



QUARTERLY REPORT  
SEPTEMBER, 30 **2023**



**Shadab Textile Mills Limited**



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# Shadab Textile Mills Limited

## COMPANY INFORMATION

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





# Shadab Textile Mills Limited

## DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present un-audited condensed interim financial statements of the Company for the 1st quarter ended September 30, 2023.

During the period under review, the Company sustained loss after tax of Rs.11.961 million as compared to after tax loss of Rs.15.007 million of the corresponding quarter of previous year. Total sales were made amounting to Rs.1592.570 million as compared to corresponding quarter of previous year sales of Rs.1372.608 million showing increase of Rs.219.962 million i.e. 16.02% against previous year quarter. Earning per share is Rs. (0.72) as compared to Rs. (0.90) per share.

The textile industry has probably never been in such a dire situation. Many units have been closed during the period being no longer economically viable under the prevailing circumstances. Performance of textile sector overall remain depressed. During the quarter under review, the financial results of the company mainly affected due to the market conditions is very slow down and overall recession period in the world. During the quarter the prices of raw material remained on higher side and on the contrary selling rates were on lower side, increase in high energy cost, very higher mark-up rates and other input costs.

The textile industry has never faced such a depressing operating environment and still passing through severe crises. In these circumstances, our textile industry is not competing with the other countries. The government has approved increase in Gas Tariff by 86% w.e.f 01-11-2023 for export oriented industries that will further increase the energy cost. However, during the period under review the exchange rate of Pak Rupee has strengthened and if this trend continues, cost of production will be decreased that may lead to better financial results connected with stability to other market conditions. Despite current adverse factors your management is making best efforts to improve the financial results of the company.

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

For and on behalf of the Board

MIAN AAMIR NASEEM  
(Chief Executive)

MIAN FARRUKH NASEEM  
(Chairman/Director)

Lahore: October 25, 2023



## ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

ہم نہایت مسرت کے ساتھ کمپنی کے غیر آڈٹ شدہ حسابات کے گوشوارے برائے مالی سال پہلی سہ ماہی مختتمہ 30 ستمبر 2023 آپ کی خدمت میں پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، کمپنی نے گزشتہ سال کی اسی سہ ماہی کے 15.007 ملین روپے کے بعد از ٹیکس نقصان کے مقابلے میں 11.961 ملین روپے کا بعد از ٹیکس نقصان کمایا۔ مجموعی فروخت گزشتہ سال کی اسی سہ ماہی کے 1372.608 ملین روپے کے مقابلے میں 1592.570 ملین روپے رہی جو کہ گزشتہ سال کی سہ ماہی کے مقابلے میں 219.962 ملین روپے یعنی 16.02 فیصد کا اضافہ ظاہر کرتی ہے۔ فی شیئر آمدنی گزشتہ سہ ماہی (0.90) روپے کے مقابل (0.72) روپے فی شیئر رہی۔

ٹیکسٹائل کی صنعت کو شاید اس طرح کی سنگین صورتحال کبھی نہیں ملی۔ بہت سے یونٹ اس مدت کے دوران بند ہیں جو کہ موجودہ حالات میں معاشی طور پر قابل عمل نہیں ہیں۔ مجموعی طور پر ٹیکسٹائل سیکٹر کی کارکردگی ابتر ہے۔ زیر نظر سہ ماہی کے دوران، کمپنی کے مالیاتی نتائج بنیادی طور پر مارکیٹ کے حالات کی وجہ سے بہت سست رہے اور دنیا میں مجموعی طور پر کساد بازاری کا دور رہا۔ سہ ماہی کے دوران خام مال کی قیمتیں بلند رہیں اس کے برعکس قیمت فروخت کم رہی اور توانائی کی لاگت میں بے حد اضافہ، مارک اپ کی بلند شرح اور دیگر ان پٹ لاگت میں اضافہ ہوا۔

