



2024

**For The
Three Months Ended
September 30**

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COMPANY PROFILE

BOARD OF DIRECTORS	Sh. Naseem Ahmad Mr. Rehman Naseem Mr. Amir Naseem Sheikh Mr. Faisal Ahmed Mr. Muhammad Mukhtar Sheikh Mr. Abbas Mukhtar Mr. Babar Ali Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik	Chairman/ Non - Executive Director Chief Executive Officer Non - Executive Director Non - Executive Director Executive Director Executive Director Independent Director Independent Director Independent Director
AUDIT COMMITTEE	Ms. Parveen Akhter Malik Mr. Sheikh Naseem Ahmad Mr. Amir Naseem Sheikh Mr. Babar Ali	Independent Director/Chairperson Non - Executive Director Non - Executive Director Independent Director
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Babar Ali Mr. Amir Naseem Sheikh Mr. Faisal Ahmad	Independent Director/Chairman Non - Executive Director Non - Executive Director
STRATEGIC PLANNING COMMITTEE	Mr. Rehman Naseem Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik	CEO/Chairman Independent Director Independent Director
COMPANY SECRETARY	Mr. Azher Iqbal, ACA	
CHIEF FINANCIAL OFFICER	Mr. Muhammad Azam, FCA & FCMA	
AUDITORS	ShineWing Hameed Chaudhri & Co., Chartered Accountants	
BANKERS	Bank Al Habib Limited National Bank of Pakistan Meezan Bank Limited The Bank of Punjab Habib Metropolitan Bank Limited Bank Alfalah Limited Habib Bank Limited Faysal Bank Limited Allied Bank Limited Bank Islami Pakistan Limited Soneri Bank Limited Industrial and Commercial Bank of China Ltd. United Bank Limited	Askari Bank Limited MCB Bank Limited The Bank of Khyber JS Bank Limited Dubai Islamic Bank Pakistan Limited Standard Chartered Bank (Pakistan) Limited Bank Makramah Limited Saudi Pak Industrial & Agricultural Inv. Company Limited Pak Oman Investment Company Limited Pak Brunei Investment Company Limited Pak Libya Holding Company (Pvt.) Limited Pakistan Kuwait Investment Company (Private) Limited PAIR Investment Company Limited
HEAD OFFICE & SHARES DEPARTMENT:	59/3, Abdali Road, Multan. Phone: (92), 4781637 Fax: (92) 61-4541832 E-mail: corporate@fazalcloth.com Shares@fazalcloth.com Website: www.fazalcloth.com	
SHARES REGISTRAR:	Vision Consulting Ltd. 5C, LDA Flats, Lawrence Road, Lahore. shares@vcl.com.pk Phone: (92) 42-36283096, 36283097 Fax: (92) 42-36374839	
REGISTERED OFFICE:	69/7, Abid Majeed Road, Survey No. 248/7, Lahore Cantt, Lahore. Phone: (92) 42-36684909	
MILLS:	i. Fazal Nagar, Jhang Road, Muzaffargarh - Pakistan Ph. (92) 66-2422216, 18 Fax: (92) 66-2422217 ii. Qadirpur Rawan Bypass, Khanewal Road, Multan - Pakistan Ph. (92) 61-6740041-43, Fax : (92) 61-6740052 iii. 13 k.M., Mian Wali Road, Khanpur Bagga Sher. Ph. (92) 662-490183	

DIRECTORS' REVIEW

On behalf of the Board of Directors of Fazal Cloth Mills Ltd. (the Company), we would like to present the un-audited financial information of the Company for the three months ended September 30, 2024.

FINANCIAL PERFORMANCE

A comparison of the key financial results of the Company for the three months ended September 30, 2024 with same period last year (SPLY), is as follows:

Financial Highlights	September 30, 2024	September 30, 2023	Increase / (decrease) %
	Rupees in thousand		
Sales – net	24,185,817	23,289,787	3.85%
Cost of sales	21,909,301	19,928,892	9.94%
Gross Profit	2,276,516	3,360,895	-32.26%
EBIDTA	2,734,176	3,802,062	-28.09%
Depreciation	568,622	515,904	10.22%
Finance Cost	1,403,887	2,244,948	-37.46%
Profit before levies and income tax	761,666	1,041,210	-26.85%
Profit after taxation	332,025	559,644	-40.67%
Earnings per share – Rs.	11.07	18.65	-40.67%
Gross profit margin	9.41%	14.43%	34.78%
Net profit margin	1.37%	2.40%	42.92%

The sales revenue has increased by 3.85% during the period under review, the sales volume of yarn has improved whereas, fabric sales has declined in this period as compared to SPLY.

The significant portion of the cost of goods manufactured consists of raw material, which is 72.74% and power cost is 14.72%. The gross margins have declined from 14.43% to 9.41% mainly on account of increased power cost by 65.33% due to increase in power tariff.

The finance cost during the period experienced a significant decrease of 37.46%, totaling Rs. 1,404 million. This drop can be attributed to various factors, including reduced policy rates and lower working capital usage owing to stable exchange rate.

FUTURE OUTLOOK

Following a phase of decline, Large Scale Manufacturing is now regaining its footing and exports are rising. This recovery is expected to be bolstered by a favorable external environment, a stable exchange rate, and declining inflationary pressures. Moreover, an accommodative monetary policy stance, improved investor's confidence and the global market recovery, will provide additional support to foster sustainable industrial growth. While exports are rising, margins of textile companies involved in export of goods remain subdued to high cost of production. Interest cost and energy prices in Pakistan remain higher than competitor countries which are pressuring margins. Hence, new investment in the sector remains dismal.

According to Pakistan Cotton Ginners Association (PCGA), by October 15, 2024, seed cotton equal to 3.102 million bales had reached ginning factories across the Country a significant decline from 5.996 million bales in the same period last year. There is dire need for research to develop a better yield variety of cotton which can increase cotton crop in Pakistan.



The management expects the sales revenue to grow during the year ending June 30, 2025 and the liquidity position will further strengthen to run the operations of the Company in a sustainable manner. Going forward, we remain committed to improve our operations, to be more innovative, efficient and profitable to deliver sustainable returns to our shareholders.

THANKS AND APPRECIATION

We would like to place on record deep appreciation for the efforts of the executives, officers and other staff members and workers for their hard work, co-operation and sincerity to the Company in achieving the best possible results. The Board also wishes to place on record the appreciations to all banks, customers and suppliers for continued support to the Company with zeal and dedication. The Management is quite confident that these relations and co-operation will continue in the years to come.

On behalf of the Board of Directors

On behalf of the Board of Directors

Sheikh Naseem Ahmad
(Chairman)

Dated: October 30, 2024

Rehman Naseem
(Chief Executive Officer)

ڈائریکٹرز جائزہ رپورٹ

فضل کلا تھ ملز لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 ستمبر 2024 کو ختم ہونے والی تین ماہ کی مدت کے لیے کمپنی کی غیر آڈٹ شدہ مالیاتی معلومات پیش کرنا چاہتے ہیں۔

مالیاتی کارکردگی

30 ستمبر 2024 کو ختم ہونے والی تین ماہ کی مدت کے لیے کمپنی کے اہم مالیاتی نتائج کا گزشتہ سال کی اسی مدت (SPLY) کے ساتھ موازنہ حسب ذیل ہے:

مالی شرحیں	سہ ماہی اختتام برائے عرصہ ستمبر 2024 .30	سہ ماہی اختتام برائے عرصہ ستمبر 2023 .30	(کسی) / اضافہ %
	(000) روپے	(000) روپے	
نیت سیلز	24,185,817	23,289,787	3.85%
فروخت کی قیمت	21,909,301	19,928,892	9.94%
کل منافع	2,276,516	3,360,895	-32.26%
EBIDTA	2,734,176	3,802,062	-28.09%
فروسدگی	568,622	515,904	10.22%
مالیاتی لاگت	1,403,887	2,244,948	-37.46%
ٹیکس سے پہلے منافع	761,666	1,041,210	-26.85%
ٹیکس کے بعد منافع	332,025	559,644	-40.67%
فی شیئر آمدنی - روپے	11.07	18.65	-40.67%
مجموعی منافع مارجن	9.41%	14.43%	34.78%
خالص منافع مارجن	1.37%	2.40%	42.92%

زیر جائزہ مدت کے دوران سیلز ریونیو میں 3.85 فیصد کا اضافہ ہوا ہے، یارن کی فروخت کے حجم میں بہتری آئی ہے جبکہ اس عرصے میں میٹرک کی فروخت میں SPLY کے مقابلے میں کمی آئی ہے۔

تیار کردہ سامان کی لاگت کا اہم حصہ خام مال پر مشتمل ہے جو کہ 72.74 فیصد ہے اور بجلی کی قیمت 14.72 فیصد ہے۔ مجموعی مارجن 14.43 فیصد سے کم ہو کر 9.41 فیصد ہو گیا ہے بنیادی طور پر بجلی کی قیمتوں میں اضافے کی وجہ سے بجلی کی قیمت میں 65.33 فیصد اضافہ ہوا ہے۔ اس مدت کے دوران مالیاتی لاگت میں 37.46 فیصد کی نمایاں کمی واقع ہوئی، جو کل 1,404 ملین روپے ہے۔ اس کمی کو مختلف عوامل بشمول پالیسی کی شرح میں کمی اور مستحکم شرح مبادلہ کی وجہ سے ورکنگ کیپیٹل کا کم استعمال سے منسوب کیا جاسکتا ہے۔

مستقبل کا جائزہ

زوال کے مرحلے کے بعد، بڑے پیمانے پر میٹو فیکچرنگ اب دوبارہ اپنے قدم ہمارے ہی ہے اور برآمدات بڑھ رہی ہیں۔ اس بحالی کو سائز گارنٹی ورنی ماحول، مستحکم شرح مبادلہ، اور گرتے ہوئے افراط زر سے تقویت ملنے کی امید ہے۔ مزید برآں، ایک موافق مانیٹری پالیسی کا موقف، سرمایہ کاروں کے اعتماد میں بہتری اور عالمی مارکیٹ کی بحالی، پائیدار صنعتی ترقی کو فروغ دینے کے لیے اضافی مدد فراہم کرے گی۔ جب کہ برآمدات بڑھ رہی ہیں، ٹیکسٹائل کمپنیاں جو اپنا سامان برآمد کرتی ہیں، ان کی، پیداواری لاگت میں اضافے سے مارجن میں کمی آئی ہے۔ پاکستان میں سوڈی لاگت اور توانائی کی قیمتیں حریف ممالک سے زیادہ ہیں جو مارجن پر دباؤ ڈال رہے ہیں۔ اس لیے اس شعبے میں نئی سرمایہ کاری مایوس کن ہے۔

پاکستان کاٹن جنز ایسوسی ایشن (پی سی جی اے) کے مطابق، 15 اکتوبر 2024 تک 3.102 ملین گانٹھوں کے برابر کپاس ملک بھر کی چٹنگ فیکٹریوں تک پہنچ چکی ہے جو کہ گزشتہ سال کی اسی مدت میں 5.996 ملین گانٹھوں کے مقابلے میں نمایاں کم ہے۔ کپاس کی بہتر پیداوار حاصل کرنے کے لیے تحقیق کی اشد ضرورت ہے جو پاکستان میں کپاس کی فصل کو بڑھا سکتی ہے۔

انتظامیہ کو توقع ہے کہ 30 جون 2025 کو ختم ہونے والے سال کے دوران سیلز ریونیو میں اضافہ ہوگا اور کمپنی کے آپریشنز کو پائیدار طریقے سے چلانے کے لیے لیکویڈیٹی کی پوزیشن مزید مضبوط ہوگی۔ آگے بڑھتے ہوئے، ہم اپنے حصص یافتگان کو پائیدار منافع فراہم کرنے کے لیے مزید اختراعی، موثر اور منافع بخش بننے کے لیے اپنے آپریشنز کو بہتر بنانے کے لیے پرعزم ہیں۔

