



HALF YEARLY REPORT
DECEMBER, 31
2023
(Un-Audited)



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 Adeel Anwar Khan
COMPANY SECRETARY	Mr. Tariq Javaid
AUDITORS	M/s. Fazal Mehmood & Company, Chartered Accountants
SHARE REGISTRAR	Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Ph: 042-35887262, 35839182 Fax: 042-35869037
BANKERS	Bank Al-Falah Limited Bank Al- Habib Limited
REGISTERED OFFICE	A-601/A, City Towers, 6-K Main Boulevard, Gulberg-II, Lahore Ph: No. 042-35788714-16
WEBSITE ADDRESS	www.shadabtextile.com
MILLS	Unit # 1: Nasimabad, Shahkot, District Nankana Sahib. Unit # 2: Habibabad, Pattoki, District Kasur.



Shadab Textile Mills Limited

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present un-audited financial statements of the Company for the half year ended December 31, 2023 reviewed by the auditors of the Company.

During the period under review, the Company earned profit after tax of Rs. 8.639 million as compared to loss after tax of Rs. 27.647 million of the corresponding period of previous year. Total sales were made amounting to Rs.3389.593 million as compared to corresponding period of previous year sales of Rs.2822.510 million showing increase of Rs.567.083 million i.e 20.09% against previous year period. Earning per share is Rs.0.52 as compared to Rs.(1.67) per share.

The financial results of the company are slightly better than the corresponding period of previous year. However, performance of textile sector overall remained depressed. The textile industry has never faced such a depressing operating environment and still passing through severe crises such as prices of raw material remained on higher side, increase in energy cost, very higher mark-up rates and other input costs. Due to increase in Gas Tariff of local gas by 118% w.e.f 01-11-2023 for export oriented industries production cost has significantly increased that left the textile industry no more competitive in the international market.

However, during the second quarter of period under review the exchange rate of Pak Rupee remained almost stable and if this trend continues, cost of imported raw material and other inputs can be better predicted that may lead to better decision making regarding selling prices and cost control.

We further expect that the upcoming Government will take well planned concrete steps to uplift the economy including subsidies gas and electricity rates and the lower markup rates for export oriented industry specially for textile sector keeping in view to make them competitive in international market that may lead to increase in foreign reserves resultantly may helpful to uplift the textile sector overall.

Despite, several adverse factors and challenges 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: February 26, 2024



ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

ہم نہایت مسرت کے ساتھ کمپنی کے غیر آڈٹ شدہ حسابات کے گوشوارے برائے مالی ششماہی مختتمہ 31 دسمبر 2023، کمپنی کے ڈائریکٹرز کی نظر ثانی کے بعد آپ کی خدمت میں پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، کمپنی نے ٹیکس ادا کرنے کے بعد 8.639 ملین روپے منافع کمایا جو کہ گذشتہ برس اسی مدت کے لیے 27.647 ملین روپے کا ٹیکس ادا کرنے کے بعد نقصان تھا۔ مجموعی فروخت 3389.593 ملین روپے کی گئی جو کہ پچھلے سال کی اسی مدت کے مقابلے میں 2822.510 ملین روپے کی فروخت ہے جو کہ گذشتہ برس کی اسی مدت کے مقابلے میں 567.083 ملین روپے یعنی 20.09 فیصد کا اضافہ ظاہر کرتی ہے۔ فی شیئر آمدنی گذشتہ مدت (1.67) روپے کے مقابل 0.52 روپے فی شیئر ہے۔