ٹیکسٹائل کی صنعت کو شاید کبھی بھی اتنے مایوس کن آپرینٹنگ ماحول کا سامنا نہیں کرنا پڑا اور وہ اب بھی شدید بحرانوں سے گزر رہی ہے۔ ان حالات میں ہماری ٹیکسٹائل انڈسٹری دوسرے ممالک سے مقابلہ نہیں کر پاتی۔ گورنمنٹ نے برآمدی صنعت کے لیے گیس کی قیمت میں 86 فیصد اضافے کی منظوری یکم نومبر 2023 سے دی ہے جو کہ توانائی کی قیمت کو مزید بڑھادے گا تاہم زیر نظر سہ ماہی کے دوران پاکستانی روپے کی قدر میں استحکام آیا ہے اور اگر یہ رجحان جاری رہتا ہے تو پیرواری لاگت میں کمی ہوگی جو کہ بہتر مالی نتائج کا باعث ہو سکتا ہے بشرطیکہ دوسرے کاروباری حالات میں بہتری آئے۔ موجودہ مہنی عوامل کے باوجود آپ کی انتظامیہ کمپنی کے مالیاتی نتائج کو بہتر بنانے کے لیے بہترین کوششیں کر رہی ہے۔

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

منجانب بورڈ

—————

میاء فریح نسیم  
(چیئرپرسن / ڈائریکٹر)

Aamir Naseem

میاء عامر نسیم  
(چیف ایگزیکٹو)



# Shadab Textile Mills Limited

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

(RUPEES IN THOUSAND)

|   |      | Sep. 30,<br>2023        | June 30,<br>2023        |
|---|------|-------------------------|-------------------------|
|   | NOTE | <u>UN-AUDITED</u>       | <u>AUDITED</u>          |
| <b>ASSETS</b>                               |      |                         |                         |
| <b>NON - CURRENT ASSETS</b>                 |      |                         |                         |
| Property, plant and equipment               | 6    | 1,444,460               | 1,428,625               |
| Right of use assets                         | 7    | 31,149                  | 32,788                  |
| Long term deposits                          |      | 2,434                   | 2,434                   |
|   |      | <u>1,478,043</u>        | <u>1,463,847</u>        |
| <b>CURRENT ASSETS</b>                       |      |                         |                         |
| Stores, spares and loose tools              |      | 132,400                 | 179,838                 |
| Stock in trade                              |      | 616,343                 | 577,799                 |
| Trade debts                                 |      | 361,709                 | 373,940                 |
| Loans and advances                          |      | 68,091                  | 61,878                  |
| Trade deposits and prepayments              |      | 87,124                  | 70,701                  |
| Other receivables                           |      | 132,561                 | 108,800                 |
| Cash and bank balances                      |      | 34,789                  | 12,508                  |
|   |      | <u>1,433,017</u>        | <u>1,385,464</u>        |
| <b>TOTAL ASSETS</b>                         |      | <u><u>2,911,060</u></u> | <u><u>2,849,311</u></u> |
| <b>EQUITY AND LIABILITIES</b>               |      |                         |                         |
| <b>SHARE CAPITAL &amp; RESERVES</b>         |      |                         |                         |
| Authorized share capital                    |      |                         |                         |
| 40,000,000 ordinary shares of Rs. 10/- each |      | <u>400,000</u>          | <u>400,000</u>          |
| Issued, subscribed & paid-up share capital  |      | <u>166,000</u>          | <u>166,000</u>          |
| Capital reserves                            |      | 204,000                 | 204,000                 |
| Revenue reserves                            |      | 697,597                 | 709,558                 |
| Equity contributions from sponsors          |      | 373,103                 | 373,103                 |
| <b>TOTAL EQUITY</b>                         |      | <u>1,440,700</u>        | <u>1,452,661</u>        |
| <b>NON - CURRENT LIABILITIES</b>            |      |                         |                         |
| Long term loans                             |      | <u>253,439</u>          | <u>264,001</u>          |
| Lease liabilities                           |      | 7,649                   | 10,039                  |
| Deferred liabilities                        |      | <u>85,228</u>           | <u>104,918</u>          |
|   |      | <u>346,316</u>          | <u>378,958</u>          |
| <b>CURRENT LIABILITIES</b>                  |      |                         |                         |
| Trade and other payables                    |      | <u>357,143</u>          | <u>364,736</u>          |
| Unclaimed dividend                          |      | 673                     | 673                     |
| Accrued mark up                             |      | 31,926                  | 23,144                  |
| Short term borrowings                       |      | 560,405                 | 475,264                 |
| Current portion of long term liabilities    |      | 78,849                  | 78,850                  |
| Provision for taxation                      |      | 95,048                  | 75,025                  |
|   |      | <u>1,124,044</u>        | <u>1,017,692</u>        |
| <b>CONTINGENCIES AND COMMITMENTS</b>        | 8    | -                       | -                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>         |      | <u><u>2,911,060</u></u> | <u><u>2,849,311</u></u> |