شکریہ اور تعریف

ہم بہترین مکینڈ نتائج حاصل کرنے میں کمپنی کے ساتھ محنت، تعاون اور خلوص کے لیے ایگزیکٹوز، افسران اور دیگر عملے کے اراکین اور کارکنوں کی کاوشوں کو ریکارڈ پر خراج تحسین پیش کرنا چاہتے ہیں۔ بورڈ تمام بینکوں، صارفین اور سپلائرز کے لیے جوش اور لگن کے ساتھ کمپنی کی مسلسل حمایت کے لیے تعریفیں ریکارڈ پر رکھنا چاہتا ہے۔ انتظامیہ کو پورا یقین ہے کہ یہ تعلقات اور تعاون آنے والے سالوں میں بھی جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

شخصی دستخط

شیخ نسیم احمد

(چیرمین)

بورڈ آف ڈائریکٹرز کی جانب سے

شخصی دستخط

رحمان نسیم

(چیف ایگزیکٹو آفیسر/ڈائریکٹر)

ملتان: 30 اکتوبر 2024

Fazal Cloth Mills Limited

Condensed Interim Financial Information (Un-audited)

30 September 2024



Condensed Interim Statement of Financial Position

As at 30 September 2024

		(Un-audited) 30 September 2024	(Audited) 30 June 2024
	Note	Rupees	Rupees
Assets			
<u>Non-current assets</u>			
Property, plant and equipment	4	51,859,554,380	52,090,033,687
Long term investments	5	8,138,544,755	7,639,002,089
Long term loans and advances	6	-	-
Long term deposits		110,833,193	110,640,293
		60,108,932,328	59,839,676,069
<u>Current assets</u>			
Stores, spares and loose tools		2,176,242,425	2,046,801,806
Stock-in-trade	7	23,929,084,487	23,730,084,196
Trade debts	8	12,339,736,484	12,079,342,689
Loans and advances		422,560,119	217,229,996
Deposits, prepayments and other receivable		325,864,176	269,417,471
Mark-up accrued		8,783,173	4,281,883
Short term investment	9	364,446,000	315,914,400
Sales tax refundable and adjustable		234,352,967	565,170,561
Cash and bank balances	10	674,483,285	713,418,102
		40,475,553,116	39,941,661,104
Total assets		100,584,485,444	99,781,337,173
Equity and liabilities			
<u>Share capital and reserves</u>			
Authorized share capital		1,700,000,000	1,700,000,000
Issued, subscribed and paid-up capital		300,000,000	300,000,000
Others capital reserves		17,508,924,061	2,009,381,395
Revaluation surplus on property, plant and equipment		18,415,243,537	18,554,848,169
Unappropriated profits - revenue reserve		8,928,790,171	23,457,160,434
		45,152,957,769	44,321,389,998
<u>Non-current liabilities</u>			
Long term financing -secured	11	14,433,558,195	12,715,332,537
Long term musharika -secured	12	3,409,641,814	2,509,641,813
Lease liability -unsecured		69,677,047	70,677,725
Deferred liabilities:			
- Staff retirement benefit		623,249,582	576,427,439
- Deferred taxation		9,282,100,607	9,234,269,159
		27,818,227,245	25,106,348,673
<u>Current liabilities</u>			
Current portion of non-current liabilities	13	3,837,406,665	3,835,167,740
Short term borrowings - secured		13,002,672,324	17,717,675,277
Contract liabilities		202,353,311	438,053,016
Trade and other payables	14	8,997,674,324	6,387,042,998
Unclaimed dividend		22,002,980	22,002,980
Accrued mark-up		999,548,215	1,320,363,612
Provision for taxation - net		551,642,611	633,292,879
		27,613,300,430	30,353,598,502
Contingencies and commitments	15		
		100,584,485,444	99,781,337,173


The annexed notes form an integral part of these financial statements.

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER(SHEIKH NASEEM AHMAD)
DIRECTOR

Condensed Interim Statement of Profit or Loss (Un-Audited)
For the three months ended 30 September 2024

	Note	Three months ended	
		30 September 2024	30 September 2023
		Rupees	Rupees
Revenue from contracts with customers -net	16	24,185,816,672	23,289,786,592
Cost of sales	17	(21,909,301,222)	(19,928,892,082)
Gross profit		2,276,515,450	3,360,894,510
Selling and distribution expenses		(123,558,140)	(151,465,120)
Administrative expenses		(225,215,173)	(178,500,873)
Other expenses		(26,762,585)	(96,762,783)
		(375,535,898)	(426,728,776)
Other income		264,574,224	351,992,803
Profit from operations		2,165,553,776	3,286,158,537
Finance cost	18	(1,403,887,493)	(2,244,948,074)
Profit before levies and income tax		761,666,283	1,041,210,463
Levies		(340,168,905)	(328,825,861)
Profit before income tax		421,497,378	712,384,602
Income tax		(89,472,273)	(152,740,619)
Profit after taxation		332,025,105	559,643,983
Earnings per share - basic and diluted	19	11.07	18.65

The annexed notes form an integral part of these financial statements.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR

Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the three months ended 30 September 2024

	<i>Three months ended</i>	
	<i>30 September 2024</i>	<i>30 September 2023</i>
	<i>Rupees</i>	<i>Rupees</i>
Profit after taxation	332,025,105	559,643,983
<u>Other comprehensive income - net of tax</u>		
<i>Items that will never be reclassified to statement of profit or loss:</i>		
- Net change in fair value of financial assets at FVOCI	499,542,666	(57,324,568)
Total comprehensive income for the period	831,567,771	502,319,415

The annexed notes form an integral part of these financial statements.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR



Condensed Interim Statement of Changes In Equity (Un-Audited)

For the three months ended 30 September 2024

	Capital reserves				Revenue reserve		Total	
	Share premium	Capital redemption reserve	Fair value reserve	Capital reserve against capacity expansion	Revaluation surplus on property, plant and equipment	Sub-total		Un-appropriated profits
Balance as at 30 June 2023	300,000,000	77,616,000	823,129,157	-	22,130,639,044	23,506,384,201	21,140,136,577	44,646,520,778
<i>Total comprehensive income for the period</i> :								
Profit for three months ended 30 September 2023	-	-	-	-	-	-	559,643,983	559,643,983
Other comprehensive (loss) income for the period	-	-	(57,324,568)	-	-	(57,324,568)	-	(57,324,568)
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period <i>-net of tax</i>	-	-	-	-	(182,528,361)	(182,528,361)	182,528,361	-
Transfer from surplus on revaluation of fixed assets on disposal <i>-net of tax</i>	-	-	-	-	(3,704,170)	(3,704,170)	3,704,170	-
Change in effective tax rate	-	-	-	-	(187,251,696)	(187,251,696)	-	(187,251,696)
Balance as at 30 September 2023	300,000,000	77,616,000	765,804,589	-	21,357,154,817	23,075,575,406	21,886,013,091	44,961,588,497
<i>Total comprehensive income for the period</i> :								
Profit for nine months ended 30 June 2024	-	-	-	-	-	-	1,225,643,572	1,225,643,572
Other comprehensive (loss) income for the period	-	-	990,960,806	-	-	990,960,806	(80,631,210)	910,329,596
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period <i>-net of tax</i>	-	-	990,960,806	-	-	990,960,806	1,145,012,362	2,135,973,168
Transfer from surplus on revaluation of fixed assets on disposal <i>-net of tax</i>	-	-	-	-	(407,115,091)	(407,115,091)	407,115,091	-
Change in effective tax rate	-	-	-	-	(19,019,890)	(19,019,890)	19,019,890	-
Balance as at 30 June 2024	300,000,000	77,616,000	1,756,765,395	-	18,554,848,169	20,864,229,564	23,457,160,834	44,321,389,998



	Capital reserves				Revenue reserve		Total		
	Share capital	Share premium	Capital redemption reserve	Fair value reserve	Capital reserve against capacity expansion	Revaluation surplus on property, plant and equipment		Sub - total	Un-appropriated profits
Balance as at 30 June 2024	300,000,000	77,616,000	175,000,000	1,756,765,395	-	18,554,848,169	20,864,229,564	23,457,160,454	44,321,389,998
Total comprehensive income for the period :									
Profit for three months ended 30 September 2024	-	-	-	-	-	-	-	332,025,105	332,025,105
Other comprehensive (loss) / income for the period	-	-	-	499,542,666	-	-	499,542,666	-	499,542,666
Capital reserve against capacity expansion not available for distribution	-	-	-	499,542,666	-	-	499,542,666	332,025,105	831,567,771
Capital reserve against capacity expansion	-	-	-	-	15,000,000,000	-	15,000,000,000	(15,000,000,000)	-
Surplus transferred to un-appropriated profit on account of incremental depreciation changed during the period <i>net of tax</i>	-	-	-	-	-	(139,604,632)	(139,604,632)	139,604,632	-
Transfer from surplus on revaluation of fixed assets on disposal <i>net of tax</i>	-	-	-	-	-	-	-	-	-
Change in effective tax rate	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2024	300,000,000	77,616,000	175,000,000	2,256,308,061	15,000,000,000	18,415,243,537	36,224,167,598	8,928,790,171	45,152,957,769

The annexed notes form an integral part of these financial statements.

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER

(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER

(SHEIKH NASEEM AHMAD)
DIRECTOR



Condensed Interim Statement of Cash Flows (Un-Audited)

For the three months ended 30 September 2024

	<i>Three months ended</i>	
	<i>30 September</i>	<i>30 September</i>
	<i>2024</i>	<i>2023</i>
	<i>Rupees</i>	<i>Rupees</i>
<u>Cash flows from operating activities</u>		
Profit before taxation	761,666,283	1,041,210,463
<i>Adjustments for:</i>		
Depreciation on property, plant and equipment	568,622,140	515,903,934
Unrealized loss / (gain) on re-measurement of short term investments	(48,531,600)	5,569,200
Provision for gratuity	78,831,834	75,911,010
Provision for infrastructure cess	128,729,636	132,245,094
Provision for workers' profit participation fund	12,086,275	55,918,957
Provision for workers' welfare fund	12,366,095	21,249,223
Loss / (gain) on disposal of property, plant and equipment	(269,721)	6,740,460
Dividend income	(190,063,585)	(120,949,554)
Finance income	(6,171,766)	(2,407,124)
Finance cost	1,403,887,493	2,244,948,074
Cash generated from operations before working capital changes	2,721,153,084	3,976,339,737
<u>Effect on cash flows due to working capital changes</u>		
<i>(Increase) / decrease in current assets:</i>		
Stores, spares and loose tools	(129,440,619)	(280,730,595)
Stock-in-trade	(199,000,291)	(5,765,671,608)
Trade debts	(260,393,795)	2,720,076,866
Loans and advances	(205,330,123)	(89,808,031)
Short term investment	-	(25,000,000)
Deposits, prepayments and other receivables	(56,446,705)	(15,463,253)
	(850,611,533)	(3,456,596,621)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	2,221,749,615	(1,809,373,914)
Cash (used in) / generated from operations	4,092,291,166	(1,289,630,798)
Gratuity paid to employees	(32,009,691)	(23,856,174)
Taxes paid - net	(132,642,403)	(109,148,108)
	(164,652,094)	(133,004,282)
Net cash (used in) / generated from operating activities	3,927,639,072	(1,422,635,080)
<u>Cash flows from investing activities</u>		
Fixed capital expenditure	(338,342,612)	(520,763,008)
Proceeds from sale of property, plant and equipment	469,500	3,560,000
Long term deposits	(192,900)	-
Finance income received	1,670,476	-
Dividend received from associated company	190,063,585	120,949,554
Net cash used in investing activities	(146,331,951)	(396,253,454)
<u>Cash flows from financing activities</u>		
Long term financing obtained	2,530,935,422	1,008,085,551
Long term financing repaid	(810,896,463)	(634,746,374)
Long term musharika obtained	1,000,000,000	32,257,500
Long term musharika repaid	(100,000,000)	(112,500,000)
Short term borrowings -net	(4,715,002,953)	3,265,897,697
Lease rentals paid	(3,215,383)	(2,923,076)
Finance cost paid -net	(1,722,062,561)	(1,624,661,372)
Net cash (used in) / generated from financing activities	(3,820,241,938)	1,931,409,926
Net increase / (decrease) in cash and cash equivalents	(38,934,817)	112,521,392
Cash and cash equivalents at beginning of the period	713,418,102	528,641,818
Cash and cash equivalents at end of the period	674,483,285	641,163,210

The annexed notes form an integral part of these financial statements.

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER(SHEIKH NASEEM AHMAD)
DIRECTOR

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

For the three months ended 30 September 2024

1 Legal status and nature of business

Fazal Cloth Mills Limited ("the Company") was incorporated in Pakistan in 1966 as a Public Limited Company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange ('PSX'). The Company is principally engaged in manufacture and sale of yarn and fabric.

Geographical location and addresses of major business units including mills / plant of the Company are as under:

Lahore	Purpose
69/7, Abid Majeed Road, Survey No. 248/7 Cantt.	Registered office
Multan	
59/3, Abdali Road.	Head office
Qadirpur Rawan Bypass, Khanewal Road.	Production plant
Muzaffargarh	
Fazal Nagar, Jhang Road.	Production plant
13-KM, Mianwali Road, Khanpur Bagga Sher.	Production plant

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

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

- International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 (the Act),
- Provisions of and directives issued under the Act, and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act.

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.1.2 These condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2024. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

2.2 Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2024.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

		<i>(Un-audited)</i> 30 September 2024 Rupees	<i>(Audited)</i> 30 June 2024 Rupees
4 Property, plant and equipment			
Operating Property, plant and equipment	4.1	51,176,678,569	51,701,058,121
Right of use of Asset	4.2	38,769,169	40,205,064
Capital work-in-progress	4.3	644,106,642	348,770,502
		<u>51,859,554,380</u>	<u>52,090,033,687</u>
4.1 Opening net book value		51,701,058,121	47,865,805,154
<i>Additions during the period / year:</i>			
Freehold land		217,260	518,680
Factory building on free hold land		5,925,740	798,194,940
Non-factory building on free hold land		1,085,159	87,686,361
Non-factory building on lease hold land		-	9,979,169
Plant and machinery		26,994,122	4,629,537,342
Electric fittings and installations		-	270,254,190
Tools, laboratory equipment and arms		32,300	22,202,878
Fire extinguishing equipments and scales		-	15,358,876
Office equipment		8,278,191	30,946,802
Furniture and fixtures		-	7,571,196
Vehicles		473,700	236,975,219
		43,006,472	6,109,225,653
Carrying value of assets disposed off during the period / year		(199,779)	(57,213,332)
Depreciation charge for the period / year		(567,186,245)	(2,216,759,354)
Closing net book value		<u>51,176,678,569</u>	<u>51,701,058,121</u>
4.2 Right of use Asset			
Opening net book value		40,205,064	45,948,645
Depreciation charge for the period		(1,435,895)	(5,743,581)
Closing net book value		<u>38,769,169</u>	<u>40,205,064</u>

		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>30 September</i>	<i>30 June</i>
		<i>2024</i>	<i>2024</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
4.3 Breakup of capital work-in-progress:			
Building on free hold land		22,396,376	19,429,843
Non-factory building on free hold land		197,933,451	163,687,695
Plant and machinery		339,335,263	114,126,028
Electric fittings and Installations		7,021,654	-
Tools, Lab. Equipment & Arms		49,415	49,415
Office equipment		5,745,651	6,355,973
Furniture and fixtures		136,071	52,626
Advances to suppliers - unsecured, considered good	4.3.1	71,488,761	45,068,922
		644,106,642	348,770,502

4.3.1 These mainly includes advances against civilworks, plant and machinery and vehicles and are in the normal course of business.

		<i>(Un-audited)</i>	<i>(Audited)</i>
		<i>30 September</i>	<i>30 June</i>
		<i>2024</i>	<i>2024</i>
	<i>Note</i>	<i>Rupees</i>	<i>Rupees</i>
5 Long term investments			
<u><i>At fair value through OCI</i></u>			
Fatima Fertilizer Company Limited - <i>quoted</i>	5.1	3,751,294,546	3,251,751,880
Fatima Energy Limited - <i>unquoted</i>	5.2	3,926,005,673	3,926,005,673
Fatima Transmission Company Limited - <i>unquoted</i>	5.3	98,910,398	98,910,398
Multan Real Estate (Private) Limited - <i>unquoted</i>	5.4	322,334,138	322,334,138
		8,098,544,755	7,599,002,089
<u><i>Associated companies - at equity method</i></u>			
Fatima Transmission Company Limited - unquoted (Ordinary shares)	5.5	-	-
Fatima Electric Company Limited - unquoted	5.5	-	-
		-	-
<u><i>At fair value through P&L</i></u>			
Term finance certificates		40,000,000	40,000,000
		8,138,544,755	7,639,002,089



5.1	At fair value through OCI	Shares		Market value		Market value per share		Percentage of holding	
		30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024
	Note								
	5.1.1	62,994,031	62,994,031	3,751,294,546	3,251,751,880	59.55	51.62	3.00%	3.00%
	Fatima Fertilizer Company Limited - <i>quoted</i>								
5.1.1	The investments in Fatima Fertilizer Company Limited (FFCL) has been designated as fair value through OCI under IFRS 9. FFCL is an associated undertaking of the Company as per the Companies Act 2017, however, for the purpose of measurement it has been classified as investment at fair value through OCI. The Company does not have significant influence on FFCL.								
5.2	Fatima Energy Limited - <i>unquoted</i>								
	Ordinary Shares - <i>unquoted</i>	108,300,000	108,300,000	776,511,000	776,511,000	19.00%	19.00%	19.00%	19.00%
	Non voting, non cumulative, redeemable, convertible	439,260,066	439,260,066	3,149,494,673	3,149,494,673	36.86%	36.86%	36.86%	36.86%
	Preference Shares - <i>unquoted</i>	547,560,066	547,560,066	3,926,005,673	3,926,005,673				
5.3	Fatima Transmission Company Limited - <i>unquoted</i>								
	Non voting, non cumulative, redeemable, convertible	12,795,653	12,795,653	98,910,398	98,910,398	30.71%	30.71%	30.71%	30.71%
	Preference Shares - <i>unquoted</i>								
5.4	This represents 17.04% (30 June 2024: 17.04%) ordinary shares of Mullan Real Estate (Private) Limited (MREPL), which is a dormant entity. The latest valuation is based on present market value of Property of MREPL and has been designated at level 3 as mentioned in note 21.								
5.5	Associated companies with significant influence - <i>under equity method</i>								
	Fatima Transmission Company Limited - <i>unquoted (ordinary shares)</i>	5,520,000	5,520,000	-	-	24.00%	-	24.00%	24.00%
	Fatima Electric Company Limited - <i>unquoted</i>	7,000	7,000	-	-	20.00%	-	20.00%	20.00%
		5,527,000	5,527,000	-	-				



