

NISHAT MILLS LIMITED



NML-PSX/1131

October 30, 2024

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

SUB: **TRANSMISSION OF QUARTERLY REPORT
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

Dear Sir,

We have to inform you that the Quarterly Report of Nishat Mills Limited for the period ended September 30, 2024 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you,

Yours truly,


**KHALID MAHMOOD CHOCHAN
COMPANY SECRETARY**

HEAD OFFICE

: 7-MAIN GULBERG, LAHORE PAKISTAN.UAN:111 33 22 00 TEL: 92-42-35716351-9 FAX:92-42-35716350 E-MAIL: nishat@nishatmills.com

REGISTERED OFFICE & SHARES DEPTT : NISHAT HOUSE, 53-A, LAWRENCE ROAD, LAHORE - PAKISTAN PH : (042) 36367812-15 TLX : 47523 NISHAT PK, FAX : (042) 36367414



Nishat Mills Limited

Interim Financial Report

For the Quarter Ended
September 30, 2024

**Accelerating
Focused Growth**

CONTENTS

Nishat Mills Limited

Company Information	02
Directors' Report	04
Unconsolidated Condensed Interim Statement of Financial Position.....	10
Unconsolidated Condensed Interim Statement of Profit or Loss	12
Unconsolidated Condensed Interim Statement of Comprehensive Income.....	13
Unconsolidated Condensed Interim Statement of Changes in Equity.....	14
Unconsolidated Condensed Interim Statement of Cash Flows	15
Selected Notes to the Unconsolidated Condensed Interim Financial Statements	16

Nishat Mills Limited and its Subsidiaries

Consolidated Condensed Interim Statement of Financial Position	34
Consolidated Condensed Interim Statement of Profit or Loss	36
Consolidated Condensed Interim Statement of Comprehensive Income	37
Consolidated Condensed Interim Statement of Changes in Equity	38
Consolidated Condensed Interim Statement of Cash Flows	39
Selected Notes to the Consolidated Condensed Interim Financial Statements	40
Directors' Report in Urdu	69

COMPANY INFORMATION

Board of Directors

Mian Umer Mansha
Chief Executive Officer

Mian Hassan Mansha
Chairman

Mrs. Mehak Adil
Mrs. Sara Aqeel
Syed Zahid Hussain
Mr. Farid Noor Ali Fazal
Mr. Mahmood Akhtar

Audit Committee

Mrs. Mehak Adil
Chairperson / Member

Syed Zahid Hussain
Member

Mr. Farid Noor Ali Fazal
Member

Human Resource & Remuneration (HR & R) Committee

Mrs. Sara Aqeel
Chairperson / Member

Mian Umer Mansha
Member

Mr. Mahmood Akhtar
Member

Chief Financial Officer

Mr. Mohammad Azam

Company Secretary

Mr. Khalid Mahmood Chohan

Auditors

Riaz Ahmad & Company
Chartered Accountants

Legal Advisor

Mr. M. Aurangzeb Khan,
Advocate, Chamber No. 6, District
Court, Faisalabad.

Bankers to the Company

Albaraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Citibank N.A.
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Faysal Bank Limited - Islamic
Banking
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank
of China Limited

JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Pak Brunei Investment
Company Limited
Pakistan Kuwait Investment
Company (Private) Limited
Samba Bank Limited
Silk Bank Limited
Soneri Bank Limited
Summit Bank Limited
Standard Chartered Bank
(Pakistan) Limited
The Bank of Khyber - Islamic
Banking
The Bank of Punjab
The Bank of Punjab - Taqwa
Islamic Banking
United Bank Limited

Mills

Spinning units, Yarn Dyeing & Power plant

Nishatabad, Faisalabad.

Spinning units & Power plant

20 K.M. Shekhupura Faisalabad Road, Feroze Watwan.

Spinning units & Power plant

Plot No. 172-180 & 188-197, M-3 Industrial City, Sahianwala, FIEDMC, 2 K.M. Jhumra Chiniot Road, Chak Jhumra, Faisalabad.