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

(Mian Amir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer





# Shadab Textile Mills Limited

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

(RUPEES IN THOUSAND)

|  | Sep. 30,<br>2023 | Sep. 30,<br>2022 |
|--|------------------|------------------|
| Sales- net                                       | 1,592,570        | 1,372,608        |
| Cost of sales                                    | <u>1,529,531</u> | <u>1,302,297</u> |
| GROSS PROFIT                                     | 63,039           | 70,311           |
| Administrative & general expenses                | <u>34,389</u>    | <u>36,318</u>    |
| Selling and distribution expenses                | <u>255</u>       | <u>865</u>       |
|  | <u>34,644</u>    | <u>37,183</u>    |
| OPERATING PROFIT                                 | 28,395           | 33,128           |
| Finance costs                                    | 40,778           | 32,040           |
| Other charges                                    | <u>-</u>         | <u>167</u>       |
|  | <u>(12,383)</u>  | <u>921</u>       |
| Other income                                     | <u>755</u>       | <u>1,337</u>     |
| (LOSS) /PROFIT BEFORE TAXATION                   | <u>(11,628)</u>  | <u>2,258</u>     |
| Taxation   | <u>333</u>       | <u>17,265</u>    |
| (LOSS) AFTER TAXATION                            | <u>(11,961)</u>  | <u>(15,007)</u>  |
| Basic and diluted (loss)<br>per share - (Rupees) | <u>(0.72)</u>    | <u>(0.90)</u>    |

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

(Mian Aamir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer



# Shadab Textile Mills Limited

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

|  | (RUPEES IN THOUSAND) |                  |
|--|----------------------|------------------|
|  | Sep. 30,<br>2023     | Sep. 30,<br>2022 |
| (LOSS) AFTER TAXATION                        | (11,961)             | (15,007)         |
| Other Comprehensive Income                   | -                    | -                |
| TOTAL COMPREHENSIVE (LOSS)<br>FOR THE PERIOD | <u>(11,961)</u>      | <u>(15,007)</u>  |

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

(Mian Aamir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer



# Shadab Textile Mills Limited

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2023 ( UN - AUDITED )

(RUPEES IN THOUSAND)

| Description  | Share Capital                                  | Revenue Reserves |                        | Capital Reserve | Equity contribution from sponsors | Total Equity |
|--|--|------------------|------------------------|-----------------|-----------------------------------|--------------|
|  | Issued, subscribed and paid up ordinary shares | General Reserve  | Un-appropriated profit | Share Premium   |                                   |              |
| Balance as at July 01, 2022  | 166,000  | 260,000          | 565,600                | 204,000         | 375,600                           | 1,571,200    |
| Total comprehensive income (Loss) after taxation from Jul. 01, 2022 to Sep. 30, 2022           | -  | -                | (15,007)               | -               | -                                 | (15,007)     |
| Balance as at Sep. 30, 2022  | 166,000  | 260,000          | 550,593                | 204,000         | 375,600                           | 1,556,193    |
| Total comprehensive income (Loss) after taxation from Oct. 01, 2022 to Jun. 30, 2023           | -  | -                | (92,735)               | -               | -                                 | (92,735)     |
| Transaction with owners<br>Final dividend for the year ended June 30, 2022 @Rs. 0.50 per share | -  | -                | (8,300)                | -               | -                                 | (8,300)      |
| Transfer from equity contribution to sponsors  | -  | -                | -                      | -               | (2,497)                           | (2,497)      |
| Balance as at June 30, 2023  | 166,000  | 260,000          | 449,558                | 204,000         | 373,103                           | 1,452,661    |
| Total comprehensive income (Loss) after taxation from Jul. 01, 2023 to Sep. 30, 2023           | -  | -                | (11,961)               | -               | -                                 | (11,961)     |
| Balance as at Sep. 30, 2023  | 166,000  | 260,000          | 437,597                | 204,000         | 373,103                           | 1,440,700    |