کمپنی کے مالیاتی نتائج پچھلے سال کی اسی مدت کے مقابلے میں قدرے بہتر ہیں۔ تاہم ٹیکسٹائل سیکٹور کی مجموعی کارکردگی ابتر رہی۔ ٹیکسٹائل انڈسٹری کو کبھی بھی ایسے مایوس کن آپریشننگ ماحول کا سامنا نہیں کرنا پڑا اور وہ اب بھی شدید بحرانوں سے گزر رہی ہے جیسے کہ خام مال کی قیمتیں بلند رہیں، توانائی کی قیمت میں اضافہ، مارک اپ کی بلند شرحیں اور دیگر ان پٹ لاگت۔ کچھ نومبر 2023 سے برآمدی صنعتوں کے لیے مقامی گیس کی قیمت میں 118% اضافے سے پیداواری لاگت میں نمایاں اضافہ ہوا ہے جس کی وجہ سے ٹیکسٹائل کی صنعت بین الاقوامی مارکیٹ میں مسابقت نہیں رکھتی۔

تاہم، زیر نظر مدت کی دوسری سہ ماہی کے دوران پاکستانی روپے کی شرح مبادلہ تقریباً مستحکم رہی اور اگر یہ رجحان جاری رہا تو درآمدی خام مال اور دیگر ان پٹ کی لاگت کا بہتر اندازہ لگایا جاسکتا ہے جو قیمت فروخت اور دوسری لاگت کو کنٹرول کرنے کے حوالے سے بہتر فیصلہ سازی کا باعث بن سکتا ہے۔

ہم مزید توقع کرتے ہیں کہ آنے والی حکومت معیشت کو بہتر بنانے کے لیے منصوبہ بندی کے ٹھوس اقدامات کرے گی جس میں برآمدی صنعت بشمول ٹیکسٹائل سیکٹور کے لیے گیس اور بجلی کی رعایتی شرحیں اور کم مارک اپ کی شرحیں ہوں جو ان کو بین الاقوامی مارکیٹ میں مسابقتی بنانے کے لیے کارگر ہوں۔ جو غیر ملکی ذخائر میں اضافہ کا باعث اور ٹیکسٹائل سیکٹور کو مجموعی طور پر ترقی دینے میں مددگار ثابت ہو سکتا ہے۔

موجودہ کئی منفی عوامل اور چیلنجز کے باوجود آپ کی انتظامیہ کمپنی کے مالیاتی نتائج کو بہتر بنانے کے لیے بہترین کوششیں کر رہی ہے۔

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

منجانب بورڈ

میاں فرخ نسیم
(چیئرمین / ڈائریکٹر)

Aamir Nazam

میاں عامر نسیم
(چیف ایگزیکٹو)

لاہور: 26 فروری 2024ء



Shadab Textile Mills Limited

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SHADAB TEXTILE MILLS LIMITED Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of SHADAB TEXTILE MILLS LIMITED as at December 31, 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

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

Fazal Mahmood & Co.

Fazal Mahmood & Company
Chartered Accountants

Place: Lahore

Date: February 26, 2024

UDIN: RR202310338GzNc7IXVS



Shadab Textile Mills Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023 (UN-AUDITED)

	NOTE	(RUPEES IN THOUSAND)	
		Dec. 31, 2023 (Un-audited)	Jun. 30, 2023 (Audited)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,454,894	1,428,625
Right of use assets	7	29,509	32,788
Long term deposits		2,434	2,434
		<u>1,486,837</u>	<u>1,463,847</u>
CURRENT ASSETS			
Stores, spares and loose tools		128,672	179,838
Stock in trade		398,401	577,799
Trade debts		351,125	373,940
Loans and advances		75,335	61,878
Trade deposits and prepayments		191,108	70,701
Other receivables		55,759	108,800
Cash and bank balances		24,499	12,508
		<u>1,224,899</u>	<u>1,385,464</u>
TOTAL ASSETS		<u>2,711,736</u>	<u>2,849,311</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorised share capital 40,000,000 (June 30, 2023: 40,000,000) ordinary shares of Rs. 10/- each		400,000	400,000
Issued, subscribed & paid-up capital		166,000	166,000
Capital reserves		204,000	204,000
Revenue reserves		718,197	709,558
Equity contributions from sponsors		414,073	373,103
TOTAL EQUITY		<u>1,502,270</u>	<u>1,452,661</u>
NON - CURRENT LIABILITIES			
Long term Loans		234,046	264,001
Lease Liabilities		5,259	10,039
Deferred liabilities		59,909	104,918
		299,214	378,958
CURRENT LIABILITIES			
Trade and other payables		377,647	364,736
Unclaimed dividend		673	673
Accrued mark up		17,216	23,144
Short term borrowings		393,149	475,264
Current portion of long term liabilities		78,900	78,850
Provision for taxation		42,667	75,025
		910,252	1,017,692
CONTINGENCIES AND COMMITMENTS	8	-	-
TOTAL EQUITY AND LIABILITIES		<u>2,711,736</u>	<u>2,849,311</u>