Weaving units, Denim Unit & Power plant

12 K.M. Faisalabad Road, Shekhupura.

Weaving units, Dyeing & Finishing unit, Processing unit, Stitching units and Power plants

5 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Terry Unit

7 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Apparel Unit

2 K.M. Nishat Avenue Off 22 K.M. Ferozepur Road, Lahore.

Registered office

Nishat House,
53 - A, Lawrence Road, Lahore.
Tel: 042-36360154, 042-111 113 333
Fax: 042-36367414

Shares Registrar

THK Associates (Private) Limited

Head Office, Karachi
Plot No. 32-C Jami Commercial
Street No. 2, DHA Phase VII,
Karachi 75500.
Tel: 021-111 000 322
Fax: 021-35310191

Branch Office, Lahore

Office No. 309, 3rd Floor,
North Tower, LSE building,
19-Sharah-e-Aiwan-e-Iqbal
Lahore.

Tel: 042-36302044

Head Office

7, Main Gulberg, Lahore.

Tel: 042-35716351-59, 042-111 332 200

Fax: 042-35716349-50

E-mail: nishat@nishatmills.com

Website: www.nishatmillsLtd.com

Liaison Office

1st Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.

Tel: 021-32414721-23

Fax: 021-32412936



DIRECTORS' REPORT

Directors of Nishat Mills Limited ("the Company") are pleased to present the Directors' Report for the quarter ended 30 September 2024.

Operating Financial Results

Revenue grew by Rs. 3.417 billion during the current quarter as compared to the corresponding quarter of the last year. However, higher costs of sales led to a marginal decline in gross profit by Rs 204.954 million. Other income decreased significantly by Rs. 3.238 billion mainly on account of decrease in dividend income by Rs. 2.563 billion. Resultantly, earnings per share has decreased from 12.94 to 2.68.

Financial Highlights	Quarter ended 30 September		Increase / (decrease) %
	2024	2023	
Revenue (Rs. '000')	43,444,875	40,027,984	8.54
Gross Profit (Rs. '000')	4,753,695	4,958,649	(4.13)
Profit after tax (Rs. '000')	944,044	4,548,716	(79.25)
Gross Profit (%)	10.94	12.39	
Profit after tax (%)	2.17	11.36	
Earnings per share – (Rs.)	2.68	12.94	

General Market Review and Future Prospects

Rising energy costs, expensive raw materials and heavy taxation continue to pose significant challenges for Pakistan's textile industry. While the benchmark policy rate has been lowered to 17.5%, it is still higher, making it increasingly difficult for local producers to acquire finance to meet its working capital and BMR needs.

In the export market, retailers are grappling with declining sales due to the economic slowdown, resulting in reduced orders and decreasing exports. This has intensified competition with regional competitors, further eroding the profitability of Pakistan's textile sector.

Segment Analysis

Following is the brief overview on segmental performance of the Company.

Spinning

Raw cotton prices remained elevated throughout the first quarter ended 30 September 2024 mainly due to a smaller-than-expected domestic cotton crop. At the same time, international cotton prices continued on an upward trend. In response, the Company swiftly began sourcing local cotton and plans to meet its annual raw cotton requirements through a combination of local and imported sources.

In the export market, cotton yarn prices showed slight improvement, driven by a marginal increase in demand. However, the local market proved more favorable, particularly for open-end yarn, which provided strong support for spinners. Due to the high cost of domestic yarn, local weavers have increasingly

shifted to imports from China, Vietnam, Indonesia, and Uzbekistan to remain competitive.

Yarn	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (kgs '000')	13,025	12,243	782	6.39
Rate / kg	915.48	853.30	62.18	7.29
Sale – (Rs. '000')	11,924,148	10,446,965	1,477,183	14.14

Weaving

The Weaving Division experienced a decline in demand of the fashion cloth, but this was offset by strong growth in our steadily expanding technical fabrics business. The Division's sales saw a marked increase in the current quarter compared to the same quarter last year, driven by both favorable rate and volume variances. This growth has positively contributed to the Company's overall profitability. Our primary goal for FY 2024-25 is to significantly boost exports.