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

(Mian Aamir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer



# Shadab Textile Mills Limited

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

|  | (RUPEES IN THOUSAND) |                  |
|--|----------------------|------------------|
|  | Sep. 30,<br>2023     | Sep. 30,<br>2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES                     |                      |                  |
| (Loss) / Profit before taxation                          | (11,628)             | 2,258            |
| Adjustments for non cash charges & other items:          |                      |                  |
| Depreciation of property, plant and equipment            | 35,096               | 36,124           |
| Depreciation of right of use assets                      | 1,639                | 2,049            |
| Financial costs  | 40,778               | 32,040           |
| Workers' profit participation fund                       | -                    | 121              |
| Workers' welfare fund                                    | -                    | 46               |
| Gain on sale of operating fixed assets                   | -                    | (1,008)          |
| Porfit on deposits with banks                            | (617)                | (329)            |
| Operating profit before working capital changes          | 65,268               | 71,301           |
| Working Capital Changes:                                 |                      |                  |
| (Increase) / decrease in current assets                  |                      |                  |
| Stores, spares and loose tools                           | 47,438               | (14,876)         |
| Stock-in-trade   | (38,544)             | 17,698           |
| Trade debts  | 12,231               | (81,506)         |
| Loans and advances                                       | (6,213)              | 3,770            |
| Trade deposits and prepayments                           | (16,423)             | 5,801            |
| Other receivables  | (13,691)             | (5,471)          |
|  | (15,202)             | (74,584)         |
| Increase / (decrease) in current liabilities             |                      |                  |
| Trade and other payables                                 | (7,592)              | 13,484           |
| Cash generated from operations                           | 42,474               | 10,201           |
| Finance costs paid                                       | (31,998)             | (22,998)         |
| Income tax paid  | (10,070)             | (16,914)         |
| Profit on deposits with banks                            | 617                  | 329              |
|  | (41,451)             | (39,583)         |
| Net cash generated / (used in) from operating activities | 1,023                | (29,382)         |



# Shadab Textile Mills Limited

|   | (RUPEES IN THOUSAND) |                  |
|---|----------------------|------------------|
|   | Sep. 30,<br>2023     | Sep. 30,<br>2022 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |                      |                  |
| Payment for acquisition of property, plant and equipment      | (50,930)             | (28,075)         |
| Proceeds from disposal of property, plant and equipment       | -                    | 1,138            |
| Net cash (used in) investing activities                       | (50,930)             | (26,937)         |
| <b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>               |                      |                  |
| Long term borrowings - net                                    | (10,563)             | (13,790)         |
| Re-payment of lease - net                                     | (2,389)              | (2,389)          |
| Proceeds from short term borrowings - net                     | 85,140               | 71,965           |
| Net cash generated from financing activities                  | 72,188               | 55,786           |
| <b>NET CASH GENERATED / (USED IN) DURING THE QUARTER</b>      | <b>22,281</b>        | <b>(533)</b>     |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b> | <b>12,508</b>        | <b>16,343</b>    |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER</b>    | <b>34,789</b>        | <b>15,810</b>    |

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

(Mian Aamir Naseem)

**Chief Executive**

(Mian Farrukh Naseem)

**Director**

(Muhammad Aslam)  
**Chief Financial Officer**



# Shadab Textile Mills Limited

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

### 1. THE COMPANY AND ITS OPERATIONS

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

### 2. STATEMENT OF COMPLIANCE

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

International accounting Standard (IAS-34): " Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

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

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

### 3. BASIS OF PREPARATION

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

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted in preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2023, except detailed below or elsewhere. These condensed interim financial statements do not include all the information and disclosures as are required for annual audited financial statements, and therefore, should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2023.