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

(Mian Aamir Naseem)
Chief Executive

(Mian Farrukh Naseem)
Director

(Muhammad Adeel Anwar Khan)
Chief Financial Officer



Shadab Textile Mills Limited

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

(RUPEES IN THOUSAND)

NOTE	For the Half year ended		For the Quarter ended	
	Jul.-Dec. 2023	Jul.-Dec. 2022	Oct.-Dec. 2023	Oct.-Dec. 2022
Sales-net	3,389,593	2,822,510	1,797,023	1,449,902
Cost of sales	3,241,622	2,713,687	1,712,091	1,411,390
GROSS PROFIT	147,971	108,823	84,932	38,512
Administrative and general expenses	69,261	70,277	34,872	33,959
Selling and distribution expenses	373	1,393	118	528
	69,634	71,670	34,990	34,487
OPERATING PROFIT	78,337	37,153	49,942	4,025
Finance cost	70,630	62,852	29,852	30,812
Other charges	833	-	833	(167)
	6,874	(25,699)	19,257	(26,620)
Other income	4,367	1,769	3,612	432
PROFIT / (LOSS) BEFORE TAXATION	11,241	(23,930)	22,869	(26,188)
TAXATION	2,602	3,717	2,269	(13,548)
PROFIT / (LOSS) AFTER TAXATION	8,639	(27,647)	20,600	(12,640)
Basic and diluted earning / (loss) per share	10 0.52	(1.67)	1.24	(0.76)

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

(Mian Aamir Naseem)
Chief Executive

(Mian Farrukh Naseem)
Director

(Muhammad Adeel Anwar Khan)
Chief Financial Officer




Shadab Textile Mills Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

(RUPEES IN THOUSAND)

	For the Half year ended		For the quarter ended	
	Jul.-Dec. 2023	Jul.-Dec. 2022	Oct.-Dec. 2023	Oct.-Dec. 2022
PROFIT / (LOSS) AFTER TAXATION	8,639	(27,647)	20,600	(12,640)
Other Comprehensive Income	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	<u>8,639</u>	<u>(27,647)</u>	<u>20,600</u>	<u>(12,640)</u>

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


(Mian Aamir Naseem)
Chief Executive


(Mian Farrukh Naseem)
Director


(Muhammad Adeel Anwar Khan)
Chief Financial Officer



Shadab Textile Mills Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

(RUPEES IN THOUSAND)

Share Capital	Revenue Reserves		Capital Reserves	Equity Contribution from sponsors	Total Equity
	General Reserve	Un-appropriated profit	Share Premium		

Issued, Subscribed & Paid up Ordinary shares

General Reserve

Un-appropriated profit

Share Premium

Equity Contribution from sponsors

Total Equity

Balance as at July 01, 2022
(Audited)

166,000 260,000 565,600 204,000 375,600 1,571,200

Total comprehensive income
(Loss) after taxation for the period
ended December 31, 2022

- - (27,647) - - (27,647)

Transaction with owners
Final Dividend for the year ended
June 30, 2022 @Rs. 0.50 per share

- - (8,300) - - (8,300)

Transfer from equity contribution
to sponsors

- - - - (1,078) (1,078)

Balance as at December 31, 2022
(Un-audited)

166,000 260,000 529,653 204,000 374,522 1,534,175

Total comprehensive income
(Loss) after taxation for the period

- - (80,095) - - (80,095)

Transfer from equity contribution
to sponsors

- - - - (1,419) (1,419)

