	Rupees		
Segment liabilities	7,365,994,845	2,577,231,774	9,896,073,367	1,039,426,638	20,878,726,624		

#### 11 EVENTS AFTER THE REPORTING PERIOD

**11.1** There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

#### 12 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

#### 13 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on April 29, 2024.

#### 14 GENERAL

- 14.1 There are no other significant activities since June 30, 2023 affecting the interim financial information.
- 14.2 Figures have been rounded off to the nearest Rupee.

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**Chief Executive** 

1 Caft Director

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**Chief Financial Officer**