	(Un-audited) 30 September 2024	(Audited) 30 June 2024
	Rupees	Rupees
6 Long term advance and mark up accrued		
Fatima Transmission Company Limited associate	13,748,696	13,748,696
Pak Arab Energy Limited - associate	25,904,160	25,904,160
	39,652,856	39,652,856
Less: Loss allowance	(39,652,856)	(39,652,856)
	-	-
7 Stock-in-trade		
Raw material [In-transit: Rs. 4,649.84 million (30 June 2024; Rs. 4,598.66 million)]	12,137,106,367	11,590,822,784
Work-in-process	1,149,476,570	1,170,146,399
Finished goods [In-transit: Rs. 18.84 million (30 Jun 2024; Rs. 56.21 million)]		
Yarn	8,363,468,073	8,696,511,663
Fabric	1,722,055,498	1,391,550,050
Waste	556,977,979	881,053,300
	10,642,501,550	10,969,115,013
	23,929,084,487	23,730,084,196
8 Trade debts		
<i>Export debtors - secured against letters of credit:</i>		
Considered good	1,987,811,773	2,375,451,933
<i>Local debtors - unsecured</i>		
Related Parties - considered good	2,324,575,852	1,542,290,156
Others - considered good	8,027,348,859	8,161,600,600
Others - considered doubtful	96,600,225	96,600,225
	10,448,524,936	9,800,490,981
Allowance for impairment of trade debts	(96,600,225)	(96,600,225)
	12,339,736,484	12,079,342,689
8.1 Trade debts due from following related parties on account of trading activities.		
Ahmad Fine Textile Mills Limited	2,200,085,166	1,479,547,608
Reliance Weaving Mills Limited	124,490,686	62,742,548
	2,324,575,852	1,542,290,156
9 Short term investment		
<i>Investment at fair value through profit or loss</i>		
Fatima Fertilizer Company Limited - quoted 6,120,000 (2023: 6,120,000) fully paid ordinary shares of Rs. 10 each Equity held 0.29% (30 June 2024: 0.29%) Market value per share Rs.59.55 (30 June 2024: Rs.51.62)	364,446,000	315,914,400
	364,446,000	315,914,400
10 Cash and bank balances		
Cash in hand	21,769,818	39,455,989
Cash at banks		
- Current accounts	467,587,440	520,324,510
- Saving accounts	96,876,027	69,137,603
	564,463,467	589,462,113
Term deposit receipt	88,250,000	84,500,000
	674,483,285	713,418,102



	(Un-audited) 30 September 2024	(Audited) 30 June 2024
	Rupees	Rupees
	15,650,855,677	15,955,756,784
	2,530,935,422	2,217,188,000
	(810,896,463)	(2,522,089,107)
	17,370,894,636	15,650,855,677
	(2,937,336,441)	(2,935,523,140)
	14,433,558,195	12,715,332,537

11 Long term financing - secured

Opening balance
Loan obtained during the period / year
Repayments made during the period / year
Closing balance
Less: current portion grouped under current liabilities

11.1 - Markup bearing finances availed during the period:

Lender	Amount	Rate of Mark Up Per Annum	Security
	-- R u p e e s --		
PAIR Investment Company Limited	30,935,422	3Months KIBOR + 1.90%	1st joint pari passu charge/ mortgage of Rs. 400million all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
United Bank Limited	2,500,000,000	3Months KIBOR + 1.50%	1st joint pari passu charge/ mortgage of Rs. 2,050million all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company.
- Demand finance	2,530,935,422		

12 Long term musharika -secured

Opening balance
Loan obtained during the period / year
Repayments made during the period / year
Closing balance
Less: current portion grouped under current liabilities

12.1 - Profit bearing finances availed during the period:

Lender	Amount	Rate of Profit Per Annum	Security
	-- R u p e e s --		
Dubai Islamic Bank Pakistan Limited	1,000,000,000	3Months KIBOR + 1.50%	1st joint pari passu charge/ mortgage of Rs. 1,100million all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company.
- Diminishing musharika	1,000,000,000		

	(Un-audited) 30 September 2024	(Audited) 30 June 2024
	Rupees	Rupees
	3,406,852,549	4,037,446,084
	1,000,000,000	77,739,800
	(100,000,000)	(708,333,333)
	4,306,852,549	3,406,852,549
	(897,210,735)	(897,210,735)
	3,409,641,814	2,509,641,813

	<i>(Un-audited)</i> 30 September <i>2024</i>	<i>(Audited)</i> 30 June <i>2024</i>
<i>Note</i>	Rupees	Rupees
13 Current portion of non-current liabilities		
Long term financing - secured	2,937,336,441	2,935,523,140
Long term musharika - secured	897,210,735	897,210,735
Current portion of lease liability	2,859,489	2,433,865
	<u>3,837,406,665</u>	<u>3,835,167,740</u>
14 Trade and other payables		
Trade creditors	1,425,061,665	1,051,425,482
Accrued liabilities	1,535,077,713	1,775,460,506
Due to associated undertakings	326,274,139	258,503,042
Bills payable	3,455,693,819	1,228,556,665
Tax deducted at source	39,087,240	9,799,560
Infrastructure cess	2,093,798,093	1,965,068,457
Workers' profit participation fund	45,731,290	33,645,019
Workers' welfare fund	69,350,672	56,984,574
Loan from Director	299,693	299,693
Others	7,300,000	7,300,000
	<u>8,997,674,324</u>	<u>6,387,042,998</u>
14.1 Due to associated undertakings		
Fatima Energy Limited	325,949,744	257,919,809
Fazal Farm (Private) Limited	-	279,675
Fazal-ur-Rehman Foundation	180,000	180,000
Fatima Fertilizer Company Limited	144,395	123,558
	<u>326,274,139</u>	<u>258,503,042</u>
15 Contingencies and commitments		
15.1 Contingencies		
15.1.1 There has been no change in the status of contingencies since the annual audited financial statements as at 30 June 2024.		
	<i>(Un-audited)</i> 30 September <i>2024</i>	<i>(Audited)</i> 30 June <i>2024</i>
	Rupees	Rupees
15.2 Commitments		
15.2.1 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies.	<u>3,064,925,034</u>	<u>3,064,875,034</u>
15.2.2 Commitments against irrevocable letters of credit:		
- capital expenditure	82,348,514	-
- raw material and stores and spares	9,242,886,149	3,138,309,936
	<u>9,325,234,663</u>	<u>3,138,309,936</u>
15.2.3 Commitments against foreign bills discounting	<u>273,772,382</u>	<u>568,788,269</u>
15.2.4 Commitments in respect of foreign exchange forward contracts:	<u>556,100,000</u>	<u>-</u>