Grey Cloth	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (meters '000')	25,459	23,857	1,602	6.72
Rate / meter	357.53	341.19	16.34	4.79
Sale – (Rs. '000')	9,102,307	8,139,853	962,454	11.82

To further accelerate export growth, particularly in technical fabrics, we have commissioned our new filament warping machine into production. In response to ongoing cost pressures, we are also investing in state-of-the-art looms that deliver higher productivity while consuming less energy. These investments are aimed at enhancing our operational efficiency and maintaining competitiveness in the global market.

Dyeing

Despite the challenges faced by Pakistan's textile sector, the Division delivered a good performance in the first quarter of the financial year 2024-25, demonstrating resilience in a difficult environment. As we enter the peak season of our business cycle, all available capacity for the second quarter has already been booked. The primary challenges ahead will be ensuring the smooth execution of deliveries and managing capacity efficiently during this high-demand period.

However, with careful planning and a focus on operational excellence, we remain confident that we can perform well in the second quarter.

Processed Cloth	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (meters '000')	10,749	10,946	(197)	(1.80)
Rate / meter	715.47	702.64	12.83	1.83
Sale – (Rs. '000')	7,690,596	7,691,066	(470)	(0.01)

The Division has planned to invest in a new Corduroy fabric project, aimed at expanding our production capabilities and diversifying our product range. This project is expected to become operational by March 2025. The addition of Corduroy fabrics to our portfolio will enable us to optimize production capacity, particularly during the lean months of our business cycle and generate higher contribution margins. Furthermore, this initiative will open opportunities to explore new markets, reducing our reliance on lower-margin local business and strengthening our position in higher-value segments.

Home Textile and Terry

The first quarter of the financial year 2024-25 continued to reflect the persistent challenges from the previous year, particularly elevated production costs and weaker demand in key markets. Despite these difficulties, the Division demonstrated resilience by achieving a 10.80% increase in sales of processed cloth and made-ups compared to the same quarter of the last year. This growth was primarily driven by favorable rate variances, which helped offset some of the cost pressures and positively impacted the Division's profitability.

Processed Cloth and Made-ups	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (meters '000')	6,235	6,530	(295)	(4.52)
Rate / meter	886.25	763.70	122.55	16.05
Sale – (Rs. '000')	5,525,739	4,986,938	538,801	10.80

The performance of the Terry Unit has also remained stable during the first quarter of the financial year 2024-25.

Terry	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (kgs '000')	1,830	1,589	241	15.17
Rate / kg	1,596.19	1,685.01	(88.82)	(5.27)
Sale – (Rs. '000')	2,921,024	2,677,480	243,544	9.10

Garments

The Division's profitability remained under pressure during the first quarter ended 30 September 2024. Although sales volume increased by 10.80% compared to the same quarter last year, rising energy costs and higher operational expenses resulted in a contraction of profit margins.

Nevertheless, the recent downward trend in inflation and interest rates signals a favorable shift, with the potential to ease cost pressures and improve financial performance in the coming quarters. Looking ahead, there is optimism that these positive economic developments, alongside strategic initiatives to enhance efficiency and capture new market opportunities, will support stronger profitability and sustainable growth in the future.

Garments	Quarter ended 30 September		Increase / (Decrease)	
	2024	2023	Value	% age
Sale – (garments '000')	1,682	1,518	164	10.80
Rate / garment	2,371.44	2,599.75	(228.31)	(8.78)
Sale – (Rs. '000')	3,988,770	3,946,427	42,343	1.07

Power Generation

In response to rising energy costs and the growing emphasis on sustainability, the Company is expanding its investment in alternative energy sources. A significant investment has already been made in solar power plants, and the Company is gradually phasing out coal usage. To date, 6 MW of the coal power plant has been converted to biomass while the conversion of the remaining capacity currently underway. Additionally, the Company plans to acquire a highly efficient 1.5 MW gas engine next year, aimed at further reducing generation costs and enhancing overall energy efficiency.

Subsidiary Companies and Consolidated Financial Statements

Nishat Power Limited, Nishat Linen (Private) Limited, Nishat Hospitality (Private) Limited, Nishat Commodities (Private) Limited, Nishat USA Inc., Nishat Linen Trading LLC, Nishat International FZE, China Guangzhou Nishat Global Co., Ltd, Wernerfelt A/S and Wernerfelt Sverige AB form portfolio of subsidiary companies of the Company. Therefore, the Company has annexed consolidated condensed interim financial statements in addition to its separate condensed interim financial statements, in accordance with the requirements of International Financial Reporting Standards.

Composition of the Board

The composition of the Board is as follows:

Total number of Directors:

- | | |
|-----------|---|
| a) Male | 5 |
| b) Female | 2 |

Composition

- | | |
|-----------------------------|---|
| i) Independent Directors | 2 |
| ii) Non-executive Directors | 4 |
| iii) Executive Director | 1 |

Committees of the Board

Audit Committee:

Sr. No. Name of Director

1	Mrs. Mehak Adil	Chairperson / Member
2	Syed Zahid Hussain	Member
3	Mr. Farid Noor Ali Fazal	Member

Human Resource and Remuneration (HR&R) Committee:

Sr. No. Name of Director

1	Mian Umer Mansha	Member
2	Mrs. Sara Aqeel	Chairperson / Member
3	Mr. Mahmood Akhtar	Member

Directors' Remuneration

The Board of Directors has approved the Directors' Remuneration Policy. The main features of the policy are as follows:

- The Company shall not pay remuneration to its non-executive directors, including independent directors, except for the meeting fee for attending meetings of the Board and its Committees.
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending meetings of the Board and its Committees.
- The Directors' Remuneration Policy will be reviewed and approved by the Board of Directors from time to time.

Acknowledgement

The Board is pleased about the efforts of the management, staff and workers.

For and on behalf of the Board of Directors



Mian Umer Mansha
Chief Executive Officer



Farid Noor Ali Fazal
Director

30 October 2024
Lahore



Unconsolidated Condensed Interim
Financial Statements of
Nishat Mills Limited

For the quarter ended 30 September 2024

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	62,737,890	60,043,195
Investment properties		466,688	467,504
Long term investments		64,370,133	66,811,200
Long term loans		330,856	339,213
Long term deposits		357,694	428,572
		128,263,261	128,089,684
CURRENT ASSETS			
Stores, spare parts and loose tools		5,929,698	6,049,021
Stock in trade		42,106,838	37,447,381
Trade debts		25,706,286	22,374,547
Loans and advances		6,202,671	7,819,991
Short term deposits and prepayments		329,331	513,937
Other receivables		10,470,732	11,691,606
Accrued interest		95,473	130,923
Cash and bank balances		1,982,645	2,722,355
		92,823,674	88,749,761
TOTAL ASSETS		221,086,935	216,839,445



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Profit or Loss

For the quarter ended 30 September 2024 (Un-audited)

	Note	Quarter ended	
		30 September 2024	30 September 2023
		(Rupees in thousand)	
REVENUE	8	43,444,875	40,027,984
COST OF SALES	9	(38,691,180)	(35,069,335)
GROSS PROFIT		4,753,695	4,958,649
DISTRIBUTION COST		(2,099,131)	(1,466,090)
ADMINISTRATIVE EXPENSES		(706,342)	(600,599)
OTHER EXPENSES		(844)	(99,424)
		(2,806,317)	(2,166,113)
		1,947,378	2,792,536
OTHER INCOME		2,365,642	5,603,973
PROFIT FROM OPERATIONS		4,313,020	8,396,509
FINANCE COST		(2,708,794)	(2,379,793)
PROFIT BEFORE TAXATION AND LEVY		1,604,226	6,016,716
LEVY		(357,311)	(615,460)
PROFIT BEFORE TAXATION		1,246,915	5,401,256
TAXATION		(302,871)	(852,540)
PROFIT AFTER TAXATION		944,044	4,548,716
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	10	2.68	12.94

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Comprehensive Income


For the quarter ended 30 September 2024 (Un-audited)

	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
PROFIT AFTER TAXATION	944,044	4,548,716
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be reclassified to profit or loss:		
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income	(2,743,883)	(800,885)
Deferred income tax relating to this item	274,913	30,803
	(2,468,970)	(770,082)
Items that may be reclassified subsequently to profit or loss		
Other comprehensive loss for the period - net of tax	(2,468,970)	(770,082)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(1,524,926)	3,778,634

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Changes in Equity

For the quarter ended 30 September 2024 (Un-audited)

	RESERVES						TOTAL	TOTAL EQUITY
	CAPITAL RESERVES			REVENUE RESERVES				
	Premium on Issue of Right Shares	Fair Value Reserve FVTOCI Investments	Sub Total	General Reserve	Unappropriated Profit	Sub Total		
3,515,999	5,499,530	7,894,448	13,393,978	60,688,028	12,166,114	72,854,142	86,248,120	89,764,119
-	-	-	-	-	4,548,716	4,548,716	4,548,716	4,548,716
-	-	(770,082)	(770,082)	-	-	-	(770,082)	(770,082)
-	-	(770,082)	(770,082)	-	4,548,716	4,548,716	3,778,634	3,778,634
Balance as at 30 September 2023 - (un-audited)	5,499,530	7,124,366	12,623,896	60,688,028	16,714,830	77,402,858	90,026,754	93,542,753
Transaction with owners- Final dividend for the year ended 30 June 2023 @ Rupees 5.00 per share	-	-	-	-	(1,757,999)	(1,757,999)	(1,757,999)	(1,757,999)
Transferred to general reserve	-	-	-	10,408,000	-	-	-	-
Transfer of gain on buy back of FVTOCI Investment to unappropriated profit	-	(5,190)	(5,190)	-	5,190	5,190	-	-
Profit for the period	-	-	-	-	1,820,137	1,820,137	1,820,137	1,820,137
Other comprehensive income for the period	-	21,205,122	21,205,122	-	-	-	21,205,122	21,205,122
Total comprehensive income for the period	-	21,205,122	21,205,122	-	1,820,137	1,820,137	23,025,259	23,025,259
Balance as at 30 June 2024 - (audited)	5,499,530	28,324,298	33,823,828	71,096,028	6,374,158	77,470,186	111,294,014	114,810,013
Transfer of gain on buy back of FVTOCI Investment to unappropriated profit	-	(4,931)	(4,931)	-	4,931	4,931	-	-
Profit for the period	-	-	-	-	944,044	944,044	944,044	944,044
Other comprehensive loss for the period	-	(2,468,970)	(2,468,970)	-	-	-	(2,468,970)	(2,468,970)
Total comprehensive (loss) / income for the period	-	(2,468,970)	(2,468,970)	-	944,044	944,044	(1,524,926)	(1,524,926)
Balance as at 30 September 2024 - (un-audited)	5,499,530	25,855,327	31,349,827	71,096,028	7,323,133	78,419,161	109,769,088	113,285,087

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

Ummer

CHIEF EXECUTIVE OFFICER

David Dajal

DIRECTOR

[Signature]

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Cash Flows

For the quarter ended 30 September 2024 (Un-audited)