Balance as at June 30, 2023
(Audited)

166,000 260,000 449,558 204,000 373,103 1,452,661

Total comprehensive income
Profit after taxation for the period
ended December 31, 2023

- - 8,639 - - 8,639

Transaction with owners

Transfer to equity contribution
from sponsors

- - - - 40,970 40,970

Balance as at December 31, 2023
(Un-audited)

166,000 260,000 458,197 204,000 414,073 1,502,270

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

(Mian Amir Naseem)
Chief Executive

(Mian Farrukh Naseem)
Director

(Muhammad Adeel Anwar Khan)
Chief Financial Officer



Shadab Textile Mills Limited

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2023 (UN-AUDITED)

(RUPEES IN THOUSAND)

	Dec. 31, 2023	Dec. 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	11,241	(23,930)
Adjustments for:		
Depreciation	74,254	76,598
Finance cost	70,630	62,852
Workers' profit participation fund	604	-
Workers' welfare fund	229	-
Gain on sale of fixed assets	(2,206)	(1,008)
Profit on deposits with bank	(2,023)	(761)
Allowance for expected credit loss	170	-
Operating profit before working capital changes	<u>152,899</u>	<u>113,751</u>
Adjustments for working capital changes: (Increase) / decrease in current assets		
Stores, spares and loose tools	51,166	(36,270)
Stock-in-trade	179,398	134,096
Trade debts	22,645	(112,777)
Loans and advances	(13,457)	(3,894)
Trade deposits and prepayments	(120,407)	75,043
Other receivables	(1,239)	4,329
	118,106	60,527
Increase in current liabilities		
Trade and other payables	<u>12,078</u>	<u>66,259</u>
Cash generated from operations	<u>283,083</u>	<u>240,537</u>
Finance cost paid	(76,558)	(57,955)
Income tax paid	(20,747)	(32,180)
Profit on deposits with bank	2,023	761
	<u>(95,282)</u>	<u>(89,374)</u>
Net cash generated from operating activities	<u>187,801</u>	<u>151,163</u>



Shadab Textile Mills Limited

(RUPEES IN THOUSAND)

Dec. 31,
2023

Dec. 31,
2022

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for acquisition of property, plant and equipment

(90,669)

(40,160)

Addition in capital work in progress

(6,869)

-

Proceeds from disposal of property, plant and equipment

2,500

1,138

Net cash (used in) investing activities

(95,038)

(39,022)

CASH FLOWS FROM FINANCING ACTIVITIES

Sponsor loan received / (re-paid)

40,970

(1,078)

Long term loan re-paid

(34,848)

(37,003)

Payment of lease liability - net

(4,779)

(4,779)

Repayment of short term borrowings (net)

(82,115)

(48,851)

Dividend paid

-

(8,286)

Net cash (used in) financing activities

(80,772)

(99,997)

NET CASH GENERATED FOR THE PERIOD

11,991

12,144

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD

12,508

16,343

CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

24,499

28,487

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

(Mian Aamir Naseem)
Chief Executive

(Mian Farrukh Naseem)
Director

(Muhammad Adeel Anwar Khan)
Chief Financial Officer



Shadab Textile Mills Limited

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 31, 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, Shahkot, District Nankana Sahib and 1-K.M Chunian 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 (IFAC) 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 IFAC, 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 the 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.



Shadab Textile Mills Limited

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.

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.

				<u>(RUPEES IN THOUSAND)</u>	
		Note	Dec. 31, 2023 (Unaudited)	Jun. 30, 2023 (Audited)	
6.	<u>PROPERTY, PLANT AND EQUIPMENT</u>				
	Operating fixed assets	6.1	1,419,875	1,400,475	
	Capital work-in-progress	6.2	35,019	28,150	
			<u>1,454,894</u>	<u>1,428,625</u>	
6.1	Operating fixed assets				
	Opening net book value		1,400,475	1,394,388	
	Additions during the period / year				
	Plant and machinery		48,044	52,851	
	Electric installations		39,225	-	
	Vehicles		3,400	-	
			90,669	52,851	
	Disposals during the period / year				
	Vehicles		294	130	
			294	130	
	Transfers from CWIP		-	101,123	
	Depreciation charged thereon		70,975	147,757	
	Closing net book value		<u>1,419,875</u>	<u>1,400,475</u>	