15.2.5 Commitments in respect of Fatima Energy limited (FEL):

The Company through sponsors support agreement commits to lenders of FEL, in case of default by FEL, to pay amount outstanding up to Rs. 6,000 million (30 June 2024: Rs. 6,000 million). This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in annual general meeting dated 26 November 2020.

15.2.6 Commitments in respect of Fatima Transmission Company Limited (FTCL):

The Company through sponsors support agreement commits to MCB Bank Limited, in case of default by FTCL, to pay amount outstanding up to Rs. 250 million (30 June 2024: Rs. 250 million). This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in extra ordinary general meeting held on 25 March 2017.

		Three months ended	
		<i>(Un-audited)</i>	<i>(Un-audited)</i>
		30 September	30 September
		2024	2023
		<i>Rupees</i>	<i>Rupees</i>
16	Revenue from contracts with customers - net		
	<i>Gross sales</i>		
	Local sales	24,049,030,495	18,503,239,672
	Direct exports	2,378,470,306	4,832,159,030
	Indirect exports	1,788,959,922	2,914,360,966
		28,216,460,723	26,249,759,668
	<i>Sales tax</i>		
	Local sales	(3,714,400,730)	(2,877,601,763)
	Indirect export	(272,891,124)	-
		(3,987,291,854)	(2,877,601,763)
	<i>Sales return</i>	(43,352,197)	(82,371,313)
		24,185,816,672	23,289,786,592

Note

16.1 It includes sales made to direct exporters against Export facilitation Scheme (EFS) to related parties under S.R.O 957(1)/2021 dated 30 July 2021, amounting to Rs. 1,788.96 million (30 September 2023: Rs. 1,387.47 million).

		Three months ended	
		<i>(Un-audited)</i>	<i>(Un-audited)</i>
		30 September	30 September
		2024	2023
		<i>Rupees</i>	<i>Rupees</i>
17	Cost of sales		
	Raw material consumed	15,108,216,817	16,207,814,435
	Packing material consumed	253,731,475	264,971,947
	Salaries, wages and benefits	1,036,524,558	982,786,242
	Freight outward charges	172,675,313	126,106,552
	Travelling and conveyance	4,835,131	4,565,271
	Vehicle running and maintenance	18,710,285	21,857,957
	Power and fuel	3,057,506,290	1,849,691,858
	Stores and spares consumed	494,950,994	554,078,991
	Processing charges	9,342,345	78,934,957
	Repair and maintenance	15,151,071	23,055,227
	Insurance	35,876,179	39,044,036
	Depreciation on property, plant and equipment	535,890,875	491,159,648
	Others	6,452,366	6,317,288
		20,749,863,699	20,650,384,409

	<i>Three months ended</i>	
	<i>(Un-audited)</i> 30 September 2024 Rupees	<i>(Un-audited)</i> 30 September 2023 Rupees
<i>Work-in-process :</i>		
Opening balance	1,170,146,399	855,950,908
Closing balance	(1,149,476,570)	(1,038,461,697)
	20,669,829	(182,510,789)
Cost of goods manufactured	20,770,533,528	20,467,873,620
<i>Finished goods :</i>		
Opening balance	10,969,115,013	10,679,299,882
Finished goods purchased	808,523,463	839,654,478
Closing balance	(10,642,501,550)	(12,080,356,548)
	1,135,136,926	(561,402,188)
Cost of goods sold	21,905,670,454	19,906,471,432
Cost of raw material sold	3,630,768	22,420,650
	21,909,301,222	19,928,892,082

18 Finance cost

Mark-up based loans from conventional banks:

- Long term financing - secured	570,586,668	456,681,855
- Short term borrowings - secured	525,314,494	1,348,496,987
	1,095,901,162	1,805,178,842

Islamic mode of financing:

- Musharika - secured	203,133,657	214,775,457
- Short term borrowings - secured	77,099,897	189,661,409
	280,233,554	404,436,866

Bank charges	25,112,448	32,643,543
Markup on lease liability	2,640,329	2,688,823
	1,403,887,493	2,244,948,074

19 Earnings per share - basic and diluted

Profit after taxation	332,025,105	559,643,983
Weighted Average Number of ordinary shares	30,000,000	30,000,000
Earnings per share - basic and diluted	11.07	18.65

20 Financial risk management

The Company's activities exposes it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

There has been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in an annual financial statements.

21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value				
	Financial assets at amortised cost	Fair value through Profit or loss	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- Rupees -----									
As at 30 September 2024.									
<u>Financial assets - measured at fair value</u>									
Short term investment	-	364,446,000	-	-	364,446,000	364,446,000	-	-	364,446,000
Long term investments	-	40,000,000	8,098,544,755	-	8,138,544,755	3,791,294,546	-	4,347,250,209	8,138,544,755
<u>Financial assets - measured at amortized cost</u>									
Long term deposits	110,833,193	-	-	-	110,833,193	-	-	-	-
Trade debts	12,339,736,484	-	-	-	12,339,736,484	-	-	-	-
Deposits and other receivables	194,416,659	-	-	-	194,416,659	-	-	-	-
Mark-up accrued	8,783,173	-	-	-	8,783,173	-	-	-	-
Cash and bank balances	674,483,285	-	-	-	674,483,285	-	-	-	-
	13,328,252,794	404,446,000	8,098,544,755	-	21,831,243,549	4,155,740,546	-	4,347,250,209	8,502,990,755
<u>Financial liabilities - measured at amortized cost</u>									
Long term financing -secured	-	-	-	17,370,894,636	17,370,894,636	-	-	-	-
Long term musharika -secured	-	-	-	4,306,852,549	4,306,852,549	-	-	-	-
Trade and other payables	-	-	-	6,749,707,029	6,749,707,029	-	-	-	-
Unclaimed dividend	-	-	-	22,002,980	22,002,980	-	-	-	-
Short term borrowings -secured	-	-	-	8,997,674,324	8,997,674,324	-	-	-	-
Accrued mark-up	-	-	-	999,548,215	999,548,215	-	-	-	-
	-	-	-	38,446,679,733	38,446,679,733	-	-	-	-





As at 30 June 2024

Financial assets - measured at fair value

	Carrying amount				Fair value				
	Financial assets at amortised cost	Fair value through Profit or loss	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Short term investment	-	315,914,400	-	-	315,914,400	315,914,400	-	-	315,914,400
Long term investments	-	40,000,000	7,599,002,089	-	7,639,002,089	3,291,751,880	-	4,347,250,209	7,639,002,089

Financial assets - measured at amortized cost

	Carrying amount				Fair value				
	Financial assets at amortised cost	Fair value through Profit or loss	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Long term deposits	110,640,293	-	-	-	110,640,293	-	-	-	-
Trade debts	12,079,342,689	-	-	-	12,079,342,689	-	-	-	-
Deposits and other receivables	268,042,028	-	-	-	268,042,028	-	-	-	-
Mark-up accrued	4,281,883	-	-	-	4,281,883	-	-	-	-
Cash and bank balances	713,418,102	-	-	-	713,418,102	-	-	-	-
	13,175,724,995	355,914,400	7,599,002,089	-	21,130,641,484	3,607,666,280	-	4,347,250,209	7,954,916,489

Financial liabilities - measured at amortized cost

Long term financing -secured	-	-	-	15,650,855,677	15,650,855,677	-	-	-	-
Long term musharika -secured	-	-	-	3,406,852,549	3,406,852,549	-	-	-	-
Trade and other payables	-	-	-	4,321,545,388	4,321,545,388	-	-	-	-
Unclaimed dividend	-	-	-	22,002,980	22,002,980	-	-	-	-
Short term borrowings -secured	-	-	-	17,717,675,277	17,717,675,277	-	-	-	-
Accrued mark-up	-	-	-	1,320,363,612	1,320,363,612	-	-	-	-
	-	-	-	42,439,295,483	42,439,295,483	-	-	-	-

22 Segment reporting

22.1 Reportable segments

The management has determined the operating segments of the Company on the basis of products produced.

The Company's reportable segments are as follows:

- Spinning segment - production of different qualities of yarn using natural and artificial fibers
- Weaving segment - production of different qualities of fabric using yarn

Information regarding the Company's reportable segments is presented below. Performance is measured based on segment profit before tax, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other companies that operate within these industries.

22.2 Information about reportable segments

	Spinning		Weaving		Total	
	(Un-audited) 30 September 2024	(Un-audited) 30 September 2023	(Un-audited) 30 September 2024	(Un-audited) 30 September 2023	(Un-audited) 30 September 2024	(Un-audited) 30 September 2023
	----- Rupees -----					
External revenues	20,639,724,419	19,858,902,285	3,546,092,253	3,430,884,307	24,185,816,672	23,289,786,592
Intersegment revenues	2,653,127,505	2,305,051,705	7,907,650	3,350,800	2,661,035,155	2,308,402,505
Cost of sales	(21,245,709,264)	(18,969,171,042)	(663,591,958)	(959,721,040)	(21,909,301,222)	(19,928,892,082)
Intersegment cost of sales	(7,907,650)	(3,350,800)	(2,653,127,505)	(2,305,051,705)	(2,661,035,155)	(2,308,402,505)
Selling and distribution expense	(95,308,591)	(116,871,254)	(28,249,549)	(34,593,866)	(123,558,140)	(151,465,120)
Administrative expenses	(201,484,121)	(159,952,355)	(23,731,052)	(18,548,518)	(225,215,173)	(178,500,873)
Other expense	(26,762,585)	(109,144,499)	-	12,381,716	(26,762,585)	(96,762,783)
Other income	260,325,494	351,992,803	4,248,730	-	264,574,224	351,992,803
Finance cost	(1,245,571,487)	(2,032,092,824)	(158,316,006)	(212,855,250)	(1,403,887,493)	(2,244,948,074)
Profit before taxation	730,433,720	1,125,364,019	31,232,563	(84,153,556)	761,666,283	1,041,210,463

22.2.1 The accounting policies of the reportable segments are the same as those described in the annual financial statements for the preceding year ended 30 June 2024.

23 Related party transactions

The related parties comprise of associated companies, directors of the Company and entities under common directorship, key management personnel and post employment retirement plan. The Company in the normal course of business carries out various transactions with various related parties. Detail of such transactions are as follows:


	<i>Three months ended</i>	
	<i>(Un-audited)</i>	<i>(Un-audited)</i>
	<i>30 September</i>	<i>30 September</i>
	<i>2024</i>	<i>2023</i>
	<i>Rupees</i>	<i>Rupees</i>
Associated Companies		
Purchase of goods and services	2,568,848,865	2,265,794,557
Sale of goods and services	4,936,370,607	2,955,231,528
Receipts against sale of goods and services <i>-net</i>	1,653,171,720	897,204,300
Dividend Income	190,063,585	120,949,554
Donations paid	739,000	677,500
Reimbursable expenses	206,253	-
Interest accrued on long term advances to associates	1,412,657	1,572,994
Lease rentals paid	3,215,383	2,923,076
Remuneration and other benefits - Key Management Personnel	17,182,621	13,469,704

24 Date of authorization for issue

This condensed interim financial information was authorized for issue by the Board of Directors on 30 October 2024.

25 General

Figures in the financial statements have been rounded-off to the nearest rupee.



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR



Fazal Cloth Mills Limited

Head Office / Shares Department:

59/3, Abdali Road, Multan
Ph: +92 61 4579001-7, 4781637
Fax: +92 61 4541832

Registered Office:

69/7, Abid Majeed Road, Survey # 248/7
Lahore Cantt, Lahore.+92 (42) 36684909