	Note	Quarter ended	
		30 September 2024	30 September 2023
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	295,146	6,816,561
Finance cost paid		(2,732,215)	(3,096,845)
Income tax paid - net		(775,419)	(622,891)
Levy paid		(76,465)	(129,153)
Exchange gain on forward exchange contracts received		87,207	19,188
Net decrease in long term loans		24,946	14,453
Net decrease / (increase) in long term deposits		277,906	(728)
Net cash (used in) / generated from operating activities		(2,898,894)	3,000,585
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(3,655,753)	(4,154,215)
Proceeds from sale of property, plant and equipment		17,259	21,043
Investments made		(331,316)	(2,989,321)
Proceeds from sale of investment		28,500	-
Loan to Nishat Linen (Private) Limited - subsidiary company		(11,580,761)	(12,879,513)
Repayment of loan by Nishat Linen (Private) Limited - subsidiary company		13,532,167	15,003,314
Interest received		304,629	909,447
Dividends received		1,478,935	4,042,170
Net cash used in investing activities		(206,340)	(47,075)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		-	177,746
Repayment of long term financing		(706,674)	(743,327)
Short term borrowings - net		3,069,833	(1,645,177)
Dividend paid		(648)	(145)
Net cash from / (used in) financing activities		2,362,511	(2,210,903)
Net (decrease) / increase in cash and cash equivalents		(742,723)	742,607
Net foreign exchange difference on translating cash and bank balances		3,013	(12,884)
Cash and cash equivalents at the beginning of the period		2,722,355	2,410,566
Cash and cash equivalents at the end of the period		1,982,645	3,140,289

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

1 THE COMPANY AND ITS OPERATIONS

Nishat Mills Limited is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth, and to generate, accumulate, distribute, supply and sell electricity.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 These unconsolidated condensed interim financial statements are unaudited and do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
5 LONG TERM FINANCING - SECURED			
Opening balance		26,550,649	14,784,510
Add: Obtained during the period / year		-	14,640,745
Less: Repaid during the period / year		(706,674)	(2,889,270)
Add: Deferred income amortized during the period / year	5.1	3,334	14,664
		25,847,309	26,550,649
Less: Current portion shown under current liabilities		(2,871,681)	(2,878,129)
		22,975,628	23,672,520

5.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

6 CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) The Company is contesting various sales tax demands amounting to Rupees 118.458 million (30 June 2024: Rupees 309.99 million) and related default surcharge and penalties under the Sales Tax Act, 1990 before Appellate Tribunal Inland Revenue (ATIR). No provision thereagainst has been recognized in these unconsolidated condensed interim financial statements as the Company, based on advice of the tax advisor, is confident of favorable outcome of the appeals.
- ii) Guarantees of Rupees 5,522.497 million (30 June 2024: Rupees 5,251.537 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, Inspector General Frontier Corps KP (South), The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase), Airport Security Force, Director General (Purchase and Disposal) WAPDA Sunny View Lahore, Provincial Police Officer, Office of Inspector General of Police KPK and Inspector General of Punjab Police against fulfillment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights, Faisalabad Electric Supply Company Limited (FESCO) against installation of grid station and to the bank of Hyundai Nishat Motor (Private) Limited (associated company) to secure financial assistance to the associated company. Further, the Company has issued cross corporate guarantees of Rupees 735.417 million (30 June 2024: Rupees 735.417 million) and Rupees 1,777.500 million (30 June 2024: Rupees 1,777.500 million) on behalf of Nishat Linen (Private) Limited - wholly owned subsidiary company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of subsidiary company and associated company towards their lenders.
- iii) Post dated cheques of Rupees 25,000 million (30 June 2024: Rupees 27,088.314 million) are issued to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

- iv) Post dated cheques of Rupees 122.180 million (30 June 2024: Rupees 471.915 million) are issued to Sui Northern Gas Pipeline Limited in pursuance of order of Lahore High Court, Lahore in the case of gas infrastructure development cess and in the case of providing blend of RLNG and Gas tariff to new Co-generation Captive connections instead of charging full RLNG notified tariff, post dated cheques of Rupees 2.140 million (30 June 2024: Rupees 417.625 million) are issued to Lahore Electric Supply Company Limited and Faisalabad Electric Supply Company Limited in pursuance of order of Lahore High Court, Lahore in the case of income tax in electricity bills for the month of July 2021.

