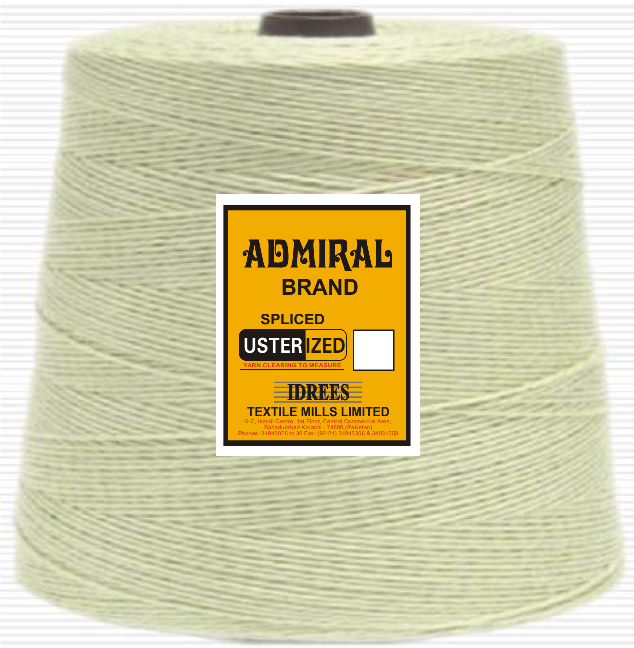
IDREES
TEXTILE MILLS LIMITED

Annual Report 2024



MISSION / VISION STATEMENT

- To concentrate on the changing Yarn/Fabric requirements with higher profitability, both in local as well as in the international market.

- Maximization of profit regardless of the turnover quantum, reducing the cost at all levels.

- Customer satisfaction is our priority and good return to the shareholders is our aim, while maintaining friendly and congenial environment for our employee.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Rizwan Idrees Allawala	- Chairman
	Mr. S. M. Mansoor Allawala	- Executive Director / CEO
	Mr. Omair Idrees Allawala	- Executive Director
	Ms. Aamnah Mansoor	- Non - Executive Director
	Mr. Muhammad Zubair	- Non - Executive Director
	Syed Masud Arif	- Independent Director
	Ms. Azra Yaqub Vawda	- Independent - Director
AUDIT COMMITTEE	Ms. Azra Yaqub Vawda	- Chairperson
	Syed Masud Arif	- Member
	Ms. Aamnah Mansoor	- Member
	Syed Shahid Sultan	- Secretary
HUMAN RESOURCE & REMUNERATION COMMITTEE	Syed Masud Arif	- Chairman
	Ms. Aamnah Mansoor	- Member
	Ms. Azra Yaqun Vawda	- Member
COMPANY SECRETARY	Syed Shahid Sultan	
CHIEF FINANCIAL OFFICER	Mr. Muhammad Jawaid	
AUDITORS	M/s. Yousuf Adil Chartered Accountants	
BANKERS	National Bank of Pakistan Bank Alfalah Limited Habib Metropolitan Bank Ltd. Meezan Bank Ltd. Bank of Punjab Ltd. BankIslami Pakistan Ltd. Askari Bank Limited Dubai Islamic Bank Pakistan Ltd. Samba Bank Limited Bank Al-Habib Ltd.	
REGISTERED OFFICE	6-C, Ismail Centre, 1st Floor, Central Commercial Area, Bahadurabad, Karachi - 74800.	
MILLS	Kot Shah Mohammad, Tehsil Nankana, District Nankana, Punjab. www.idreestextile.com	
SHARES REGISTRAR	M/S. JWAFFS Registrar Services (Pvt) Ltd. 407-408, 4th Floor, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.	

NOTICE OF THE MEETING

Notice is hereby given that the 35th Annual General Meeting of the Shareholders of Idrees Textile Mills Ltd. will be held on Wednesday, November 27, 2024 at 03:00 pm at Embassy Inn, 100-B, SMCHS Nursery Main Shahrah-e-Faisal, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2023.

2. To receive, consider and adopt the standalone and consolidated Annual Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.

The audited Financial Statements can be downloaded by using following link and QR Code.

https://idreestextile.com/wp-content/uploads/2024/05/Annual-Report-june-2024.pdf

3. To appoint Auditors for the year ending June 30, 2025 and fix their remuneration. The retiring auditors M/s BDO Ebrahim & Co. Chartered Accountants, being eligible, offer themselves for re-appointment.

4. To transact any other business that may be placed before the meeting with the permission of the Chair.

By order of the Board

Karachi

November 04, 2024

SYED SHAHID SULTAN
Company Secretary

Notes:

(i) Shareholders are advised to promptly notify any change in their addresses.

(ii) Share Transfer Books of the Company will remain closed from November 19, 2024 to November 27 2024 (both days inclusive).

(iii) A member eligible to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend, and vote for him/her. Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting.

CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 January 26, 2000, issued by the Securities & Exchange Commission of Pakistan. In case of corporate entity, the Board's resolution / Power of attorney with specimen signature shall be furnished with proxy from the Company.

(iv) The shareholders who wish to attend the AGM through video link are requested to get themselves registered by providing the following information via email at secretary@idreestextile.com on or before November 21, 2024.

Name of Shareholder	CNIC #	CDC Account No./ /Folio No.	Cell Number	Email Address

Members shall be registered after necessary verification and will be provided a video link and login credentials by the Company on the same email address from which they emailed to the Company. The login facility will remain open from 02:50 pm till the end of the meeting.

Shareholders can also provide their comments/suggestions on the proposed agenda items of the AGM on above email address.

(v) Members are requested to provide their International Banking Account Number (IBAN) together with a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission all future dividend payments may be withheld.

(vi) As per section 72 of the Companies Act, 2017 every Company is required to replace its physical shares with book entry form within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e May 30, 2017.

The Securities & Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed Companies to pursue their such members who still hold shares in physical form, to convert their shares into book-entry form.

The shareholder having physical shareholding are accordingly encouraged to open their account with Investor Accounts Services of CDC or sub-account with any of the brokers and convert their physical shares into scrip less form. This will facilitate the shareholders in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulation of the Pakistan Stock Exchange Limited.

(vii) In terms of the Companies Act, 2017, members residing in a city holding at least 10% of the total paid up share capital may demand the facility of video-link for participating in the annual general meeting.

If you wish to take this facility, please fill the form appearing below and submit it to the Company at its registered address at least ten (07) days prior to the date of the Meeting.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of meeting along with complete information necessary to enable them to access such facility.

I/We ______________________________ of __________________email address __________, being a member of Idrees Textile Mills Ltd. holder of ____________ Ordinary Share(s) as per Register Folio No. /CDC Account No. ________________ hereby opt for video conference facility at ________________________.

(viii) Shareholders who have not yet collected their dividend/physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three (3) years from the date due and payable shall be deposited to the credit of the Federal Government and in case of Shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

The Directors are pleased to present the audited financial statements of your Company for the year ended June 30, 2024.

FINANCIAL AND OPERATIONAL OVERVIEW

The principal activity of the Company is manufacturing, processing and sale of all kinds of yarn. The Company is also engaged in the business of home textile. During the year under review, there has not been any material change in the Company's business activities.

During the financial year under review, the Company's turnover amounted to Rs. 6,450 million as compared to Rs. 4,200 million in the previous year. Gross profit amounted to Rs.618.586 million compared to Rs.420.146 million for the last year. During the year under review, the Company's revenue increased by Rs. 2,249 million and the gross profit has increased by Rs. 198.44 million. Loss for the year amounted to Rs. 194.389 million in FY24 as compared to loss of Rs. 12.494 million in the corresponding period. Finance cost has increased by Rs.272.849 million (88.92 percent) in FY24 to Rs. 579.714 million (FY23: Rs. 306.864 million). Export of yarn amounted to Rs. 1,682.073 million (FY23: Rs. 814.716 million). The Company's home textile exports have increased to Rs. 321.585 million in FY24 against Rs. 84.480 million in FY23 which is promising for the future.

Expansion in the mills production capacity contributed to a sizeable growth in revenue of the Company in FY24. Negative bottom-line for the year is attributable to historically high interest rates, which enormously increased the finance cost. Moreover, costly energy tariff, after withdrawal of Regionally Competitive Energy Tariff (RCET), and non-availability of good quality local raw material also increased the cost of production. All these unfavorable factors have led to a downturn in textile sector's profitability. In FY24, Pakistan's textile industry remained under severe pressure due to high cost of doing business. The on-going Russia-Ukraine war and Gaza conflict have also impacted businesses around the world and Pakistan is no exception. Political uncertainty remains a key risk to sustainability, structural reforms and stabilization measures.

Positive developments in the economy include increase in country's exports and workers' remittances. These inflows eased the pressure on foreign exchange reserves and also resulted in decline of current account deficit. As the inflationary pressure started to subside, the Monetary Policy Committee (MPC) of SBP, has finally commenced gradual reduction in the policy rate which is a favourable development for the Company in terms of reduction in the cost of borrowing in the ensuing year.

(LOSS) /EARNING PER SHARE

The (Loss) per share for the year under review worked out to Rs.(9.79) as compared to loss Re.(0.63) for the corresponding year.

DIVIDEND

In view of loss for the year, the Board of Directors in its meeting held on November 04, 2024, has decided not to recommend any dividend this year.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

Idrees Textile Mills Ltd is committed to maintain the standards of corporate governance. The Directors are pleased to state that the company is compliant with the provisions of the Companies (Code of Corporate Governance) Regulation 2019, as required by SECP. The review report of Auditors on statement of compliance with the code of corporate Governance is annexed with this report.

We are pleased to report that:

(a) The financial statements, prepared by the management of the Company, present fairly its state of affairs the result of its operations, cash flows and changes in equity.
(b) Proper books of account of the Company have been maintained.
(c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
(d) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
(e) The Board understands its responsibility to ensure that adequate and effective internal financial controls are in place. The internal audit department continuously reviews the design and effectiveness of the controls and corrective action is taken to address the weakness, if found. We believe that the system of internal control is sound in design and has been effectively implemented.
(f) There are no significant doubts upon the Company's ability to continue as a going concern.
(g) There has been no material departure from the best practices of corporate governance, as detailed in the Companies (Code of Corporate Governance) regulation 2019.
(h) The book value of investments made by the Employees' Provident Fund, being operated for head office employees, only, as per audited financial statements of the Fund as at June 30, 2024 was Rs. 49,809,900/- (2023 Rs. 37,582,012/-)

    Mills employees are entitled to gratuity as per law and appropriate provision has been made in the financial statements.

(i) As required by the Code, we have included the following information in this report:
   - Statement of Pattern of Shareholding.
   - Statement of Shares held by associated undertaking and related parties.
   - Key operating and financial statistics for last six years.

(J) During the year under review, four Board of Directors, four Audit Committee and one Human Resource & Remuneration Committee (HR & RC) meetings were held and attended as follows:

Name of Directors At any time during financial year	Board of Directors Meeting Attended	Audit Committee Meeting Attended	HR & RC Meeting Attended
Mr. S.M. Mansoor Allawala	04	N/A	N/A
Ms. Azra yaqub Vawda	04	04	01
Mr. Rizwan Idrees Allawala	04	N/A	N/A
Mr. Omair Idrees Allawala	04	N/A	N/A
Ms. Aamnah Mansoor	04	04	01
Syed Masud Arif	04	04	01
Muhammad Zubair	04	N/A	N/A

(k) During the year under review, there has been no trading in shares of the Company by CEO, Directors and their Spouses & minor children.

(l) We have an audit committee the members of which are from the board of directors and the chairman is a non-executive director.

(m) We have prepared and circulated a statement of ethics and business strategy amongst directors and employees.

(n) The board has adopted a mission statement and a statement of overall corporate strategy.

BOARD OF DIRECTORS

The board comprises of seven directors. The composition of the board throughout the year is as follows:

a. Male: 5
b. Female: 2

a) Independent Director	i. Syed Masud Arif ii) Ms Azra Yaqub Vawda
b) Non-executive Directors	i. Mr. Rizwan Idrees Allawala ii) Ms.Aamnah Mansoor iii) Mr. Muhammad Zubair
c) Executive Directors	i) Mr. S. M. Mansoor Allawala ii) Mr. Omair Idrees Allawala

There was no change in the directors during the year ended June 30, 2024

BOARD COMMITTEES

The Board of Directors has formed the Audit Committee and Human Resource and Remuneration Committee in line with the requirements of the Code of Corporate Governance.

The members of Audit Committee is as follows:

Ms, Azra Yaqub Vaw da	Chairperson
Syed Masud Arif	Member
Ms. Aamnah Mansoor	Member

The members of Human Resource and Remuneration Committee is as follows:

Syed Masud Arif	Chairman
Ms. Azra Yaqub Vawda	Member
Ms. Aamnah Mansoor	Member

BOARD EVALUATION

The Company carries out annual evaluation of the Board, members of the Board and its Committees as part of the Code of Corporate Governance. For that purpose, Board has developed a mechanism for evaluation of Board's own performance, members of the Board and its Committees. Based on the evaluation, overall performance of the Board, its members and Committees of the Board for the year under review is satisfactory. Improvement is an ongoing process keeping in view the global best practices.

DIRECTORS' REMUNERATION:

The company does not pay remuneration to its non-executive directors including independent directors except for meeting fee. Aggregate amount of remuneration paid to executive and non-executive directors have been disclosed in note no. 37 of the annexed financial statements.

SUBSIDARY COMPANY

The Company's wholly owned subsidiary ORA Home LLC (ORA), is located in New Jersey, USA. One of the Directors of the Company is the member manager of ORA. The principal business activity of ORA is to deal in home textiles.

CODE OF ETHICS & BUSINESS PRINCIPLES

The Board has adopted the Statement of Ethics and Business Principles, which is signed and acknowledged by all the Directors and employees of the Company who are required to abide by the Code.

ENVIRONMENT HEALTH AND SAFITY

The Company ensure adherence to the prevailing standard and guidelines for safety of its workforce. Awareness sessions and safety drills are regularly conducted in order to minimize the risk of hazards to the people, property and environment.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Idrees Textile Mills Ltd. being a good corporate citizen contributing for the welfare of the people in our society and fulfillment of its corporate social responsibility. During the year under review the Company contributed Rs.3,923,000/- to various organizations serving the mankind in the health and education sectors.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Directors has overall responsibility for oversight over the risks and uncertainties faced by the Company. To assist the Board in discharging its responsibility, management has been made responsible for identifying, monitoring and managing the Company's risk exposures. Following is a description of the risks and uncertainties:

- Control over cost of production amid high energy tariff.
- Remaining competitive in the domestic as well as in the international market in terms of cost effectiveness and pricing of goods.
- Managing finance cost in the wake of steep rise in interest rate.
- Variations in demand of goods due to economic situation.

- Credit risk arising principally from trade debts, loans and advances. The carrying amount represents the maximum credit exposure.
- Liquidity risk arising because of the possibility that the Company could be required to pay its liabilities earlier than expected.
- Changes in market prices affecting the Company's income or the value of its holdings.
- Risk of changes in market interest rates relating primarily to the Company's long-term financing, short-term borrowings and liabilities against assets subject to finance lease.
- Foreign currency risk arising due to transactions in foreign currency resulting in foreign exchange losses/gains on translation of foreign currency denominated trade debts and trade payables.
- Managing capital to safeguard the Company's ability to continue as a going concern and to support the sustained development of its business.
- Imposition of new taxes or increase in the rates of existing ones

GENDER PAY GAP STATEMENT

Following is the gender pay gap calculated for the year ended June 30, 2024.

(i)	Mean Gender Pay Gap (%)	:	(6.94)
(ii)	Median Gender Pay Gap (%)	:	(6.94)
(iii)	We have only one female member in staff		

FUTURE OUTLOOK

This year's cotton production target does not seem achievable. Long duration of heat waves in the months of June and July and heavy rains in the cotton belt inflicted damage to the crop. Shrinking crop acreage, increasing cost of production, use of substandard seed by the growers and lack of investment in research and development are the other reasons for expected decline in cotton output. This situation is compelling the textile mills to import cotton from the United States, Brazil, Afghanistan and other countries. Pakistan's textile industry requires over 12 million cotton bales, out of which the country will require more than 3 million bales of imported cotton to overcome the expected shortfall in the local crop. The situation is very worrying for the economy and the textile sector. Joint efforts by the textile industry, the Government and relevant research institutions are needed on urgent basis for improvement in Pakistan's cotton crop both in terms of quality and quantity.

Moreover, our textile industry continues to face significant challenges like soaring energy tariffs, rising cost of other inputs, frequent power disruptions and high interest rates. Adhering to the terms of IMF is also resulting in economic deceleration and contraction in volumes. These circumstances have led to a downturn in profitability across the sector. Unviable energy cost has become a key issue for competitiveness of the textile industry after withdrawal of Regionally Competitive Energy Tariff (RCET). All these factors are eroding volumes and margins of the industry and are making Pakistani textile goods costlier in the international market as compared to other regional countries.

On the monetary front, after keeping the policy rate unchanged for almost a year, SBP has decided to gradually reduce the policy rate in view of significant decline in inflation. SBP stated that the external account has been improving, as reflected by the build-up in foreign exchange reserves despite substantial repayments of debt and other obligations. There is a strong likelihood of further cuts in the policy rate to provide the much needed stimulus for demand-led growth in the economy.

For the textile sector to remain competitive on the global stage, the foremost priority should be to ensure availability of affordable energy. The Government must establish predictable and stable policies for interest rate, taxation and import tariff which will be instrumental for restoration of business confidence and shall also facilitate the textile exporters in increasing their share in the international market. It is imperative for the Government to work alongside all the stakeholders and formulate a comprehensive, long-term policy framework to effectively address these challenges.

Your Company's management remains committed to closely monitor and rationalize the cost of production and consistently follow its strategy of procuring a sustainable mix of local and imported raw material in an effective manner.

AUDITORS

The retiring Auditors M/s. BDO Ebrahim & Co. Chartered Accountants being eligible have offered themselves for re-appointment for the ensuing year 2024-2025.The audit committee in its meeting held on October 30 ,2024 has recommended their appointment. The auditors have been given satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan.

ACKNOWLEDGEMENT

The directors are thankful to the bankers, suppliers and customers of the Company for their continued support and appreciate the hard work by the employees of the Company.

For and on behalf of the Board

Rizwan Idrees Allawala
Chairman
Karachi: November 04, 2024

S. M. Mansoor Allawala
Chief Executive

With great pleasure, I am presenting my review report in respect of the annual report, the overall performance of the Board and effectiveness of the role played by it in achieving the Company's objectives for the year ended 30th June 2024.

FY24 has been a challenging year for the textile sector and the overall economic activity across the country. High interest rates and unaffordable energy tariff eroded the profit margin. The management is well cognizant of the situation and is committed to steer the Company effectively in order to safeguard the interests of all the stakeholders.

As Chairman of the Board, it is my responsibility to oversee and monitor the Company's governance according to the requirements of the applicable laws and regulations. For the year under review, based on the evaluation, the overall performance and effectiveness of the Board has been assessed as satisfactory.

The Board recognizes the importance of good governance practices that ensure accountability, and effectively carried out its duty to ensure adherence to high standards of corporate governance with clearly defined roles and responsibilities. The Board is consistently performing its duties and responsibilities diligently. Through appropriate oversight and vigilance, compliance with the applicable laws and regulations was duly ensured. The Company's management constantly endeavored to safeguard shareholder value, ensuring reliable financial reporting and identifying areas for improvement. The Board remained fully committed to maintaining a strong internal control system and discharged its responsibilities with respect to management of the Company, formulation of significant policies, evaluating its own performance and monitoring the functioning of the Board's Committees. Evaluation of the Board is aimed to measure its overall performance and conduct of the Company's affairs in accordance with the best practices of corporate governance.

The Audit Committee and the Human Resource & Remuneration Committee duly assisted the Board in performing its duties. These Committees held meetings as per stipulations of the corporate governance regulations. The Board considered and approved, among other things, quarterly and annual financial statements, capital expenditure, borrowings, related party transactions and appointment of external auditors.

The Board is committed for due implementation and oversight of sustainability and environmental, social, and governance (ESG) principles.

I would like to convey my sincere gratitude for the trust and support of the Company's shareholders, bankers, suppliers and customers. I also highly recognize the valuable services rendered by the employees.

Rizwan Idrees Allawala
Chairman of the Board

Karachi
November 04, 2024

	2019	2020	2021	2022	2023	2024
Sales	3,471,595,641	3,239,256,236	4,002,482,731	5,166,171,154	4,200,140,937	6,449,760,535
Cost of goods sold	(3,076,553,332)	(2,956,416,446)	(3,468,653,953)	(4,367,630,755)	(3,779,994,823)	(5,831,174,287)
Gross Profit	395,042,309	282,839,790	533,828,778	798,540,399	420,146,114	618,586,248
Other operating Income/loss	3,528,691	10,250,912	25,389,171	137,702,874	45,322,054	49,156,375
	398,571,000	293,090,702	559,217,949	936,243,273	465,468,168	667,742,623
Distribution Cost	(18,679,321)	(26,603,588)	(35,219,989)	(45,848,895)	(42,495,566)	(64,258,167)
Administration expenses	(77,463,297)	(83,287,664)	(77,063,633)	(96,757,796)	(112,114,285)	(122,297,107)
Other operating expenses	(27,268,831)	(21,414,330)	(52,638,715)	(67,393,550)	(38,514,094)	(51,014,056)
Finance cost	(209,034,475)	(240,606,640)	(171,436,880)	(174,390,261)	(306,864,446)	(579,713,599)
	(332,445,924)	(371,912,222)	(336,359,217)	(384,390,502)	(499,988,391)	(817,282,929)
Profit/(Loss) before taxation	66,125,076	(78,821,520)	222,858,732	551,852,771	(34,520,223)	(149,540,306)
Taxation	(33,811,567)	(23,759,982)	(61,968,354)	(119,845,916)	22,026,220	(44,848,610)
Profit/(Loss) after taxation	32,313,509	(102,581,502)	160,890,378	432,006,855	(12,494,003)	(194,388,916)
Other Comprehensive income for the year	(33,316,294)	45,409,201	327,421,738	18,565,117	36,746,024	107,226,162
Total comprehensive income for the year	(1,002,785)	(57,172,301)	488,312,116	450,571,972	24,252,021	(87,162,754)
Earning/(Loss) per shares	1.63	(5.17)	8.10	21.76	(0.63)	(9.79)

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: **IDREES TEXTILE MILLS LIMITED**
Year Ended: **JUNE 30, 2024**

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:

   a) Male : 05
   b) Female: 02

2. The composition of board is as follows:

Category	Name
Independent Directors	Syed Masud Arif Ms. Azra Yaqub Vawda
Executive Directors	Mr. S. M. Mansoor Allawala Mr. Omair Idrees Allawala
Non-Executive Directors	Mr. Rizwan Idrees Allawala Mr. Muhammad Zubair Ms. Aamnah Mansoor
Female Directors	Ms, Azra Yaqub Vawda Ms. Aamnah Mansor

Regulation 6 (1) of the CCG Regulations stipulates that it is mandatory for each listed company to have at least two or one-third members of the Board, whichever is higher, as independent directors. In a Board comprising 7 members, one third works out to 2.33 persons. The fraction contained in such one-third is not rounded up as one as the Company has enough experienced and well reputed Independent directors on the Board who perform and carry out their responsibilities diligently.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with the dates of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board of have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Board remained fully compliant the provision with regard to their training program. One member of the Board have the prescribed qualifications and experience required for exemption from training program of Directors pursuant to Regulation 19(2) of the CCG. Six members of the Board have already completed the Director's Training Program;

10. There was no new appointment of chief financial officer, company secretary and head of internal audit during the year. However, all such appointments, including their remuneration and terms and conditions of employment are duly approved by the Board and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the board;

12. The board has formed committees comprising of members given below;

a) Audit Committee

1. Ms. Azra Yaqub Vawda (Chairperson)
2. Syed Masud Arif
3. Ms. Aamnah Mansoor

b) HR and Remuneration Committee

1. Syed. Masud Arif (Chairman)
2. Ms. Azra Yaqub Vawda
3. Ms. Aamnah Mansoor

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings of the committee were as per following:

Committee	**Frequency of meetings**
Audit Committee	Quarterly
HR and Remuneration Committee	Annually

15. The board has set up an effective internal audit function and the audit personnel are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non- dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32 and 36 are below:

S. No.	Requirement	Explanation	Regulation No.
1.	The board is tasked with overseeing sustainability risks and opportunities, incorporating environmental, social, and governance (ESG) factors into the Modaraba's long-term strategies to enhance corporate value. They are encouraged to adopt SECP's ESG Disclosure Guidelines and ensure the implementation of diversity, equity, and inclusion (DE&I) policies to promote gender equality and representation at all levels. The board must actively identify and address both current and emerging sustainability risks, including climate-related ones, evaluating their potential impacts and developing management strategies. Additionally, they are responsible for regularly reviewing and monitoring the company's sustainability and DE&I goals and performance. To fulfill these duties effectively, the board may establish a dedicated sustainability committee, which must include at least one female director, or expand the role of an existing committee to oversee sustainability-related risks, ensure compliance with relevant laws, and report annually on how sustainability principles are integrated into the organization. Lastly, the directors' report should detail the assessment of sustainability risks, management strategies, and DE&I initiatives within the company.	During the year, the Securities and Exchange Commission of Pakistan issued certain amendments (in Relation to Regulation 10) of the Listed Companies (CCG) Regulations Listed Companies (CCG) Regulations 2019 through its notification management is assessing these amendments and compliances thereof, as applicable, will be performed in due course of time	10 A (1) - 10 A (6)

S. No.	Requirement	Explanation	Regulation No.
2.	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The terms of reference for nomination Committee are covered by Human Resource and Remuneration Committee, which timely apprises the Board with regards to any Changes therefore a separate Committee is not considered necessary.	29
3.	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Terms of Reference for Risk Committee are covered by the Board of Directors, which in its quarterly meeting to review the effectiveness of the Company's risk management procedures, therefore separate committee is not considered necessary.	30

For and on behalf of the Board

S M MANSOOR ALLAWALA
Chief Executive

RIZWAN IDREES ALLAWALA
Chairman

Karachi
Dated: November 04, 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE SHAREHOLDERS OF IDREES TEXTILE MILLS LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Idrees Textile Mills Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and to report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

KARACHI

DATED: NOVEMBER 5, 2024

UDIN:CR202410166ZT8V0LFEf

BDO Ebrahim & Co.

CHARTERED ACCOUNTANTS
Engagement Partner: Tariq Feroz Khan

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IDREES TEXTILE MILLS LIMITED

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **IDREES TEXTILE MILLS LIMITED** **(**the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cashflows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cashflow together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive loss, the changes in equity and its cashflow for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	**Revenue recognition**	
	As disclosed in notes 4.15 and 25 in the unconsolidated annexed financial statements. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company and due to the reason that revenue increased significantly as compared to last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit work includes number of procedures, among others: Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. Understood and evaluated the accounting policy with respect to revenue recognition. Performed testing of revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period Performed audit procedures to analyse variation in the price and quantity sold during the year Assessed the adequacy of disclosures made in the unconsolidated financial statements related to revenue
2.	**Valuation of Closing Stock presented at year end**	
	As at June 30, 2024, the Company held stock-in-trade amounting to Rs. 1,928.98 million and stores, spares and loose tools amounting to Rs. 53.56 million, constituting 28% of the total assets, as disclosed in notes 7 & 8 to the unconsolidated financial statements.	We obtained an understanding of the Company's processes in place for stock accounting. Our audit procedures to assess the existence and valuation of inventory included the following:

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S. No	Key audit matters	How the matter was addressed in our audit
	As described in notes 4.3 to the unconsolidated financial statements, stock-in-trade is measured at a lower of cost and net realizable value. The cost of work-in-process and finished goods is determined by annual average manufacturing cost which consists of prime cost and appropriate manufacturing overheads. Due to the significance of inventory balances and related estimations involved in valuing the inventory, we considered this as a key audit matter.	Obtained an understanding of the Company's process with respect to the existence and valuation of stock-in-trade and tested controls relevant to such process; We attended the physical count of stock in trade to observe the management's process of measurement We performed tests over the prices of raw materials and verified items in the product costing of work in progress. We performed tests over the net realisable value calculations and the assumptions used. Tested the calculations of per unit cost of finished goods and assessed the appropriateness of management's basis for the allocation of cost and production overheads and compared it with the prior period to assess reasonableness.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The unconsolidated financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who expressed an unmodified opinion vide their report dated October 04, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: NOVEMBER 5, 2024

UDIN: AR202410166zEx1DuCJG

Bdo Ebrahim & Co

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UN-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
Non-current Assets			
Property, plant and equipment	5	3,374,850,004	3,399,228,203
Long-term deposits		6,063,681	2,898,681
Investment in subsidiary	6	-	-
		3,380,913,685	3,402,126,884
Current Assets			
Stores, spares and loose tools	7	53,563,125	53,566,129
Stock-in-trade	8	1,928,979,120	1,461,817,305
Trade debts	9	1,106,843,748	655,583,419
Loans and advances	10	89,784,901	41,522,244
Prepayments	11	34,303,985	6,133,626
Other receivables	12	188,203,848	223,189,255
Short term investment	13	200,455,670	180,115,660
Cash and bank balances	14	8,607,548	5,952,513
Advance tax		47,238,331	67,416,272
		3,657,980,276	2,695,296,423
Total Assets		7,038,893,961	6,097,423,307
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
22,000,000 (2023 : 22,000,000) ordinary shares of Rs.10/- each		220,000,000	220,000,000
Issued, subscribed and paid-up capital	15	198,528,000	198,528,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of tax	16	919,580,955	868,124,011
Equity portion of loan from related parties		104,674,764	81,376,153
Revenue reserves		1,280,923,111	1,419,542,809
Total Equity		2,503,706,830	2,567,570,973
Non-current Liabilities			
Long-term finance	17	486,099,774	728,952,828
Lease liability		-	-
Deferred Government grant	18	74,480,586	103,735,361
Deferred taxation - net	19	115,398,617	171,199,476
Retirement benefit obligation	20	75,195,066	78,775,115
		751,174,043	1,082,662,780
Current Liabilities			
Trade and other payables	21	1,252,356,320	607,274,416
Accrued mark-up	22	114,013,686	92,205,020
Short-term borrowings	23	2,034,831,736	1,511,431,965
Current portion of long-term finance	17	338,334,122	170,505,607
Current portion of lease liability		-	1,962,284
Current portion of deferred Government grant	18	27,857,022	29,771,093
Unclaimed dividend		2,739,068	2,750,372
Provision for taxation		13,881,134	31,288,797
		3,784,013,088	2,447,189,554
Total Liabilities		4,535,187,131	3,529,852,334
Total Equity and Liabilities		7,038,893,961	6,097,423,307
CONTINGENCIES AND COMMITMENTS	24		

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chief Executive | Chief Financial Officer | Director

	Note	2024 Rupees	2023 Rupees
Revenue from contract with customer - net	25	6,449,760,535	4,200,140,937
Cost of sales	26	(5,831,174,287)	(3,779,994,822)
Gross profit		618,586,248	420,146,115
Distribution cost	27	(64,258,167)	(42,495,566)
Administrative expenses	28	(122,297,107)	(112,114,284)
		(186,555,274)	(154,609,850)
		432,030,974	265,536,265
Finance cost	29	(579,713,599)	(306,864,446)
Other operating expenses	30	(51,014,056)	(38,514,094)
		(198,696,681)	(79,842,275)
Other income	31	49,156,375	45,322,054
Loss before taxation, final tax and minimum tax differential		(149,540,306)	(34,520,221)
Levy :			
Final tax	32	(39,282,790)	(24,570,001)
Minumum tax differential	32	(31,326,445)	(4,529,936)
		(70,609,235)	(29,099,937)
Loss before taxation		(220,149,541)	(63,620,158)
Taxation	33	25,760,625	51,126,157
Loss for the year		(194,388,916)	(12,494,001)
Loss per share - basic and diluted	34	(9.79)	(0.63)