Shadab Textile Mills Limited

		(RUPEES IN THOUSAND)	
		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
6.2	Capital work in progress		
	Opening balance	28,150	84,519
	Add: Addition	6,869	44,754
	Less: Transfer	-	101,123
	Closing Balance	<u>35,019</u>	<u>28,150</u>
7.	<u>RIGHT OF USE ASSETS</u>		
	Opening balance	32,788	40,985
	Less: Depreciation charge	(3,279)	(8,197)
	Net book value	<u>29,509</u>	<u>32,788</u>
8.	<u>CONTINGENCIES AND COMMITMENTS</u>		
	Contingencies		
	Counter guarantees of Rs. 78.964 million (June 30, 2023: Rs. 49.756 million) has been issued by the bank of the company to Sui Northern Gas Pipelines Limited and Lahore Electric Supply Company and State Bank of Pakistan against gas and electricity connections & TUF rebate.		
	Commitments		
	Capital expenditures commitments are amounting to Rs. Nil (June 30, 2023: Rs. Nil) and non capital expenditures Commitments are amounting to Rs. 176.297 million (June 30, 2023: Rs.289.432 million).		
9.	<u>TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING</u>		
		For the period	
		Jul. - Dec. 2023 (Unaudited)	Jul. - Dec. 2022 (Unaudited)
	Major shareholders and Directors		
	Detail of transactions		
	- Remuneration / meeting fee	3,060	2,300
		As at	
		Dec. 31. 2023 (Unaudited)	June 30 2023 (Audited)
	Detail of outstanding balance		
	- Net receipt / (repayment) of loans	40,970	(2,497)
		For the period	
		Jul. - Dec. 2023 (Unaudited)	Jul. - Dec. 2022 (Unaudited)
	Key management personnel (other than Directors) and their relatives		
	Detail of transactions		
	- Salaries and benefits	10,024	9,847



Shadab Textile Mills Limited

The purchases/sales from associated undertaking was Nil (June 30, 2023: Nil) during the period. The maximum aggregate amount due to associated undertaking at the end of any month during the period was Nil (June 30, 2023: Nil).

10. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the company.

	Jul. - Dec. 2023 (Unaudited)	Jul. - Dec. 2022 (Unaudited)
Profit /(Loss) after taxation	8,639	(27,647)
Weighted average number of ordinary shares outstanding during the year (No. in'000)	<u>16,600</u>	<u>16,600</u>
Basic earnings / (loss) per share (Rupees)	<u>0.52</u>	<u>(1.67)</u>

11. OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's asset allocation decisions are based on a single side, integrated business strategy, and the Company's performances is evaluated on an overall basis. At the period end, all non-current assets of the Company are located within Pakistan.

12. FINANCIAL RISK MANAGEMENT

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

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

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



14. DATE OF AUTHORIZATION

These condensed interim financial statements have been approved by the Board of Directors of the company and authorized for issue on February 26, 2024.

15. GENERAL

Figures have been rounded off to the nearest thousand rupees.

In order to comply with the requirements of International Accounting Standard, IAS - 34 - 'Interim Financial Reporting', the condensed interim statement of financial position as of the end of the current interim period has been compared with the statement of financial position as of the end of the immediately preceding financial year, the condensed interim statement of profit or loss & other comprehensive income for the current interim period has been compared with the statement of profit or loss & other comprehensive income for the comparable interim period of the immediately preceding financial year, whereas, the condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the relevant statements for the comparable year-to-date period of the immediately preceding financial year.

(Mian Aamir Naseem)
Chief Executive

(Mian Farrukh Naseem)
Director

(Muhammad Adeel Anwar Khan)
Chief Financial Officer