b) Commitments

- i) Contracts for capital expenditure are approximately of Rupees 2,374.434 million (30 June 2024: Rupees 4,020.861 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 12,088.571 million (30 June 2024: Rupees 4,923.949 million).
- iii) Outstanding foreign currency forward contracts of Rupees 5,368.499 million (30 June 2024: Rupees 4,374.159 million).
- iv) Commitment arising from short-term leases recognized on a straight-line basis as expense under the practical expedients applied by the Company with respect to IFRS 16. The amount of future payments under these leases and the period in which these payments will become due are as follows:

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
Not later than one year		132,442	151,610
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	39,379,180	39,615,948
Capital work-in-progress	7.2	23,358,710	20,427,247
		62,737,890	60,043,195
7.1 Operating fixed assets			
Opening book value		39,615,948	38,987,142
Add: Cost of additions during the period / year	7.1.1	730,573	4,600,511
		40,346,521	43,587,653
Less: Book value of deletions during the period / year	7.1.2	(10,130)	(132,190)
		40,336,391	43,455,463
Less: Depreciation charged during the period / year		(957,211)	(3,839,515)
		39,379,180	39,615,948

	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
7.1.1 Cost of additions		
Freehold land	942	189,888
Buildings on freehold land	6,480	768,679
Plant and machinery	543,086	2,970,924
Electric installations	41,283	111,999
Factory equipment	32,644	34,585
Furniture, fixtures and office equipment	66,537	114,473
Computer equipment	12,541	40,260
Vehicles	27,060	369,703
	730,573	4,600,511
7.1.2 Book value of deletions		
Buildings on freehold land	-	14,627
Plant and machinery	-	69,812
Electric installations	-	7,518
Factory equipment	-	55
Furniture, fixtures and office equipment	-	2,805
Computer equipment	677	956
Vehicles	9,453	36,417
	10,130	132,190
7.2 Capital work-in-progress		
Buildings on freehold land	7,931,391	7,557,647
Plant and machinery	13,796,762	11,774,860
Electric installations	697,779	661,412
Unallocated capital expenditures	754,403	356,471
Advances against purchase of freehold land	6,740	1,635
Advances against furniture, fixtures and office equipment	54,281	37,674
Advances against purchase of vehicles	117,354	37,548
	23,358,710	20,427,247

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

8 REVENUE

8.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

Description	(Rupees in thousand)														
	Spinning		Weaving		Dyeing		Home Textile and Terry		Garments		Power Generation		Total - Company		
	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	
Region															
Europe	34,207	185,081	4,945,473	3,987,409	77,948	169,198	5,765,325	5,100,611	1,465,262	676,526	-	-	12,288,215	10,118,827	
America	142,879	137,669	215,645	202,744	-	3,830	1,986,403	1,608,677	2,433,452	3,237,307	-	-	4,778,379	5,190,227	
Asia, Africa, Australia	1,559,214	2,425,139	1,083,386	1,107,329	4,302,491	4,692,874	590,776	628,758	10,524	72,465	-	-	7,546,391	8,926,565	
Pakistan	10,788,514	8,506,101	3,022,414	3,074,902	3,504,965	2,942,000	1,240,092	1,175,723	232,536	60,303	43,469	33,336	18,831,890	15,792,365	
	12,524,814	11,253,990	9,266,918	8,372,384	7,885,404	7,807,902	9,582,596	8,513,769	4,141,674	4,046,603	43,469	33,336	43,444,875	40,027,984	
Timing of revenue recognition															
Products and services transferred at a point in time	12,524,814	11,253,990	9,266,918	8,372,384	7,885,404	7,807,902	9,582,596	8,513,769	4,141,674	4,046,603	43,469	33,336	43,444,875	40,027,984	
Products and services transferred over time	12,524,814	11,253,990	9,266,918	8,372,384	7,885,404	7,807,902	9,582,596	8,513,769	4,141,674	4,046,603	43,469	33,336	43,444,875	40,027,984	
Major products / service lines															
Yarn	12,524,814	11,253,990	-	-	-	-	-	-	-	-	-	-	-	12,524,814	11,253,990
Grey Cloth	-	-	9,266,918	8,372,384	-	-	-	-	-	-	-	-	-	9,266,918	8,372,384
Process Cloth	-	-	-	-	7,885,404	7,807,902	-	-	-	-	-	-	-	7,885,404	7,807,902
Made Ups	-	-	-	-	-	-	6,434,818	5,630,940	-	-	-	-	-	6,434,818	5,630,940
Garments	-	-	-	-	-	-	-	-	4,141,674	4,046,603	-	-	-	4,141,674	4,046,603
Towels and Bath Robes	-	-	-	-	-	-	3,147,778	2,882,829	-	-	-	-	-	3,147,778	2,882,829
Electricity	-	-	-	-	-	-	-	-	-	-	43,469	33,336	-	43,469	33,336
	12,524,814	11,253,990	9,266,918	8,372,384	7,885,404	7,807,902	9,582,596	8,513,769	4,141,674	4,046,603	43,469	33,336	43,444,875	40,027,984	