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chief Executive

Chief Financial Officer

Director

	Note	2024 Rupees	2023 Rupees
Loss for the year		(194,388,916)	(12,494,001)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Surplus on revaluation of property, plant and equipment during the year		78,747,605	-
Impact of deferred tax thereon		(5,940,002)	-
		72,807,603	-
Adjustment of surplus on revaluation of property, plant and equipment due to change in tax rate	16	34,988,685	39,602,265
Remeasurement loss on retirement benefit obligation	20.5	(802,995)	(4,022,874)
Related tax	19	232,869	1,166,633
		(570,126)	(2,856,241)
Other comprehensive income for the year		107,226,162	36,746,024
Total comprehensive (loss) / income for the year		(87,162,754)	24,252,023

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chief Executive

Chief Financial Officer

Director

	Note	Share capital	Capital reserve: Surplus on revaluation of property, plant and equipment - net of tax	Capital reserve: Equity portion of loan from related parties	Revenue reserve: Unappropriated profit	Total
		------ Rupees ------				
Balance as at July 1, 2022		198,528,000	882,490,524	55,389,918	1,380,924,273	2,517,332,715
Total comprehensive income for the year						
Loss for the year		-	-	-	(12,494,001)	(12,494,001)
Other comprehensive income for the year		-	39,602,265	-	(2,856,241)	36,746,024
		-	39,602,265		(15,350,242)	24,252,023
Transfer to / from surplus on revaluation of property plant and equipment on account of						
- incremental depreciation charged thereon - net of tax	16	-	(53,968,778)	-	53,968,778	-
Transactions with shareholders						
Final dividend at Rs.1 per share for the year ended June 30, 2021		-	-	-	-	-
Transactions with related parties						
Fair value effect of interest free loan provided by related parties	17.2	-	-	25,986,235	-	25,986,235
Balance as at June 30, 2023		198,528,000	868,124,011	81,376,153	1,419,542,809	2,567,570,973
Total comprehensive loss for the year						
Loss for the year		-	-	-	(194,388,916)	(194,388,916)
Other comprehensive income for the year		-	34,988,685	-	(570,126)	34,418,559
		-	34,988,685	-	(194,959,042)	(159,970,357)
Transfer to / from surplus on revaluation of property, plant and equipment on account of						
- revaluation surplus as at June 30, 2024 - net of tax			72,807,603			72,807,603
- incremental depreciation charged thereon - net of tax	16	-	(56,339,344)	-	56,339,344	-
Transactions with related parties						
Fair value effect of interest free loan provided by related parties	17.2	-	-	23,298,611	-	23,298,611
Balance as at June 30, 2024		198,528,000	919,580,955	104,674,764	1,280,923,111	2,503,706,830

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chief Executive

Chief Financial Officer

Director

		Note	2024 Rupees	2023 Rupees
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**			
	Loss before taxation		(220,149,541)	(63,620,158)
	Adjustments for non cash income and expense:			
	Depreciation	5.1	129,811,954	107,243,091
	Provision for retirement benefit obligation	20.4	31,977,786	24,691,262
	Final tax		39,282,790	24,570,001
	Minumum tax differential		31,326,445	4,529,936
	Finance cost	29	579,713,599	306,864,446
	Expected credit loss - trade receivable	28	4,135,227	1,645,333
	Expected credit loss - other receivable	28	-	1,144,367
	Unrealised gain on Cotton claims	31	-	(3,024,315)
	Unrealized loss / (gain) on short term investment	31	-	(698,290)
	Profit on deposits	31	(29,771,558)	(18,291,881)
	Gain on disposal of property, plant and equipment	31	(12,627,300)	(7,178,050)
	Unrealized loss on foreign exchange	30	936,180	-
	Realized gain on short term investment	31	(399,006)	-
	Operating cash flows before working capital changes		554,236,576	377,875,742
	(Increase) / decrease in current assets			
	Stores, spares and loose tools		3,004	3,955,717
	Stock-in-trade		(467,161,815)	(254,696,601)
	Trade debts		(455,395,556)	111,334,879
	Loans and advances		(66,857,067)	33,700,654
	Prepayments		(28,170,359)	(4,228,163)
	Other receivables		38,054,026	(36,844,620)
			(979,527,767)	(146,778,134)
	Increase / (decrease) in current liabilities			
	Trade and other payables		660,383,756	(75,234)
			(319,144,011)	(146,853,368)
	Cash generated from operations		235,092,565	231,022,374
	Finance cost paid		(547,459,533)	(229,165,899)
	Retirement benefit obligation paid		(33,377,800)	(6,218,600)
	Income tax paid		(63,284,290)	(60,899,822)
	Long-term deposits - net		(3,165,000)	230,680
	Net cash used in operating activities		(412,194,058)	(65,031,267)
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment		(62,498,852)	(1,178,219,052)
	Proceeds from disposal of property, plant and equipment		42,500,000	13,175,000
	Purchase of term deposit receipt - net		(26,083,000)	(44,978,050)
	Sale of shares		6,141,996	-
	Profit on deposits received		26,702,939	15,472,517
	Net cash used in investing activities		(13,236,917)	(1,194,549,585)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Long-term finance repaid to financial institutions		(144,441,861)	(112,768,553)
	Long-term finance obtained from financial institutions		57,250,000	757,256,682
	Long-term finance repaid to related parties		(6,148,312)	(6,746,286)
	Long-term finance obtained from related parties		-	1,450,000
	Short term borrowings obtained - net		355,394,229	386,457,419
	Lease liabilities repaid during the year		(1,962,284)	(7,767,062)
	Dividend paid		(11,304)	(149,531)
	Net cash generated from financing activities		260,080,468	1,017,732,669
	Net decrease in cash and cash equivalents		(165,350,507)	(241,848,183)
	Cash and cash equivalents at the beginning of the year		(435,325,039)	(193,476,856)
	Cash and cash equivalents at the end of the year	35	(600,675,546)	(435,325,039)

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chief Executive | Chief Financial Officer | Director

1. STATUS AND NATURE OF BUSINESS

1.1 Idrees Textile Mills Limited (the Company) was incorporated in Pakistan as an unquoted public limited company on June 5, 1990 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was listed on Pakistan Stock Exchange Limited on April 28, 1992. The registered office of the Company is situated at 6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad, Karachi in the Province of Sindh. The principal activity of the Company is manufacturing, processing and sale of all kinds of yarn. The Company is also engaged in business of Home Textile.

Following are the geographical location and address of all business units of the Company:

Karachi	**Purpose**
6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad	Head Office
Nankana Sahib	**Purpose**
Kot Shah Muhammad, Tehsil & District Nankana Punjab	Regional Office and Production Plant / Factory

During the year ended June 30, 2022, the Company acquired 100% ownership in ORA Home LLC (ORA), a limited liability company incorporated in New Jersey, USA on January 5, 2022. One of the directors of the Company is the member manager of ORA. Pursuant to the acquisition, ORA has become wholly owned subsidiary of the Company (refer note 6).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of;

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with requirements of IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These unconsolidated financial statements have been prepared under historical cost convention except that certain categories of property, plant and equipment are stated at revalued amounts, the Company's liability under defined benefit plan (gratuity) and long term finance are stated at present value.

These are separate unconsolidated financial statements of the Company in which investment in subsidiary is stated at cost less impairment losses, if any.

2.3 Presentation and functional currency

Items included in the unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These unconsolidated financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

2.4 Use of estimates and judgements

The preparation of unconsolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of the accounting and reporting standards, as applicable in Pakistan, that have a significant effect on the unconsolidated financial statements and estimates with significant risk of material judgment in the next financial year are set forth below:

- assumptions and estimates used in accounting for defined benefit plan (notes 4.10.1 and 20.1);
- assumptions and estimates used in determining fair value, residual value, useful lives and recoverable amount of property, plant and equipment (notes 4.1, 4.19 and 5);
- assumptions and estimates used in determining provision for taxation including deferred taxation (notes 4.11, 19 and 33);
- assumptions and estimates used in determining provision for slow moving stores and spares (notes 4.2 and 7);
- assumptions and estimates used in writing down items of stock-in-trade to their net

realizable value (notes 4.3 and 8);

- contingencies and commitments (note 24); and
- impairment of financial assets (notes 4.5.4).

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the unconsolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 1 'Presentation of financial statements' and IFRS Practice	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (lAS) 1, Presentation of unconsolidated financial statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the unconsolidated financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the unconsolidated financial statements.

Management reviewed the accounting policies and updates to the information disclosed in

Note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's unconsolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
- Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
- Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
- Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
- Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendmends to IAS 1 'Presentation of financial statements' - Classification of liabilities as current or non-current	January 01, 2024
- Amendmends to IAS 1 'Presentation of financial statements' - Non-current liabilities with covenants	January 01, 2024

	Effective date (annual periods beginning on or after)
- Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
- Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in financial statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the presentation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property, plant and equipment

4.1.1 Operating fixed asset

Property, plant and equipment are stated as follows:

- Land is stated at revalued amount;

- Building, Labour colony, plant and machinery, electric installations and mill equipment are stated at revalued amounts less accumulated depreciation and impairment losses, if any; and

- Office equipment, furniture and fixtures and vehicles are stated at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of an asset including borrowing costs, if any. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalized and the asset so replaced is derecognised. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

Depreciation is charged to the statement of profit or loss on a straight line basis at the rates specified in note 5.1. Depreciation on additions is charged when asset is available for use upto the month prior to its disposal.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate at each reporting date.

Surplus on revaluation of assets is recognised net of tax, in statement of other comprehensive income (OCI) and presented as a separate component of equity as “surplus on revaluation of property, plant and equipment”, except that it reverses a revaluation deficit for the same asset previously recognised in the statement of profit or loss, in which case the surplus is credited to the statement of profit or loss to the extent of the deficit charged previously.

Deficit on revaluation of assets is recognised in the statement of profit or loss, except that it reverses a revaluation surplus for the same asset previously recognised in statement of other comprehensive income, in which case the deficit is charged to other comprehensive income to the extent of the surplus credited previously. The revaluation reserve is not available for distribution to the Company’s shareholders.

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the estimated fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of assets (net of deferred taxation) is transferred directly to retained earnings (unappropriated profit). Further, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings (unappropriated profit).

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in other income / other expenses in the statement of profit or loss. When revalued assets are sold, any related amount included in the surplus on revaluation is transferred to retained earnings (unappropriated profit).

4.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any, and consists of expenditure incurred and advances made in respect of assets in the course of their acquisition, construction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

4.2 Stores, spares and loose tools

These are stated at lower of weighted average cost and net realizable value. Items in transit are stated at cost comprising invoice value plus other charges incurred thereon upto the reporting date. Provision for obsolete and slow moving stores, spares and loose tools is determined based on the management's estimate regarding their future usability.

Loose tools are recognised as expense as and when purchased as their inventory is generally

Net realizable value signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

4.3 Stock-in-trade

These are stated at lower of cost and net realizable value applying the following basis:

Cost signifies in relation to:

- Raw material (imported)	Lower of cost (specific identification basis) and net realisable value (NRV)
- Raw material (local)	Lower of cost (weighted average) and NRV
- Stock-in-transit	Cost accumulated up to reporting date
- Work-in-process and finished goods	Lower of cost and NRV
- Waste	Net realisable value (NRV)

Cost in relation to work-in-process and finished goods represents annual average manufacturing cost which consists of prime cost and appropriate manufacturing overheads.

Net realizable value (NRV) signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

4.4 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method. Impairment of trade debts and other receivables is described in note 4.5.4.

Trade debts and other receivables considered irrecoverable are written off.

4.5 Financial instruments

4.5.1 Classification of financial assets

The Company classifies its financial assets into following three categories:

At amortized cost ("AC"),

Fair value through other comprehensive income ("FVTOCI") and

Fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVTOCI

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

4.5.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of assets and liabilities when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.5.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVTOCI

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVTOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.5.4 Impairment

Impairment of financial assets

Under expected credit loss (ECL) model of IFRS 9, the Company recognises loss allowances for ECLs on financial assets. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

– Financial assets that are determined to have low credit risk at the reporting date; and

– Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

4.5.5 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.5.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.5.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.6 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

4.7 Foreign currency transactions and translation

Transactions in foreign currencies are translated into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated into reporting currency equivalents using foreign currency rates ruling on the reporting date. Exchange differences on foreign currency transactions and translation are included in the income currently.

4.8 Provisions

Provisions are recognised in the unconsolidated statement of financial position when the Company has a present, legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.9 Cash and cash equivalents

Cash and cash equivalents used in statement of cash flows include cash in hand balances with banks in current and deposit accounts and short term borrowings. Short-term borrowings availed by the Company, are payable on demand and form an integral part of the Company's cash management.

4.10 Retirement benefit obligation

4.10.1 Defined benefit plan

The Company operates an unfunded gratuity scheme covering all its factory workers who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses are recognised immediately in other comprehensive income.

the annual period to the then defined benefit liability, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Interest expense and current service cost are recognised in the statement of profit or loss.

4.10.2 Defined contribution plan

The Company operates an approved funded contributory provident fund scheme for all head office staff. Equal monthly contributions are made both by the Company and the employees at the rate of 8.33% of basic salary per annum.

The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of

4.11 Taxation

4.11.1 Current tax

Provision for current taxation is based on taxable income at the current rates of taxation, after taking into account tax rebates and tax credits available, if any, or turnover at the specified rate or Alternate Corporate Tax as defined in section 113C of the Income Tax Ordinance, 2001, whichever is higher. Charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessment framed / finalized during the year. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

4.11.2 Deferred tax

Deferred tax is recognised using the liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

The Company recognises a deferred tax asset to the extent that it is probable that taxable profits in the foreseeable future will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Further, the Company also recognizes a deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus.

4.12 Levy

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable profit or any amount paid / payable in excess of the calculation based on taxable profit, is classified as levy in the unconsolidated statement of profit or loss as these levies fall under the scope of IFRIC 12 / IAS 37.

4.13 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

4.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the respective assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.15 Revenue recognition

Revenue from sale of goods is recognised as or when performance obligations are satisfied by transferring control of promised goods to customer, and control is transferred at a point in time either upon shipment or delivery of goods to customer.

Revenue is recognised at transaction price (which excludes estimates of variable consideration), which represents the fair value of the consideration received or receivable excluding discount, rebates and government levies and the payment is typically due on the satisfaction of performance obligation.

Interest income is recognised on a time proportion basis on the principal amount outstanding and at the applicable rate.

Gains/(losses) arising on disposal of investments are included in income and are recognised on the date when the transaction takes place.

Unrealised gains/(losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.

4.16 Dividend income

Dividend income is recognised when the Company’s right to receive payment have been established and is recognised in statement of profit or loss and included in other income.

4.17 Dividend and appropriation to / from reserves

Dividend distribution to the Company's shareholders and appropriations to / from reserves is recognised in the period in which these are approved.

4.18 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.19 Leases - Lease liabilities and right-of-use assets

The Company recognises leases as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is subsequently measured (at amortised cost) by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

For short term leases and leases of low / immaterial value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the assets economic life. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

4.20 Investment in subsidiary

Investment in subsidiary is measured at cost less any identified impairment loss in the Company's separate unconsolidated financial statements.

At each reporting date, the Company reviews the carrying amount of the investment in subsidiary to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised as expense in the Unconsolidated Statement of Profit or Loss. Investment in subsidiary that suffered an impairment, is reviewed for possible reversal of impairment at each reporting date. An impairment loss is reversed if there has been change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the Unconsolidated Statement of Profit or loss.

The carrying amount of an investment carried at cost is derecognised when it is sold or otherwise disposed of. The difference between the fair value of any consideration received on disposal and the carrying amount of the investment is recorded in the unconsolidated statement of profit or loss as a gain or loss on disposal.

4.21 Government grant

The benefit of interest rate lower than the market rate on borrowings obtained under State Bank of Pakistan (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity and Temporary Economic Refinance Facility (TERF), is accounted for as a government grant which is the difference between amount of loan received and the fair value of the loan on the date of disbursement. The differential amount presented in unconsolidated statement of financial position as deferred government grant. The amortisation of deferred government grant is netted off with finance cost within in the unconsolidated statement of profit or loss.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit, that is the government grant, is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

4.22 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses that relates to transactions with any of the other components of the Company.

The Board of Directors and the Chief Executive Officer of the Company have been identified as the chief operating decision-makers (CODM), who are responsible for allocating resources and assessing the performance of the operating segments. Management has determined that the Company has a single reportable segment as the CODM views the Company's operations as one reportable segment.

4.23 Commitments

Commitments for capital expenditure contracted for but not incurred are disclosed in the unconsolidated financial statements at committed amounts. Commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at committed amounts (Note - 24.2).

4.24 Contract liability / advance from customers

A contract liability is recognised if a payment is received from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company transfers control of the related goods to the customer.

4.25 Change in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan (ICAP) has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 ‘Income Taxes’ and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year ended June 30, 2024, the Company has revised its accounting policy. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors'.There is however no material impact on the unconsolidated financial statements of the prior year.

	For the year ended June 30, 2024			For the year ended June 30, 2023		
	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Imapct of change in policy	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Imapct of change in policy
	Rupees			Rupees		
Effect on unconsolidated statement of financial position						
Advance tax	99,253,155	47,238,331	(52,014,824)	82,761,263	67,416,272	(15,344,991)
Prepayments	2,977,540	34,303,985	31,326,445	1,603,690	6,133,626	4,529,936
Trade and other payables	1,202,435,465	1,252,356,320	49,920,855	588,989,534	607,274,416	18,284,882
Provision for taxation	84,490,368	13,881,134	(70,609,234)	60,388,734	31,288,797	(29,099,937)
Effect on unconsolidated statement of profit or loss.						
Minimum tax differential	-	(31,326,445)	(31,326,445)	-	(4,529,936)	(4,529,936)
Final tax levy	-	(39,282,790)	(39,282,790)	-	(24,570,001)	(24,570,001)
Income tax	(44,848,610)	25,760,625	70,609,235	22,026,220	51,126,157	29,099,937
Loss for the year	(194,388,916)	(194,388,916)	-	(12,494,001)	(12,494,001)	-

	Note	2024 Rupees	2023 Rupees
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- Owned	5.1	3,363,126,163	1,894,790,281
- Right of use assets	5.1	2,013,505	2,362,004
		3,365,139,668	1,897,152,285
Capital work in progress:			
- Building		2,160,537	199,111,306
- Plant and machinery		-	1,282,051,280
- Capital spares		7,549,799	20,913,332
	5.1.2	9,710,336	1,502,075,918
		3,374,850,004	3,399,228,203

5.1 **OPERATING FIXED ASSETS**

	2024											
	Cost / Revaluation					Accumulated Depreciation					Written Down Value	Dep. Rate
Particulars	July 01, 2023	Additions/ (disposal)	Transfers	Revaluation adjustment	June 30, 2024	July 01, 2023	Depreciation/ (disposals)/ write-offs for the year	Transfers	Revaluation adjustment	June 30, 2024	June 30, 2024	%
	Rupees											
Owned assets												
Land freehold	240,375,000	-	-	16,025,000	256,400,000	-	-	-	-	-	256,400,000	-
Factory building on freehold land	218,633,050	909,854	199,596,399	34,828,061	453,967,364	32,863,950	23,520,307	-	(43,450,032)	12,934,225	441,033,139	5-20%
Labour colony		-	-	-		-				-		
on freehold land	21,352,625	-	-	1,774,280	23,126,905	4,293,472	1,551,590	-	(4,804,341)	1,040,721	22,086,184	5-14%
Plant and machinery	1,478,171,882	901,410	1,338,606,071	(209,945,388)	2,607,733,975	143,611,159	91,467,922	-	(187,933,012)	47,146,069	2,560,587,906	4-33%
Electric installations	21,988,000	-	-	(7,780,752)	14,207,248	6,127,216	2,366,180	-	(7,659,019)	834,377	13,372,871	8-25%
Factory equipment	5,364,595	-	-	-	5,364,595	1,197,605	620,140	-	-	1,817,745	3,546,850	7-20%
Office equipment	18,149,168	68,500	-	-	18,217,668	13,300,640	755,885	-	-	14,056,525	4,161,143	10%
Computer Hardware	219,500	-	-	-	219,500	39,963	65,856	-	-	105,819	113,681	10%
Furniture and fixtures	4,183,452	-	-	-	4,183,452	3,811,251	48,462	-	-	3,859,713	323,739	10%
Vehicle	175,206,198	8,842,200	-	-	145,071,398	83,607,933	9,067,115	-	-	83,570,748	61,500,650	20%
		(38,977,000)	-	-			(9,104,300)					
	2,183,643,470	10,721,964	1,538,202,470	(165,098,799)	3,528,492,105	288,853,189	129,463,457	-	(243,846,404)	165,365,942	3,363,126,163	
		(38,977,000)					(9,104,300)					
Right of use assets												
Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	4%
Vehicle	4,069,000		-	-	4,069,000	1,706,996	348,499	-	-	2,055,495	2,013,505	20%
	4,069,000	-	-	-	4,069,000	1,706,996	348,499	-	-	2,055,495	2,013,505	
Total June 30, 2024	2,187,712,470	10,721,964	1,538,202,470	(165,098,799)	3,532,561,105	290,560,185	129,811,956	-	(243,846,404)	167,421,437	3,365,139,668	
		(38,977,000)					(9,104,300)					
				(408,945,203)								

Operating fixed assets

	2023											
	Cost / Revaluation					Accumulated Depreciation					Written Down Value	Dep. Rate
Particulars	July 01, 2022	Additions/ (disposal)	Transfers	Revaluation adjustment	June 30, 2023	July 01, 2022	Depreciation /(disposals) for the year	Transfers	Revaluation adjustment	June 30, 2023	June 30, 2023	%
	------Rupees------											
Owned assets												
Land - freehold	240,375,000	-	-	-	240,375,000	-	-	-	-	-	240,375,000	-
Factory building on freehold land	218,633,050	-	-	-	218,633,050	16,201,975	16,661,975	-	-	32,863,950	185,769,100	5-20%
Labour colony on freehold land	21,352,625	-	-	-	21,352,625	2,371,736	1,921,736	-	-	4,293,472	17,059,153	5-14%
Plant and machinery	1,450,936,991	7,234,891	20,000,000	-	1,478,171,882	70,800,825	71,890,549	919,785	-	143,611,159	1,334,560,723	4-33%
Electric installations	21,988,000	-	-	-	21,988,000	3,063,608	3,063,608	-	-	6,127,216	15,860,784	8-25%
Factory equipment	5,251,500	113,095	-	-	5,364,595	595,898	601,707	-	-	1,197,605	4,166,990	7-20%
Office equipment	16,222,450	1,926,718	-	-	18,149,168	12,517,252	783,388	-	-	13,300,640	4,848,528	10%
Computer Hardware	-	219,500	-	-	219,500	-	39,963		-	39,963	179,537	10%
Furniture and fixtures	4,183,452	-	-	-	4,183,452	3,757,214	54,037	-	-	3,811,251	372,201	10%
Vehicles	146,591,358	22,970,340 (12,335,500)	17,980,000	-	175,206,198	75,912,855	10,449,295 (6,338,550)	3,584,333	-	83,607,933	91,598,265	20%
	2,125,534,426	32,464,544 (12,335,500)	37,980,000	-	2,183,643,470	185,221,363	105,466,258 (6,338,550)	4,504,118	-	288,853,189	1,894,790,281	
Right of use assets												
Plant and machinery	20,000,000	-	(20,000,000)	-	-	486,452	433,333	(919,785)	-	-	-	4%
Vehicles	22,049,000	-	(17,980,000)	-	4,069,000	3,947,829	1,343,500	(3,584,333)	-	1,706,996	2,362,004	20%
	42,049,000	-	(37,980,000)	-	4,069,000	4,434,281	1,776,833	(4,504,118)	-	1,706,996	2,362,004	
Total June 30, 2023	2,167,583,426	32,464,544 (12,335,500)	-	-	2,187,712,470	189,655,644	107,243,091 (6,338,550)	-	-	290,560,185	1,897,152,285	

5.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2024 is Rs 89.47 million (2023 : 72.65 million).

5.1.2 This represents construction work in progress which includes new mill building being constructed as part of a new wing to the existing mill building along with plant and machinery purchased through TERF financing which is now available for use. This includes Rs. 29.20 million (2023 Rs.27.5 million) on account of borrowing cost incurred on TERF finance specifically obtained for acquisition of plant and machinery. Borrowing cost capitalised is 5% (2023: 5%).

5.1.3 Depreciation for the year has been allocated as under:

	Note	2024 Rupees	2023 Rupees
Cost of sales	26	119,526,130	94,572,910
Administrative expenses	28	10,285,824	12,670,181
		129,811,954	107,243,091

5.1.4 The details of operating fixed assets disposed / written offs during the year are as follows :

Description	Cost / Revaluation	Accumulated Depreciation	Carrying Value	Sale Proceeds	Gain / (loss)	Relationship of purchaser with Company	Mode of Disposal	Particulars of purchaser
	-----------	-----------	Rupees	-----------	-----------			
Vehicle								
Foton	1,485,000	(891,000)	594,000	1,500,000	906,000	Third Party	Negotiation	Four Sons (Private) Limited.
Toyota Tacoma	15,100,000	(4,278,333)	10,821,667	13,000,000	2,178,333	Third Party	Negotiation	Shahabuddin Bhayo
Etron	19,820,000	(2,477,500)	17,342,500	24,000,000	6,657,500	Insurer	Insurance claim	Insurance Companies
Honda Civic	2,572,000	(1,457,467)	1,114,533	4,000,000	2,885,467	Third Party	Negotiation	Muhammad Hamza Naeem
	38,977,000	(9,104,300)	29,872,700	42,500,000	12,627,300			

5.1.5 The Company carries its land, building, labour colony, plant and machinery, electric installations and mill equipment at revalued amounts under IAS 16 'Property, Plant and Equipment'. The latest revaluation of these assets was carried out as at January 05, 2024 by Harvester Consultant (Pvt.) Ltd. (an independent valuer located in Lahore) on the basis of market values, which resulted in surplus on revaluation amounting to Rs. 78.75 million.

The Company commissioned independent valuations of land, building, labour colony, plant and machinery, electric installations and mill equipment during the years ended June 30, 2006, June 30, 2010, June 30, 2013, June 30, 2016, June 30, 2019, June 30, 2021 and January 05, 2024. The resulting revaluation surpluses have been disclosed in notes 16 and 4.1.1 to the financial statements and have been credited to the revaluation surplus account net of their related tax effect.

The carrying amount of the aforementioned assets as at June 30, 2024, if the said assets had been carried at historical cost, would have been as follows:

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
	-----------	-----------	-----------	Rupees	-----------	-----------
Land - freehold	8,772,600	-	8,772,600	8,772,600	-	8,772,600
Factory building on freehold land	342,767,075	(116,581,216)	226,185,859	142,260,822	(108,865,312)	33,395,510
Labour colony on freehold land	16,533,266	(15,383,625)	1,149,641	16,533,266	(15,383,625)	1,149,641
Plant and machinery	2,887,190,485	(825,811,038)	2,061,379,447	1,547,683,004	(777,622,146)	770,060,858
Electric installations	43,144,676	(33,414,321)	9,730,355	43,144,676	(32,172,388)	10,972,288
Factory equipment	6,729,139	(5,160,541)	1,568,598	6,729,139	(5,012,174)	1,716,965
	3,305,137,241	(996,350,741)	2,308,786,500	1,765,123,507	(939,055,645)	826,067,862

5.1.6 Forced sale values as per the latest revaluation report as of January 05, 2024 as mentioned in note 5.1.5 are as follows:

Asset Class	Rupees
Land - freehold	217,940,000
Factory building on freehold land	340,475,523
Labour colony on freehold land	17,345,179
Plant and machinery	1,927,349,277
Electric installations	10,655,436
Mill equipment	4,023,446

5.1.7 Particulars of immovable asset of the Company are as follows:

Location	Addresses	Usage of immovable	Total Area (Acres)	Covered Area (Acres)
Nankana Sahib	Kot Shah Muhammad, Tehsil & District Nankana Punjab	Production plant and facility	20.03	10.13

5.1.8 **Fair value measurement**

Fair value of land and building are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation, while fair value of plant and machinery are considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price/rate per square foot in particular locality.

Valuation techniques used to derive level 3 fair values - Plant and machinery

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

-Make, model, country of origin etc
-Operational capacity
-Resale prospects
-Obsolescence

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant imput in this valuation is the current replacement.cost which is adjusted for factors above.

5.1.9 The following is a statement of capital work in progress

	Building on lease hold land	Plant & machinery	Capital spares	Total
	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2022	125,529,930	213,451,480	-	338,981,410
Capital expenditure incurred during the year	73,581,376	1,068,599,800	20,913,332	1,163,094,508
Transfer to operating fixed assets	-	-		-
Balance as at June 30, 2023	199,111,306	1,282,051,280	20,913,332	1,502,075,918
Capital expenditure incurred during the year	2,645,630	43,191,258	-	45,836,888
Transfer to operating fixed assets	(199,596,399)	(1,325,242,538)	(13,363,533)	(1,538,202,470)
Balance as at June 30, 2024	2,160,537	-	7,549,799	9,710,336

	Note	2024 Rupees	2023 Rupees
6. Investment in subsidiary			
Cost	6.1	-	-

6.1 During the year ended June 30, 2022, the Company acquired 100% ownership in ORA Home LLC (ORA), a limited liability company incorporated in New Jersey, USA on January 5, 2022. The Company paid nil consideration for the acquisition of subsidiary due to net liability position in the books of subsidiary and accordingly assumed all liablities of the subsidiary as on January 5, 2022.

7. STORES, SPARES AND LOOSE TOOLS

	2024 Rupees	2023 Rupees
Stores and spares	61,124,690	60,777,263
Stores and spares in transit	117,067	467,498
Loose tools	64,585	64,585
	61,306,342	61,309,346
Less: provision for slow moving items	(7,743,217)	(7,743,217)
	53,563,125	53,566,129

8. STOCK-IN-TRADE

	2024 Rupees	2023 Rupees
Raw material - cotton		
- In hand	1,121,028,719	726,259,683
- In transit	428,156,535	159,022,484
	1,549,185,254	885,282,167
Raw material - home textile		
- In hand	1,735,289	11,224,752

	Note	2024 Rupees	2023 Rupees
Work-in-process - yarn		91,441,947	76,496,220
Work-in-process - home textile		34,327,602	28,702,503
Finished goods - yarn			
- In hand		240,222,818	315,503,103
- In transit		-	28,754,217
- Third party		-	97,473,722
Waste - yarn		12,066,210	18,380,621
		1,928,979,120	1,461,817,305

9. TRADE DEBTS

	Note	2024 Rupees	2023 Rupees
Considered good			
Secured :			
Export - others	9.1	33,171,528	136,441,517
Local		294,825,850	214,897,633
		327,997,378	351,339,150
Unsecured :			
Export - due from related party	9.2 & 9.3	29,355,627	-
Local		749,490,743	304,244,269
		1,106,843,748	655,583,419
Considered doubtful			
Local		18,193,775	14,058,548
		1,125,037,523	669,641,967
Less: Expected credit loss	9.4	(18,193,775)	(14,058,548)
		1,106,843,748	655,583,419

9.1 This includes Euro 73,698 (2023 : Nil) and USD 40,744 (2023 : USD 476,752).

9.2 This includes USD 105,401 (2023 : Nil).

9.3 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs 41.140 million (2023: Rs 4.555 million).

		Note	2024 Rupees	2023 Rupees
9.4	**Expected credit loss**			
	Balance as at July 1,		14,058,548	12,413,215
	Charge during the year		4,135,227	1,645,333
	Balance as at June 30,		18,193,775	14,058,548
9.5	**Ageing of trade debts past due but not impaired**			
	Not past due		748,333,073	436,421,781
	0 - 90 days		319,078,576	138,928,038
	91-180 days		38,876,264	89,834,377
	Above 180 days		18,749,610	4,457,771
			1,125,037,523	669,641,967
9.6	**Ageing of trade debts past due but not impaired - related party**			
	Not past due		13,250,336	-
	0 - 90 days		16,105,291	-
	91-180 days		-	-
	Above 180 days		-	-
			29,355,627	-

		Note	2024 Rupees	2023 Rupees
10.	**LOANS AND ADVANCES**			
	Considered good			
	Loans to employees	10.1	457,000	387,000
	Advance to employees	10.1	506,981	420,000
	Advances - unsecured			
	- to suppliers	10.2	88,262,057	39,791,090
	- for expenses		558,863	924,154
			88,820,920	40,715,244
			89,784,901	41,522,244

10.1 These represents unsecured, interest free, short-term loan and advance given to employees of the Company.

10.2 This represents advance payments made to supplier for stores and spares and purchases.

11. PREPAYMENTS

	Note	2024 Rupees	2023 Rupees
Minimum tax levy		31,326,445	4,529,936
Health insurance		1,524,963	1,603,690
Other prepayments		1,452,577	-
		34,303,985	6,133,626

12. OTHER RECEIVABLES

	Note	2024 Rupees	2023 Rupees
Sales tax		129,251,358	189,762,588
Export rebate	12.1	7,686,065	2,194,344
Less: expected credit loss	12.4	(5,969,340)	(5,969,340)
		130,968,083	185,987,592
Duty draw back receivable	12.2	5,872,932	5,872,932
Cotton claim receivable	12.3	39,881,372	23,767,311
Profit on deposits		9,645,253	6,576,634
Others		1,836,208	984,786
		57,235,765	37,201,663
		188,203,848	223,189,255

12.1 Export rebate

Export rebate comprises of incentives/discounts/refunds and other benefits granted by the Government of Pakistan.

12.2 Duty draw back receivable

This represents receivable from the Government of Pakistan since 2021.

12.3 Cotton claim receivable

This represents a formal claim regarding discrepancies related to cotton weight and quality.

12.4 Expected credit loss

	2024 Rupees	2023 Rupees
As at July 01	5,969,340	4,824,973
Charge during the year	-	1,144,367
As at June 30	5,969,340	5,969,340

	Note	2024 Rupees	2023 Rupees
13. Short term investment			
- At amortised cost			
Term deposit receipts	13.1	200,455,670	174,372,670
- Fair value through profit or loss			
Short term investment in quoted securities		-	5,742,990
		200,455,670	180,115,660

13.1 These represent term deposit receipts placed with various banks for a period ranging from six months to one year carrying mark-up at the rates ranging from 5.75% to 21.5% (2023: 4.2% to 21%) per annum. The banks have lien on these term deposit receipts on account of guarantees provided by such banks as disclosed in note 24.1.1 to the unconsolidated financial statements. These will mature at various maturity dates.

14. CASH AND BANK BALANCES

	Note	2024 Rupees	2023 Rupees
Cash in hand		1,552,529	707,343
Cash at banks			
- in current accounts		506,392	5,029,589
- in savings account	14.1	6,548,627	215,581
	14.2	8,607,548	5,952,513

14.1 It carries markup of 13.5% to 20.5% (2023: 13.5% to 20.5%) per annum.

14.2 This includes an amount of Rs. 6.68 million (2023: Rs. 6.68 million) on which the bank has created lien on account of guarantee provided by such bank as disclosed in note 24.1.1 to the financial statements.

15. ISSUED SUBSCRIBED AND PAID-UP CAPITAL

2024 Number of shares	2023 Number of shares		2024 Rupees	2023 Rupees
		Authorised		
22,000,000	22,000,000	Ordinary shares of Rs. 10/- each	220,000,000	220,000,000
19,852,800	19,852,800	Ordinary shares of Rs. 10/- each fully paid in cash	198,528,000	198,528,000

15.1 The Company has one class of ordinary share, which carry equal voting rights but no right to fixed income. Voting rights, board selection etc. are in proportion to their shareholding.

	Note	2024 Rupees	2023 Rupees
16. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - net of tax			
As at July 1,		973,359,080	1,036,250,427
Surplus arising during the year		78,747,605	-
Less: transferred to unappropriated profit on account of:			
- incremental depreciation - net of tax		(56,339,344)	(53,968,778)
- related deferred tax liability		(5,893,633)	(8,922,569)
		(62,232,977)	(62,891,347)
As at June 30		989,873,708	973,359,080
Less: related deferred tax liability on:			
Revaluation surplus as at July 1,		105,235,069	153,759,903
Surplus arising during the year	19	5,940,002	-
Adjustment due to change in tax rate	19	(34,988,685)	(39,602,265)
Related deferred tax on incremental depreciation		(5,893,633)	(8,922,569)
	19	70,292,753	105,235,069
As at June 30		919,580,955	868,124,011

17. LONG-TERM FINANCE	Note	2024 Rupees	2023 Rupees
Long term portion			
Financial institutions	17.1	433,281,371	693,818,843
Related parties	17.2	52,818,403	35,133,985
		486,099,774	728,952,828
Current portion			
Financial institutions	17.1	332,879,577	128,365,121
Related parties	17.2	5,454,545	42,140,486
		338,334,122	170,505,607

17.1 Details and movement are as follows:

Bank	Facility	Balance at July 01, 2023	Obtained during the year	Principal Repaid during the year	Balance at June 30, 2024	Government Grant	Net Balance at June 30, 2024	Payable within one year	Payable later than one year	Payable within one year as at June 30, 2023	Payable later than one year as at June 30, 2023	Mark up rate (per annum)	Principal and mark up payment	Note
		Rupees												
Dubai Islamic Bank Limited	Diminishing Musharaka (DM)	65,000,000	-	-	65,000,000	-	65,000,000	(9,750,000)	55,250,000	-	65,000,000	3 month KIBOR +150 bps	Quarterly (2 years grace period)	17.1.1
	DM	4,221,181	-	-	4,221,181	-	4,221,181	(422,118)	3,799,063	-	4,221,181			
	DM	4,221,181	-	-	4,221,181	-	4,221,181	(211,059)	4,010,122	-	4,221,181			
	ITERF 1	5,850,000	-	(877,500)	4,972,500	(247,249)	4,725,251	(1,073,248)	3,652,003	762,420	4,725,251	SBP Rate +400 bps	Quarterly (2 years grace period)	17.1.2
	ITERF 1	13,280,000	-	(1,992,000)	11,288,000	(528,764)	10,759,236	(2,456,807)	8,302,429	1,741,355	10,759,236			
	ITERF 1	130,000,000	-	-	130,000,000	(30,822,661)	99,177,339	(18,926,934)	80,250,405	-	90,819,723			
		222,572,362	-	(2,869,500)	219,702,862	(31,598,674)	188,104,188	(32,840,166)	155,264,022	2,503,775	179,746,572			
Samba Bank Limited	TERF 1	40,868,800	-	(10,217,200)	30,651,600	(2,824,374)	27,827,226	(27,827,226)	-	7,979,328	27,344,550	SBP Rate +400 bps	Quarterly (1 year grace period)	17.1.3
	TERF 2	14,692,500	-	(3,918,000)	10,774,500	(762,096)	10,012,404	(10,012,404)	-	2,410,235	10,690,936			
	TERF 3	32,098,125	-	(8,559,480)	23,538,645	(2,397,572)	21,141,073	(21,141,073)	-	6,856,775	21,141,060			
	TERF 4	35,660,504	-	(9,508,000)	26,152,504	(1,700,448)	24,452,056	(24,452,056)	-	7,975,608	24,127,822			
	TERF 5	71,183,000	-	(13,346,700)	57,836,300	(7,591,910)	50,244,390	(50,244,390)	-	9,467,433	49,078,302			
	Term Finance 1	11,272,500	-	(704,531)	10,567,969	-	10,567,969	(10,567,969)	-	1,409,063	9,863,437	3 month KIBOR +200 bps	Quarterly (1 year grace period)	17.1.4
	Term Finance 2	7,316,000	-	-	7,316,000	-	7,316,000	(7,316,000)	-	-	7,316,000			
	Term Finance 3	30,600,000	-	-	30,600,000	-	30,600,000	(30,600,000)	-	-	30,600,000			
		243,691,429	-	(46,253,911)	197,437,518	(15,276,400)	182,161,118	(182,161,118)	-	36,098,442	180,162,107			
Askari Bank Limited	LTFF 1	6,218,450	-	(194,325)	6,024,125	-	6,024,125	(777,308)	5,246,817	194,327	6,024,123	SBP Rate +300 bps	Quarterly (2 year grace period)	17.1.5
	LTFF 2	12,072,500	-	-	12,072,500	-	12,072,500	(1,131,798)	10,940,702	-	12,072,500			
	Term Finance 1	56,937,699	-	(10,675,818)	46,261,881	-	46,261,881	(14,234,424)	32,027,457	10,675,819	46,261,880	3 month KIBOR +150 bps	Quarterly (1 year grace period)	17.1.6
	Term Finance 2	49,771,351	-	(6,221,419)	43,549,932	-	43,549,932	(15,553,545)	27,996,387	9,332,128	40,439,223			
		125,000,000	-	(17,091,561)	107,908,438	-	107,908,438	(31,697,075)	76,211,363	20,202,274	104,797,726			
Bank Al Falah Limited	TERF 1	16,397,280	-	-	16,397,280	(4,277,704)	12,119,576	(1,380,548)	10,739,028	-	11,244,435	SBP Rate +400 bps	Quarterly (2 year grace period)	17.1.7
	TERF 2	19,678,360	-	-	19,678,360	(5,532,519)	14,145,841	(1,710,686)	12,435,155	-	13,114,623			
	TERF 3	151,424,000	-	-	151,424,000	(45,652,311)	105,771,689	(7,373,893)	98,397,796	-	97,386,981			
	Term Finance 1	51,695,938	-	(7,979,234)	43,716,704	-	43,716,704	(10,363,723)	33,352,981	8,027,365	43,668,573	3 month KIBOR +150 bps	Monthly (0 year grace period)	17.1.8
		239,195,578	-	(7,979,234)	231,216,344	(55,462,534)	175,753,810	(20,828,850)	154,924,960	8,027,365	165,414,612			
Bank of Punjab	LTFF 1	8,631,947	-	(8,631,947)	-	-	-	-	-	8,631,947	-	6 month KIBOR +250 bps	Quarterly	17.1.9
	LTFF 2	25,639,105	-	(12,819,575)	12,819,530	-	12,819,530	(12,819,530)	-	12,819,575	12,819,530	SBP Rate +250 bps	Quarterly	17.1.10.
		34,271,052	-	(21,451,522)	12,819,530	-	12,819,530	(12,819,530)	-	21,451,522	12,819,530			
First Habib Modaraba	Diminishing Musharaka	90,959,997	57,250,000	(48,796,133)	99,413,864	-	99,413,864	(52,532,838)	46,881,026	40,081,724	50,878,246	Three month Kibor + (1.0%-2.0%)	Monthly	17.1.11
Total		955,690,418	57,250,000	(144,441,861)	868,498,556	(102,337,608)	766,160,948	(332,879,577)	433,281,371	128,365,102	693,818,793			

17.1.1 The loan is secured by way of first pari passu charge over Compact Spinning, imported gen set and locally purchased carding machines with 0% to 25% margin, and against 1st exclusive charge over imported assets of solar equipment. The loan is utilized for renewable energy installation in the factory.

17.1.2 The Company has entered into a Islamic Temporary Economic Refinance Facility (ITERF) agreement with Dubai Islamic bank , with the limit of Rs.147.217 million. The unavailed facility as at year end was Rs. 0.956 million (2023: Rs. 0.870 million). This facilities carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 7 years with grace period of 2 years. This facility is secured against 1st exclusive charge over imported plant and machinery, and also the personal guarantee of all the directors and mortgagors of the Company.

17.1.3 The Company has entered into a Temporary Economic Refinance Facility (TERF) agreement with bank, with the total limit aggregating to Rs. 163.59 million (2023: 194.50 million). The unavailed facility as at year end was Rs. 14.64 million (2023: Rs. 5.50 million). This facility carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 5 years with grace period of 1 year. However, during the year ended the Company was in breach of certain covenants as mentioned in the facility letter, due to which outstanding long term loan was payable on demand and is reclassified as current liability.

17.1.4 The loan is secured by way of first exclusive charge of Rs. 134 million over specific machinery with 25% margin.

17.1.5 The loan is secured by way of first pari passu charge with 0% to 25% margin.

17.1.6 The loan is secured against 1st specific charge over imported plant and machinery for Rs. 125 million, and by way of first pari passu charge with 0% to 25% margin.

17.1.7 The Company has entered into a Temporary Economic Refinance Facility (TERF) agreement with banks, with the total limit to Rs. 187.5 million (2023: Rs. 187.5 million). The unavailed facility as at year end was Rs. Nil (2023: Nil). This facility carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 10 years with grace period of 2 years.

17.1.8 The loan is secured against 1st specific charge over imported plant and machinery for Rs. 326.3 million

17.1.9 The loan is secured by way of first exclusive and specific hypothecation charge over imported machinery of the Company (Compact Spinning Assembly) with 0% margin. The loan is fully repaid as at 30 June 2024.

17.1.10. The loan is obtained to meet the capital expenditure requirement of the Company. The loan is secured by way of first exclusive and specific hypothecation charge over imported machinery of the Company.

17.1.11 These represent plant and machinery and vehicles acquired under musharaka arrangement. The rates of mark-up ranges from 18.00% to 24.91%.

		Note	2024 Rupees	2023 Rupees
17.2	**Loan from related parties - unsecured**			
	Opening as at July 01,		77,274,471	96,739,869
	Receipts during the year		-	1,450,000
	Repayments during the year		(6,148,312)	(6,746,286)
	Unwinding of discount	28	10,445,400	11,817,123
	Less: Fair value adjustment	17.2.1	(23,298,611)	(25,986,235)
			58,272,948	77,274,471
	Payable within one year	15	(5,454,545)	(42,140,486)
	Closing as at June 30,		52,818,403	35,133,985

17.2.1

S.No	Designation	Date of agreement	Loan amount renewed	Present Value of loan	Fair value adjustment
1	Director/CEO	8-Dec-23	45,000,000	21,701,389	23,298,611

17.2.2 Loans from related parties are extended to fulfill the Company's working capital needs.

17.2.3 As at June 30, 2024, the loans received from directors are due to be paid as follows, unless otherwise the terms of repayment are further extended:

	Note	2024 Rupees	2023 Rupees
Due Date		**Loan received Rupees**	**Present value Rupees**
December 08, 2027		45,000,000	21,701,389
December 16, 2024		6,000,000	5,454,545
June 30, 2027		50,191,000	29,045,718
		101,191,000	56,201,652

18. DEFERRED GOVERNMENT GRANT

	Note	2024 Rupees	2023 Rupees
Deferred grant against temporary economic refinance facility		102,337,608	133,506,454
Current portion of deferred Government grant		(27,857,022)	(29,771,093)
		74,480,586	103,735,361

18.1 Deferred Government grant relates to the difference between the fair value and actual proceed of temporary economic refinance facility loan obtained under SBP's refinance scheme. It is being amortised over the period of ten years from the date of loan disbursement with an amount equal to the difference between the finance cost charged that would have been charged to statement of profit or loss at market rate and the interest paid as per the scheme.

19. DEFERRED TAXATION - NET

	Note	2024 Rupees	2023 Rupees
Balance as at July 1,		171,199,476	229,182,802
Reversal to profit or loss	33	(26,519,307)	(17,214,428)
Charged to other comprehensive income		(232,869)	(1,166,633)
Adjustment to the related deferred tax liability on revaluation surplus	16	5,940,002	-
Tax rate adjustment on surplus	16	(34,988,685)	(39,602,265)
Balance as at June 30,		115,398,617	171,199,476

	Note	2024 Rupees	2023 Rupees
This comprises of the following:			
Taxable temporary differences:			
- accelerated depreciation on property, plant and equipment		108,037,572	97,305,979
- surplus on revaluation of property, plant and equipment		70,292,752	105,235,069
- Other financial asset		954,888	-
		179,285,212	202,541,048
Deductible temporary differences:			
- provision for doubtful trade debts		1,331,383	1,994,525
- provision for stores and spares		733,304	1,100,260
- provision for doubtful other receivables		565,313	846,887
- provision for staff gratuity		7,121,178	11,176,043
- minimum tax		51,698,755	12,291,464
- WWF liability		2,436,662	3,650,024
- Other financial asset		-	282,369
		(63,886,595)	(31,341,572)
		115,398,617	171,199,476

20. RETIREMENT BENEFIT OBLIGATION	Note	2024 Rupees	2023 Rupees
Factory	20.2	74,942,694	78,522,743
Head office	20.10	252,372	252,372
		75,195,066	78,775,115

20.1 Retirement benefit obligation - defined benefit plan

The Projected Unit Credit Method based on following significant assumptions was used for valuation of the scheme.The disclosure made in notes 20.2 to 20.11 are based on information included in acturial report. The basis of recognition together with details as per actuarial valuation conducted as at June 30, 2024 are as under:

The principal assumptions used are as follows:	2024	2023
- Discount rate	16.25%	16.25%
- Expected rate of salary increase	15.25%	15.25%
- Mortality rate	SLIC 2001-2005 set back one year	SLIC 2001-2005 set back one year

	Note	2024 Rupees	2023 Rupees
20.2 Liability recognized in the statement of financial position			
Present value of retirement benefit obligation (RBO)	20.3	74,942,694	78,522,743
20.3 Movement in Retirement benefit obligation (RBO) during the year			
Balance as at July 1,		78,522,743	59,891,088
Expense recognized in cost of sales (profit or loss)	20.4	31,977,786	24,691,262
Total remeasurements recognized in other comprehensive income	20.5	802,995	4,022,874
Benefits paid		(30,793,500)	(6,218,600)
Benefits due but not yet paid		(5,567,330)	(3,863,881)
		74,942,694	78,522,743

20.4 Expense recognized in profit or loss

Current service cost	22,172,158	17,423,657
Interest cost	9,805,628	7,267,605
	31,977,786	24,691,262

20.5 Total remeasurements recognized in other comprehensive income

Actuarial gain on liability arising on		
- financial assumptions	(265,428)	650,596
- experience adjustments	1,068,423	3,372,278
	802,995	4,022,874

20.6 Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

Current year		**Increase / (decrease) in defined benefit**	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		Rupees	**Rupees**
Discount rate	1%	(3,801,299)	4,293,611
Salary growth rate	1%	4,441,121	(4,002,239)

Prior year		**Increase / (decrease) in defined benefit**	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		Rupees	**Rupees**
		Rupees	**Rupees**
Discount rate	1%	(4,574,629)	4,040,522
Salary growth rate	1%	4,758,369	(4,279,034)

20.7 The gratuity scheme exposes the Company to the following risks:

Final salary risk (linked to inflation risk): the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higer side.

Withdrawal risk: The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

20.8 The weighted average duration of the defined benefit obligation as at June 30, 2024 is 5 years (2023: 5 years).

20.9 Number of employees covered by the scheme are 513 (2023: 727).

20.10 This amount relates to the unfunded gratuity scheme for the head office staff which has been freezed since 2002, as per the Company policy.

20.11 Expected expenses to be charged with respect to current service cost and interest cost on retirement benefit obligation in financial year 2025 will be 28.702 million.

21. TRADE AND OTHER PAYABLES

	Note	2024 Rupees	2023 Rupees
Creditors	21.1	155,868,982	78,620,482
Accrued liabilities		104,595,416	131,655,444
Gratuity due but not yet paid		8,797,611	5,814,581
Contract liabilities	21.2	710,414,663	189,026,671
Workers' welfare fund		25,729,585	25,729,586
Infrastructure cess	21.3	166,078,418	141,343,416
Payable to provident fund		625,311	605,419
Minimum tax levy		31,326,445	4,529,936
Final tax		18,594,411	13,754,946
Withholding tax payable		30,325,478	16,193,935
		1,252,356,320	607,274,416

21.1 Trade payables are non-interest bearing and are normally settled on 90-days term.

21.2 **Movement of Contract liabilities**

	Note	2024 Rupees	2023 Rupees
Opening balance		189,026,671	259,420,029
Advance received during the year		2,426,015,870	1,314,958,199
Transferred to revenue during the year	25.1	(1,904,627,877)	(1,385,351,557)
Closing balance		710,414,663	189,026,671

21.3 The Government of Sindh through Sindh Finance Act, 1994 provided for imposition of an infrastructure fee for the development and maintenance of infrastructure on goods entering or leaving the Province through air or sea at prescribed rates. The levy was challenged by the Company along with other companies in the High Court of Sindh through civil suits which were dismissed by the single judge of the High Court of Sindh through its decision in October 2003. On appeal filed there against, the High Court of Sindh has held through an order passed in September 2008 that the levy as imposed through the Sindh Finance Act, 1994 (amended time to time) was not valid till December 28, 2006, however, thereafter on account of an amendment in the Sindh Finance (Amendment) Ordinance, 2006, it had become valid and is payable by the Appellants. The Company, along with other companies, filed an appeal in the Supreme Court of Pakistan against the aforementioned order of the High Court of Sindh. The Supreme Court granted stay by passing an interim order on January 22, 2009. The order passed by the High Court of Sindh was set aside by the Supreme Court vide its order dated May 20, 2011. Consequently, a new petition has been filed in the High Court of Sindh.

Through the interim order passed on May 31, 2011, the High Court has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. Refer notes 14 & 24.

On April 06, 2021, the High Court of Sindh vide order C.P.№ D-3309 / 2011, summoned to encash all the bank guarantees furnished by the petitioners. The SHC issued this order reasoning that the entire cargo being imported in the Country routes through the Province of Sindh, and for that the Provincial Legislature thought it appropriate to impose a certain amount of tax in the form of a cess. It is though being collected from an importer of goods; but in essence it is not on imports; but for maintenance and development of infrastructure on imported goods. However, during the year ended June 30, 2022, the Supreme Court of Pakistan vide its order dated September 01, 2021, suspended the order issued by SHC stating that it suffers from constitutional and legal defects and granted the interim relief to the Company and other petitioners. The order issued by the Supreme Court of Pakistan states that the petitioners shall keep the bank guarantees already submitted pursuant to the earlier order of SHC and shall furnish the fresh bank guarantees equivalent to the amount of levy claimed by the Sindh Government against release of all future consignments of imported goods.

The Management is confident for a favorable outcome. However, as a matter of prudence, the Company has made provision as follows:

	Note	2024 Rupees	2023 Rupees
Balance as at July 1,		141,343,416	104,121,092
Charge for the year		24,735,002	37,222,324
		166,078,418	141,343,416
Payments made during the year		-	-
Balance as at June 30,		166,078,418	141,343,416

22. ACCRUED MARK-UP

Long-term finance	17,122,368	22,476,597
Short-term borrowings	96,891,318	69,728,423
	114,013,686	92,205,020

23. SHORT-TERM BORROWINGS

Banking companies - secured

Running Finance	609,283,094	441,277,552
Cash Finance	393,674,857	230,082,741
Finance against imported merchandise (FIM)	1,031,873,785	840,071,672
	2,034,831,736	1,511,431,965

Facilities for running finance, cash finance, FIM and Murabaha are available from various banks up to Rs. 2,925 million (2023: Rs. 2,825 million). These facilities are subject to mark-up at 3 month KIBOR plus 1% to 2.5% (2023: 3 month KIBOR plus 1% to 2.5%) per annum payable quarterly. These are secured against various assets including first pari passu hypothecation charge over present and future stock-in-trade, pledge of cotton, first hypothecation charge over present and future book debts, ranking charge on the stocks and receivables of the company, plants and machinery, equitable mortgage on various properties and personal guarantees of all the directors of the Company.

The aggregate unavailed short-term borrowing facilities amounted to Rs.890 million (2023: Rs. 1,314 million).

24. CONTINGENCIES AND COMMITMENTS

24.1 Contingencies

	2024 Rupees	2023 Rupees
24.1.1 Letters of guarantee issued by banks on behalf of the Company to:		
- Lahore Electric Supply Company Limited	34,095,568	34,095,568
- Sui Northern Gas Pipelines Limited	81,684,800	74,000,000
- Excise and Taxation Office	165,258,600	139,558,660
Post dated cheques given to Collector of Customs as indemnity	980,158,170	980,158,170

24.1.2 In August 2013, the Oil and Gas Regulatory Authority (OGRA) vide its S.R.O. # 726(I)/2015 notified the sale price for sale of natural gas at Rs. 573.28/MMBTU for Captive Power Consumption (CPP) with immediate effect. Subsequent to the said S.R.O., the Company received gas bills at Rs. 573.28/MMBTU, being considered as CPP by the utility company. The Company, considering itself as industrial consumer paid gas charges at the rate applicable before August 2013 on the basis of the stay order obtained from the Court.

Subsequently, on September 1, 2015, OGRA vide its S.R.O. # 876(I)/2015 notified the price for sale of natural gas at Rs. 600/MMBTU for industrial consumers and on captive power consumption, with effect from September 1, 2015. Aggrieved by the notification, the Company filed a suit in the Lahore High Court contending that the mandatory procedures as laid down in the OGRA Ordinance, 2002 and Rules made thereunder were not fulfilled while issuing the notification. Hence, the Company paid / accrued gas charges at rates applicable before the above S.R.O. # 726(I)/2015 on the basis of stay orders obtained from Lahore High Court, Multan bench, from time to time, until November 2015.

From December 2015, the gas company has started supplying imported Liquefied Natural Gas (LNG) resulting in the change in rates over which no dispute has been raised by the Company.

On July 6, 2020, the OGRA issued a decision whereby, the Company (the petitioner) was directed to pay the outstanding amount to the utility company within 30 day period from the date of decision. In response to the above decision, a writ petition was filed before the honourable Lahore High Court (LHC) by the Company and the LHC issued a stay order on October 8, 2020, which suspended the OGRA's decision, however, the case is still pending before LHC.

24.1.3 The Federal Government issued Gas Infrastructure Development Cess (GIDC) Acts in the years 2011, 2014 and 2015. All GIDC Acts have been subject of thorough debate and consideration at honorable High Courts of the Country as well as the Supreme Court of Pakistan (SCP).

On August 12, 2020, the SCP issued its verdict (Judgement) and held that "the levy imposed under Gas Infrastructure Development Cess Act, 2015 (the Act) is in accordance with the Provisions of the Constitution". The Supreme Court has also held that "the Provisions of section 8 of the Act, which give retrospective effect to the charge and recovery of GIDC levied from the year 2011 are also declared to be valid being within the legislative competence of the Parliament." However, since the Company is an industrial concern and it did not pass on the burden of GIDC to its consumers prior to the GIDC Act, 2015 (or even thereafter), management believes that the Company is entitled to the exemption under the first proviso to Section 8(2) of the GIDC Act, 2015 from payment of the GIDC levied under the GIDC Act, 2011 and GIDC Ordinance, 2014. As such, arrears due from the Company may only include amounts levied under the GIDC Act, 2015 from the date of its commencement, i.e., May 22, 2015.

Subsequent to the Order passed by the Honorable SCP on August 12, 2020, Sui Northern Gas Pipelines Limited (SNGPL) submitted bills to the industry including the Company claiming arrears of first instalment in deference to the said Judgement of the SCP. As the bills of arrears were calculated for monthly instalment on the basis of entire total payable amount from 2011 to July 2020 by charging Cess on the higher rate of tariff applicable to

Captive Connections apart from the fact that the implication of Section 8 of the said Act, 2015 was not taken into consideration whereby it was provided that the industry, which has not collected the Cess from the Customers prior to 2015 shall not be liable to the payment of GIDC for the said period from 2011 to 2015. During the prior year, a writ petition No. 42176 / 2020 was filed by All Pakistan Textile Mills Association (APTMA) (where the Company is also a party to the petition) before Honorable High Court at Lahore against imposition of GIDC Act 2015 and the recovery of Cess from December 2011 to May 2015. Further, during the prior year, SNGPL started billing for GIDC to the Company against which payment was made by the Company till March 2021 based on the order issued by Honorable Lahore High Court against the aforementioned writ petition. Pursuant to the order, Lahore High Court restrained SNGPL from charging the Cess at the higher tariff rate of Captive Connection and directed to issue revised bill calculated at the rate applicable to industrial connection. Besides, the payment for the period from 2011 to 2015 was also suspended in view of the implication of the said provision of law. Further, the Company made payment which is applicable to industrial consumers and for the difference between the amount charged to industrial consumers and captive power consumers, post-dated cheques are being issued by the Company in favour of SNGPL. For the amount relating to the payment of GIDC based on the actual calculation prior to 2015, the decision was made by the Lahore High Court on June 27, 2021 whereby it has restrained the SNGPL to collect the cess prior to 2015.

On September 27, 2021, the Honorable Lahore High Court issued a judgment on writ petition No. 42716 / 2020 whereby it was concluded that all the parties to the petition (including the Company) fall under the category of Industrial Consumers rather than Captive Power Plant and shall remain liable to the tariff applicable to Industrial Consumers.

During the prior year, the Company filed an appeal before the Honorable High Court of Sindh on the ground that no burden of GIDC had been passed to its customers / clients and thus the Company is not liable to pay GIDC under GIDC Act 2015. The Court granted stay order against recovery of GIDC payable by the Company till the finalization of matter by Sindh High Court. The matter is currently pending in the Sindh High Court. However, as a matter of abundant caution and without prejudice to the suits filed, the Company has made aggregate provision of Rs. 5.4 million (2023: Rs. 5.4 million) in respect of GIDC up to June 30, 2024.

24.1.4 An order dated November 11, 2020 was passed against the Company by Collector of Customs, Karachi creating a demand of Rs. 13.023 million along with a penalty of Rs. 0.5 million. The Company has challenged the above order by way of filing an appeal before the Customs Appellate Tribunal at Karachi, which is pending for final adjudication. However, a stay order was successfully obtained from Honourable Sindh High Court on December 22, 2020 by filing Constitutional Petition number 6618 / 2020, which is still operative.

24.1.5 In current and previous years, several cases filed against the Company before various court of law / tax forums, the amount of which cannot be determined. The management, based on the opinion of its legal counsel, expect that the outcome of all those cases will be in favor of the Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these unconsolidated financial statement.

	2024 Rupees	2023 Rupees
24.2 Commitments		
Letters of credit opened and outstanding for import of:		
- plant and machinery	-	28,609,191
- stores and spares	6,471,076	9,629,233
- raw material	476,600,215	695,126,790

	Note	2024 Rupees	2023 Rupees
25. Revenue from contract with customer - net			
Yarn			
- Local		2,165,871,496	1,739,336,498
- Export		1,682,072,784	814,716,140
- Indirect export		2,231,968,415	1,781,233,061
		6,079,912,695	4,335,285,699
Home textile			
- Local		3,013,200	830,697
- Export		321,584,956	84,479,818
		324,598,156	85,310,515
Raw material - local		487,840,237	50,680,596
Waste - local		355,681,836	343,032,489
		7,248,032,924	4,814,309,299
Less:			
Sales tax		(778,943,841)	(600,595,598)
Brokerage and commission		(19,328,548)	(13,545,673)
Discount		-	(27,091)
		6,449,760,535	4,200,140,937

25.1 Revenue recognised during the year from contract liabilities amounted to Rs. 1,904.63 million (2023 : Rs. 1,385.35 million)

	Note	2024 Rupees	2023 Rupees
26. COST OF SALES			
Raw material consumed	26.1	3,557,010,514	2,846,955,574
Salaries, wages and benefits	26.1.1	260,700,700	225,014,371
Fuel and power		943,888,167	596,566,345
Depreciation	5.1.3	119,526,130	94,572,910
Stores, spares and loose tools consumed		67,443,925	50,851,122
Packing material		69,642,550	56,533,868
Insurance		18,400,863	10,906,433
Repairs and maintenance		2,750,950	3,652,309
Vehicles running and maintenance		5,894,092	5,276,941
Other manufacturing overheads		3,761,375	3,660,352
		1,492,008,752	1,047,034,651
		5,049,019,266	3,893,990,225

	Note	2024 Rupees	2023 Rupees
Work in process			
Opening stock		76,496,220	56,022,198
Closing stock		(91,441,947)	(76,496,220)
		(14,945,727)	(20,474,022)
Cost of goods manufactured		5,034,073,539	3,873,516,203
Finished goods			
Opening stock		460,111,663	264,126,222
Yarn purchased		24,003,800	17,117,978
Yarn transferred from home textile		1,912,500	-
Yarn transferred to home textile		(57,141,750)	(14,104,500)
Closing stock		(252,289,028)	(460,111,663)
		176,597,185	(192,971,963)
Cost of home textile		231,283,557	62,213,961
Cost of raw material sold		389,220,006	37,236,621
		5,831,174,287	3,779,994,822

	Note	2024 Rupees	2023 Rupees
26.1 Raw material consumed			
Opening stock		726,259,683	787,024,122
Purchases - net	26.1.2	3,951,779,550	2,786,191,135
		4,678,039,233	3,573,215,257
Closing stock		(1,121,028,719)	(726,259,683)
		3,557,010,514	2,846,955,574

26.1.1 Salaries, wages and benefits include Rs. 31.98 million (2023: Rs. 24.69 million) in respect of charge for retirement benefit obligations.

26.1.2 This includes purchases from imports amounting to Rs. 2,940.82 million (2023 : 2,615.50 million).

27. DISTRIBUTION COST

	2024	2023
Freight and octroi	27,634,471	20,796,170
Commission and other charges	6,396,102	3,897,918
Clearing and forwarding	24,430,050	5,247,415
Business promotion expenses	985,101	9,876,207
Export development surcharge	4,812,443	2,677,856
	64,258,167	42,495,566

28. ADMINISTRATIVE EXPENSES

Salaries and benefits	28.1	79,586,634	69,314,953
Fees, subscription and periodicals		5,522,782	4,491,538
Entertainment		1,657,440	1,262,374
Traveling and conveyance		635,950	418,498
Postage and telephone		1,822,070	1,600,129
Electricity, gas and water		1,847,900	1,280,706
Vehicles running and maintenance		8,710,819	9,227,638
Depreciation	5.1.3	10,285,824	12,670,181
Expected credit loss - trade receivable	9.4	4,135,227	1,645,333
Expected credit loss - other receivable	12.4	-	1,144,367
Legal and professional		78,000	170,000
Auditor's remuneration	28.2	1,650,000	1,641,000
Printing and stationery		1,133,277	1,345,129
Computer		378,125	187,980
Advertisement		316,150	190,500
Donation	28.3	3,923,000	5,093,000
Others		613,909	430,958
		122,297,107	112,114,284

28.1 Salaries and benefits include Rs. 2.02 million (2023: Rs. 2.02 million) in respect of charge for employer's contribution to provident fund.

	Note	2024 Rupees	2023 Rupees
28.2 Auditors' remuneration			
Audit Services			
Annual audit fee		1,050,000	1,050,000
Consolidation fee		250,000	250,000
Half year review fee		200,000	175,000
Review of code of corporate governance		50,000	55,000
Certifications		50,000	55,000
Out of pocket expenses		50,000	56,000
		1,650,000	1,641,000

28.3 No director or their spouse had any interest in the donees' fund. During the year, the Company has donated Rs. 3.92 million (2023: Rs. 5.09 million) to The Citizens Foundation.

29. FINANCE COST

	Note	2024 Rupees	2023 Rupees
Mark-up on long term finance		85,845,782	6,847,546
Mark-up on short-term borrowings		473,437,026	276,986,541
Interest on lease liability		175,669	968,661
Unwinding of discount on long-term finance from related parties	17.2	10,445,400	11,817,123
Workers' profit participation fund	21.2	-	1,756,823
Bank charges, guarantee commission and other related		9,809,722	8,487,752
		579,713,599	306,864,446

30. OTHER OPERATING EXPENSES

	Note	2024 Rupees	2023 Rupees
Workers' welfare fund		-	1,291,770
Realized exchange loss on foreign exchange - net		25,342,874	-
Unrealized exchange loss on foreign exchange- net		936,180	
Infrastructure cess	21.3	24,735,002	37,222,324
		51,014,056	38,514,094

31. OTHER INCOME

	Note	2024 Rupees	2023 Rupees
Income from financial assets			
Profit on deposits with bank		29,771,558	18,291,881
Exchange gain - net		-	15,149,992
Dividend Income		198,000	-
Unrealised gain on cotton claim receivables		-	3,024,315
Realized gain on short term investment		399,006	-
Unrealized gain on short term investment		-	698,290
		30,368,564	37,164,478
Income from non-financial assets			
Gain on disposal of property, plant and equipment		12,627,300	7,178,050
Scrap sales		205,329	517,160
Export rebate		5,955,182	462,366
		18,787,811	8,157,576
		49,156,375	45,322,054

		2024 Rupees	2023 Rupees (Restated)
32. LEVY			
Final tax levy		39,282,790	24,570,001
Minimum tax levy / differential		31,326,445	4,529,936
	32.1	70,609,235	29,099,937

32.1 This represents minimum tax at 1.25% of the net turnover for the year and final tax regime at 1% of export proceeds.

33. TAXATION			
Current			
- for the year	33.1	-	17,407,664
- prior year		758,682	(51,319,407)
		758,682	(33,911,743)
Deferred	19	(26,519,307)	(17,214,414)
		(25,760,625)	(51,126,157)

33.1 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the unconsolidated statement of profit or loss, is as follows:

	2024 Rupees	2023 Rupees
Income tax under IAS 12		17,407,664
Income tax levy under IFRIC 21/IAS 37	70,609,235	29,099,937
Current tax liability as per Income Tax Ordinance	70,609,235	46,507,601

	2024 Rupees	2023 Rupees
33.2 Relationship between tax expense and accounting profit		
Loss before taxation	-	(63,620,158)
Tax rate %	-	29%
Tax on accounting profit	-	(18,449,846)
Prior year tax adjustments	-	(51,319,407)
Permanent differences	-	4,903,936
Impact of FTR income	-	52,591,401
Impact of tax credit on donations	-	(1,476,970)
Adjustment of effective rate	-	(7,658,148)
Adjustment due to change in tax rate in revaluation surplus	-	-
Impact of utilisation of Minimum Tax credits under Section 113	-	-
Impact of super tax	-	-
Effects of adjustment not allowed		(29,099,937)
Others	-	(617,186)
	-	(51,126,157)

33.3 Reconciliation between tax expense and accounting profit for the current year has not been presented as there has been no tax at normal rate of taxation under Income Tax Ordinance, 2001.

34. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share of the Company which is based on:

	Note	2024 Rupees	2023 Rupees
Loss for the year	**Rupees**	(194,388,916)	(12,494,001)
Weighted average number of ordinary shares outstanding during the year	15	19,852,800	19,852,800
Loss per share	**Rupees / Share**	(9.79)	(0.63)

35. CASH AND CASH EQUIVALENTS

	Note	2024 Rupees	2023 Rupees
Cash and bank balances	14	8,607,548	5,952,513
Short-term borrowings	23	(609,283,094)	(441,277,552)
		(600,675,546)	(435,325,039)

36. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors, key management personnel and post employment contribution plan. Shareholding of related parties, long-term loans obtained from directors and associated undertakings (and unwinding of discount thereon) and remuneration of Chief Executive Officer, directors and executives are disclosed in note 17 and note 37 respectively. Transactions with related parties are carried out on agreed terms as approved by the Board of Directors. Balances with related parties are disclosed in their respective notes. Other significant transactions with the related parties are as follows

Relationship with the Company	Nature of transaction	Note	2024 Rupees	2023 Rupees
Key Management Personnel	Remuneration paid		31,285,047	25,790,932
	Post employment benefits		889,788	325,948
Post employment contribution plan	Contribution to employees' provident fund	28.1	2,501,774	2,024,494

Relationship with the Company	Nature of transaction	Name	Country	2024 Rupees	2023 Rupees
Subsidiary - 100% holding	Expenses reimbursed	ORA home LLC	USA	Nil	Nil
	Sales	--do--	--do--	64,051,749	32,343,041
	Amount received during the year	--do--	--do--	34,696,122	28,071,554

37. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024				2023			
	Chief Executive	Directors Executive	Directors Non-executive	Executives	Chief Executive	Directors Executive	Directors Non-executive	Executives
	Rupees							
Remuneration	3,200,000	2,800,000	-	14,263,506	3,200,000	2,800,000	-	11,193,955
House rent allowance	960,000	840,000	-	4,279,051	960,000	840,000	-	3,358,187
Utilities	320,000	280,000	-	1,426,351	320,000	280,000	-	1,119,395
Medical	320,000	280,000	-	1,426,351	320,000	280,000	-	1,119,395
Contribution to Provident Fund	-	889,788	-	-	-	561,596	-	-
Meeting fee	-	-	60,000	-	-	-	70,000	-
	4,800,000	5,089,788	60,000	21,395,259	4,800,000	4,761,596	70,000	16,790,932
Number of persons	1	1	5	8	1	1	5	7

37.1 The Chief Executive, directors and some executives are provided with free use of Company maintained cars.

38. PLANT CAPACITY AND ACTUAL PRODUCTION

	2024 Rupees	2023 Rupees
Installed production capacity 20/s count - yarn in kgs.	16,724,667	14,795,745
Actual production during the year at 20/s count - yarn in Kgs.	10,253,969	7,274,880

It is difficult to precisely describe the production capacity and compare it with actual production in the textile industry since it fluctuates widely depending upon various factors such as count of yarn spun, spindles speeds, twists per inch, raw material used, etc. actual production and sales varies based on market demand.

39. NUMBER OF EMPLOYEES

The total and average number of employees during the year and as at June 30, 2024 and 2023 respectively are as follows:

	2024	2023
Total number of employees of the Company as at reporting date	552	768
Average number of employees of the Company during the year	686	714
Employee's working in Company's factory as at reporting date	513	727
Average number of employees working in Company's factory during the year	647	674

40. PROVIDENT FUND RELATED DISCLOSURE

The Company operates recognized contributory provident fund in the name of Idrees Textile Mills Limited - Employees Provident Fund Trust which is continued for the benefits of employees of head office. Based upon the audited financial statements of the Fund, as provided by the Management, and as per Trustees, investments out of provident fund have been made in accordance with the provsions of section 218 of the Companies Act, 2017, and the rules formulated for this purpose. The details of the fund are as follows

	2024 Rupees	2023 Rupees
Size of the fund -Rupees	58,186,727	45,445,824
Cost of investments made -Rupees	49,809,900	37,582,012
Percentage of investments made (%)	86%	83%
Fairvalue of investments - Rupees	49,809,900	37,582,012
Breakup of investments		
Mutual funds	32,101,975	9,649,764
Certificate of investment	7,000,000	7,000,000
Term Deposit Certificates	6,500,000	18,000,000
Bank balances	4,207,925	2,932,248
	49,809,900	37,582,012

Breakup of Investments (percentage as size of Funds)		
Mutual funds	64%	26%
Certificate of investment	14%	19%
Term Deposit Certificates	13%	48%
Bank balances	8%	8%
	100%	100%

41. FINANCIAL INSTRUMENTS BY CATEGORY

	2024 Rupees	2023 Rupees
Financial assets as per statement of financial position		
At fair value through profit or loss		
Short term investment	-	5,742,990
At amortised cost		
Long term deposits	6,063,681	2,898,681
Trade debts	1,111,090,989	655,583,419
Loans and advances	963,981	807,000
Other receivables	51,362,833	31,328,731
Short term investment	200,455,670	174,372,670
Cash and bank balances	7,055,019	5,245,170
	1,376,992,173	875,978,661

	2024 Rupees	2023 Rupees
Financial liabilities as per statement of financial position		
At amortized cost		
Long-term finance		
- from banking companies	766,160,948	822,183,964
- from related parties	58,272,948	63,105,359
Lease liability	-	1,962,284
Trade and other payables	261,089,709	216,695,926
Unclaimed dividend	2,739,068	2,750,372
Accrued mark-up	114,013,686	92,205,020
Short-term borrowings	2,034,831,736	1,511,431,965
	3,237,108,095	2,710,334,890

41.1. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2024				
	Liabilities				
Description	Long Term Loan - Institutions	Long Term Loan - Related Party	Short term borrowing	Lease Liability	Total
Balance as at July 1, 2023	822,183,964	77,274,471	1,070,154,413	1,962,284	1,971,575,131
Impact of Grant	31,168,846	-	-	-	31,168,846
Unwinding of discount	-	10,445,400	-	-	10,445,400
Fair value adjustment	-	(23,298,611)	-	-	(23,298,611)
Loan received	61,199,200		3,701,572,392	-	3,762,771,592
Repayment during the period	(145,429,161)	(6,148,312)	(3,346,178,163)	(1,962,284)	(3,499,717,920)
Balance as at June 30, 2024	769,122,849	58,272,948	1,425,548,642	-	2,252,944,438

42. FINANCIAL RISK MANAGEMENT AND RELATED DISCLOSURES

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

42.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises principally from the trade debts, loans and advances, other financial assets, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2024 Rupees	2023 Rupees
Security deposits		6,063,681	2,898,681
Trade debts	42.1.1	1,111,090,989	655,583,419
Loans and advances	42.1.2	963,981	807,000
Other receivables		51,362,833	31,328,731
Short term investment	42.1.3	200,455,670	174,372,670
Bank balances	42.1.3	7,055,019	5,245,170
		1,376,992,173	870,235,671

42.1.1 **Trade debts**

The trade debts at year end are due from local and foreign customers against local sales and export sales respectively. Trade debt due from foreign customers are secured against letter of credit. For local customers management assesses the credit quality of customers, taking into account their financial position, past experience and other factors. The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The Company has no major concentration of credit risk with any single customer. The Company establishes an allowance for impairment that represents lifetime expected credit losses (ECL) based on analysis of recovery pattern and adjustment of trade debts secured against letter of credits.

42.1.2 **Loans and advances**

These include loans and advances given primarily to employees against salaries, which will be adjusted against their future salaries or in case of resignation against their post retirement benefit balances.

42.1.3 **Other financial assets and balances with banks**

The Company deposits its funds and invests in term deposit receipts (other financial assets) with banks carrying good credit standings assessed by reputable credit agencies. These banks are credit rated as follows:

Bank Name	Date of Rating	Rating Agency	Short term	Long term
Bank Al-Falah Limited	28-Jun-24	PACRA	A1+	AAA
Samba Bank Limited	26-Jun-24	PACRA	A1	AA
Dubai Islamic Bank Pakistan Limited	27-Jun-24	VIS	A1+	AA
Habib Metropolitan Bank Limited	24-Jun-24	PACRA	A1+	AA+
The Bank of Punjab	28-Jun-24	PACRA	A1+	AA+
MCB Islamic Bank Limited	22-Jun-24	PACRA	A1	A+
National Bank of Pakistan	26-Jun-24	VIS	A1+	AAA
Silk bank Limited	07-Jun-24	VIS	A2	A-
Bank Islami Pakistan Limited	24-Jun-24	PACRA	A1	AA-
Sindh Bank Limited	28-Jun-24	VIS	A1	AA-

Bank Name	Date of Rating	Rating Agency	Short term	Long term
Meezan Bank Limited	28-Jun-24	VIS	A1+	AAA
J.S Bank Limited	28-Jun-24	PACRA	A1+	AA
Habib Bank Limited	28-Jun-24	VIS	A1+	AAA
Bank Al-Habib Limited	22-Jun-24	PACRA	A1+	AAA
Soneri Bank Limited	22-Jun-24	PACRA	A1+	AA-
Askari	24-Jun-24	PACRA	A1+	AA+

42.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financinI through banking arrangements.

The following are the contractual maturities of financial liabilities, including interest payments:

	2024			
	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
	--- Rupees ---			
Long-term finance				
- from related parties	58,272,948	101,191,000	5,454,545	95,736,455
- from banking company	766,160,948	868,498,558	360,736,599	507,761,957
Lease liability	-	157,020	157,020	-
Trade and other payables	261,089,709	261,089,709	261,089,709	-
Unclaimed dividend	2,739,068	2,739,068	2,739,068	-
Markup accrued	114,013,686	114,013,686	114,013,686	-
Short-term borrowings	2,034,831,736	2,034,831,736	2,034,831,736	-
	3,237,108,095	3,382,520,775	2,779,022,363	603,498,412

	2023			
	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
	--- Rupees ---			
Long-term financing				
- from related parties	63,105,359	107,339,312	42,140,486	65,198,826
- from banking company	822,183,964	1,118,803,062	238,202,116	880,600,946
Lease liability	1,962,284	157,020	157,020	-
Trade and other payables	216,695,926	216,695,926	216,695,926	-
Unclaimed dividend	2,750,372	2,750,372	2,750,372	-
Markup accrued	92,205,020	92,205,020	92,205,020	-
Short-term borrowings	1,511,431,965	1,511,431,965	1,511,431,965	-
	2,710,334,890	3,049,382,677	2,103,582,905	945,799,772

42.3 Market risk

Market risk is the risk that changes in market prices, such as share price, foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The Company is primarily exposed to interest rate risk and currency risk.

42.3.1 Price risk

Price risk is the risk that the fair value or the future cashflows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2024 the company is not exposed to price risk.

42.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term financing, short-term borrowings, short term investment and bank balances in savings account.

At the reporting date the interest rate risk profile of the Company's interest-bearing financial instruments is:

	Carrying Amount	
	2024	2023
	Rupees	Rupees
Fixed rate instruments		
Financial assets - at amortised cost	200,455,670	174,372,670
Financial liabilities - at amortised cost	513,629,844	527,462,547
Variable rate instruments		
Financial assets - at amortised cost	6,548,627	215,581
Financial liabilities - at amortised cost	2,345,635,788	1,869,258,741

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 500 basis points in KIBOR based on financial liabilities at the reporting date would have increased / (decreased) equity and profit before tax by Rs. 117.4 million (2023: Rs. 93.46 million). This analysis assumes that all other variables remain constant.

42.3.3 **Currency risk**

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and bank balances in foreign currency. The Company's exposure to foreign currency risk is as follows:

	2024	2023
	------------Rupees----------	
Trade debts	62,527,155	136,441,517
Trade payable	129,308,404	28,609,191

	Average rate		Reporting date rate	
	2024	2023	2024	2023
	--------------------------------Rupees----------------------------------			
USD	282.10	245.3	278.30 / 278.80	283.73 / 283.97

At June 30, 2024, if the Pakistani Rupee had weakened / strengthened by 5% against the US Dollar and Euro with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 3.99 million (2023: Rs. 5.39 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar and Euro - denominated trade debts and trade payables.

42.4 Capital risk management

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend to the shareholders or issue bonus / new shares or sell asset to reduce debt.

Consistent with others in the industry, the Company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders

As at June 30, 2024 and 2023, the Company had surplus reserves to meet its requirements.

43. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data

As at June 30, 2024 the Company held the following instruments at fair values:

	June 30, 2024 Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
	---------- Rupees ----------			
Financial assets measured at fair value				
Equity securities - listed	-	-	-	-

	June 30, 2023 Fair value			
	Level 1	**Leve 2**	**Level 3**	**Total**
	---------- Rupees ----------			
Financial assets measured at fair value				
Equity securities - listed	5,742,990	-	-	5,742,990

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

There are no transfers between the levels during the year.

43.1 There are no other assets or liabilities to classify under above levels except the Company's land, mill building, labour colony, plant and machinery, electric installations and factory equipment are stated at revalued amounts, being the fair value at the date of revaluation, less subsequent depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of these assets carried out as at January, 2024, were performed by Harvester Services (Pvt.) Ltd. not related to the Company. The valuer is listed on panel of Pakistan Banks Association and they have appropriate qualification and experience in the fair value measurement of properties, plant and machinery.

44. OPERATING SEGMENT INFORMATION

The Group constitutes a single reportable segment since the executive management monitors the operating results of the entity for the purpose of making decisions about resource allocation and performance assessment. The entity-wide disclosures required by IFRS 8 'Operating Segments' are given below:

(a) Company sales comprise of Terry towels and yarn whereby more than 95% sales pertains to Yarn.

(b) As at June 30, 2024 and June 30, 2023, all non-current assets of the company were located in Pakistan.

(c) Significant sales are made by company in the following countries:

	2024	2023
	------------Rupees----------	
Pakistan	4,446,102,795	3,303,202,504
China	1,682,072,784	812,458,615
Other countries	321,584,956	84,479,818
	6,449,760,535	4,200,140,937

45. CORRESPONDING FIGURES

Corresponding figures have been reclassified and rearranged where necessary to facilitate comparison, however there has been no significant reclassification except for the impact as shown in the nore pertaining to change in accounting policy as disclosed in note 4.25 to these unconsolidated financial statements.

46. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on November 04, 2024 by the Board of Directors of the Company.

Chief Executive | Chief Financial Officer | Director

ٹیکسٹائل سیکٹر کو عالمی سطح پر مسابقتی رہنے کے لیے، اولین ترجیح سستی توانائی کی دستیابی کو یقینی بناتا ہے۔ حکومت کو شرح سود، ٹیکس لگانے اور درآمدی ٹیرف کے لیے مستحکم پالیسیاں قائم کرنی ہوں گی جو کاروباری اعتماد کی بحالی کے لیے معاون ثابت ہوں گی اور ٹیکسٹائل کے برآمد کنندگان کو بین الاقوامی مارکیٹ میں اپنا حصہ بڑھانے میں بھی سہولت فراہم کریں گی۔ حکومت کے لیے ضروری ہے کہ وہ تمام اسٹیک ہولڈرز کے ساتھ مل کر کام کرے اور ان چیلنجوں سے مؤثر طریقے سے نمٹنے کے لیے ایک جامع، طویل مدتی پالیسی فریم ورک تیار کرے۔

آپ کی کمپنی کی انتظامیہ پیداوار کی لاگت کو مانیٹر کرنے اور اسے معقول بنانے کے لیے پرعزم ہے اور مؤثر طریقے سے مقامی اور درآمد شدہ خام مال کے پائیدار مرکب کی خریداری کی اپنی حکمت عملی پر مسلسل عمل کرتی ہے۔

آڈیٹر

ریٹائر ہونے والے آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے اہل ہونے کے بعد آنے والے سال 2025-2024 کے لیے دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔ آڈٹ کمیٹی نے 30 اکتوبر 2024 کو ہونے والے اپنے اجلاس میں ان کی تقرری کی سفارش کی ہے۔ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کے کوالٹی کنٹرول ریویو پروگرام کے تحت آڈیٹرز کو تسلی بخش ریٹنگ دی گئی ہے

اظہار تشکر

ڈائریکٹران مالیاتی اداروں، سپلائرز اور گاہکوں کے تعاون کے مشکور ہیں اور ملازمین کی کاوشوں کی قدر کرتے ہیں۔

04، نومبر 2024ء
کراچی

رضوان ادریس اللہ والا
چیئرمین / ڈائریکٹر

ایس ایم منصور اللہ والا
چیف ایگزیکیٹو

منفی پے گیپ اسٹیٹمنٹ

30 جون 2024 کو ختم ہونے والے سال کے لیے صنفی تنخواہ کے فرق کا حساب درج ذیل ہے۔

(i) اوسط صنفی تنخواہ میں فرق (٪): (6.94)

(ii) اوسط صنفی تنخواہ کا فرق (٪): (6.94)

(iii) ہمارے عملے میں صرف ایک خاتون رکن ہیں

مستقبل پر نظر

اس سال کپاس کی پیداوار کا ہدف حاصل ہوتا نظر نہیں آ رہا۔ جون اور جولائی کے مہینوں میں گرمی کی لہروں کا طویل دورانیہ اور کپاس کی پٹی میں شدید بارشوں نے فصل کو نقصان پہنچایا ہے۔ فصلوں کے رقبے میں کمی، پیداواری لاگت میں اضافہ، کاشتکاروں کی جانب سے غیر معیاری بیج کا استعمال اور تحقیق اور ترقی میں سرمایہ کاری کا فقدان کپاس کی پیداوار میں متوقع کمی کی دیگر وجوہات ہیں۔ یہ صورتحال ٹیکسٹائل ملز کو امریکہ، برازیل، افغانستان اور دیگر ممالک سے روئی درآمد کرنے پر مجبور کر رہی ہے۔ پاکستان کی ٹیکسٹائل انڈسٹری کو 12 ملین سے زائد کپاس کی گانٹھوں کی ضرورت ہے، جس میں سے ملک کو مقامی فصل میں متوقع کمی کو پورا کرنے کے لیے درآمدی روئی کی 30 لاکھ گانٹھوں کی ضرورت ہوگی۔ معیشت اور ٹیکسٹائل سیکٹر کے لیے یہ صورتحال تشویشناک ہے۔ پاکستان کی کپاس کی فصل کو معیار اور مقدار دونوں لحاظ سے بہتر بنانے کے لیے ٹیکسٹائل انڈسٹری، حکومت اور متعلقہ تحقیقی اداروں کی مشترکہ کوششوں کی فوری ضرورت ہے۔

مزید برآں، ہماری ٹیکسٹائل انڈسٹری کو توانائی کے بڑھتے ہوئے ٹیرف، دیگر ان پٹ کی بڑھتی ہوئی لاگت، بجلی کے مسائل اور بلند شرح سود جیسے اہم چیلنجز کا سامنا ہے۔ آئی ایم ایف کی شرائط پر عمل کرنے کا نتیجہ بھی معاشی تنزلی اور حجم میں کمی کا سامنا ہے۔ ان حالات کی وجہ سے پورے شعبے میں منافع میں کمی آئی ہے۔ علاقائی طور پر مسابقتی توانائی ٹیرف (RCET) کے خاتمے کے بعد ٹیکسٹائل انڈسٹری کی مسابقت کے لیے ناقابل برداشت توانائی کی قیمت ایک اہم مسئلہ بن گئی ہے۔ یہ تمام عوامل صنعت کے حجم اور مارجن کو کم کر رہے ہیں اور دیگر علاقائی ممالک کے مقابلے میں پاکستانی ٹیکسٹائل اشیاء کو بین الاقوامی مارکیٹ میں مہنگا کر رہے ہیں۔

پالیسی ریٹ کو تقریباً ایک سال تک برقرار رکھنے کے بعد، اسٹیٹ بینک نے افراط زر میں نمایاں کمی کے پیش نظر پالیسی ریٹ کو بتدریج کم کرنے کا فیصلہ کیا ہے۔ اسٹیٹ بینک نے کہا کہ بیرونی کھاتہ میں بہتری آ رہی ہے، جیسا کہ قرضوں اور دیگر ذمہ داریوں کی خاطر خواہ ادائیگیوں کے باوجود زرمبادلہ کے ذخائر میں اضافے سے ظاہر ہوتا ہے۔ پالیسی کی شرح میں مزید کٹوتیوں کا قوی امکان ہے تاکہ معیشت کی ترقی کے لیے انتہائی ضروری محرک فراہم کیا جا سکے۔

ماحولیات کی صحت اور حفاظت

کمپنی اپنی افرادی قوت کی حفاظت کے لیے مروجہ معیار اور رہنما اصولوں کی پابندی کو یقینی بناتی ہے۔لوگوں، املاک اور ماحول کو لاحق خطرات کو کم سے کم کرنے کے لیے آگاہی سیشن اور حفاظتی مشقیں باقاعدگی سے منعقد کی جاتی ہیں

ادارے کی سماجی ذمہ داری (CSR)

ادریس ٹیکسٹائل ملز لمیٹڈ کے اچھے کارپوریٹ شہری ہونے کے ناطے معاشرے میں لوگوں کی فلاح و بہبود اور اسکی کارپوریٹ معاشرتی ذمہ داری کی تکمیل میں کردار ادا کر رہا ہے زیر جائزہ سال کے دوران کمپنی نے صحت اور تعلیم کے شعبوں میں انسانیت کی خدمت کرنے والی مختلف تنظیموں کو 3.92 ملین روپے کی ادائیگی کی ہے۔

بنیادی خطرات اور غیر یقینی صورتحال

بورڈ آف ڈائریکٹرز کی کمپنی کو درپیش خطرات اور غیر یقینی صورتحال کی نگرانی کی مجموعی ذمہ داری ہے۔ بورڈ کو اس کی ذمہ داری نبھانے میں مدد کرنے کے لیے، انتظامیہ کو کمپنی کے خطرات کی شناخت، نگرانی اور انتظام کے لیے ذمہ دار بنایا گیا ہے۔خطرات اور غیر یقینی صورتحال کی تفصیل درج ذیل ہے:

- مہنگے توانائی ٹیرف کے پیش نظر پیداوار کی لاگت پر کنٹرول۔
- لاگت اور قیمتوں کے لحاظ سے ملکی اور بین الاقوامی مارکیٹ میں مسابقتی رہنا۔
- شرح سود کو مدنظر رکھتے ہوئے میں مالیاتی لاگت کا انتظام۔
- معاشی صورتحال روی کی وجہ سے سامان کی طلب میں ردوبدل۔
- بنیادی طور پر ادھار، قرضوں اور ایڈوانسز سے پیدا ہونے والا کریڈٹ رسک۔ بقایا رقم زیادہ سے زیادہ کریڈٹ ایکسپوژر کی پیمائش ہے۔
- اس امکان کی وجہ سے پیدا ہونے والا لیکویڈیٹی رسک کہ کمپنی کو اپنے واجبات کو متعین وقت سے پہلے ادا کرنا پڑسکتا ہے۔
- مارکیٹ کی قیمتوں میں تبدیلی کمپنی کی آمدنی یا اس کے اسٹاک کی قدر کو متاثر کرتی ہے۔
- مارکیٹ کی شرح سود میں تبدیلی کمپنی کی طویل مدتی فنانسنگ، قلیل مدتی قرضے اور فنانس لیز پر اثر انداز ہوتی ہے۔
- غیر ملکی کرنسی میں لین دین کی وجہ سے پیدا ہونے والا غیر ملکی کرنسی کا خطرہ جس کے نتیجے میں غیر ملکی کرنسی سے متعلق تجارتی قرضوں اور تجارتی ادائیگیوں کے لین دین پر غیر ملکی کرنسی کے نقصانات/ فائدہ ہوتے ہیں۔
- کاروبار کی پائیدار ترقی کے لیے کمپنی کی صلاحیت کو محفوظ رکھنے کے لیے سرمائے کا انتظام کرنا۔
- نئے ٹیکسوں کا نفاذ یا موجودہ ٹیکسوں کی شرح میں اضافہ

بورڈ کی کمیٹیاں

بورڈ آف ڈائریکٹرز نے کارپوریٹ کے کوڈ کے تقاضوں مطابق آڈٹ کمیٹی اور ہیومین ریسورسس / ریمیونریشن کمیٹی تشکیل دی ہے۔

آڈٹ کمیٹی کی ممبران درج ذیل ہیں

مس عزرا یعقوب واڈا	چیئر پرسن
سید مسعود عارف	ممبر
مس آمنہ منصور	ممبر

ہیومین ریسورسس اور ریمیونریشن کمیٹی کے ممبران درج ذیل ہیں

سید مسعود عارف	چیئر مین
مس عزرا یعقوب واڈا	ممبر
مس آمنہ منصور	ممبر

بورڈ کا جائزہ

کوڈ آف کارپوریٹ گورنس ریگولیشن 2019 کے مطابق بورڈ، بورڈ کے ممبران اور اسکی کمیٹیوں کا جائزہ لیا گیا ہے تاکہ یہ یقینی بنایا جاسکے کے بورڈ کی مجموعی کارکردگی اور افادیت کمپنی کے طے شدہ مقاصد سے ہم آہنگ ہے اس مقصد کے لئے بورڈ نے ایک طریقہ کار طے کیا ہے جسکی بنیاد پر بورڈ اسکے ممبروں اور بورڈ کی کمیٹیوں کی زیر جائزہ سال کے لئے مجموعی کارکردگی تسلی بخش پائی گئی۔ عالمی بہترین طریقوں کو مدنظر رکھتے ہوئے بہتری کا عمل جاری ہے۔

ڈائریکٹران کے لئے معاوضہ کی پالیسی کے نکات

نان ایگزیکٹیو اور انڈیپینڈنٹ ڈائریکٹرز صرف کمپنی اجلاسوں میں شرکت کی فیس کے حقدار ہیں۔ ڈائریکٹرز کو ادا کی جانے والی مجموعی رقم منسلک مالیاتی گوشواروں کے نوٹ 37 میں ظاہر کی گئی ہے

ملکیتی ذیلی ادارہ

کمپنی کا مکمل ملکیتی ذیلی ادارہ (ORA Home LLC)، نیوجرسی، USA میں واقع ہے۔ کمپنی کے ڈائریکٹرز میں سے ایک ORA کے ممبر مینیجر ہیں۔ ORA کی بنیادی کاروباری سرگرمی گھریلو ٹیکسٹائل میں ڈیل کرنا ہے

اخلاقیات اور کاروباری اصولوں کا ضابطہ

بورڈ نے اخلاقیات اور کاروباری اصولوں کا ضابطہ اپنایا ہے، جس پر کمپنی کے تمام ڈائریکٹرز اور ملازمین کے دستخط ہیں اور تسلیم کیا گیا ہے کہ ضابطہ کی پابندی کرنا ضروری ہے۔

ڈائریکٹر کا نام	بورڈ آف ڈائریکٹرز میٹنگز	آڈٹ کمیٹی میٹنگز	ایچ آر / آر سی میٹنگز
جناب ایس ایم منصوراللہ والا	04	–	–
جناب رضوان ادریس اللہ والا	04	–	–
جناب عمیرادریس اللہ والا	04	–	–
جناب سید مسعود عارف	04	04	01
مس عزرا یعقوب واڈا	04	04	01
مس آمنہ منصور	04	04	01
جناب محمد زبیر	04	–	–

۱۱۔اس سال کمپنی کے سی ای، ڈائریکٹرز اوران کی ازواج اورنابالغ بچوں نے حصص کی کوئی تجارت نہیں کی ہے ۔

۱۲۔کمپنی کی آڈٹ کمیٹی ممبران بورڈ آف ڈائریکٹرز میں سے ہیں۔جس کا چیئرمین انڈیپینڈ ینٹ ڈائیریکٹر ہے۔

۱۳۔ہم نے ایک کاروباری حکمت عملی اوراخلاقیات سے متعلق ایک بیانیہ تمام ڈائیریکٹرز اورملازمین میں تقسیم کیا ہے۔

۱۴۔بورڈ مکمل کارپوریٹ حکمت عملی اورحصول مقاصدے بیانیہ پرکاربند ہے۔

بورڈ آف ڈائریکٹرز

مندرجہ ذیل تفصیل کے مطابق ڈائریکٹران کی تعداد 7 ہے

(ا) مرد 05

(ب) عورت 02

ساخت

انڈیپینڈنٹ ڈائریکٹر سید مسعود عارف،مس عذرا یعقوب واڈا

نان ایگزیکٹیوڈائریکٹرز رضوان ادریس اللہ والا ، محمد زبیر،مس آمنہ منصور

ایگزیکٹیوڈائریکٹرز ایس ایم منصوراللہ والا ،عمیرادریس اللہ والا

30 جون 2024 کوختم ہونے والے سال کی دوران ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی۔

فی حصص (نقصان) / آمدنی

زیر جائزہ سال کے لیے فی حصص نقصان (9.79) روپے ہوا جب کے گزشتہ سال نقصان اسی مدت میں (0.63) میں روپے ہوا۔

ڈیویڈینڈ

سال کے نقصان کے پیش نظر، بورڈ آف ڈائریکٹرز نے 04 نومبر 2024 کو ہونے والے اپنے اجلاس میں فیصلہ کیا ہے کہ اس سال ڈیویڈنڈ نا دیا جائے۔

کارپوریٹ اور مالیاتی رپورٹنگ پر گزارشات

ادریس ٹیکسٹائل ملز لمیٹڈ کارپوریٹ گورننس کے معیار کو برقرار رکھنے کے لئے پرعزم ہے۔ ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ کمپنی کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 کو دفعات کی تعمیل کر رہی ہے، جیسا کہ SECP کو مطلوب ہے۔ کارپوریٹ گورننس کے ضابطہ کی تعمیل کے بیان پر آڈیٹرز کی جائزہ رپورٹ اس رپوٹ کے ساتھ منسلک ہے۔

ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ:

ا۔ مالیاتی گوشوارے جیسا کہ کمپنی کی انتظامیہ نے بنائے کمپنی کے معاملات اس کے نتائج نقد بہاؤ اور ایکویٹی میں تبدیلی کو راست انداز میں پیش کرتے ہیں۔

۲۔ کمپنی کے کھاتوں کے درست حسابات رکھے گئے ہیں۔

۳۔ مالیاتی گوشواروں کی تیاری میں مستقل مناسب اکاؤنٹنگ پالیسیز کا اطلاق کیا گیا ہے اور حسابات کے گوشوارے مناسب عاقلانہ فیصلوں پر مبنی ہیں۔

۴۔ مالیاتی حسابات کی تیاری میں، پاکستان میں مستعمل بین الاقوامی مالیاتی رپورٹنگ کے معیارات (آئی ایف آر ایس) کا خیال رکھا گیا ہے اور ان سے کسی بھی قسم کے انحراف کو مناسب انداز میں ظاہر کیا گیا ہے۔

۵۔ بورڈ نے اپنی ذمہ داری نبھاتے ہوئے انٹرنل فنانشل کنٹرول مناسب اور موثر بنایا ہے۔ انٹرنل آڈٹ ڈیپارٹمنٹ باقاعدگی سے ساخت اور موثر ہونے کا جائزہ لیتا ہے اور کسی بھی کمزوری پر اصلاحاتی کاروائی عمل میں لائی جاتی ہے۔ ہمیں یقین ہے کہ انٹرنل کنٹرول کا نظام ساخت کے اعتبار سے مستحکم ہے اور اس پر موءثر انداز سے عمل درآمد کیا گیا ہے۔

۶۔ کمپنی کے فعال انداز سے کارگزار ہونے کی صلاحیت پر کسی قسم کے کوئی شکوک وشبہات موجود نہیں ہیں۔

۷۔ کارپوریٹ گورننس کے بہترین طریقہ عمل سے کسی قسم کا قابل ذکر انحراف نہیں ہوا ہے، جیسا کہ پی ایس ایکس کی رول بک میں بیان کیا گیا ہے۔

۸۔ ہیڈ آفس اسٹاف کے ایمپلائز پروویڈینٹ فنڈ میں سرمایہ کاری کی مالیت آڈٹ شدہ گوشوارے 2024 کے مطابق صرف 49,809,900 روپے ہے (سال 2023 میں 37,582,012 روپے) مل سٹاف قانونی طور پر گریجوٹی کے حقدار ہیں اور اخراجات مناسب طور پر مالیاتی گوشواروں میں مختص کر لئے گئے ہیں۔

۹۔ کوڈ کے مطابق درج ذیل معلومات اس رپورٹ کے ساتھ منسلک ہیں:

شیئر ہولڈنگ کی ترتیب کا متن

ایسوسی ایٹس ادارے اور متعلقہ پارٹیوں کے شیئر ہولڈنگ کا بیانیہ

چھ سالوں کی کلیدی، مالیاتی و کارگذاری کی شماریات۔

۱۰۔ زیر جائزہ سال میں 4 بورڈ آف ڈائریکٹرز، 4 آڈٹ کمیٹی، اور ایک ہیومن ریسورس اینڈ ریمونریشن کمیٹی (HR & RC) کی میٹنگز ہوئی ہیں جن کی حاضری اور تفصیل درج ذیل ہے۔

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2024 کوختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں۔

مالیاتی اور آپریشنل جائزہ

کمپنی کی بنیادی سرگرمی ہرقسم کے دھاگے کی تیاری، پروسیسنگ اورفروخت ہے۔کمپنی ہوم ٹیکسٹائل کے کاروبار میں بھی مصروف ہے۔زیرنظر سال کے دوران، کمپنی کی کاروباری سرگرمیوں میں کوئی مادی تبدیلی نہیں آئی ہے۔

زیرنظر مالی سال کے دوران، کمپنی کا ٹرن اور 6,450 ملین روپے رہاجوکہ پچھلے سال میں 4,200 ملین روپے تھا۔مجموعی منافع کی رقم 618.586 ملین روپے کے رہی گزشتہ سال میں لیے 420.146 ملین روپے۔زیرنظرسال کےدوران، کمپنی کی آمدنی میں 2249 ملین روپے کااضافہ ہوااورمجموعی منافع میں 198.44ملین روپے کا اضافہ ہوا۔مالی سال 24 میں نقصان 194.389 ملین روپے کا ہواجب کےگزشتہ سال نقصان اسی مدت میں 12.494 ملین روپے کا ہوا۔مالیاتی لاگت مالی سال 24 میں272.849 ملین روپے(88.92 فیصد)بڑھ کر 579.714 ملین روپے ہوگئی جو مالی سال23 میں306.864 ملین روپےتھی۔ دھاگے کی برآمدات روپےکی 1,682.073 ملین روپے رہیں (814.716ملین روپےFY23)۔ کمپنی کی مالی سال 24 میں ہوم ٹیکسٹائل کی برآمدات بڑھ کر 321.585 ملین روپےتک پہنچ گئی ہیں۔ جبکہ مالی سال 23 میں 84.480 ملین روپے تھیں جومستقبل کے لیےامیدافزاہے۔

مل کی پیداواری صلاحیت میں توسیع نے مالی سال 24 میں کمپنی کی فروختگی میں خاطرخواہ اضافہ کیا۔زیرجائزہ سال کے دوران تاریخی طور پر بلندشرح سود ہے،جس نے مالیاتی لاگت میں بے پناہ اضافہ کیا۔مزید برآں،توانائی کے مہنگے ٹیرف،علاقائی مسابقتی توانائی ٹیرف(RCET)سے دستبرداری کے بعد، اوراچھے معیار کے مقامی خام مال کی عدم دستیابی نے بھی پیداواری لاگت میں اضافہ کیا۔ نہ تمام ناخوشگوارعوامل منافع میں کمی کا باعث بنے ہیں۔مالی سال 24 میں پاکستان کی ٹیکسٹائل انڈسٹری کاروبارکرنے کی زیادہ لاگت کی وجہ سےشدیددباؤ کا شکاررہی۔روس اور یوکرین کی جاری جنگ اورغزہ کےتنازع نے دنیا بھرکےکاروبارکوبھی متاثرکیاہےاور پاکستان بھی اس سے مستثنیٰ نہیں ہے۔سیاسی غیر یقینی کی صورتحال بھی پائیداری، اصلاحات اوراستحکام کےاقدامات کے لیےایک اہم عنصر ہے۔

معیشت میں مثبت پیش رفت میں ملکی برآمدات اورکارکنوں کی ترسیلات زرمیں اضافہ شامل ہے۔ترسیلات زرمیں اس اصافہ نے زرمبادلہ کےذخائر پر دباؤ کوکم کیااوراس کے نتیجے میں کرنٹ اکاؤنٹ خسارہ بھی کم ہوا۔جیسے ہی افراط زرکادباؤکم ہوناشروع ہوا، SBP کی مانیٹری پالیسی کمیٹی (MPC) نے باالآخر پالیسی ریٹ میں بتدریج کمی شروع کردی ہےجوکہ آنے والے سال میں قرض لینے کی لاگت میں کمی کےلحاظ سے کمپنی کے لیےایک سازگارپیش رفت ہے

IDREES
TEXTILE MILLS LIMITED

Consolidated Financial Statements of Idrees Textile Mills Limited and its Subsidiary for the year ended June 30, 2024

CONTENTS

The Directors are pleased to present the consolidated financial statements of Idrees Textile Mills Limited (the Holding Company) and its subsidiary company, ORA Home LLC (ORA), together referred to as 'Group' for the year ended June 30, 2024.

The Holding Company has annexed its consolidated financial statements along with its separate financial statements in accordance with the requirements of International Financial Reporting Standards and Companies Act, 2017.

The Directors' Report on the unconsolidated financial statements of the Holding Company contains a review on the performance of Idrees Textile Mills Limited for the year ended June 30, 2024. It also includes a brief description of the subsidiary company, ORA Home LLC.

For and on behalf of the Board

Rizwan Idrees Allawala	**S. M. Mansoor Allawala**
Chairman	**Chief Executive**
Karachi: November 04, 2024	

ڈائریکٹرز کوادریس ٹیکسٹائل ملز لمیٹڈ (دی ہولڈنگ کمپنی) اور اس کی ذیلی کمپنی، ORA Home LLC (ORA) کے 30 جون 2024 کو ختم ہونے والے سال کے لیے مجموعی مالیاتی گوشواروں کو پیش کرتے ہوئے خوشی ہو رہی ہے، جنہیں مجموعی طور پر گروپ کہا گیا ہے۔

ہولڈنگ کمپنی نے بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈز اور کمپنیز ایکٹ، 2017 کے تقاضوں کے مطابق اپنے الگ الگ مالیاتی بیانات کے ساتھ اپنے کنسولیڈیٹڈ مالیاتی گوشواروں کو منسلک کیا ہے۔

ہولڈنگ کمپنی کے غیر کنسولیڈیٹڈ مالیاتی گوشواروں پر ڈائریکٹرز کی رپورٹ 30 جون 2024 کو ختم ہونے والے سال کے لیے ادریس ٹیکسٹائل ملز لمیٹڈ کی کارکردگی کے جائزے پر مشتمل ہے۔ اس میں ذیلی کمپنی ORA Home LLC کی مختصر تفصیل بھی شامل ہے۔

04 نومبر 2024 سنہ ء
کراچی

رضوان ادریس اللہ دوالا
چیئرمین / ڈائریکٹر

ایس ایم منصور اللہ دوالا
چیف ایگزیکٹیو

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IDREES TEXTILE MILLS LIMITED

Opinion

We have audited the annexed consolidated financial statements of Idrees Textile Mills Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cashflows for the year then ended, and notes to the consolidated financial statements, including a material accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsi bilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of the Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	**Revenue recognition**	
	As disclosed in notes 4.17 and 24 in the consolidated annexed financial statements.	Our audit work includes number of procedures, among others: Assessed the design, implementation and operating effectiveness of the key internal controls involved in revenue recognition. Understood and evaluated the accounting policy with respect to revenue recognition.

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S. No	Key audit matters	How the matter was addressed in our audit
	We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Group and due to the reason that revenue increased significantly as compared to last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Performed testing of revenue transactions on a sample basis with underlying documentation including dispatch documents and sales invoices. Tested on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period. Performed audit procedures to analyse variation in the price and quantity sold during the year. Assessed the adequacy of disclosures made in the consolidated financial statements related to revenue.
2.	**Valuation of Closing Stock presented at year end**	
	As at June 30, 2024, the Group held stock-in-trade amounting to Rs. 1,928.98 million and stores, spares and loose tools amounting to Rs. 53.56 million, constituting 28% of the total assets, as disclosed in notes 6 & 7 to the consolidated financial statements. As described in notes 4.3 to the consolidated financial statements, stock-in-trade is measured at a lower of cost and net realizable value. The cost of work-in-process and finished goods is determined by annual average manufacturing cost which consists of prime cost and appropriate manufacturing overheads. Due to the significance of inventory balances and related estimations involved in valuing the inventory, we considered this as a key audit matter.	We obtained an understanding of the Group's processes in place for stock accounting. Our audit procedures to assess the existence and valuation of inventory included the following: Obtained an understanding of the Group's process with respect to the existence and valuation of stock-in-trade and tested controls relevant to such process; We attended the physical count of stock in trade to observe the management's process of measurement We performed tests over the prices of raw materials and verified items in the product costing of work in progress. We performed tests over the net realisable value calculations and the assumptions used.

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As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Other Matter

The consolidated financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who expressed an unmodified opinion vide their report dated October 04, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Kh an.

KARACHI

DATED: NOVEMBER 5, 2024

UDIN: AR202410166tXJWfyLbH

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
Non-current Assets			
Property, plant and equipment	5	3,374,850,004	3,399,228,203
Long-term deposits		6,063,681	2,898,681
		3,380,913,685	3,402,126,884
Current Assets			
Stores, spares and loose tools	6	53,563,125	53,566,129
Stock-in-trade	7	1,928,979,120	1,461,817,305
Trade debts	8	1,112,371,065	655,583,419
Loans and advances	9	89,784,901	41,522,244
Prepayments	10	34,303,985	6,133,626
Other receivables	11	188,203,848	223,189,255
Short term investment	12	200,455,670	180,115,660
Cash and bank balances	13	15,914,192	18,971,021
Advance tax		47,238,331	67,416,272
		3,670,814,237	2,708,314,931
Total Assets		7,051,727,922	6,110,441,815
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
22,000,000 (2023 : 22,000,000) ordinary shares of Rs.10/- each		220,000,000	220,000,000
Issued, subscribed and paid-up capital	14	198,528,000	198,528,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of tax	15	919,580,955	868,124,011
Equity portion of loan from related parties		104,674,764	81,376,153
Revenue reserves			
Exchange translation reserve		(7,944,267)	(8,450,221)
Unappropriated profit		1,271,889,720	1,407,601,780
Total Equity		2,486,729,172	2,547,179,723
Non-current Liabilities			
Long-term finance	16	486,099,774	728,952,828
Lease liability		-	-
Deferred Government grant	17	74,480,586	103,735,361
Deferred taxation - net	18	115,398,617	171,199,476
Retirement benefit obligation	19	75,195,066	78,775,115
		751,174,043	1,082,662,780
Current Liabilities			
Trade and other payables	20	1,275,209,410	629,244,557
Accrued mark-up	21	114,013,686	92,205,020
Short-term borrowings	22	2,041,790,265	1,522,871,564
Current portion of long-term finance	16	338,334,122	170,505,607
Current portion of lease liability		-	1,962,284
Current portion of deferred Government grant	17	27,857,022	29,771,093
Unclaimed dividend		2,739,068	2,750,372
Provision for taxation		13,881,134	31,288,815
		3,813,824,707	2,480,599,312
Total Liabilities		4,564,998,750	3,563,262,092
Total Equity and Liabilities		7,051,727,922	6,110,441,815
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes from 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

	Note	2024 Rupees	2023 Rupees
Revenue from contract with customer - net	24	6,469,262,856	4,211,644,274
Cost of sales	25	(5,841,403,396)	(3,785,339,659)
Gross profit		627,859,460	426,304,615
Distribution cost	26	(64,258,167)	(42,495,566)
Administrative expenses	27	(128,392,366)	(115,601,318)
		(192,650,533)	(158,096,884)
		435,208,927	268,207,731
Finance cost	28	(579,853,271)	(306,973,730)
Other operating expenses	29	(51,014,056)	(38,514,094)
		(195,658,400)	(77,280,093)
Other income	30	49,209,986	45,341,679
Loss before taxation, final tax and minimum tax differential		(146,448,414)	(31,938,414)
Levy :			
Final tax	31	(39,282,790)	(24,570,001)
Minumum tax differential	31	(31,326,445)	(4,529,936)
		(70,609,235)	(29,099,937)
Loss before taxation		(217,057,649)	(61,038,351)
Taxation	32	25,576,371	50,247,221
Loss for the year		(191,481,278)	(10,791,130)
Loss per share - basic and diluted	33	(9.65)	(0.54)

The annexed notes from 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

	Note	2024 Rupees	2023 Rupees
Loss for the year		(191,481,278)	(10,791,130)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Surplus on revaluation of property, plant and equipment during the year		78,747,605	-
Impact of deferred tax thereon		(5,940,002)	-
		72,807,603	-
Adjustment of surplus on revaluation of property, plant and equipment due to change in tax rate	15	34,988,685	39,602,265
Remeasurement loss on retirement benefit obligation	19.5	(802,995)	(4,022,874)
Related tax	18	232,869	1,166,633
		(570,126)	(2,856,241)
Other comprehensive income for the year		107,226,162	36,746,024
Items that may be reclassified subsequently to profit or loss			
Foreign operations - foreign currency translation difference		505,954	(6,083,792)
		107,732,116	30,662,232
Total comprehensive (loss) / income for the year		(83,749,162)	19,871,102

The annexed notes from 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

	Note	Share capital	Capital: Surplus on revaluation of property, plant and equipment - net of tax	Capital: Equity portion of loan from related parties (Restated)	Revenue reserve: Unappropriated profit (Restated)	Revenue reserve: Exchange translation reserve	Total
		Rupees					
Balance as at July 1, 2022		198,528,000	882,490,524	55,389,918	1,367,280,373	(2,366,429)	2,501,322,386
Total comprehensive income for the year							
Loss for the year		-	-	-	(10,791,130)	-	(10,791,130)
Other comprehensive income for the year		-	39,602,265	-	(2,856,241)	-	36,746,024
Foreign operations - foreign currency translation difference		-	-	-	-	(6,083,792)	(6,083,792)
		-	39,602,265		(13,647,371)	(6,083,792)	19,871,102
Transfer to / from surplus on revaluation of property plant and equipment on account of							
- incremental depreciation charged thereon - net of tax	15	-	(53,968,778)	-	53,968,778		-
Transactions with shareholders							
Final dividend at Rs.1 per share for the year ended June 30, 2021		-	-	-	-		-
Transactions with related parties							
Fair value effect of interest free loan provided by related parties	17.2	-	-	25,986,235	-		25,986,235
Balance as at June 30, 2023		198,528,000	868,124,011	81,376,153	1,407,601,780	(8,450,221)	2,547,179,723
Total comprehensive loss for the year							
Loss for the year		-	-	-	(191,481,278)	-	(191,481,278)
Other comprehensive loss for the year		-	34,988,685	-	(570,126)	-	34,418,559
Foreign operations - foreign currency translation difference		-	-	-	-	505,954	505,954
		-	34,988,685	-	(192,051,404)	505,954	(156,556,765)
Transfer to / from surplus on revaluation of property, plant and equipment on account of							
- revaluation surplus as at June 30, 2024 - net of tax			72,807,603				72,807,603
- incremental depreciation charged thereon - net of tax	15	-	(56,339,344)	-	56,339,344		-
Transactions with related parties							
Fair value effect of interest free loan provided by related parties	16.2	-	-	23,298,611	-		23,298,611
Balance as at June 30, 2024		198,528,000	919,580,955	104,674,764	1,271,889,720	(7,944,267)	2,486,729,172

The annexed notes from 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive

Chief Financial Officer

Director

		Note	2024 Rupees	2023 Rupees (Restated)
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**			
	Loss before taxation		(217,057,649)	(61,038,351)
	Adjustments for non cash income and expense:			
	Depreciation	5.1	129,811,954	107,243,091
	Provision for retirement benefit obligation	19.4	31,977,786	24,691,262
	Final tax		39,282,790	24,570,001
	Minumum tax differential		31,326,445	4,529,936
	Finance cost	28	579,853,271	306,973,730
	Expected credit loss - trade receivable	27	4,135,227	1,645,333
	Expected credit loss - other receivable	27	-	1,144,367
	Unrealised gain on Cotton claims	30	-	(3,024,315)
	Unrealized loss / (gain) on short term investment	30	-	(698,290)
	Profit on deposits	30	(29,771,558)	(18,291,881)
	Gain on disposal of property, plant and equipment	30	(12,627,300)	(7,178,050)
	Unrealized loss on foreign exchange	29	936,180	
	Realized gain on short term investment	30	(399,006)	-
	Operating cash flows before working capital changes		557,468,140	380,566,833
	(Increase) / Decrease in current assets			
	Stores, spares and loose tools		3,004	3,955,717
	Stock-in-trade		(467,161,815)	(254,696,601)
	Trade debts		(461,881,454)	111,334,879
	Loans and advances		(66,857,067)	33,700,672
	Prepayments		(28,170,359)	(4,228,163)
	Other receivables		38,054,026	(36,844,620)
			(986,013,665)	(146,778,116)
	Increase / (decrease) in current liabilities			
	Trade and other payables		662,517,125	5,293,262
			(323,496,540)	(141,484,854)
	Cash generated from operations		233,971,600	239,081,979
	Finance cost paid		(547,599,205)	(229,275,183)
	Retirement benefit obligation paid		(33,377,800)	(6,218,600)
	Income tax paid		(63,284,290)	(61,778,759)
	Long-term deposits - net		(3,165,000)	230,680
	Net cash used in operating activities		(413,454,695)	(57,959,883)
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment		(62,498,852)	(1,178,219,052)
	Proceeds from disposal of property, plant and equipment		42,500,000	13,175,000
	Purchase of term deposit receipt - net		(26,083,000)	(44,978,050)
	Sale of shares		6,141,996	-
	Profit on deposits received		26,702,939	15,472,517
	Net cash used in investing activities		(13,236,917)	(1,194,549,585)
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**			
	Long-term finance repaid to financial institutions		(144,441,861)	(112,768,553)
	Long-term finance obtained from financial institutions		57,250,000	757,256,682
	Long-term finance repaid to related parties		(6,148,312)	(6,746,286)
	Long-term loan repaid		(4,481,070)	(6,559,431)
	Long-term finance obtained from related parties		-	1,450,000
	Short term borrowings obtained - net		355,394,229	386,457,419
	Lease liabilities repaid during the year		(1,962,284)	(7,767,062)
	Dividend paid		(11,304)	(149,531)
	Net cash generated from financing activities		255,599,398	1,011,173,238
	Net decrease in cash and cash equivalents		(171,092,214)	(241,336,230)
	Cash and cash equivalents at the beginning of the year		(422,306,531)	(181,137,093)
	Effects of exchange rate changes in cash and cash equivalents		29,843	166,792
	Cash and cash equivalents at the end of the year	34	(593,368,902)	(422,306,531)

The annexed notes from 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive | Chief Financial Officer | Director

1. STATUS AND NATURE OF BUSINESS

1.1 The Group consist of Idrees Textile Mills Limited (the Holding Company) and its 100% owned subsidiary ORA Home LLC (ORA) (the Subsidiary). Together referred to as "the Group" and individually as "Group entities"

1.2 Idrees Textile Mills Limited (the Holding Company) was incorporated in Pakistan as an unquoted public limited company on June 5, 1990 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and was listed on Pakistan Stock Exchange Limited on April 28, 1992. The registered office of the Holding Company is situated at 6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad, Karachi in the Province of Sindh. The principal activity of the Holding Company is manufacturing, processing and sale of all kinds of yarn. The Holding Company is also engaged in business of Home Textile.

Following are the geographical location and address of all business units of the Holding Company:

Karachi	**Purpose**
6-C, Ismail Centre, 1st floor, Central Commercial Area, Bahadurabad	Head Office
Nankana Sahib	**Purpose**
Kot Shah Muhammad, Tehsil & District Nankana Punjab	Regional Office and Production Plant / Factory

Following are the geographical location and address of Subsidiary:

New Jersey, USA	**Purpose**
1215 Livingston Avenue, STE 4 North Brunswick, NJ 08902	Registered office

In the year ended June 30, 2022, the Holding Company acquired 100% ownership in ORA Home LLC (ORA), a limited liability company incorporated in New Jersey, USA on January 5, 2022. One of the directors of the Holding Company is the member manager of ORA. Pursuant to the acquisition, ORA has become wholly owned subsidiary of the Holding Company (refer note 6). ORA is engaged in import/export, warehousing and wholesale of textile products.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of;

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with requirements of IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under historical cost convention except that certain categories of property, plant and equipment are stated at revalued amounts, the Group's liability under defined benefit plan (gratuity) and long term finance are stated at presesnt value.

2.3 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity generally accompanying a share of more than fifty percent of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and up to the date when the control ceases. These consolidated financial statements include Idrees Textile Mills Limited (the Holding Company) and its subsidiary entity ORA Home LLC, i.e., the entity in which the Holding Company directly owns 100%. Accordingly, there is no non-controlling interest.

The financial statements of the Subsidiary have been consolidated on a line-by-line basis. Inter-company balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from inter-company transactions, are eliminated.

2.4 Presentation and functional currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Holding Company operates. These consolidated financial statements are presented in Pakistani Rupees, which is the Holding Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

2.5 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of the accounting and reporting standards, as applicable in Pakistan, that have a significant effect on the consolidated financial statements and estimates with significant risk of material judgment in the next financial year are set forth below:

- assumptions and estimates used in accounting for defined benefit plan (notes 4.12.1 and 19.1);
- assumptions and estimates used in determining fair value, residual value, useful lives and recoverable amount of property, plant and equipment (notes 4.1, 4.21 and 5);
- assumptions and estimates used in determining provision for taxation including deferred taxation (notes 4.10, 18 and 32);
- assumptions and estimates used in determining provision for slow moving stores and spares (notes 4.2 and 6);
- assumptions and estimates used in writing down items of stock-in-trade to their net realizable value (notes 4.3 and 7);
- contingencies and commitments (note 23); and
- impairment of financial assets (notes 4.5.4).

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Group's operations or did not have significant impact on the consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 1 'Presentation of financial statements' and IFRS Practice	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Group adopted the narrow-scope amendments to the International Accounting Standard (lAS) 1, Presentation of consolidated financial statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Group to provide useful Group-specific accounting policy information that users need to understand other information in the consolidated financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Group's operations or are not expected to have significant impact on the Group's consolidated financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
- Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
- Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
- Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
- Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendmends to IAS 1 'Presentation of financial statements' - Classification of liabilities as current or non-current	January 01, 2024
- Amendmends to IAS 1 'Presentation of financial statements' - Non-current liabilities with covenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
- Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in financial statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies applied in the presentation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Property, plant and equipment

4.1.1 Operating fixed asset

Property, plant and equipment are stated as follows:

- Land is stated at revalued amount;

- Building, Labour colony, plant and machinery, electric installations and mill equipment are stated at revalued amounts less accumulated depreciation and impairment losses, if any; and

- Office equipment, furniture and fixtures and vehicles are stated at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of an asset including borrowing costs, if any. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of property, plant and equipment is capitalized and the asset so replaced is derecognised. Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

Depreciation is charged to the statement of profit or loss on a straight line basis at the rates specified in note 5.1. Depreciation on additions is charged when asset is available for use upto the month prior to its disposal.

Depreciation methods, useful lives and residual values of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed and adjusted, if appropriate at each reporting date.

Surplus on revaluation of assets is recognised net of tax, in statement of other comprehensive income (OCI) and presented as a separate component of equity as "surplus on revaluation of property, plant and equipment", except that it reverses a revaluation deficit for the same asset previously recognised in the statement of profit or loss, in which case the surplus is credited to the statement of profit or loss to the extent of the deficit charged previously.

Deficit on revaluation of assets is recognised in the statement of profit or loss, except that it reverses a revaluation surplus for the same asset previously recognised in statement of other comprehensive income, in which case the deficit is charged to other comprehensive income to the extent of the surplus credited previously. The revaluation reserve is not available for distribution to the Group's shareholders.

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the estimated fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of assets (net of deferred taxation) is transferred directly to retained earnings (unappropriated profit). Further, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings (unappropriated profit).

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in other income / other expenses in the statement of profit or loss. When revalued assets are sold, any related amount included in the surplus on revaluation is transferred to retained earnings (unappropriated profit).

4.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss, if any, and consists of expenditure incurred and advances made in respect of assets in the course of their acquisition, construction and installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

4.2 Stores, spares and loose tools

These are stated at lower of weighted average cost and net realizable value. Items in transit are stated at cost comprising invoice value plus other charges incurred thereon upto the reporting date. Provision for obsolete and slow moving stores, spares and loose tools is determined based on the management's estimate regarding their future usability.

Loose tools are recognised as expense as and when purchased as their inventory is generally not significant.

Net realizable value signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

4.3 Stock-in-trade

These are stated at lower of cost and net realizable value applying the following basis:

Cost signifies in relation to:

- Raw material (imported)	Lower of cost (specific identification basis) and net realisable value (NRV)
- Raw material (local)	Lower of cost (weighted average) and NRV
- Stock-in-transit	Cost accumulated up to reporting date
- Work-in-process and finished goods	Lower of cost and NRV
- Waste	Net realisable value (NRV)

Cost in relation to work-in-process and finished goods represents annual average manufacturing cost which consists of prime cost and appropriate manufacturing overheads.

Net realizable value (NRV) signifies the estimated selling price in the ordinary course of business less the net estimated costs necessary to be incurred to make the sale.

4.4 Trade debts and other receivables

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method. Impairment of trade debts and other receivables is described in note 4.5.4.

Trade debts and other receivables considered irrecoverable are written off.

4.5 Financial instruments

4.5.1 Classification of financial assets

The Group classifies its financial assets into following three categories:

At amortized cost ("AC"),

Fair value through other comprehensive income ("FVTOCI") and

Fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVTOCI

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

4.5.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of assets and liabilities when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.5.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVTOCI

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVTOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVTOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.5.4 Impairment

Impairment of financial assets

Under expected credit loss (ECL) model of IFRS 9, the Group recognises loss allowances for ECLs on financial assets. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and

- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

4.5.5 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.5.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.5.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.6 Business combination

The Group accounts for business combination using the acquisition method when control is transferred to the Group. The consideration transferred (including contingent consideration) in the year of acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill acquired is not amortized but tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. When the initial accounting for a business combination is incomplete at the end of a reporting period, provisional amounts are used. During the measurement period, the provisional amounts are retrospectively adjusted and additional assets and liabilities are recognized, to reflect new information obtained about the facts and circumstances that existed at the acquisition date which would have affected the measurement of the amounts recognized at that date, had they been known. The measurement period does not exceed twelve months from the date of acquisition.

4.7 Goodwill

In a business combination, goodwill is recognised at the acquisition date and measured at the fair value of consideration paid less the fair value of net assets acquired. After initial recognition, it is carried at cost less accumulated impairment, if any. Goodwill is assessed annually for impairment.

4.8 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

4.9 Foreign currency transactions and translation

Transactions in foreign currencies are translated into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated into reporting currency equivalents using foreign currency rates ruling on the reporting date. Exchange differences on foreign currency transactions and translation are included in the income currently.

4.10 Provisions

Provisions are recognised in the consolidated statement of financial position when the Group has a present, legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

4.11 Cash and cash equivalents

Cash and cash equivalents used in statement of cash flows include cash in hand balances with banks in current and deposit accounts and short term borrowings. Short-term borrowings availed by the Group, are payable on demand and form an integral part of the Group's cash management.

4.12 Retirement benefit obligation

4.12.1 Defined benefit plan

The Holding Company operates an unfunded gratuity scheme covering all its factory workers who have completed the minimum qualifying period of service as defined under the scheme. The Holding Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses are recognised immediately in other comprehensive income.

The Holding Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Interest expense and current service cost are recognised in the statement of profit or loss.

4.12.2 Defined contribution plan

The Holding Company operates an funded contributory provident fund scheme for all head office staff. Equal monthly contributions are made both by the Holding Company and the employees at the rate of 8.33% of basic salary per annum.

4.13 Taxation

4.13.1 Current tax

Provision for current taxation is based on taxable income at the current rates of taxation, after taking into account tax rebates and tax credits available, if any, or turnover at the specified rate or Alternate Corporate Tax as defined in section 113C of the Income Tax Ordinance, 2001, whichever is higher. Charge for current tax also includes adjustments, where necessary, relating to prior years which arise from assessment framed / finalized during the year. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

4.13.2 Deferred tax

Deferred tax is recognised using the liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

The Group recognises a deferred tax asset to the extent that it is probable that taxable profits in the foreseeable future will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Further, the Group also recognizes a deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus.

4.14 Levy

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the consolidated statement of profit or loss account as these levies fall under the scope of IFRIC 12 / IAS 37.

4.15 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

4.16 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of the respective assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.17 Revenue recognition

Revenue from sale of goods is recognised as or when performance obligations are satisfied by transferring control of promised goods to customer, and control is transferred at a point in time either upon shipment or delivery of goods to customer.

Revenue is recognised at transaction price (which excludes estimates of variable consideration), which represents the fair value of the consideration received or receivable excluding discount, rebates and government levies and the payment is typically due on the satisfaction of performance obligation.

Interest income is recognised on a time proportion basis on the principal amount outstanding and at the applicable rate.

Gains/(losses) arising on disposal of investments are included in income and are recognised on the date when the transaction takes place.

Unrealised gains/(losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.

4.18 Dividend income

Dividend income is recognised when the Group’s right to receive payment have been established and is recognised in statement of profit or loss and included in other income.

4.19 Dividend and appropriation to / from reserves

Dividend distribution to the Holding Company's shareholders and appropriations to / from reserves is recognised in the period in which these are approved.

4.20 Earnings per share

The Hodling Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.21 Leases - Lease liabilities and right-of-use assets

The Group recognises leases as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is subsequently measured (at amortised cost) by increasing the carrying amount to reflect interest on the lease liability using the effective interest method and by reducing the carrying amount to reflect the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

For short term leases and leases of low / immaterial value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial

direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the assets economic life. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

4.22 Investment in subsidiary

Investment in subsidiary is measured at cost less any identified impairment loss in the Holding Company's separate unconsolidated financial statements.

At each reporting date, the Holding Company reviews the carrying amount of the investment in subsidiary to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised as expense in the Unconsolidated Statement of Profit or Loss. Investment in subsidiary that suffered an impairment, is reviewed for possible reversal of impairment at each reporting date. An impairment loss is reversed if there has been change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the Unconsolidated Statement of Profit or loss.

The carrying amount of an investment carried at cost is derecognised when it is sold or otherwise disposed of. The difference between the fair value of any consideration received on disposal and the carrying amount of the investment is recorded in the Unconsolidated Profit or Loss account as a gain or loss on disposal.

4.23 Government grant

The benefit of interest rate lower than the market rate on borrowings obtained under State Bank of Pakistan (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the entity and Temporary Economic Refinance Facility (TERF), is accounted for as a government grant which is the difference between amount of loan received and the fair value of the loan on the date of disbursement. The differential amount presented in statement of financial position as deferred government grant. The amortisation of deferred government grant is netted off with finance cost within in the statement of profit or loss.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognised on a systematic basis in the income for the year in which the related expenses are recognised. Grants that compensate for the cost of an asset are recognised in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit, that is the government grant, is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

4.24 Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses that relates to transactions with any of the other components of the Group.

The Board of Directors and the Chief Executive Officer of the Holding Company have been identified as the chief operating decision-makers (CODM), who are responsible for allocating resources and assessing the performance of the operating segments. Management has determined that the Group has a single reportable segment as the CODM views the Group's operations as one reportable segment.

4.25 Commitments

Commitments for capital expenditure contracted for but not incurred are disclosed in the consolidated financial statements at committed amounts. Commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in rupee terms at committed amounts (Note - 24.2).

4.26 Contract liability / advance from customers

A contract liability is recognised if a payment is received from a customer before the Group transfers the related goods. Contract liabilities are recognised as revenue when the Group transfers control of the related goods to the customer.

4.27 Change in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan (ICAP) has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year ended June 30, 2024, the Company has revised its accounting policy. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors'.There is however no material impact on the consolidated financial statements of the prior year.

	For the year ended June 30, 2024			For the year ended June 30, 2023		
	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Imapct of change in policy	Had there been no change in accounting policy	After incorporating effects of change in accounting policy	Imapct of change in policy
	---Rupees---			---Rupees---		
Effect on consolidated statement of financial position						
Advance tax	99,253,155	47,238,331	(52,014,824)	82,761,263	67,416,272	(15,344,991)
Prepayments	2,977,540	34,303,985	31,326,445	1,603,690	6,133,626	4,529,936
Trade and other payables	1,225,288,555	1,275,209,410	49,920,855	610,959,675	629,244,557	18,284,882
Provision for taxation	84,490,368	13,881,134	(70,609,234)	60,388,752	31,288,815	(29,099,937)
Effect on consolidated statement of profit or loss.						
Minimum tax differential	-	(31,326,445)	(31,326,445)	-	(4,529,936)	(4,529,936)
Final tax levy	-	(39,282,790)	(39,282,790)	-	(24,570,001)	(24,570,001)
Income tax	(44,848,610)	25,760,625	70,609,235	22,026,220	51,126,157	29,099,937
Loss for the year	(194,388,916)	(194,388,916)	-	(12,494,001)	(12,494,001)	-

5. PROPERTY, PLANT AND EQUIPMENT

	Note	2024 Rupees	2023 Rupees
Operating fixed assets			
- Owned	5.1	3,363,126,163	1,894,790,281
- Right of use assets	5.1	2,013,505	2,362,004
		3,365,139,668	1,897,152,285
Capital work in progress:			
- Building		2,160,537	199,111,306
- Plant & Machinery		-	1,282,051,280
- Capital spares		7,549,799	20,913,332
	5.1.2	9,710,336	1,502,075,918
		3,374,850,004	3,399,228,203

5.1 OPERATING FIXED ASSETS

	2024											
	Cost / Revaluation					Accumulated Depreciation					Written Down Value	Dep. Rate
Particulars	July 01, 2023	Additions/ (disposal)	Transfers	Revaluation adjustment	June 30, 2024	July 01, 2023	Depreciation/ (disposals)/ write-offs for the year	Transfers	Revaluation adjustment	June 30, 2024	June 30, 2024	%
	----Rupees----											
Owned assets												
Land freehold	240,375,000	-	-	16,025,000	256,400,000	-	-	-	-	-	256,400,000	-
Factory building on freehold land	218,633,050	909,854	199,596,399	34,828,061	453,967,364	32,863,950	23,520,307	-	(43,450,032)	12,934,225	441,033,139	5-20%
Labour colony		-	-	-		-				-		
on freehold land	21,352,625	-	-	1,774,280	23,126,905	4,293,472	1,551,590	-	(4,804,341)	1,040,721	22,086,184	5-14%
Plant and machinery	1,478,171,882	901,410	1,338,606,071	(209,945,388)	2,607,733,975	143,611,159	91,467,922	-	(187,933,012)	47,146,069	2,560,587,906	4-33%
Electric installations	21,988,000	-	-	(7,780,752)	14,207,248	6,127,216	2,366,180	-	(7,659,019)	834,377	13,372,871	8-25%
Factory equipment	5,364,595	-	-	-	5,364,595	1,197,605	620,140	-	-	1,817,745	3,546,850	7-20%
Office equipment	18,149,168	68,500	-	-	18,217,668	13,300,640	755,885	-	-	14,056,525	4,161,143	10%
Computer Hardware	219,500	-	-	-	219,500	39,963	65,856	-	-	105,819	113,681	10%
Furniture and fixtures	4,183,452	-	-	-	4,183,452	3,811,251	48,462	-	-	3,859,713	323,739	10%
Vehicle	175,206,198	8,842,200	-	-	145,071,398	83,607,933	9,067,115	-	-	83,570,748	61,500,650	20%
		(38,977,000)	-	-			(9,104,300)					
	2,183,643,470	10,721,964	1,538,202,470	(165,098,799)	3,528,492,105	288,853,189	129,463,457	-	(243,846,404)	165,365,942	3,363,126,163	
		(38,977,000)					(9,104,300)					
Right of use assets												
Plant and machinery	-	-	-	-	-	-	-	-	-	-	-	4%
Vehicle	4,069,000		-	-	4,069,000	1,706,996	348,499	-	-	2,055,495	2,013,505	20%
	4,069,000	-	-	-	4,069,000	1,706,996	348,499	-	-	2,055,495	2,013,505	
Total June 30, 2024	2,187,712,470	10,721,964	1,538,202,470	(165,098,799)	3,532,561,105	290,560,185	129,811,956	-	(243,846,404)	167,421,437	3,365,139,668	
		(38,977,000)					(9,104,300)					
				(408,945,203)								

Operating fixed assets

	2023											
	Cost / Revaluation					Accumulated Depreciation					Written Down Value	Dep. Rate
Particulars	July 01, 2022	Additions/ (disposal)	Transfers	Revaluation adjustment	June 30, 2023	July 01, 2022	Depreciation /(disposals) for the year	Transfers	Revaluation adjustment	June 30, 2022	June 30, 2023	%
	-------------Rupees-------------											
Owned assets												
Land - freehold	240,375,000	-	-	-	240,375,000	-	-	-	-	-	240,375,000	-
Factory building on freehold land	218,633,050	-	-	-	218,633,050	16,201,975	16,661,975	-	-	32,863,950	185,769,100	5-20%
Labour colony on freehold land	21,352,625	-	-	-	21,352,625	2,371,736	1,921,736	-	-	4,293,472	17,059,153	5-14%
Plant and machinery	1,450,936,991	7,234,891 -	20,000,000	-	1,478,171,882	70,800,825	71,890,549 -	919,785	-	143,611,159	1,334,560,723	4-33%
Electric installations	21,988,000	-	-	-	21,988,000	3,063,608	3,063,608	-	-	6,127,216	15,860,784	8-25%
Factory equipment	5,251,500	113,095	-	-	5,364,595	595,898	601,707	-	-	1,197,605	4,166,990	7-20%
Office equipment	16,222,450	1,926,718	-	-	18,149,168	12,517,252	783,388	-	-	13,300,640	4,848,528	10%
Computer Hardware	-	219,500	-	-	219,500	-	39,963		-	39,963	179,537	10%
Furniture and fixtures	4,183,452	-	-	-	4,183,452	3,757,214	54,037	-	-	3,811,251	372,201	10%
Vehicles	146,591,358	22,970,340 (12,335,500)	17,980,000	-	175,206,198	75,912,855	10,449,295 (6,338,550)	3,584,333	-	83,607,933	91,598,265	20%
	2,125,534,426	32,464,544 (12,335,500)	37,980,000	-	2,183,643,470	185,221,363	105,466,258 (6,338,550)	4,504,118	-	288,853,189	1,894,790,281	
Right of use assets												
Plant and machinery	20,000,000	-	(20,000,000)	-	-	486,452	433,333	(919,785)	-	-	-	4%
Vehicles	22,049,000	-	(17,980,000)	-	4,069,000	3,947,829	1,343,500	(3,584,333)	-	1,706,996	2,362,004	20%
	42,049,000	-	(37,980,000)	-	4,069,000	4,434,281	1,776,833	(4,504,118)	-	1,706,996	2,362,004	
Total June 30, 2023	2,167,583,426	32,464,544 (12,335,500)	-	-	2,187,712,470	189,655,644	107,243,091 (6,338,550)	-	-	290,560,185	1,897,152,285	

5.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2024 is Rs 89.47 million (2023 : 72.65 million).

5.1.2 This represents construction work in progress which includes new mill building being constructed as part of a new wing to the existing mill building along with plant and machinery purchased through TERF financing which is now available for use. This includes Rs. 29.20 million (2023 Rs.27.5 million) on account of borrowing cost incurred on TERF finance specifically obtained for acquisition of plant and machinery. Borrowing cost capitalised is 5% (2023: 5%).

5.1.3. Depreciation for the year has been allocated as under:

	Note	2024 Rupees	2023 Rupees
Cost of sales	25	119,526,130	94,572,910
Administrative expenses	27	10,285,824	12,670,181
		129,811,954	107,243,091

5.1.4 The details of operating fixed assets disposed / written offs during the year are as follows :

Description	Cost / Revaluation	Accumulated Depreciation	Carrying Value	Sale Proceeds	Gain / (loss)	Relationship of purchaser with Company	Mode of Disposal	Particulars of purchaser
	------Rupees------							
Vehicle								
Foton	1,485,000	(891,000)	594,000	1,500,000	906,000	Third Party	Negotiation	Four Sons (Private) Limited.
Toyota Tacoma	15,100,000	(4,278,333)	10,821,667	13,000,000	2,178,333	Third Party	Negotiation	Shahabuddin Bhayo
Etron	19,820,000	(2,477,500)	17,342,500	24,000,000	6,657,500	Insurer	Insurance claim	Insurance Companies
Honda Civic	2,572,000	(1,457,467)	1,114,533	4,000,000	2,885,467	Third Party	Negotiation	Muhammad Hamza Naeem
	38,977,000	(9,104,300)	29,872,700	42,500,000	12,627,300			

5.1.5 The Holding Company carries its land, building, labour colony, plant and machinery, electric installations and mill equipment at revalued amounts under IAS 16 'Property, Plant and Equipment'. The latest revaluation of these assets was carried out as at January 05, 2024 by Harvester Consultant (Pvt.) Ltd. (an independent valuer located in Lahore) on the basis of market values, which resulted in surplus on revaluation amounting to Rs. 78.75 million.

The Holding Company commissioned independent valuations of land, building, labour colony, plant and machinery, electric installations and mill equipment during the years ended June 30, 2006, June 30, 2010, June 30, 2013, June 30, 2016, June 30, 2019, June 30, 2021 and January 05, 2024. The resulting revaluation surpluses have been disclosed in notes 16 and 4.1.1 to the financial statements and have been credited to the revaluation surplus account net of their related tax effect.

The carrying amount of the aforementioned assets as at June 30, 2024, if the said assets had been carried at historical cost, would have been as follows:

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
	------Rupees------					
Land - freehold	8,772,600	-	8,772,600	8,772,600	-	8,772,600
Factory building on freehold land	342,767,075	(116,581,216)	226,185,859	142,260,822	(108,865,312)	33,395,510
Labour colony on freehold land	16,533,266	(15,383,625)	1,149,641	16,533,266	(15,383,625)	1,149,641
Plant and machinery	2,887,190,485	(825,811,038)	2,061,379,447	1,547,683,004	(777,622,146)	770,060,858
Electric installations	43,144,676	(33,414,321)	9,730,355	43,144,676	(32,172,388)	10,972,288
Factory equipment	6,729,139	(5,160,541)	1,568,598	6,729,139	(5,012,174)	1,716,965
	3,305,137,241	(996,350,741)	2,308,786,500	1,765,123,507	(939,055,645)	826,067,862

5.1.6 Forced sale values as per the latest revaluation report as of January 05, 2024 as mentioned in note 5.1.5 are as follows:

Asset Class	Rupees
Land - freehold	217,940,000
Factroy building on freehold land	340,475,523
Labour colony on freehold land	17,345,179
Plant and machinery	1,927,349,277
Electric installations	10,655,436
Mill equipment	4,023,446

5.1.7 Particulars of immovable asset of the Holdng Company are as follows:

Location	Addresses	Usage of immovable	Total Area (Acres)	Covered Area (Acres)
Nankana Sahib	Kot Shah Muhammad, Tehsil & District Nankana Punjab	Production plant and facility	20.03	10.13

5.1.8 Fair value measurement

Fair value of land and building are based on assumptions considered to be level 2 in the fair value hierarchy due to significant observable inputs used in the valuation, while fair value of plant and machinery are considered to be level 3 in the fair value hierarchy due to significant unobservable inputs used in the valuation.

Fair value of land and building has been derived using a sales comparison approach. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as location and size of the property. Moreover value of building also depends upon the type of construction, age and quality. The most significant input in this valuation approach is price/rate per square foot in particular locality.

Valuation techniques used to derive level 3 fair values - Plant and Machinery

In the absence of current prices in an active market, the fair value is determined by taking into account the following factors:

-Make, model, country of origin etc
-Operational capacity
-Resale prospects
-Obsolescence

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant imput in this valuation is the current replacement.cost which is adjusted for factors above.

5.1.9 The following is a statement of capital work in progress

	Building on lease hold land	Plant & machinery	Capital spares	Total
	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2022	125,529,930	213,451,480	-	338,981,410
Capital expenditure incurred during the year	73,581,376	1,068,599,800	20,913,332	1,163,094,508
Transfer to operating fixed assets	-	-		-
Balance as at June 30, 2023	199,111,306	1,282,051,280	20,913,332	1,502,075,918
Capital expenditure incurred during the year	2,645,630	43,191,258	-	45,836,888
Transfer to operating fixed assets	(199,596,399)	(1,325,242,538)	(13,363,533)	(1,538,202,470)
Balance as at June 30, 2024	2,160,537	-	7,549,799	9,710,336

	2024 Rupees	2023 Rupees

6. STORES, SPARES AND LOOSE TOOLS

	2024 Rupees	2023 Rupees
Stores and spares	61,124,690	60,777,263
Stores and spares in transit	117,067	467,498
Loose tools	64,585	64,585
	61,306,342	61,309,346
Less: provision for slow moving items	(7,743,217)	(7,743,217)
	53,563,125	53,566,129

7. STOCK-IN-TRADE

	2024 Rupees	2023 Rupees
Raw material - cotton		
- In hand	1,121,028,719	726,259,683
- In transit	428,156,535	159,022,484
	1,549,185,254	885,282,167
Raw material - home textile		
- In hand	1,735,289	11,224,752
Work-in-process - yarn	91,441,947	76,496,220
Work-in-process - home textile	34,327,602	28,702,503

	Note	2024 Rupees	2023 Rupees
Finished goods - yarn			
- In hand		240,222,818	315,503,103
- In transit		-	28,754,217
- Third party		-	97,473,722
Waste - yarn		12,066,210	18,380,621
		1,928,979,120	1,461,817,305

8. TRADE DEBTS

	Note	2024 Rupees	2023 Rupees
Considered good			
Secured :			
Export - others	8.1	68,054,472	136,441,517
Local		294,825,850	214,897,633
		362,880,322	351,339,150
Unsecured :			
Export - due from related party	8.2 & 8.3	-	-
Local		749,490,743	304,244,269
		1,112,371,065	655,583,419
Considered doubtful			
Local		18,193,775	14,058,548
		1,130,564,840	669,641,967
Less: Expected credit loss	8.3	(18,193,775)	(14,058,548)
		1,112,371,065	655,583,419

8.1 This includes Euro 73,698 (2023 : Nil) and USD 40,744 (2023 : USD 476,752)

8.2 This includes USD Nil (2023 : Nil)

8.3 Expected credit loss

	Note	2024 Rupees	2023 Rupees
Balance as at July 1,		14,058,548	12,413,215
Charge during the year	27	4,135,227	1,645,333
Balance as at June 30,		18,193,775	14,058,548

	2024 Rupees	2023 Rupees
8.4 Ageing of trade debts past due but not impaired - related party		
Not past due	-	-
0 - 90 days	-	-
91-180 days	-	-
Above 180 days	-	-
	-	-

	Note	2024 Rupees	2023 Rupees Restated
9. LOANS AND ADVANCES			
Considered good			
Loans to employees	9.1	457,000	387,000
Advance to employees	9.1	506,981	420,000
Advances - unsecured			
- to suppliers	9.2	88,262,057	39,791,090
- for expenses		558,863	924,154
		88,820,920	40,715,244
		89,784,901	41,522,244

9.1 These represents unsecured, interest free, short-term loan and advance given to employees of the Holding Company.

9.2 This represents advance payments made to supplier for stores and spares and purchases.

	2024 Rupees	2023 Rupees
10. PREPAYMENTS		
Minimum tax levy	31,326,445	4,529,936
Health insurance	1,524,963	1,603,690
Other prepayments	1,452,577	-
	34,303,985	6,133,626

	Note	2024 Rupees	2023 Rupees
11. OTHER RECEIVABLES			
Sales tax		129,251,358	189,762,588
Export rebate	11.1	7,686,065	2,194,344
Less: expected credit loss	11.4	(5,969,340)	(5,969,340)
		130,968,083	185,987,592
Duty draw back receivable	11.2	5,872,932	5,872,932
Cotton claim receivable	11.3	39,881,372	23,767,311
Profit on deposits		9,645,253	6,576,634
Others		1,836,208	984,786
		57,235,765	37,201,663
		188,203,848	223,189,255

11.1 Export rebate

Export rebates comprises of incentives/discounts/refunds and other benefits granted by the Government of Pakistan.

11.2 Duty draw back receivable

This represents receivable from the Government of Pakistan since 2021.

11.3 Cotton claim receivable

This represents a formal claim regarding discrepancies related to cotton weight and quality.

11.4 Expected credit loss

	2024 Rupees	2023 Rupees
As at July 01	5,969,340	4,824,973
Charge during the year	-	1,144,367
As at June 30	5,969,340	5,969,340

12. Short term investment

	Note	2024 Rupees	2023 Rupees
- At amortised cost			
Term deposit receipts	12.1	200,455,670	174,372,670
- Fair value through profit or loss			
Short term investment in quoted securities		-	5,742,990
		200,455,670	180,115,660

12.1 These represent term deposit receipts placed with various banks for a period ranging from six months to one year carrying mark-up at the rates ranging from 5.75% to 21.5% (2023: 4.2% to 21%) per annum. The banks have lien on these term deposit receipts on account of guarantees provided by such banks as disclosed in note 24.1.1 to the consolidated financial statements. These will mature at various maturity dates.

	Note	2024 Rupees	2023 Rupees
13. CASH AND BANK BALANCES			
Cash in hand		1,552,529	707,343
Cash at banks			
- in current accounts		7,813,036	18,048,097
- in savings account	13.1	6,548,627	215,581
	13.2	15,914,192	18,971,021

13.1 It carries markup of 13.5% to 20.5% (2023: 13.5% to 20.5%) per annum.

13.2 This includes an amount of Rs. 6.68 million (2023: Rs. 6.68 million) on which the bank has created lien on account of guarantee provided by such bank as disclosed in note 24.1.1 to the financial statements.

14. ISSUED SUBSCRIBED AND PAID-UP CAPITAL

2024 Number of shares	2023 Number of shares		2024 Rupees	2023 Rupees
		Authorised		
22,000,000	22,000,000	Ordinary shares of Rs. 10/- each	220,000,000	220,000,000
19,852,800	19,852,800	Ordinary shares of Rs. 10/- each fully paid in cash	198,528,000	198,528,000

14.1 The Holding Company has one class of ordinary share, which carry equal voting rights but no right to fixed income. Voting rights, board selection etc. are in proportion to their shareholding.

	Note	2024 Rupees	2023 Rupees
15. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - net of tax			
As at July 1,		973,359,080	1,036,250,427
Surplus arising during the year		78,747,605	-
Less: transferred to unappropriated profit on account of:			
- incremental depreciation - net of tax		(56,339,344)	(53,968,778)
- related deferred tax liability		(5,893,633)	(8,922,569)
		(62,232,977)	(62,891,347)
As at June 30		989,873,708	973,359,080
Less: related deferred tax liability on:			
Revaluation surplus as at July 1,		105,235,069	153,759,903
Surplus arising during the year	18	5,940,002	-
Adjustment due to change in tax rate	18	(34,988,685)	(39,602,265)
Related deferred tax on incremental depreciation		(5,893,633)	(8,922,569)
	18	70,292,753	105,235,069
As at June 30		919,580,955	868,124,011

16. LONG-TERM FINANCE

Long term portion

	Note	2024 Rupees	2023 Rupees
Financial institutions	16.1	433,281,371	693,818,843
Related parties	16.2	52,818,403	35,133,985
		486,099,774	728,952,828

Current portion

	Note	2024 Rupees	2023 Rupees
Financial institutions	16.1	332,879,577	128,365,121
Related parties	16.2	5,454,545	42,140,486
		338,334,122	170,505,607

16.1 Details and movement are as follows:

		Balance at July 01, 2023	Obtained during the year	Principal Repaid during the year	Balance at June 30, 2024	Government Grant	Net Balance at June 30, 2024	Payable within one year	Payable later than one year	Payable within one year as at June 30, 2023	Payable later than one year as at June 30, 2023	Mark up rate (per annum)	Principal and mark up payment	Note
		----------	----------	----------	----------	Rup ees	----------	----------	----------	----------	----------			
Dubai Islamic Bank Limited	Diminishing Musharaka (DM)	65,000,000	-	-	65,000,000	-	65,000,000	(9,750,000)	55,250,000	-	65,000,000	3 month KIBOR +150 bps	Quarterly (2 years grace period)	16.1.1
	DM	4,221,181	-	-	4,221,181	-	4,221,181	(422,118)	3,799,063	-	4,221,181			
	DM	4,221,181	-	-	4,221,181	-	4,221,181	(211,059)	4,010,122	-	4,221,181			
	ITERF 1	5,850,000	-	(877,500)	4,972,500	(247,249)	4,725,251	(1,073,248)	3,652,003	762,420	4,725,251	SBP Rate +400 bps	Quarterly (2 years grace period)	16.1.2
	ITERF 1	13,280,000	-	(1,992,000)	11,288,000	(528,764)	10,759,236	(2,456,807)	8,302,429	1,741,355	10,759,236			
	ITERF 1	130,000,000	-	-	130,000,000	(30,822,661)	99,177,339	(18,926,934)	80,250,405	-	90,819,723			
		222,572,362	-	(2,869,500)	219,702,862	(31,598,674)	188,104,188	(32,840,166)	155,264,022	2,503,775	179,746,572			
Samba Bank Limited	TERF 1	40,868,800	-	(10,217,200)	30,651,600	(2,824,374)	27,827,226	(27,827,226)	-	7,979,328	27,344,550	SBP Rate +400 bps	Quarterly (1 year grace period)	16.1.3
	TERF 2	14,692,500	-	(3,918,000)	10,774,500	(762,096)	10,012,404	(10,012,404)	-	2,410,235	10,690,936			
	TERF 3	32,098,125	-	(8,559,480)	23,538,645	(2,397,572)	21,141,073	(21,141,073)	-	6,856,775	21,141,060			
	TERF 4	35,660,504	-	(9,508,000)	26,152,504	(1,700,448)	24,452,056	(24,452,056)	-	7,975,608	24,127,822			
	TERF 5	71,183,000	-	(13,346,700)	57,836,300	(7,591,910)	50,244,390	(50,244,390)	-	9,467,433	49,078,302			
	Term Finance 1	11,272,500	-	(704,531)	10,567,969	-	10,567,969	(10,567,969)	-	1,409,063	9,863,437	3 month KIBOR +200 bps	Quarterly (1 year grace period)	16.1.4
	Term Finance 2	7,316,000	-	-	7,316,000	-	7,316,000	(7,316,000)	-	-	7,316,000			
	Term Finance 3	30,600,000	-	-	30,600,000	-	30,600,000	(30,600,000)	-	-	30,600,000			
		243,691,429	-	(46,253,911)	197,437,518	(15,276,400)	182,161,118	(182,161,118)	-	36,098,442	180,162,107			
Askari Bank Limited	LTFF 1	6,218,450	-	(194,325)	6,024,125	-	6,024,125	(777,308)	5,246,817	194,327	6,024,123	SBP Rate +300 bps	Quarterly (2 year grace period)	16.1.5
	LTFF 2	12,072,500	-	-	12,072,500	-	12,072,500	(1,131,798)	10,940,702	-	12,072,500			
	Term Finance 1	56,937,699	-	(10,675,818)	46,261,881	-	46,261,881	(14,234,424)	32,027,457	10,675,819	46,261,880	3 month KIBOR +150 bps	Quarterly (1 year grace period)	16.1.6
	Term Finance 2	49,771,351	-	(6,221,419)	43,549,932	-	43,549,932	(15,553,545)	27,996,387	9,332,128	40,439,223			
		125,000,000	-	(17,091,561)	107,908,438	-	107,908,438	(31,697,075)	76,211,363	20,202,274	104,797,726			
Bank Al Falah Limited	TERF 1	16,397,280	-	-	16,397,280	(4,277,704)	12,119,576	(1,380,548)	10,739,028	-	11,244,435	SBP Rate +400 bps	Quarterly (2 year grace period)	16.1.7
	TERF 2	19,678,360	-	-	19,678,360	(5,532,519)	14,145,841	(1,710,686)	12,435,155	-	13,114,623			
	TERF 3	151,424,000	-	-	151,424,000	(45,652,311)	105,771,689	(7,373,893)	98,397,796	-	97,386,981			
	Term Finance 1	51,695,938	-	(7,979,234)	43,716,704	-	43,716,704	(10,363,723)	33,352,981	8,027,365	43,668,573	3 month KIBOR +150 bps	Monthly (0 year grace period)	16.1.8
		239,195,578	-	(7,979,234)	231,216,344	(55,462,534)	175,753,810	(20,828,850)	154,924,960	8,027,365	165,414,612			
Bank of Punjab	LTFF 1	8,631,947	-	(8,631,947)	-	-	-	-	-	8,631,947	-	6 month KIBOR +250 bps	Quarterly	16.1.9
	LTFF 2	25,639,105	-	(12,819,575)	12,819,530	-	12,819,530	(12,819,530)	-	12,819,575	12,819,530	SBP Rate +250 bps	Quarterly	16.1.10.
		34,271,052	-	(21,451,522)	12,819,530	-	12,819,530	(12,819,530)	-	21,451,522	12,819,530			
First Habib Modaraba	Diminishing Musharaka	90,959,997	57,250,000	(48,796,133)	99,413,864	-	99,413,864	(52,532,838)	46,881,026	40,081,724	50,878,246	Three month Kibor + (1.0%-2.0%)	Monthly	16.1.11
	Total	955,690,418	57,250,000	(144,441,861)	868,498,556	(102,337,608)	766,160,948	(332,879,577)	433,281,371	128,365,102	693,818,793			

16.1.1 The loan is secured by way of first pari passu charge over Compact Spinning, imported gen set and locally purchased carding machines with 0% to 25% margin, and against 1st exclusive charge over imported assets of solar equipment The loan is utilized for renewable energy installation in the factory.