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

Taxes on income in the interim periods are accrued using tax rate that would be applicable to expected annual profit or loss. Actuarial valuations are carried out on annual basis. The last actuarial valuation was carried out on June 30, 2023. The impact of remeasurement of retirement benefit plan has not been incorporated in the condensed interim financial statements.



# Shadab Textile Mills Limited

## 5. CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of condensed interim financial statements in conformity with the approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty were the same as those applied to the annual audited financial statements of the Company for the year ended June 30, 2023, except as disclosed otherwise in respective notes.

|     |                                   | (RUPEES IN THOUSAND) |                  |
|-----|-----------------------------------|----------------------|------------------|
|     |                                   | Sep. 30,<br>2023     | June 30,<br>2023 |
| 6.  | PROPERTY, PLANT AND EQUIPMENT     | Note                 |                  |
|     | Operating fixed assets            | 6.1                  | 1,412,375        |
|     | Capital work in progress          | 6.2                  | 32,085           |
|     |                                   |                      | <u>1,444,460</u> |
| 6.1 | Operating fixed assets            |                      |                  |
|     | Opening net book value            |                      | 1,400,475        |
|     | Additions during the period/ year |                      |                  |
|     | Buildings                         |                      | 24,210           |
|     | Plant and machinery               | 46,996               | 80,874           |
|     | Electric installations            | -                    | 48,890           |
|     |                                   | 46,996               | 153,974          |
|     | Disposals during the period/ year |                      |                  |
|     | Vehicles                          | -                    | 130              |
|     |                                   |                      | 130              |
|     | Depreciation charged thereon      |                      | 35,096           |
|     | Closing net book value            |                      | <u>1,412,375</u> |
| 6.2 | CAPITAL WORK IN PROGRESS          |                      |                  |
|     | Buildings                         |                      | 29,448           |
|     | Plant and machinery               |                      | 2,637            |
|     |                                   |                      | <u>32,085</u>    |
| 7.  | RIGHT OF USE ASSETS               |                      |                  |
|     | Opening net book value            |                      | 32,788           |
|     | Additions                         |                      | -                |
|     | Less: Transferred to owned assets |                      | -                |
|     | Depreciation transferred          |                      | -                |
|     | Less: Depreciation charge         |                      | (1,639)          |
|     | Net book value                    |                      | <u>31,149</u>    |



## 8. CONTINGENCIES AND COMMITMENTS

### Contingencies

Counter guarantees of Rs.49.706 million (June 30, 2023: Rs.49.706 million) has been issued by the bank of the company to Sui Northern Gas Pipelines Limited, Lahore Electric Supply Company and State Bank of Pakistan against connections & TUF rebate.

### Commitments

Capital expenditure commitments are amounting to Rs. Nil (June 30, 2023: Rs. Nil) and non capital expenditure commitments are amounting to Rs. 67.964 million (June 30, 2023: Rs. 289.432 million).

## 9. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING

No transactions from associated undertaking (June 30, 2023 : Rs.Nil) during the period. The maximum aggregate amount due from associated undertaking at the end of the period was Rs.Nil (June 30, 2023 : Rs.Nil).

## 10. FINANCIAL RISK MANAGEMENT

The company financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the company as at and for the year ended June 30, 2023.

## 11. DATE OF AUTHORIZATION

This condensed interim financial information has been approved by the Board of Directors of the company and authorized for issue on October 25, 2023.

## 12. GENERAL

Figures have been rounded off to the nearest thousand rupee.

(Mian Aamir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer