



QUARTERLY REPORT  
MARCH 31,  
**2025**



**Shadab Textile Mills Limited**



## CONTENTS

|   |        |
|---|--------|
| Company Information   | 3      |
| Directors' Report   | 4      |
| Directors' Report (Urdu)                                      | 5      |
| Condensed Interim Statement of Financial Position             | 6      |
| Condensed Interim Statement of Profit or Loss                 | 7      |
| Condensed Interim Statement of Comprehensive Income           | 8      |
| Condensed Interim Statement of Changes in Equity              | 9      |
| Condensed Interim Statement of Cash Flows                     | 10- 11 |
| Selected Notes to the Condensed Interim Financial Information | 12- 16 |
|   |        |



## COMPANY INFORMATION

|   |  |  |
|---|--|--|
| CHIEF EXECUTIVE                               | Mian Aamir Naseem  |  |
| BOARD OF DIRECTORS                            | Mian Farrukh Naseem<br>Mr. Saad Naseem<br>Mr. Yasir Naseem<br>Mr. Hamza Naseem<br>Mrs. Fatima Aamir<br>Mr. Fahad Shafiq<br>Mr. Ghazanfer Feroz | Chairman/Non Executive Director<br>Non Executive Director<br>Executive Director<br>Non Executive Director<br>Female - Non Executive Director<br>Independent Director<br>Independent Director |
| AUDIT COMMITTEE                               | Mr. Fahad Shafiq<br>Mian Farrukh Naseem<br>Mr. Hamza Naseem  | Chairman<br>Member<br>Member   |
| HUMAN RESOURCE &<br>REMUNERATION<br>COMMITTEE | Mr. Fahad Shafiq<br>Mr. Ghazanfer Feroz<br>Mr. Saad Naseem   | Chairman<br>Member<br>Member   |
| CHIEF FINANCIAL OFFICER                       | Mr. Muhammad Adeel Anwar Khan  |  |
| COMPANY SECRETARY                             | Mr. Tariq Javaid   |  |
| 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, Shakhkot,<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 the un-audited financial statements of the Company for the nine-month period and third quarter ended March 31, 2025.

During the period under review, the company earned a profit after tax of Rs. 145.084 million, a significant turnaround from the profit after tax of Rs. 77.416 million recorded in the same period last year. Total net sales amounted to Rs. 5,928.614 million, reflecting a growth of Rs. 640.099 million or 12.10% compared to net sales of Rs. 5,288.515 million during the corresponding period of the previous year. As a result, the company reported earnings per share of Rs. 8.74, a notable improvement from the earning per share of Rs. 4.66 in the same period last year.

This positive momentum has continued from the start of the financial year, primarily due to the relatively stable exchange rate, which helped maintain consistent costs of both imported and local raw materials. In addition, the Company successfully reduced its finance cost through effective management of short-term borrowings. However, elevated energy costs remain a major challenge, adversely affecting the competitiveness of the textile industry in the global market.

The Government's recent announcement of a reduction in electricity tariff from April 2025 is a welcome relief for the industry. The Company has also taken proactive steps to address energy-related challenges by expanding its solar energy capacity. During the period, an additional 0.840 MW solar system was installed, increasing the total installed capacity to 1.75 MW. This investment is expected to significantly reduce energy expenses and lower overall production costs. Moreover, the reduction in the State Bank's policy rate from 22.00% to 12.00% is a highly encouraging development. This substantial decrease will further ease the Company's finance costs and improve overall financial efficiency.

We remain optimistic that the Government will continue to introduce well-planned and targeted measures to support the industry, such as reduced electricity and gas tariffs for the textile sector, further cuts in markup rates, and long-term financing for renewable energy initiatives. These initiatives are essential to revitalize the textile industry particularly the spinning sector, which serves as a pillar of Pakistan's economy.

The Board takes this opportunity to extend its sincere appreciation to the executives, officers, staff, and workers of the Company for their dedicated efforts and continued commitment.

For and on behalf of the Board

MIAN AAMIR NASEEM  
(Chief Executive)

MIAN FARRUKH NASEEM  
(Chairman/Director)

Lahore: April 28, 2025



## ڈائریکٹر رپورٹ

محترم حصص یافتگان،

ہم نہایت مسرت کے ساتھ کہنے کی غیر آڈٹ شدہ حسابات کے گوشوارے برائے مالی نو ماہیختہ کی مدت اور تیسری سہ ماہی 31 مارچ 2025 آپ کی خدمت میں پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران، کمپنی نے بعد ازیکس 145.084 ملین روپے کا منافع کمایا، جو کہ گزشتہ برس اسی مدت میں 77.416 ملین روپے منافع کے مقابلہ میں ایک مثبت پیش رفت ہے۔ مجموعی فروخت 5,928.614 ملین روپے ہوئی جو کہ گزشتہ برس اسی مدت کے دوران 640.099 ملین روپے کی فروخت کے مقابلہ میں 5,288.515 ملین روپے 12.10% فیصد کا اضافہ ظاہر کرتی ہے۔ نتیجتاً، کمپنی نے فی شیئر آمدنی 8.74 روپے حاصل کی جو کہ گزشتہ برس اسی مدت میں فی شیئر آمدنی 4.66 روپے کے مقابلہ میں ایک قابل ذکر بہتری ہے۔

یہ مثبت رفتار بنیادی طور پر نسبتاً مستحکم شرح مبادلہ کی وجہ سے مالی سال کے آغاز سے جاری ہے، جس نے درآمد شدہ اور مقامی خام مال دونوں کی مسلسل لاگت کو برقرار رکھنے میں مدد کی۔ اس کے علاوہ، کمپنی نے قلیل مدتی قرضوں کے موثر انتظام کے ذریعے اپنی مالیاتی لاگت کو کامیابی سے کم کیا۔ تاہم، بتواتی کی بلند قیمتیں ایک بڑا چیلنج بنی ہوئی ہیں، جو عالمی منڈی میں ٹیکسٹائل کی صنعت کی مسابقت کو بری طرح متاثر کرتی ہیں۔

اپریل 2025 سے بجلی کے ٹیرف میں کمی کا حکومت کا حالیہ اعلان صنعت کے لیے خوش آئند رہا ہے۔ کمپنی نے اپنی آئینی توانائی کی صلاحیت کو بڑھا کر توانائی سے متعلق چیلنجوں سے نمٹنے کے لیے بھی فعال اقدامات کیے ہیں۔ اس عرصے کے دوران، مزید 0.840 میگا واٹ کا نظام آئینی نصب کیا گیا، جس سے کل نصب شدہ صلاحیت 1.75 میگا واٹ ہو گئی۔ اس سرمایہ کاری سے توانائی کے اخراجات میں نمایاں کمی اور مجموعی پیداواری لاگت کم ہونے کی امید ہے۔ مزید یہ کہ اسٹیٹ بینک کی پالیسی کی شرح میں 22.00% سے 12.00% تک کمی ایک انتہائی حوصلہ افزا ترقی ہے۔ یہ اہم کمی کمپنی کے مالیاتی اخراجات کو مزید کم کرے گی اور مجموعی مالی کارکردگی کو بہتر بنائے گی۔

ہم پر امید ہیں کہ حکومت صنعت کو سپورٹ کرنے کے لیے اچھی طرح سے منصوبہ بند اور مخصوص اقدامات متعارف کرواتی رہے گی، جیسے ٹیکسٹائل سیکٹر کے لیے بجلی اور گیس کے نرخوں میں کمی، مارک اپ کی شرحوں میں مزید کمی، اور قابل تجدید توانائی کے اقدامات کے لیے طویل مدتی فنانسنگ۔ یہ اقدامات ٹیکسٹائل کی صنعت کو زندہ کرنے کے لئے ضروری ہیں، خاص طور پر اسپننگ سیکٹر، جو پاکستان کی معیشت کے ایک ستون کے طور پر کام کرتا ہے۔

بورڈ اس موقع سے اٹھاتے ہوئے کمپنی کے ایگزیکٹو، افسران، عملہ اور کارکنوں کو ان کی بھرپور کوششوں اور مسلسل عزم کے لیے اپنی انحصارہ حوصلہ افزائی کرتا ہے۔

منجانب بورڈ

-----

میاں فرخ نسیم  
(چیئرمین / ڈائریکٹر)

Aamir Naseem

میاں عامر نسیم  
(چیف ایگزیکٹو)

لاہور 28 اپریل 2025

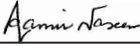


# Shadab Textile Mills Limited

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025 (UN-AUDITED)

|   | NOTE | (RUPEES IN THOUSAND)              |                               |
|---|------|-----------------------------------|-------------------------------|
|   |      | March 31,<br>2025<br>(Un-audited) | June 30,<br>2024<br>(Audited) |
| <b>ASSETS</b>   |      |                                   |                               |
| <b>NON CURRENT ASSETS</b>   |      |                                   |                               |
| Property, plant and equipment   | 6    | 1,475,074                         | 1,384,065                     |
| Intangible assets   | 7    | 880                               | 987                           |
| Right of use assets   | 8    | 43,412                            | 26,230                        |
| Long term deposits  |      | 2,348                             | 2,348                         |
|   |      | <u>1,521,714</u>                  | <u>1,413,630</u>              |
| <b>CURRENT ASSETS</b>   |      |                                   |                               |
| Stores, spares and loose tools  |      | 108,649                           | 143,781                       |
| Stock in trade  |      | 543,890                           | 796,765                       |
| Trade debts   |      | 372,957                           | 322,808                       |
| Loans and advances  |      | 125,065                           | 108,250                       |
| Trade deposits and prepayments  |      | 302,558                           | 130,840                       |
| Other receivables   |      | 86,932                            | 144,103                       |
| Cash and bank balances  |      | 18,051                            | 28,866                        |
|   |      | <u>1,558,102</u>                  | <u>1,675,413</u>              |
| <b>TOTAL ASSETS</b>   |      | <u><b>3,079,816</b></u>           | <u><b>3,089,043</b></u>       |
| <b>EQUITY AND LIABILITIES</b>   |      |                                   |                               |
| <b>SHARE CAPITAL &amp; RESERVES</b>   |      |                                   |                               |
| Authorised share capital 40,000,000 (June 30, 2024:<br>40,000,000) ordinary shares of Rs. 10/- each |      | <u>400,000</u>                    | <u>400,000</u>                |
| Issued, subscribed & paid-up capital  |      | <u>166,000</u>                    | <u>166,000</u>                |
| Capital reserves  |      | 204,000                           | 204,000                       |
| Revenue reserves  |      | 940,658                           | 808,024                       |
| Equity contributions from sponsors  |      | <u>414,273</u>                    | <u>434,373</u>                |
| <b>TOTAL EQUITY</b>   |      | 1,724,931                         | 1,612,397                     |
| <b>NON - CURRENT LIABILITIES</b>  |      |                                   |                               |
| Long term loans   |      | <u>164,127</u>                    | <u>203,686</u>                |
| Lease liabilities   |      | 15,571                            | 950                           |
| Deferred liabilities  |      | <u>16,572</u>                     | <u>20,252</u>                 |
|   |      | 196,270                           | 224,888                       |
| <b>CURRENT LIABILITIES</b>  |      |                                   |                               |
| Trade and other payables  |      | <u>546,426</u>                    | <u>439,461</u>                |
| Unclaimed dividend  |      | 673                               | 673                           |
| Accrued mark up   |      | 7,423                             | 23,648                        |
| Short term borrowings   |      | 451,830                           | 617,777                       |
| Current portion of long term liabilities  |      | 77,635                            | 78,422                        |
| Provision for taxation  |      | <u>74,628</u>                     | <u>91,777</u>                 |
|   |      | 1,158,615                         | 1,251,758                     |
| <b>CONTINGENCIES AND COMMITMENTS</b>  | 9    | -                                 | -                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <u><b>3,079,816</b></u>           | <u><b>3,089,043</b></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



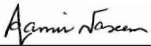
# Shadab Textile Mills Limited

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)

(RUPEES IN THOUSAND)

| NOTE                                  | For the nine months ended |                    | For the quarter ended |                    |
|---------------------------------------|---------------------------|--------------------|-----------------------|--------------------|
|                                       | Jul.-Mar.<br>2025         | Jul.-Mar.<br>2024  | Jan.-Mar.<br>2025     | Jan.-Mar.<br>2024  |
| Sales-net                             | 5,928,614                 | 5,288,515          | 1,983,363             | 1,898,922          |
| Cost of sales                         | <u>(5,512,951)</u>        | <u>(5,010,258)</u> | <u>(1,855,708)</u>    | <u>(1,768,636)</u> |
| GROSS PROFIT                          | 415,663                   | 278,257            | 127,655               | 130,286            |
| Administrative and general expenses   | <u>(121,391)</u>          | <u>(104,643)</u>   | <u>(40,953)</u>       | <u>(35,382)</u>    |
| Selling and distribution expenses     | <u>(797)</u>              | <u>(438)</u>       | <u>-</u>              | <u>(65)</u>        |
| OPERATING PROFIT                      | <u>293,475</u>            | <u>173,176</u>     | <u>86,702</u>         | <u>94,839</u>      |
| Finance cost                          | <u>(70,736)</u>           | <u>(97,148)</u>    | <u>(16,697)</u>       | <u>(26,518)</u>    |
| Other charges                         | <u>(16,301)</u>           | <u>(5,966)</u>     | <u>(5,595)</u>        | <u>(5,133)</u>     |
|                                       | 206,438                   | 70,062             | 64,410                | 63,188             |
| Other income                          | <u>13,500</u>             | <u>10,271</u>      | <u>11,091</u>         | <u>5,904</u>       |
| PROFIT BEFORE LEVIES AND TAXATION     | 219,938                   | 80,333             | 75,501                | 69,092             |
| Minimum Tax                           | <u>(14,744)</u>           | <u>(44,444)</u>    | <u>(7,299)</u>        | <u>(1,777)</u>     |
| PROFIT BEFORE TAXATION                | 205,194                   | 35,889             | 68,202                | 67,315             |
| TAXATION                              | <u>(60,110)</u>           | <u>41,527</u>      | <u>(17,662)</u>       | <u>1,462</u>       |
| PROFIT AFTER TAXATION                 | <u>145,084</u>            | <u>77,416</u>      | <u>50,540</u>         | <u>68,777</u>      |
| Basic and diluted earning / per share | 11 <u>8.74</u>            | <u>4.66</u>        | <u>3.04</u>           | <u>4.14</u>        |

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



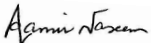
# Shadab Textile Mills Limited

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)

(RUPEES IN THOUSAND)

|  | For the nine months ended |                   | For the quarter ended |                   |
|--|---------------------------|-------------------|-----------------------|-------------------|
|  | Jul.-Mar.<br>2025         | Jul.-Mar.<br>2024 | Jan.-Mar.<br>2025     | Jan.-Mar.<br>2024 |
| PROFIT AFTER TAXATION                                | 145,084                   | 77,416            | 50,540                | 68,777            |
| Other Comprehensive Income                           | -                         | -                 | -                     | -                 |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE PERIOD</b> | <u>145,084</u>            | <u>77,416</u>     | <u>50,540</u>         | <u>68,777</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

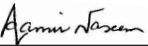
## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)

(RUPEES IN THOUSAND)

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

|   |         |         |          |         |          |           |
|---|---------|---------|----------|---------|----------|-----------|
| Balance as at June 30, 2023<br>(Audited)                            | 166,000 | 260,000 | 449,558  | 204,000 | 373,103  | 1,452,661 |
| Total comprehensive income  |         |         |          |         |          |           |
| Profit after taxation for the period ended March 31, 2024           | -       | -       | 77,416   | -       | -        | 77,416    |
| Transaction with owners   |         |         |          |         |          |           |
| Transfer to equity contribution from sponsors                       | -       | -       | -        | -       | 40,970   | 40,970    |
| Balance as at March 31, 2024<br>(Un-audited)                        | 166,000 | 260,000 | 526,974  | 204,000 | 414,073  | 1,571,047 |
| Total comprehensive income  |         |         |          |         |          |           |
| Profit after taxation for the period                                | -       | -       | 21,050   | -       | -        | 21,050    |
| Transaction with owners   |         |         |          |         |          |           |
| Transfer to equity contribution from sponsors                       | -       | -       | -        | -       | 20,300   | 20,300    |
| Balance as at June 30, 2024<br>(Audited)                            | 166,000 | 260,000 | 548,024  | 204,000 | 434,373  | 1,612,397 |
| Total comprehensive income  |         |         |          |         |          |           |
| Profit after taxation for the period ended March 31, 2025           | -       | -       | 145,084  | -       | -        | 145,084   |
| Transaction with owners   |         |         |          |         |          |           |
| Final Dividend for the year ended June 30, 2024 @Rs. 0.75 per share | -       | -       | (12,450) | -       | -        | (12,450)  |
| Transfer from equity contribution to sponsors                       | -       | -       | -        | -       | (20,100) | (20,100)  |
| Balance as at March 31, 2025<br>(Un-audited)                        | 166,000 | 260,000 | 680,658  | 204,000 | 414,273  | 1,724,931 |

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 CASH FLOWS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025 (UN-AUDITED)

(RUPEES IN THOUSAND)

|   | March 31,<br>2025 | March 31,<br>2024 |
|---|-------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                   |                   |
| Profit before taxation  | 219,938           | 80,333            |
| Adjustments for:  |                   |                   |
| Depreciation  | 110,939           | 112,489           |
| Amortization of intangible assets   | 107               | -                 |
| Finance cost  | 70,081            | 97,148            |
| Interest on WPPF  | 655               | -                 |
| Workers' profit participation fund  | 11,812            | 4,323             |
| Workers' welfare fund   | 4,489             | 1,643             |
| Gain on sale of fixed assets  | (11,518)          | (7,211)           |
| Profit on deposits with bank  | (1,982)           | (2,923)           |
| Allowance for expected credit loss  | 186               | 170               |
| Operating profit before working capital changes                                     | 404,707           | 285,971           |
| Adjustments for working capital changes:<br>(Increase) / decrease in current assets |                   |                   |
| Stores, spares and loose tools  | 35,132            | 22,613            |
| Stock-in-trade  | 252,875           | 57,591            |
| Trade debts   | (50,335)          | 106,955           |
| Loans and advances  | (16,815)          | (52,120)          |
| Trade deposits and prepayments  | (171,718)         | (137,895)         |
| Other receivables   | 35,942            | 2,246             |
|   | 85,082            | (610)             |
| Increase / (decrease) in current liabilities  |                   |                   |
| Trade and other payables  | 96,316            | 29,112            |
| Cash generated from operations  | 586,105           | 314,473           |
| Finance cost paid   | (86,306)          | (104,353)         |
| Income tax paid   | (70,774)          | (39,528)          |
| Profit on deposits with bank  | 1,982             | 2,923             |
|   | (161,405)         | (140,958)         |
| Net cash generated from operating activities  | 424,700           | 173,515           |



# Shadab Textile Mills Limited

(RUPEES IN THOUSAND)

March 31, 2025      March 31, 2024

## CASH FLOWS FROM INVESTING ACTIVITIES

|   |           |          |
|---|-----------|----------|
| Payments for acquisition of property, plant and equipment | (198,873) | (98,278) |
| Proceeds from disposal of property, plant and equipment   | 12,735    | 9,470    |
| Net cash (used in) investing activities                   | (186,138) | (88,808) |

## CASH FLOWS FROM FINANCING ACTIVITIES

|  |           |          |
|--|-----------|----------|
| Sponsor loan (re-paid) / received        | (20,100)  | 40,970   |
| Long term loan re-paid                   | (43,237)  | (43,257) |
| Payment of lease liability - net         | (7,643)   | (7,168)  |
| Repayment of short term borrowings (net) | (165,947) | (52,628) |
| Dividend paid                            | (12,450)  | -        |
| Net cash (used in) financing activities  | (249,377) | (62,083) |

## NET CASH (USED IN) / GENERATED

FOR THE PERIOD      (10,815)      22,624

## CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD

28,866      12,508

## CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

18,051      35,132

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



SELECTED NOTES TO THE  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025 (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 MATERIAL 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, 2024, 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, 2024.



# 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, 2024, except as disclosed otherwise in respective notes.

|  |      | (RUPEES IN THOUSAND)              |                               |
|--|------|-----------------------------------|-------------------------------|
|  | Note | March 31,<br>2025<br>(Un-audited) | June 30,<br>2024<br>(Audited) |
| <b>6. <u>PROPERTY, PLANT AND EQUIPMENT</u></b> |      |                                   |                               |
| Operating fixed assets                         | 6.1  | 1,409,039                         | 1,326,056                     |
| Capital work-in-progress                       | 6.2  | 66,035                            | 58,009                        |
|  |      | <u>1,475,074</u>                  | <u>1,384,065</u>              |
| <b>6.1 Operating fixed assets</b>              |      |                                   |                               |
| Opening net book value                         |      | 1,326,056                         | 1,400,475                     |
| Additions during the period / year             |      |                                   |                               |
| Plant and machinery                            |      | 37,290                            | 47,630                        |
| Vehicles                                       |      | 18,343                            | 10,743                        |
| Office equipments                              |      | 483                               | -                             |
|  |      | 56,116                            | 58,373                        |
| Disposals during the period / year             |      |                                   |                               |
| Plant and machinery                            |      | -                                 | (28,811)                      |
| Electric installations                         |      | -                                 | (23,841)                      |
| Vehicles                                       |      | (1,217)                           | (924)                         |
|  |      | (1,217)                           | (53,576)                      |
| Transfer from CWIP                             |      | 134,731                           | 63,266                        |
| Depreciation charged thereon                   |      | (106,647)                         | (142,482)                     |
| Closing net book value                         |      | <u>1,409,039</u>                  | <u>1,326,056</u>              |



# Shadab Textile Mills Limited

(RUPEES IN THOUSAND)

|                               | March 31,<br>2025<br>(Un-audited) | June 30,<br>2024<br>(Audited) |
|-------------------------------|-----------------------------------|-------------------------------|
| 6.2. Capital work in progress |                                   |                               |
| Tangible assets               | 65,142                            | 58,009                        |
| Intangible assets             | 893                               | -                             |
|                               | <u>66,035</u>                     | <u>58,009</u>                 |
| 6.2.1 Tangible assets         |                                   |                               |
| Opening balance               | 58,009                            | 28,150                        |
| Add: Addition                 | 141,864                           | 93,125                        |
| Less: Transfer                | <u>(134,731)</u>                  | <u>(63,266)</u>               |
| Closing Balance               | <u>65,142</u>                     | <u>58,009</u>                 |

6.2.2 This represents payments for implementation of ERP software.

7. INTANGIBLE ASSETS

|                           |              |             |
|---------------------------|--------------|-------------|
| Opening net book value    | 987          | -           |
| Additions                 | -            | 999         |
| Less: Amortization charge | <u>(107)</u> | <u>(12)</u> |
| Closing net book value    | <u>880</u>   | <u>987</u>  |

8. RIGHT OF USE ASSETS

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| Opening balance                   | 26,230         | 32,788         |
| Additions                         | 21,474         | -              |
| Less: Transferred to owned assets | -              | -              |
| Depreciation transferred          | -              | -              |
| Less: Depreciation charge         | <u>(4,292)</u> | <u>(6,558)</u> |
| Net book value                    | <u>43,412</u>  | <u>26,230</u>  |

9. CONTINGENCIES AND COMMITMENTS

Contingencies

Counter guarantees of Rs. 99.996 million (June 30, 2024: Rs. 99.204 million) has been issued by the bank of the company to Sui Northern Gas Pipelines Limited and Lahore Electric Supply Company against gas and electricity connections.

Commitments

Capital expenditures commitments are amounting to Rs. Nil (June 30, 2024: Rs. Nil) and non capital expenditures Commitments are amounting to Rs. 393.851 million (June 30, 2024: Rs.438.431 million).

10. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING

|                                  | For the period                    |                                   |
|----------------------------------|-----------------------------------|-----------------------------------|
|                                  | Jul.-Mar.<br>2025<br>(Un-audited) | Jul.-Mar.<br>2024<br>(Un-audited) |
| Major shareholders and Directors |                                   |                                   |
| Detail of transactions           |                                   |                                   |
| - Remuneration / meeting fee     | 5,565                             | 4,740                             |



# Shadab Textile Mills Limited

|                        | As at                             |                               |
|------------------------|-----------------------------------|-------------------------------|
|                        | March 31,<br>2025<br>(Un-audited) | June 30,<br>2024<br>(Audited) |
| Sponsor loan           |                                   |                               |
| Opening balance        | 434,373                           | 373,103                       |
| Receipts from sponsors | 1,500                             | 68,570                        |
| Re-payment to sponsors | <u>(21,600)</u>                   | <u>(7,300)</u>                |
| Closing balance        | <u>414,273</u>                    | <u>434,373</u>                |

|  | For the period                    |                                   |
|--|-----------------------------------|-----------------------------------|
|  | Jul.-Mar.<br>2025<br>(Un-audited) | Jul.-Mar.<br>2024<br>(Un-audited) |
| Key management personnel<br>(other than Directors) and their relatives |                                   |                                   |
| Detail of transactions   |                                   |                                   |
| - Salaries and benefits  | 13,269                            | 14,550                            |

The purchases/sales from associated undertaking was Nil ( June 30, 2024: 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, 2024: Nil ).

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

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

|   | Jul. - Mar.<br>2025<br>(Un-audited) | Jul. - Mar.<br>2024<br>(Un-audited) |
|---|-------------------------------------|-------------------------------------|
| Profit after taxation   | 145,084                             | 77,416                              |
| Weighted average number of ordinary<br>shares outstanding during the period (No. in '000) | <u>16,600</u>                       | <u>16,600</u>                       |
| Basic earnings per share (Rupees)   | <u>8.74</u>                         | <u>4.66</u>                         |

## 12. 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.

## 13. 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, 2024.

## 14. 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.

15. DATE OF AUTHORIZATION

These condensed interim financial statements have been approved by the Board of Directors of the company and authorized for issue on 28th April 2025.

16. 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