16.1.2 The Holding Company has entered into a Islamic Temporary Economic Refinance Facility (ITERF) agreement with Dubai Islamic bank , with the limit of Rs.147.217 million. The unavailed facility as at year end was Rs. 0.956 million (2023: Rs. 0.870 million). This facilities carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 7 years with grace period of 2 years. This facility is secured against 1st exclusive charge over imported plant and machinery of Hoding Company, and also the personal guarantee of all the directors and mortgagors of the Holding Company.

16.1.3 The Holding Company has entered into a Temporary Economic Refinance Facility (TERF) agreement with bank, with the total limit aggregating to Rs. 163.59 million (2023: 194.50 million). The unavailed facility as at year end was Rs. 14.64 million (2023: Rs. 5.50 million). This facility carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 5 years with grace period of 1 year. However, during the year ended the Holding Company was in breach of certain covenants as mentioned in the facility letter, due to which outstanding long term loan was payable on demand and is reclassified as current liability.

16.1.4 The loan is secured by way of first exclusive charge of Rs. 134 million over specific machinery of Holding Company with 25% margin.

16.1.5 The loan is secured by way of first pari passu charge with 0% to 25% margin.

16.1.6 The loan is secured against 1st specific charge over imported plant and machinery for Rs. 125 million of Holding Company, and by way of first pari passu charge with 0% to 25% margin.

16.1.7 The Holding Company has entered into a Temporary Economic Refinance Facility (TERF) agreement with banks, with the total limit to Rs. 187.5 million (2023: Rs. 187.5 million). The unavailed facility as at year end was Rs. Nil (2023: Nil). This facility carry mark up of SBP Base Rate + 4% (2023: SBP Base Rate + 4%). The tenure of this facility is 10 years with grace period of 2 years.

16.1.8 The loan is secured against 1st specific charge over imported plant and machinery of Holding Company for Rs. 326.3 million

16.1.9 The loan is secured by way of first exclusive and specific hypothecation charge over imported machinery of the Holding Company (Compact Spinning Assembly) with 0% margin. The loan is fully repaid as at 30 June 2024.

16.1.10. The loan is obtained to meet the capital expenditure requirement of the Holding Company. The loan is secured by way of first exclusive and specific hypothecation charge over imported machinery of the Holding Company.

16.1.11 These represent plant and machinery and vehicles acquired under musharaka arrangement. The rates of mark-up ranges from 18.00% to 24.91%.

	Note	2024 Rupees	2023 Rupees
16.2 Loan from related parties - unsecured			
Opening as at July 01,		77,274,471	96,739,869
Receipts during the year		-	1,450,000
Repayments during the year		(6,148,312)	(6,746,286)
Unwinding of discount	28	10,445,400	11,817,123
Less: Fair value adjustment		(23,298,611)	(25,986,235)
		58,272,948	77,274,471
Payable within one year		(5,454,545)	(42,140,486)
Closing as at June 30,		52,818,403	35,133,985

16.2.1

S.No	Designation	Date of agreement	Loan amount renewed	Present Value of loan	Fair value adjustment
1	Director/CEO	8-Dec-23	45,000,000	21,701,389	23,298,611

16.2.2 Loans from related parties are extended to fulfill the Holding Company's working capital needs.

16.2.3 As at June 30, 2024, the loans received from directors are due to be paid as follows, unless otherwise the terms of repayment are further extended:

	Note	2024 Rupees	2023 Rupees
Due Date		**Loan received Rupees**	**Present value Rupees**
December 08, 2027		45,000,000	21,701,389
December 16, 2024		6,000,000	5,454,545
June 30, 2027		50,191,000	29,045,718
		101,191,000	56,201,652

17. DEFERRED GOVERNMENT GRANT

Deferred grant against temporary economic refinance facility	102,337,608	133,506,454
Current portion of deferred Government grant	(27,857,022)	(29,771,093)
	74,480,586	103,735,361

17.1 Deferred Government grant relates to the difference between the fair value and actual proceed of temporary economic refinance facility loan obtained under SBP's refinance scheme. It is being amortised over the period of ten years from the date of loan disbursement with an amount equal to the difference between the finance cost charged that would have been charged to statement of profit or loss at market rate and the interest paid as per the scheme.

18. DEFERRED TAXATION - NET

Balance as at July 1,		171,199,476	229,182,802
Reversal to profit or loss	32	(26,519,307)	(17,214,428)
Charged to other comprehensive income		(232,869)	(1,166,633)
Adjustment to the related deferred tax liability on revaluation surplus	15	5,940,002	-
Tax rate adjustment on surplus	15	(34,988,685)	(39,602,265)
Balance as at June 30,		115,398,617	171,199,476

	Note	2024 Rupees	2023 Rupees
This comprises of the following:			
Taxable temporary differences:			
- accelerated depreciation on property, plant and equipment		108,037,572	97,305,979
- surplus on revaluation of property, plant and equipment		70,292,752	105,235,069
- Other financial asset		954,888	-
		179,285,212	202,541,048
Deductible temporary differences:			
- provision for doubtful trade debts		1,331,383	1,994,525
- provision for stores and spares		733,304	1,100,260
- provision for doubtful other receivables		565,313	846,887
- provision for staff gratuity		7,121,178	11,176,043
- minimum tax		51,698,755	12,291,464
- WWF llability		2,436,662	3,650,024
- Other financial asset		-	282,369
		(63,886,595)	(31,341,572)
		115,398,617	171,199,476

19. RETIREMENT BENEFIT OBLIGATION

Factory	19.2	74,942,694	78,522,743
Head office	19.10	252,372	252,372
		75,195,066	78,775,115

19.1 Retirement benefit obligation - defined benefit plan

The Projected Unit Credit Method based on following significant assumptions was used for valuation of the scheme.The disclosure made in notes 20.2 to 20.3 are based on information included in acturial report. The basis of recognition together with details as per actuarial valuation conducted as at June 30, 2024 are as under:

The principal assumptions used are as follows:	**2024**	**2023**
- Discount rate	16.25%	16.25%
- Expected rate of salary increase	15.25%	15.25%
- Mortality rate	SLIC 2001-2005 set back one year	SLIC 2001-2005 set back one year

	Note	**2024 Rupees**	**2023 Rupees**
19.2 Liability recognized in the statement of financial position			
Present value of retirement benefit obligation (RBO)	19.3	74,942,694	78,522,743
19.3 Movement in Retirement benefit obligation (RBO) during the year			
Balance as at July 1,		78,522,743	59,891,088
Expense recognized in cost of sales (profit or loss)	19.4	31,977,786	24,691,262
Total remeasurements recognized in other comprehensive income	19.5	802,995	4,022,874
Benefits paid		(30,793,500)	(6,218,600)
Benefits due but not yet paid		(5,567,330)	(3,863,881)
		74,942,694	78,522,743

19.4 Expense recognized in profit or loss

Current service cost	22,172,158	17,423,657
Interest cost	9,805,628	7,267,605
	31,977,786	24,691,262

19.5 Total remeasurements recognized in other comprehensive income

Actuarial gain on liability arising on		
- financial assumptions	(265,428)	650,596
- experience adjustments	1,068,423	3,372,278
	802,995	4,022,874

19.6 Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

Current year		**Increase / (decrease) in defined benefit**	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		Rupees	**Rupees**
Discount rate	1%	(3,801,299)	4,293,611
Salary growth rate	1%	4,441,121	(4,002,239)

Prior year		**Increase / (decrease) in defined benefit**	
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		Rupees	**Rupees**
Discount rate	1%	(4,574,629)	4,040,522
Salary growth rate	1%	4,758,369	(4,279,034)

19.7 The gratuity scheme exposes the Holding Company to the following risks:

Final salary risk (linked to inflation risk): the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Mortality Risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higer side.

Withdrawal risk: The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

19.8 The weighted average duration of the defined benefit obligation as at June 30, 2024 is 5 years (2023: 5 years).

19.9 Number of employees covered by the scheme are 513 (2023: 727).

19.10 This amount relates to the unfunded gratuity scheme for the head office staff which has been freezed since 2002, as per the Holding Company policy.

19.11 Expected expenses to be charged with respect to current service cost and interest cost on defined benefit obligation in financial year 2025 will be 28.702 million.

20. TRADE AND OTHER PAYABLES	**Note**	**2024 Rupees**	**2023 Rupees**
Creditors	20.1	178,722,072	100,212,887
Accrued liabilities		104,595,416	131,655,444
Gratuity due but not yet paid		8,797,611	5,814,581
Contract liabilities	20.2	710,414,663	189,404,407
Workers' welfare fund		25,729,585	25,729,586
Infrastructure cess	20.3	166,078,418	141,343,416
Payable to provident fund		625,311	605,419
Minimum tax levy		31,326,445	4,529,936
Final tax		18,594,411	13,754,946
Withholding tax payable		30,325,478	16,193,935
		1,275,209,410	629,244,557

20.1 Trade payables are non-interest bearing and are normally settled on 90-days term.

20.2 Movement of Contract liabilities

Opening balance	189,026,671	259,420,029
Advance recevied during the year	2,426,015,870	1,314,958,199
Transferred to revenue during the year	(1,904,627,877)	(1,385,351,557)
Closing balance	710,414,663	189,026,671

20.3 The Government of Sindh through Sindh Finance Act, 1994 provided for imposition of an infrastructure fee for the development and maintenance of infrastructure on goods entering or leaving the Province through air or sea at prescribed rates. The levy was challenged by the Holding Company along with other companies in the High Court of Sindh through civil suits which were dismissed by the single judge of the High Court of Sindh through its decision in October 2003. On appeal filed there against, the High Court of Sindh has held through an order passed in September 2008 that the levy as imposed through the Sindh Finance Act, 1994 (amended time to time) was not valid till December 28, 2006, however, thereafter on account of an amendment in the Sindh Finance (Amendment) Ordinance, 2006, it had become valid and is payable by the Appellants. The Holding Company, along with other companies, filed an appeal in the Supreme Court of Pakistan against the aforementioned order of the High Court of Sindh. The Supreme Court granted stay by passing an interim order on January 22, 2009. The order passed by the High Court of Sindh was set aside by the Supreme Court vide its order dated May 20, 2011. Consequently, a new petition has been filed in the High Court of Sindh. Through the interim order passed on May 31, 2011, the High Court has ordered that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be submitted until the final order is passed. Refer notes 14 & 24.

On April 06, 2021, the High Court of Sindh vide order C.P.No D-3309 / 2011, summoned to encash all the bank guarantees furnished by the petitioners. The SHC issued this order reasoning that the entire cargo being imported in the Country routes through the Province of Sindh, and for that the Provincial Legislature thought it appropriate to impose a certain amount of tax in the form of a cess. It is though being collected from an importer of goods; but in essence it is not on imports; but for maintenance and development of infrastructure on imported goods. However, during the year, the Supreme Court of Pakistan vide its order dated September 01, 2021, suspended the order issued by SHC stating that it suffers from constitutional and legal defects and granted the interim relief to the Holding Company and other petitioners. The order issued by the Supreme Court of Pakistan states that the petitioners shall keep the bank guarantees already submitted pursuant to the earlier order of SHC and shall furnish the fresh bank guarantees equivalent to the amount of levy claimed by the Sindh Government against release of all future consignments of imported goods.

The Management is confident for a favorable outcome. However, as a matter of prudence, the Holding Company has made provision as follows:

	2024 Rupees	2023 Rupees
Balance as at July 1,	141,343,416	104,121,092
Charge for the year	24,735,002	37,222,324
	166,078,418	141,343,416
Payments made during the year	-	-
Balance as at June 30,	166,078,418	141,343,416

21. ACCRUED MARK-UP

Long-term finance	17,122,368	22,476,597
Short-term borrowings	96,891,318	69,728,423
	114,013,686	92,205,020

22. SHORT-TERM BORROWINGS

Banking companies - secured		
Running Finance	609,283,095	441,277,552
Cash Finance	393,674,857	230,082,741
Finance against imported merchandise (FIM)	1,031,873,785	840,071,672
Related party - unsecured		
Loan from ORA Sapphire Inc.	6,958,529	11,439,599
	2,041,790,265	1,522,871,564

Facilities for running finance, cash finance, FIM and murabaha are available from various banks up to Rs. 2,925 million (2023: Rs. 2,825 million). These facilities are subject to mark-up at 3 month KIBOR plus 1% to 2.5% (2023: 3 month KIBOR plus 1% to 2.5%) per annum payable quarterly. These are secured against various assets including first pari passu hypothecation charge over present and future stock-in-trade, pledge of cotton, first hypothecation charge over present and future book debts, ranking charge on the stocks and receivables of the Holding Company, plants and machinery, equitable mortgage on various properties and personal guarantees of all the directors of the Holding Company.

The aggregate unavailed short-term borrowing facilities amounted to Rs.890 million (2023: Rs. 1,314 million).

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

	2024 Rupees	2023 Rupees
23.1.1 Letters of guarantee issued by banks on behalf of the Holding Company to:		
- Lahore Electric Supply Company Limited	34,095,568	34,095,568
- Sui Northern Gas Pipelines Limited	81,684,800	74,000,000
- Excise and Taxation Office	165,258,600	139,558,660
Post dated cheques given to Collector of Customs as indemnity	980,158,170	980,158,170

23.1.2 In August 2013, the Oil and Gas Regulatory Authority (OGRA) vide its S.R.O. # 726(I)/2015 notified the sale price for sale of natural gas at Rs. 573.28/MMBTU for captive power consumption (CPP) with immediate effect. Subsequent to the said S.R.O., the Holding Company received gas bills at Rs. 573.28/MMBTU, being considered as CPP by the utility company. The Holding Company, considering itself as industrial consumer paid gas charges at the rate applicable before August 2013 on the basis of the stay order obtained from the Court.

Subsequently, on September 1, 2015, OGRA vide its S.R.O. # 876(I)/2015 notified the price for sale of natural gas at Rs. 600/MMBTU for industrial consumers and on captive power consumption, with effect from September 1, 2015. Aggrieved by the notification, the Holding Company filed a suit in the Lahore High Court contending that the mandatory procedures as laid down in the OGRA Ordinance, 2002 and Rules made thereunder were not fulfilled while issuing the notification. Hence, the Holding Company paid / accrued gas charges at rates applicable before the above S.R.O. # 726(I)/2015 on the basis of stay orders obtained from Lahore High Court, Multan bench, from time to time, until November 2015.

From December 2015, the gas company has started supplying imported Liquefied Natural Gas (LNG) resulting in the change in rates over which no dispute has been raised by the Holding Company.

On July 6, 2020, the OGRA issued a decision whereby, the Holding Company (the petitioner) was directed to pay the outstanding amount to the utility company within 30 day period from the date of decision. In response to the above decision, a writ petition was filed before the honourable Lahore High Court (LHC) by the Holding Company and the LHC issued a stay order on October 8, 2020, which suspended the OGRA's decision, however, the case is still pending before LHC.

23.1.3 The Federal Government issued Gas Infrastructure Development Cess (GIDC) Acts in the years 2011, 2014 and 2015. All GIDC Acts have been subject of thorough debate and consideration at honorable High Courts of the Country as well as the Supreme Court of Pakistan (SCP).

On August 12, 2020, the SCP issued its verdict (Judgement) and held that “the levy imposed under Gas Infrastructure Development Cess Act, 2015 (the Act) is in accordance with the Provisions of the Constitution”. The Supreme Court has also held that “the Provisions of section 8 of the Act, which give retrospective effect to the charge and recovery of GIDC levied from the year 2011 are also declared to be valid being within the legislative competence of the Parliament.” However, since the Holding Company is an industrial concern and it did not pass on the burden of GIDC to its consumers prior to the GIDC Act, 2015 (or even thereafter), management believes that the Holding Company is entitled to the exemption under the first proviso to Section 8(2) of the GIDC Act, 2015 from payment of the GIDC levied under the GIDC Act, 2011 and GIDC Ordinance, 2014. As such, arrears due from the Holding Company may only include amounts levied under the GIDC Act, 2015 from the date of its commencement, i.e., May 22, 2015.

Subsequent to the Order passed by the Honorable SCP on August 12, 2020, Sui Northern Gas Pipelines Limited (SNGPL) submitted bills to the industry including the Holding Company claiming arrears of first instalment in deference to the said Judgement of the SCP. As the bills of arrears were calculated for monthly instalment on the basis of entire total payable amount from 2011 to July 2020 by charging Cess on the higher rate of tariff applicable to Captive Connections apart from the fact that the implication of Section 8 of the said Act, 2015 was not taken into consideration whereby it was provided that the industry, which has not collected the Cess from the Customers prior to 2015 shall not be liable to the payment of GIDC for the said period from 2011 to 2015. During the prior year, a writ petition No. 42176 / 2020 was filed by All Pakistan Textile Mills Association (APTMA) (where the Holding Company is also a party to the petition) before Honorable High Court at Lahore against imposition of GIDC Act 2015 and the recovery of Cess from December 2011 to May 2015. Further, during the prior year, SNGPL started billing for GIDC to the Holding Company against which payment was made by the Holding Company till March 2021 based on the order issued by Honorable Lahore High Court against the aforementioned writ petition. Pursuant to the order, Lahore High Court restrained SNGPL from charging the Cess at the higher tariff rate of Captive Connection and directed to issue revised bill calculated at the rate applicable to industrial connection. Besides, the payment for the period from 2011 to 2015 was also suspended in view of the implication of the said provision of law. Further, the Holding Company made payment which is applicable to industrial consumers and for the difference between the amount charged to industrial consumers and captive power consumers, post-dated cheques are being issued by the Holding Company in favour of SNGPL. For the amount relating to the payment of GIDC based on the actual calculation prior to 2015, the decision was made by the Lahore High Court on June 27, 2021 whereby it has restrained the SNGPL to collect the cess prior to 2015.

On September 27, 2021, the Honorable Lahore High Court issued a judgment on writ petition No. 42716 / 2020 whereby it was concluded that all the parties to the petition (including the Holding Company) fall under the category of Industrial Consumers rather than Captive Power Plant and shall remain liable to the tariff applicable to Industrial Consumers.

During the prior year, the Holding Company filed an appeal before the Honorable High Court of Sindh on the ground that no burden of GIDC had been passed to its customers / clients and thus the Holding Company is not liable to pay GIDC under GIDC Act 2015. The Court granted stay order against recovery of GIDC payable by the Holding Company till the finalization of matter by Sindh High Court. The matter is currently pending in the Sindh High Court. However, as a matter of abundant caution and without prejudice to the suits filed, the Holding Company has made aggregate provision of Rs. 5.4 million (2023: Rs. 5.4 million) in respect of GIDC up to June 30, 2024.

23.1.4 An order dated November 11, 2020 was passed against the Holding Company by Collector of Customs, Karachi creating a demand of Rs. 13.023 million along with a penalty of Rs. 0.5 million. The Holding Company has challenged the above order by way of filing an appeal before the Customs Appellate Tribunal at Karachi, which is pending for final adjudication. However, a stay order was successfully obtained from Honourable Sindh High Court on December 22, 2020 by filing Constitutional Petition number 6618 / 2020, which is still operative.

23.1.5 In current and previous years, several cases filed against the Holding Company before various court of law / tax forums, the amount of which cannot be determined. The management, based on the opinion of its legal counsel, expect that the outcome of all those cases will be in favor of the Holding Company, as they have a reasonable defense in the cases filed. Accordingly, no provision has been made in these consolidated financial statement.

	2024 Rupees	2023 Rupees
23.2 Commitments		
Letters of credit opened and outstanding for import of:		
- plant and machinery	-	28,609,191
- stores and spares	6,471,076	9,629,233
- raw material	476,600,215	695,126,790

24. Revenue from contract with customer - net

	2024 Rupees	2023 Rupees
Yarn		
- Local	2,165,871,496	1,739,336,498
- Export	1,682,072,784	814,716,140
- Indirect export	2,231,968,415	1,781,233,061
	6,079,912,695	4,335,285,699
Home textile		
- Local	22,515,521	46,516,573
- Export	321,584,956	52,136,777
	344,100,477	98,653,350
Raw material - local	487,840,237	50,680,596
Waste - local	355,681,836	343,032,489
	7,267,535,245	4,827,652,134
Less:		
Sales tax	(778,943,841)	(600,595,598)
Brokerage and commission	(19,328,548)	(13,545,673)
Discount	-	(1,866,589)
	6,469,262,856	4,211,644,274

24.1 Revenue recognised during the year from contract liabilities amounted to Rs. 1,904.63 million (2023 : Rs. 1,385.35 million)

	Note	2024 Rupees	2023 Rupees
25. COST OF SALES			
Raw material consumed	25.1	3,557,010,514	2,846,955,574
Salaries, wages and benefits	25.1.1	260,700,700	225,014,371
Fuel and power		943,888,167	596,566,345
Depreciation	5.1.3.	119,526,130	94,572,910
Stores, spares and loose tools consumed		67,443,925	50,851,122
Packing material		69,642,550	56,533,868
Insurance		18,400,863	10,906,433
Repairs and maintenance		2,750,950	3,652,309
Vehicles running and maintenance		5,894,092	5,276,941
Other manufacturing overheads		3,761,375	3,660,354
		1,492,008,752	1,047,034,653
		5,049,019,266	3,893,990,227
Work in process			
Opening stock		76,496,220	56,022,198
Closing stock		(91,441,947)	(76,496,220)
		(14,945,727)	(20,474,022)
Cost of goods manufactured		5,034,073,539	3,873,516,205
Finished goods			
Opening stock		460,111,663	264,126,222
Yarn purchased		24,003,800	17,117,978
Yarn transferred from home textile		1,912,500	-
Yarn transferred to home textile		(57,141,750)	(14,104,500)
Closing stock		(252,289,028)	(460,111,663)
		176,597,185	(192,971,963)
Cost of home textile		241,512,666	67,558,796
Cost of raw material sold		389,220,006	37,236,621
		5,841,403,396	3,785,339,659

	Note	2024 Rupees	2023 Rupees
25.1 Raw material consumed			
Opening stock		726,259,683	787,024,122
Purchases - net	25.1.2	3,951,779,550	2,786,191,135
		4,678,039,233	3,573,215,257
Closing stock		(1,121,028,719)	(726,259,683)
		3,557,010,514	2,846,955,574

25.1.1 Salaries, wages and benefits include Rs. 31.98 million (2023: Rs. 24.69 million) in respect of charge for retirement benefit obligations.

25.1.2 This includes purchases from imports amounting to Rs. 2,940.82 million (2023 : 2,615.50 million)

26. DISTRIBUTION COST

Freight and octroi	27,634,471	20,796,170
Commission and other charges	6,396,102	3,897,918
Clearing and forwarding	24,430,050	5,247,415
Business promotion expenses	985,101	9,876,207
Export development surcharge	4,812,443	2,677,856
	64,258,167	42,495,566

27. ADMINISTRATIVE EXPENSES

Salaries and benefits	27.1	79,586,634	69,314,953
Fees, subscription and periodicals		5,607,432	4,491,538
Entertainment		1,877,529	1,262,374
Traveling and conveyance		3,451,672	418,498
Postage and telephone		1,991,369	1,600,129
Electricity, gas and water		1,847,900	1,280,706
Vehicles running and maintenance		8,710,819	9,227,638
Depreciation	5.1.3.	10,285,824	12,670,181
Expected credit loss - trade receivable	8.3	4,135,227	1,645,333
Expected credit loss - other receivable	11.4	-	1,144,367
Legal and professional		78,000	1,641,844
Auditor's remuneration	27.2	1,650,000	1,641,000
Printing and stationery		1,133,277	1,345,129
Computer		716,724	187,980
Advertisement		316,150	190,500
Donation	27.3	3,923,000	5,093,000
Others		3,080,809	2,446,148
		128,392,366	115,601,318

27.1 Salaries and benefits include Rs. 2.02 million (2023: Rs. 2.02 million) in respect of charge for employer's contribution to provident fund.

	Note	2024 Rupees	2023 Rupees
27.2 Auditors' remuneration			
Audit Services			
Annual audit fee		1,050,000	1,050,000
Consolidation fee		250,000	250,000
Half year review fee		200,000	175,000
Review of code of corporate governance		50,000	55,000
Certifications		50,000	55,000
Out of pocket expenses		50,000	56,000
		1,650,000	1,641,000

27.3 No director or their spouse had any interest in the donees' fund. During the year, the Holding Company has donated Rs. 3.92 million (2023: Rs. 5.09 million) to The Citizens Foundation.

28. FINANCE COST

	Note	2024 Rupees	2023 Rupees
Mark-up on long term finance		85,845,782	6,847,546
Mark-up on short-term borrowings		473,437,026	276,986,541
Interest on lease liability		175,669	968,661
Unwinding of discount on long-term finance from related parties	16.2	10,445,400	11,817,123
Workers' profit participation fund	20.2	-	1,756,823
Bank charges, guarantee commission and other related		9,949,394	8,597,036
		579,853,271	306,973,730

29. OTHER OPERATING EXPENSES

	Note	2024 Rupees	2023 Rupees
Workers' welfare fund		-	1,291,770
Realized exchange loss on foreign exchange - net		25,342,874	-
Unrealized exchange loss on foreign exchange- net		936,180	
Infrastructure cess	20.3	24,735,002	37,222,324
		51,014,056	38,514,094

30. OTHER INCOME

	2024 Rupees	2023 Rupees
Income from financial assets		
Profit on deposits with bank	29,771,558	18,291,881
Exchange gain - net	-	15,149,992
Dividend Income	198,000	-
Unrealised gain on cotton claim receivables	-	3,024,315
Realized gain on short term investment	399,006	-
Unrealized gain on short term investment	-	698,290
	30,368,564	37,164,478
Income from non-financial assets		
Gain on disposal of property, plant and equipment	12,627,300	7,178,050
Scrap sales	205,329	517,160
Other Revenue	53,611	-
Rebate	5,955,182	481,991
	18,841,422	8,177,201
	49,209,986	45,341,679

31. LEVY

	Note	2024 Rupees	2023 Rupees (Restated)
Final tax levy		39,282,790	24,570,001
Minimum tax levy / differential		31,326,445	4,529,936
	31.1	70,609,235	29,099,937

31.1 This represents minimum tax at 1.25% of the net turnover for the year and final tax regime at 1% of export proceeds.

32. TAXATION

	Note	2024 Rupees	2023 Rupees (Restated)
Current			
- for the year	32.1	184,254	18,286,600
- prior year		758,682	(51,319,407)
		942,936	(33,032,807)
Deferred	18	(26,519,307)	(17,214,414)
		(25,576,371)	(50,247,221)

32.1. Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the consolidated profit or loss account, is as follows:

	2024 Rupees	2023 Rupees
Income tax under IAS 12	184,254	18,286,600
Income tax levy under IFRIC 21/IAS 37	70,609,235	29,099,937
Current tax liability as per Income Tax Ordinance	70,793,489	47,386,537

32.2 Relationship between tax expense and accounting profit

	2024	2023
Loss before taxation	-	(61,038,351)
Tax rate %	-	29%
Tax on accounting profit	-	(17,701,122)
Prior year tax adjustments	-	(51,319,407)
Permanent differences	-	4,903,936
Impact of FTR income	-	52,591,401
Impact of tax credit on donations	-	(1,476,970)
Adjustment of effective rate	-	(7,658,148)
Adjustment due to change in tax rate in revaluation surplus	-	-
Impact of utilisation of Minimum Tax credits under Section 113	-	-
Impact of super tax	-	-
Others	-	(486,974)
Impact of IAS 12 guidance		(29,099,937)
	-	(50,247,221)

32.3 Reconciliation between tax expense and accointing profit for the current year has not been presented as there has been no tax at normal rate of taxation under Income Tax Ordinance, 2001.

33. LOSS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic loss per share of the Group which is based on:

	Note	2024 Rupees	2023 Rupees
Loss for the year	**Rupees**	(191,481,278)	(10,791,130)
Weighted average number of ordinary shares outstanding during the year	14	19,852,800	19,852,800
Loss per share	**Rupees / Share**	(9.65)	(0.54)

34. CASH AND CASH EQUIVALENTS

	Note	2024	2023
Cash and bank balances	13	15,914,192	18,971,021
Short-term borrowings	22	(609,283,094)	(441,277,552)
		(593,368,902)	(422,306,531)

35. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors, key management personnel and post employment contribution plan. Shareholding of related parties, long-term loans obtained from directors and associated undertakings (and unwinding of discount thereon) and remuneration of Chief Executive Officer, directors and executives are disclosed in note 16 and note 36 respectively. Transactions with related parties are carried out on agreed terms as approved by the Board of Directors. Other significant transaction with a related party is as follows:

Relationship with the Company	Nature of transaction	Note	2024 Rupees	2023 Rupees
Key Management Personnel	Remuneration paid		31,285,047	25,790,932
	Post employment benefits		889,788	325,948
Post employment contribution plan	Contribution to employees' provident fund	27.1	2,501,774	2,024,494

Relationship with the Company	Nature of transaction	Name	Country	2024 Rupees	2023 Rupees
Subsidiary - 100% holding	Expenses reimbursed	ORA home LLC	USA	Nil	Nil
	Sales	--do--	--do--	64,051,749	32,343,041
	Amount received during the year	--do--	--do--	34,696,122	28,071,554

36. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2024				2023			
	Chief Executive	Directors		Executives	Chief Executive	Directors		Executives
		Executive	Non-executive			Executive	Non-executive	
	Rupees							
Remuneration	3,200,000	2,800,000	-	14,263,506	3,200,000	2,800,000	-	11,193,955
House rent allowance	960,000	840,000	-	4,279,051	960,000	840,000	-	3,358,187
Utilities	320,000	280,000	-	1,426,351	320,000	280,000	-	1,119,395
Medical	320,000	280,000	-	1,426,351	320,000	280,000	-	1,119,395
Contribution to Provident Fund	-	889,788		-	-	561,596		
Meeting fee	-	-	60,000	-	-	-	70,000	-
	4,800,000	5,089,788	60,000	21,395,259	4,800,000	4,761,596	70,000	16,790,932
Number of persons	1	1	5	8	1	1	5	7

36.1 The Chief Executive, directors and some executives are provided with free use of Company maintained cars.

37. PLANT CAPACITY AND ACTUAL PRODUCTION

	2024 Rupees	2023 Rupees
Installed production capacity 20/s count - yarn in kgs.	16,724,667	14,795,745
Actual production during the year at 20/s count - yarn in Kgs.	10,253,969	7,274,880

It is difficult to precisely describe the production capacity and compare it with actual production in the textile industry since it fluctuates widely depending upon various factors such as count of yarn spun, spindles speeds, twists per inch, raw material used, etc. actual production and sales varies based on market demand.

38. NUMBER OF EMPLOYEES

The total and average number of employees during the year and as at June 30, 2024 and 2023 respectively are as follows:

	2024	2023
Total number of employees of the Company as at reporting date	552	768
Average number of employees of the Company during the year	686	714
Employee's working in Company's factory as at reporting date	513	727
Average number of employees working in Company's factory during the year	647	674

39. PROVIDENT FUND RELATED DISCLOSURE

The Holding Company operates recognized contributory provident fund in the name of Idrees Textile Mills Limited - Employees Provident Fund Trust which is continued for the benefits of employees of head office. Based upon the audited financial statements of the Fund, as provided by the Management, and as per Trustees, investments out of provident fund have been made in accordance with the provsions of section 218 of the Companies Act, 2017, and the rules formulated for this purpose. The details of the fund are as follows

	2024 Rupees	2023 Rupees
Size of the fund -Rupees	58,186,727	45,445,824
Cost of investments made -Rupees	49,809,900	37,582,012
Percentage of investments made (%)	86%	83%
Fairvalue of investments - Rupees	49,809,900	37,582,012
Breakup of investments		
Mutual funds	32,101,975	9,649,764
Certificate of investment	7,000,000	7,000,000
Term Deposit Certificates	6,500,000	18,000,000
Bank balances	4,207,925	2,932,248
	49,809,900	37,582,012

Breakup of Investments (percentage as size of Funds)		
Mutual funds	64%	26%
Certificate of investment	14%	19%
Term Deposit Certificates	13%	48%
Bank balances	8%	8%
	100%	100%

40. FINANCIAL INSTRUMENTS BY CATEGORY

	2024 Rupees	2023 Rupees
Financial assets as per statement of financial position		
At fair value through profit or loss		
Short term investment	-	5,742,990
At amortised cost		
Long term deposits	6,063,681	2,898,681
Trade debts	1,112,371,065	655,583,419
Loans and advances	963,981	807,000
Other receivables	51,362,833	31,328,731
Short term investment	200,455,670	174,372,670
Cash and bank balances	14,361,663	18,971,021
	1,385,578,893	889,704,512
Financial liabilities as per statement of financial position		
At amortized cost		
Long-term finance		
- from banking companies	766,160,948	822,183,964
- from related parties	58,272,948	77,274,471
Lease liability	-	1,962,284
Trade and other payables	283,942,799	238,288,331
Unclaimed dividend	2,739,068	2,750,372
Accrued mark-up	114,013,686	92,205,020
Short-term borrowings	2,041,790,265	1,522,871,564
	3,266,919,714	2,757,536,006

40.1. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2024				
	Liabilities				
Description	**Long Term Loan - Institutions**	**Long Term Loan - Related Party**	**Short term borrowing**	**Lease Liability**	**Total**
Balance as at July 1, 2023	822,183,964	77,274,471	1,070,154,413	1,962,284	1,971,575,131
Impact of Grant	31,168,846	-	-	-	31,168,846
Unwinding of discount	-	10,445,400	-	-	10,445,400
Fair value adjustment	-	(23,298,611)	-	-	(23,298,611)
Loan received	61,199,200		3,701,572,392	-	3,762,771,592
Repayment during the period	(145,429,161)	(6,148,312)	(3,346,178,163)	(1,962,284)	(3,499,717,920)
Balance as at June 30, 2024	769,122,849	58,272,948	1,425,548,642	-	2,252,944,438

41. FINANCIAL RISK MANAGEMENT AND RELATED DISCLOSURES

The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial risk management. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Group's financial risk exposures. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

41.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

Credit risk of the Group arises principally from the trade debts, loans and advances, other financial assets, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2024 Rupees	2023 Rupees
Security deposits		6,063,681	2,898,681
Trade debts	41.1.1	1,112,371,065	655,583,419
Loans and advances	41.1.2	963,981	807,000
Other receivables		51,362,833	31,328,731
Short term investment	41.1.3	200,455,670	174,372,670
Bank balances	41.1.3	14,361,663	18,971,021
		1,385,578,893	883,961,522

41.1.1 Trade debts

The trade debts at year end are due from local and foreign customers against local sales and export sales respectively. Trade debt due from foreign customers are secured against letter of credit. For local customers management assesses the credit quality of customers, taking into account their financial position, past experience and other factors. The Group's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The Group has no major concentration of credit risk with any single customer. The Group establishes an allowance for impairment that represents lifetime expected credit losses (ECL) based on analysis of recovery pattern and adjustment of trade debts secured against letter of credits.

41.1.2 Loans and advances

These include loans and advances given primarily to employees against salaries, which will be adjusted against their future salaries or in case of resignation against their post retirement benefit balances.

41.1.3 Other financial assets and balances with banks

The Group deposits its funds and invests in term deposit receipts (other financial assets) with banks carrying good credit standings assessed by reputable credit agencies. These banks are credit rated as follows:

Bank Name	Date of Rating	Rating Agency	Short term	Long term
Bank Al-Falah Limited	28-Jun-24	PACRA	A1+	AAA
Samba Bank Limited	26-Jun-24	PACRA	A1	AA
Dubai Islamic Bank Pakistan Limited	27-Jun-24	VIS	A1+	AA
Habib Metropolitan Bank Limited	24-Jun-24	PACRA	A1+	AA+
The Bank of Punjab	28-Jun-24	PACRA	A1+	AA+
MCB Islamic Bank Limited	22-Jun-24	PACRA	A1	A+
National Bank of Pakistan	26-Jun-24	VIS	A1+	AAA
Silk bank Limited	7-Jun-24	VIS	A2	A-
Bank Islami Pakistan Limited	24-Jun-24	PACRA	A1	AA-
Sindh Bank Limited	28-Jun-24	VIS	A1	AA-
Meezan Bank Limited	28-Jun-24	VIS	A1+	AAA
J.S Bank Limited	28-Jun-24	PACRA	A1+	AA
Habib Bank Limited	28-Jun-24	VIS	A1+	AAA
Bank Al-Habib Limited	22-Jun-24	PACRA	A1+	AAA
Soneri Bank Limited	22-Jun-24	PACRA	A1+	AA-
Askari	24-Jun-24	PACRA	A1+	AA+

41.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by maintaining sufficient cash and bank balances and availability of financinI through banking arrangements.

The following are the contractual maturities of financial liabilities, including interest payments:

	2024			
	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
	Rupees			
Long-term finance				
- from related parties	58,272,948	101,191,000	5,454,545	95,736,455
- from banking company	766,160,948	868,498,556	360,736,599	507,761,957
Lease liability	-	157,020	157,020	-
Trade and other payables	283,942,799	283,942,799	283,942,799	-
Unclaimed dividend	2,739,068	2,739,068	2,739,068	-
Markup accrued	114,013,686	114,013,686	114,013,686	-
Short-term borrowings	2,041,790,265	2,041,790,265	2,041,790,265	-
	3,266,919,714	3,412,332,394	2,808,833,982	603,498,412

	2023			
	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
	Rupees			
Long-term financing				
- from related parties	77,274,471	107,339,312	42,140,486	65,198,826
- from banking company	822,183,964	1,118,803,062	238,202,116	880,600,946
Lease liability	1,962,284	2,119,304	2,119,304	-
Trade and other payables	238,288,331	238,288,331	238,288,331	-
Unclaimed dividend	2,750,372	2,750,372	2,750,372	-
Markup accrued	92,205,020	92,205,020	92,205,020	-
Short-term borrowings	1,522,871,564	1,522,871,564	1,522,871,564	-
	2,757,536,006	3,084,376,965	2,138,577,193	945,799,772

41.3 Market risk

Market risk is the risk that changes in market prices, such as share price, foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The Group is primarily exposed to interest rate risk and currency risk.

41.3.1 Price risk

Price risk is the risk that the fair value or the future cashflows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2024 the Group is not exposed to price risk.

42.3.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term financing, short-term borrowings, short term investment and bank balances in savings account.

At the reporting date the interest rate risk profile of the Group's interest-bearing financial instruments is:

	Carrying Amount	
	2024	2023
	Rupees	Rupees
Fixed rate instruments		
Financial assets - at amortised cost	200,455,670	174,372,670
Financial liabilities - at amortised cost	513,629,844	527,462,547

	2023			
	Carrying amount	Contractual maturities	Maturity upto one year	Maturity after one year
	Rupees			
Long-term financing				
- from related parties	77,274,471	107,339,312	42,140,486	65,198,826
- from banking company	822,183,964	1,118,803,062	238,202,116	880,600,946
Lease liability	1,962,284	2,119,304	2,119,304	-
Trade and other payables	238,288,331	238,288,331	238,288,331	-
Unclaimed dividend	2,750,372	2,750,372	2,750,372	-
Markup accrued	92,205,020	92,205,020	92,205,020	-
Short-term borrowings	1,522,871,564	1,522,871,564	1,522,871,564	-
	2,757,536,006	3,084,376,965	2,138,577,193	945,799,772

	Carrying Amount	
	2024	2023
	Rupees	Rupees
Variable rate instruments		
Financial assets - at amortised cost	6,548,627	215,581
Financial liabilities - at amortised cost	2,352,594,317	1,896,829,736

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 500 basis points in KIBOR based on financial liabilities at the reporting date would have increased / (decreased) equity and profit before tax by Rs. 117.4 million (2023: Rs. 93.46 million). This analysis assumes that all other variables remain constant.

41.3.3 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and bank balances in foreign currency. The Group's exposure to foreign currency risk is as follows:

	2024	2023
	------------Rupees----------	
Trade debts	68,054,472	136,441,517
Trade payable	129,308,404	28,609,191

	Average rate		Reporting date rate	
	2024	2023	2024	2023
	----------Rupees----------			
USD	282.10	245.3	278.30 / 278.80	283.73 / 283.97

At June 30, 2024, if the Pakistani Rupee had weakened / strengthened by 5% against the US Dollar and Euro with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 3.99 million (2023: Rs. 5.39 million), mainly as a result of foreign exchange losses / gains on translation of US Dollar and Euro - denominated trade debts and trade payables.

41.4 Capital risk management

The objective of the Group when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend to the shareholders or issue bonus / new shares or sell asset to reduce debt.

Consistent with others in the industry, the Group manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders

As at June 30, 2024 and 2023, the Group had surplus reserves to meet its requirements.

42. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The different levels of fair valuation method have been defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data

As at June 30, 2024 the Group held the following instruments at fair values:

	June 30, 2024 Fair value			
	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets measured at fair value				
Equity securities - listed	-	-	-	-

	June 30, 2023 Fair value			
	Level 1	Leve 2	Level 3	Total
	Rupees			
Financial assets measured at fair value				
Equity securities - listed	5,742,990	-	-	5,742,990

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

There are no transfers between the levels during the year.

42.1 There are no other assets or liabilities to classify under above levels except the Group's land, mill building, labour colony, plant and machinery, electric installations and factory equipment are stated at revalued amounts, being the fair value at the date of revaluation, less subsequent depreciation and subsequent accumulated impairment losses, if any. The fair value measurements of these assets carried out as at January, 2024, were performed by Harvester Services (Pvt.) Ltd. not related to the Group. The valuer is listed on panel of Pakistan Banks Association and they have appropriate qualification and experience in the fair value measurement of properties, plant and machinery.

43. OPERATING SEGMENT INFORMATION

The Group constitutes a single reportable segment since the executive management monitors the operating results of the entity for the purpose of making decisions about resource allocation and performance assessment. The entity-wide disclosures required by IFRS 8 'Operating Segments' are given below:

(a) Group sales comprise of Terry towels and yarn whereby more than 95% sales pertains to Yarn.

(b) As at June 30, 2024 and June 30, 2023, all non-current assets of the company were located in Pakistan.

(c) Significant sales are made by Group in the following countries:

	2024	**2023**
	------------Rupees----------	
Pakistan	4,465,605,116	3,303,202,504
China	1,682,072,784	812,458,615
Other countries	321,584,956	95,983,155
	6,469,262,856	4,211,644,274

44. CORRESPONDING FIGURES

Corresponding figures have been reclassified and rearranged where necessary to facilitate comparison, however there has been no significant reclassification except for the impact as shown in the note pertaining to change in accounting policy as disclosed in note 4.27 to these unconsolidated financial statements.

Reclassified from	**Reclassified to**	**June 30, 2023**
Stores, spares and loose tools	Property, plant and equipment	20,913,332

45. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on November 04, 2024 by the Board of Directors of the Hodling Company.

Chief Executive　　Chief Financial Officer　　Director

NUMBER OF SHARE HOLDERS	SHARE HOLDINGS			TOTAL SHARES HELD
202	1	-	100	4,141
395	101	-	500	84,831
628	501	-	1,000	353,606
142	1,001	-	5,000	264,319
7	5,001	-	10,000	45,250
8	10,001	-	15,000	91,305
3	15,001	-	20,000	52,250
3	20,001	-	25,000	64,790
3	25,001	-	30,000	81,214
3	30,001	-	35,000	98,151
1	55,001	-	60,000	59,948
1	70,001	-	75,000	71,500
1	105,001	-	110,000	110,000
1	120,001	-	125,000	123,250
1	130,001	-	135,000	130,350
1	170,001	-	175,000	174,500
1	250,001	-	255,000	250,003
1	735,001	-	740,000	736,507
1	1,440,001	-	1,445,000	1,442,039
1	4,330,001	-	4,335,000	4,332,557
1	5,525,001	-	5,530,000	5,527,143
1	5,755,001	-	5,760,000	5,755,146
1,406				**19,852,800**

Categories of Shareholders	No. of Shareholders	Shares held	Percentage
Associated Companies, Undertaking and Related Paraties	-	-	-
Directors, CFO & their Spouse and Minor Children	08		
Mr. S. M. Mansoor Allawala		4,332,557	21.823
Mr. Rizwan Idrees Allawala		5,527,143	27.841
Mr. Omair Idrees Allawala		5,755,146	28.989
Syed Masud Arif		500	0.003
Miss. Azra Yaqub Vawda		500	0.003
Miss Aamnah Mansoor		2,000	0.010
Mr. Muhammad Zubair		500	0.003
Mrs. Ambreen Mansoor W/o S. M. Mansoor Allawala		1,442,039	7.264
Executive	-	-	-
Joint Stock Companies	7	2,531	0.013
NIT & ICP	-	-	-
Investment Company	1	990	0.005
Other	2	2,220	0.011
Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas & Mutual Funds	2	3,850	0.019
Shareholders holding 5% or more voting interest			
Mr. S. M. Mansoor Allawala		4,332,557	21.823
Mr. Rizwan Idrees Allawala		5,527,143	27.841
Mr. Omair Idrees Allawala		5,755,146	28.989
Ms. Ambreen Mansoor W/0 S. M. Mansoor Allawala		1,442,039	7.264

CATEGORIES OF SHAREHOLDERS	NUMBER	SHARES HELD	PERCENTAGE
Associated Companies, Undertaking, and Related Parties	-	-	-
Directors, CFO & their Spouse & Minor Children	8	17,060,385	85.934
Joint Stock Companies	7	2,531	0.013
Bank, Development Finance Institutions Insurance Companies, Modarabas	2	3,850	0.019
	1406	19,852,800	100.00

چیئر پرسن کا جائزہ

مجھے آپ کے سامنے بورڈ کی مجموعی کارکردگی اور 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے مقاصد کے حصول میں ان کی طرف سے ادا کیے گئے مؤثر کردار کے بارے میں اپنی جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

مالی سال 2024 ٹیکسٹائل سیکٹر اور ملک بھر میں مجموعی اقتصادی سرگرمیوں کے لیے ایک چیلنجنگ سال رہا ہے۔ بلند شرح سود اور ناقابل برداشت توانائی ٹیرف نے منافع کے مارجن کو کم کر دیا۔ انتظامیہ صورتحال سے بخوبی آگاہ ہے اور تمام اسٹیک ہولڈرز کے مفادات کے تحفظ کے لیے کمپنی کو مؤثر طریقے سے چلانے کے لیے پرعزم ہے۔

بورڈ کے چیئر مین کی حیثیت سے، یہ میری ذمہ داری ہے کہ میں لاگو قوانین اور ضوابط کے تقاضوں کے مطابق کمپنی کے نظم و نسق کی نگرانی کروں۔ زیر جائزہ سال کے لیے، تشخیص کی بنیاد پر، بورڈ کی مجموعی کارکردگی اور صلاحیت کو تسلی بخش قرار دیا گیا ہے۔

بورڈ اچھی گورنس کے طریقوں کی اہمیت کو تسلیم کرتا ہے جو جوابدہی کو یقینی بناتے ہیں، اور واضح طور پر بیان کردہ کرداروں اور ذمہ داریوں کے ساتھ کارپوریٹ گورننس کے اعلیٰ معیارات کی پابندی کو یقینی بنانے کے لیے اپنا فرض مؤثر طریقے سے انجام دیتا ہے۔ بورڈ مسلسل اپنے فرائض اور ذمہ داریاں پوری تندہی سے انجام دے رہا ہے۔ مناسب نگرانی اور جائزہ کے ذریعے، قابل اطلاق قوانین اور ضوابط کی تعمیل کو یقینی بنایا گیا۔ کمپنی کی انتظامیہ نے حصص یافتگان کی قدر کی حفاظت کے لیے مسلسل کوشش کی، قابل اعتماد مالیاتی رپورٹنگ اور بہتری کے لیے شعبوں کی نشاندہی کو یقینی بنایا۔ بورڈ ایک مضبوط اندرونی کنٹرول کے نظام کو برقرار رکھنے کے لیے پوری طرح پرعزم رہا اور کمپنی کے انتظام، اہم پالیسیوں کی تشکیل، اپنی کارکردگی کا جائزہ لینے اور بورڈ کی کمیٹیوں کے کام کاج کی نگرانی کے حوالے سے اپنی ذمہ داریوں کو نبھایا۔ بورڈ کی تشخیص کا مقصد کارپوریٹ گورننس کے بہترین طریقوں کے مطابق اس کی مجموعی کارکردگی اور کمپنی کے معاملات کے طرز عمل کی پیمائش کرنا ہے

آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی نے اپنے فرائض کی انجام دہی میں بورڈ کی مناسب مدد کی۔ ان کمیٹیوں نے کارپوریٹ گورننس کے ضوابط کے مطابق میٹنگیں کیں۔ بورڈ نے دیگر چیزوں کے علاوہ، سہ ماہی اور سالانہ مالیاتی گوشواروں، سرمائے کے اخراجات، قرضے، متعلقہ فریق کے لین دین اور بیرونی آڈیٹرز کی تقرری پر غور کیا اور منظوری دی۔

بورڈ پائیداری اور ماحولیاتی، سماجی، اور گورننس (ESG) اصولوں کے مناسب نفاذ اور نگرانی کے لیے پرعزم ہے۔

میں کمپنی کے شیئر ہولڈرز، بینکرز، سپلائرز اور صارفین کے اعتماد اور تعاون کے لیے تہہ دل سے شکریہ ادا کرنا چاہتا ہوں۔ میں ملازمین کی جانب سے کی گئی قیمتی خدمات کو بھی بہت سراہتا ہوں۔

رضوان ادریس اللہ والا
چیئر مین

کراچی: 4 نومبر 2024

شیئر ہولڈرز رجسٹریشن کیلئے بھیجی جانے والی ای میل میں اے جی ایم کے ایجنڈا آئٹمز کیلئے اپنی آراء اور سولات بھی فراہم کر سکتے ہیں۔

(v) اراکین سے درخواست کی جاتی ہے کہ وہ ریکارڈ کو اپ ڈیٹ کرنے کیلئے اپنے انٹرنیشنل بینکنگ اکاؤنٹ نمبر (IBAN) معہ قومی شناختی کارڈ کی نقل فراہم کریں۔ عدم تعمیل کی صورت میں مستقبل میں منافع منقسمہ کی تمام ادائیگیاں روک دی جائیں گے۔

(vi) کمپنیز ایکٹ 2017 کے سکیشن 72 کے تحت تمام ہر کمپنی کیلئے ضروری ہے کہ وکمپنیز ایکٹ 2017 کے نفاد کی تاریخ یعنی 30 مئی، 2017 سے چار سال کے اندر فیزیکل شیئرز کو بک انٹری فارم میں منتقل کریں۔

سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان نے اپنے سرکلر نمبر CSD/ED/Misc./2016-639-640 بتاریخ 26 مارچ، 2021 میں لسٹڈ کمپنیوں کو تجویز دی ہے کہ وہ اپنے ایسے تمام اراکین جو فیزیکل شکل میں حصص رکھتے ہیں، انھیں اپنے حصص بک انٹری شکل میں تبدیل کرنے کیلئے قائل کریں۔ فیزیکل حصص رکھنے والے حصص یافتگان اپنے فیزیکل حصص کو سکرپ لیس فارم میں منتقل کرنے کیلئے CDC انویسٹر کاؤنٹ کے ساتھ اپنا اکاؤنٹ یا کسی بھی بروکر کے ساتھ ذیلی اکاؤنٹ کھول سکتے ہیں۔

اس امر سے انہیں کئی سہولیات حاصل ہوں گی یعنی محفوظ کسٹڈی، شیئرز کی فروخت جب بھی وہ چاہیں چونکہ فزیکل شیئرز کی تجارت پاکستان اسٹاک ایکسچینج کے موجودہ ریگولیشن کے تحت ممنوع ہے۔

(vii) کمپنیز ایکٹ 2017 کے تناظر میں ایک شہر میں رہنے والے اراکین جو کل اداشدہ سرمایہ کا کم سے کم 10 فیصد حصص رکھتے ہیں، سالانہ اجلاس وعام میں شرکت کیلئے ویڈیو لنک کی سہولت کا مطالبہ کر سکتے ہیں۔

اگر آپ یہ سہولت حاصل کرنا چاہتے ہیں تو براہ مہربانی مندرجہ ذیل فارم پر کر کے اجلاس کے انعقاد سے کم سے کم دس (10) روز قبل کمپنی کے رجسٹرڈ پتے پر جمع کرائیں۔

کمپنی ممبران کو اجلاس کی تاریخ سے کم از کم 5 پہلے دن پہلے ویڈیو کانفرنس کی سہولت کے مقام کے بارے میں مطلع کرے گی اور اس کے ساتھ اس طرح کی سہولت تک رسائی کے قابل بنانے کے لیے ضروری مکمل معلومات فراہم کرے گی۔

میں / ہم ۔۔۔۔۔۔ساکن ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔ادریس ٹیکسٹائل ملز لمیٹڈ کے رکن کے طور پر ای میل ایڈریس ۔۔۔۔۔۔۔۔رجسٹرڈ فولیو / سی ڈی سی

اکاوئنٹ نمبر ۔۔۔۔۔۔۔۔۔کے مطابق ۔۔۔۔۔۔۔۔عمومی حصص رکھتے ہیں، ۔۔۔۔۔۔۔۔۔۔۔۔پر ویڈیو کانفرنس کا انتخاب کرتے ہیں۔

(viii) ایسے حصص یافتگان جنہوں نے ابھی تک اپنے منافع منقسمہ / فیزیکل حصص موصول کرنے نہیں کئے انہیں مشعرا دیا جاتا ہے ہمارے شیئر رجسٹرار سے رابطہ کریں۔ براہ مہربانی نوٹ فرمالیں کہ کمپنیز ایکٹ 2017 کے سیکشن 244 کی تعمیل میں مطلوبہ طریقہ کی تکمیل کے بعد واجب الادا تاریخ سے تین سال کی مدت کیلئے غیر دعوی شدہ منافع منقسمہ وفاقی حکومت کے پاس جمع کرادئے جائیں گے اور حصص کی صورت میں تمام حصص سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کو فراہم کر دے جائیں گے۔

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ ادریس ٹیکسٹائل ملز لمیٹڈ کے حصص یافتگان کا 35 واں سالانہ اجلاس عام بروز بدھ 27 نومبر، 2024 شام 3:00 بجے ،ایمبیسی ان کراچی، B-100 ایس ایم سی ایچ ایس نرسری، مرکزی شاہراہ فیصل، کراچی میں مندرجہ ذیل کاروباری امور کی انجام دہی کیلئے منعقد ہوگا۔

عمومی امور:

1. 27 اکتوبر، 2023 کو منعقد آخری سالانہ اجلاس عام کی کارروائی کی توثیق۔
2. 30 جون 2024ء کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں معہ چیئرمین، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غوروخوض اور منظوری۔

   آڈٹ شدہ مالی گوشوارے مندرجہ ذیل لنک اور کیو آر کوڈ کا استعمال کرتے ہوئے ڈاؤن لوڈ کئے جاسکتے ہیں۔

   https://idreestextile.com/wp-content/uploads/2024/05/Annual-Report-june-2024.pdf
3. 30 جون 2025ء کو مکمل ہونے والے سال کیلئے آڈیٹرز کی تقرری اور ان کے مشاہیرہ کا تعین۔ موجودہ آڈیٹرز میسرز بی ڈی او ابراہیم اینڈ کو چارٹرڈ اکاؤنٹنٹ نے مدت معاہدہ ختم ہونے کے بعد اور اہلیت کی بنا پر خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔
4. دیگر امور کی انجام دہی جو چیئرمین کی اجازت سے اجلاس میں پیش کئے جاسکتے ہیں۔

بحکم بورڈ

سید شاہد سلطان

کمپنی سیکرٹری

کراچی

04 نومبر 2024

نوٹس:

(i) حصص یافتگان سے درخواست ہے کہ ان کے پتے میں کسی بھی تبدیلی سے متعلق فوری طور پر مطلع کریں۔

(ii) کمپنی کی حصص منتقلی کی کتب 19 نومبر، 2024 تا 27 نومبر، 2024 بند رہیں گے (بشمول دونوں دن)۔

(iii) سالانہ اجلاس عام میں شرکت اور رائے دہی کا استحقاق رکھنے والا کوئی بھی رکن اپنے عوض اجلاس میں شرکت کرنے، بولنے اور رائے وہی کیلئے پراکسی کو مقرر کرسکتا ہے۔ پراکسی فارم کمپنی کے رجسٹرار آفس میں اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے موصول ہونا چاہیے سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کی طرف سے جاری کردہ سرکلر نمبر 1 بتاریخ 26 جنوری، 2000 میں بیان کردہ ہدایات پر عمل درآمد کرنا ہوگا۔ کسی کاروباری ادارے کی نمائندگی کی صورت میں بررڈ آف ڈائریکٹرز کی قرارداد/ مختار نامہ بمعہ نامزد فرد کے دستخط کے نمونے پراکسی فارم کے ہمراہ پیش کرنا ہوگا۔

(iv) حصص یافتگان جو ڈیڈیو کانفرنس کے ذریعے سالانہ اجلاس عام میں شرکت کے خواہشمند ہیں وہ براہ کرم 21 نومبر 2024 یا اس سے قبل مندرجہ ذیل معلومات secretary@idreestextile.com پر ای میل کے ذریعے ارسال کرکے خود کو رجسٹر کروائیں۔

رجسٹرڈ ای میل ایڈریس	موبائل نمبر	فولیو/ سی ڈی سی نمبر	شناختی کارڈ نمبر	شیئر ہولڈر کا نام

ضروری تصدیقی عمل کے بعد اراکین کو رجسٹر کرلیا جائے گا اور کمپنی کی طرف سے اراکین کی طرف سے موصولہ ای میل پر ویڈیو لنک اور لاگ ان کی تفصیلات ارسال کی جائیں گی۔ لاگ ان کی سہولت اجلاس کے اختتام تک 2:50 سے کھولی رہیں گی۔

پراکسی فارم

سیکریٹری
ادریس ٹیکسٹائل ملز لمیٹڈ
اسمٰعیل سینٹر، پہلی منزل
6-C، سینٹرل کمرشیل ایریا
بہادرآباد، کراچی - 74800

میں/ہم ______________________________
ساکن ______________________________
بحیثیت رکن ادریس ٹیکسٹائل ملز لمیٹڈ مقرر کرتا ہوں/کرتے ہیں مسمیٰ/مسماۃ ______________________________
ساکن ______________________________
کو یاان کی غیر حاضری میں مسمیٰ/مسماۃ ______________________________
ساکن ______________________________

کو جو خود بھی ادریس ٹیکسٹائل لمیٹڈ کا رکن ہے کہ وہ بطور میرا/ ہمارا مختار نامہ (پراکسی) ادریس ٹیکسٹائل لمیٹڈ کے ۳۵ ویں سالانہ اجلاس عام میں جو بروز بدھ، ۲۷ نومبر ۲۰۲۴ کو منعقد ہو رہا ہے، یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور وہ میری/ ہماری جگہ میری/ ہماری طرف سے حق رائے دہی استعمال کرے۔

بطور گواہ میرے دستخط آج مورخہ ______________ ۲۰۲۴ جاری ہوا۔
دستخط متعلقہ پراکسی ______________________________ کی موجودگی میں۔

گواہ ۱	گواہ ۲
دستخط ______________	دستخط ______________
نام ______________	نام ______________
پتہ ______________	پتہ ______________

ممبر فولیو نمبر ______________ CDC شراکت داری نمبر ______________ I.D./Sub A/c No.
شناختی کارڈ نمبر | | | | | | | | | | | | | | | |

ہدایات: یہ مختار نامہ (پراکسی فارم) مکمل پُر شدہ اور پانچ روپے کی ریوینیو ٹکٹ پر دستخط شدہ کمپنی کے رجسٹرڈ دفتر میں اجلاس منعقد ہونے سے کم از کم ۴۸ گھنٹے قبل جمع کرانا ضروری ہے۔

FORM OF PROXY

The Secretary
IDREES TEXTILE MILLS LTD.
Ismail Centre, 1st Floor,
6-C, Central Commercial Area,
Bahadurabad, Karachi - 74800

I/We ______________________________

of ______________________________

being a member of Idrees Textile Mills Ltd. hereby appoint ______________

of ______________________________

or failing ______________________________

of ______________________________

As my/our proxy in my/our absence to attend and vote for me/us on my/our behalf at the 35th Annual General Meeting of the Company to be held on Wednesday November 27, 2024 and at any adjournment thereof.

As witness my hand this ______________________ of 2024

Signed by the said ______________________ in the presence of

1. Witness:

Signature ______________

Name: ______________

Address ______________

Signature on Five Rupees Revenue Stamp

____
Signature of Member

2. Witness:

Signature ______________ Shareholder's Folio No. ______________

Name: ______________ CDC Participants I.D./Sub A/C # ______________

Address ______________ CNIC No. | | | | | | | | | | | | | | | |

(Important: This form of Proxy, duly completed and signed across a Rs. 5/-revenue stamp, must be deposited at the Company's Registered Office not less than 48 hours before the time for holding the meeting).

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A MEMBER OF THE

Idrees

ALLAWALA GROUP