8.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

	Quarter Ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
9 COST OF SALES		
Raw materials consumed	24,402,792	20,809,919
Processing charges	135,401	90,143
Salaries, wages and other benefits	4,060,678	3,116,566
Stores, spare parts and loose tools consumed	3,454,106	3,470,746
Packing materials consumed	848,624	870,700
Repair and maintenance	195,855	237,636
Fuel and power	5,417,137	4,962,237
Insurance	22,796	21,200
Other factory overheads	375,889	357,030
Depreciation	915,794	901,111
	39,829,072	34,837,288
Work-in-process		
Opening stock	10,084,078	7,994,358
Closing stock	(9,119,366)	(7,894,000)
	964,712	100,358
Cost of goods manufactured	40,793,784	34,937,646
Finished goods		
Opening stock	10,738,990	10,390,983
Closing stock	(12,841,594)	(10,259,294)
	(2,102,604)	131,689
	38,691,180	35,069,335

	Quarter Ended	
	30 September 2024	30 September 2023
10 EARNINGS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on the basic earnings per share which is based on:		
Profit attributable to ordinary shareholders (Rupees in thousand)	944,044	4,548,716
Weighted average number of ordinary shares (Numbers)	351,599,848	351,599,848
Earnings per share (Rupees)	2.68	12.94

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

	Note	Quarter Ended 30 September 2024	30 September 2023
		(Rupees in thousand)	
11 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		1,604,226	6,016,716
Adjustments for non-cash charges and other items:			
Depreciation		951,744	931,495
Gain on sale of property, plant and equipment		(7,129)	(4,695)
Dividend income		(1,478,935)	(4,042,170)
Net exchange gain		(365,686)	(415,244)
Reversal of fair value adjustment on margin against bank guarantee		(14,401)	-
Fair value adjustment on payable to Lars Lauridsen Holding ApS		13,895	-
Interest income on loan to Nishat Linen (Private) Limited - subsidiary company		(270,717)	(894,979)
Finance cost		2,708,794	2,379,793
Working capital changes	11.1	(2,846,645)	2,845,645
		295,146	6,816,561
11.1 Working capital changes			
(Increase) / decrease in current assets:			
- Stores, spare parts and loose tools		119,323	(579,014)
- Stock in trade		(4,659,457)	(2,034,843)
- Trade debts		(3,237,589)	377,143
- Loans and advances		(350,675)	273,820
- Short term deposits and prepayments		(6,126)	(24,780)
- Other receivables		1,230,453	2,413,870
		(6,904,071)	426,196
Increase in trade and other payables		4,057,426	2,419,449
		(2,846,645)	2,845,645

12 SEGMENT INFORMATION

12.1 The Company has following reportable business segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning:	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving:	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of greige fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments:	Manufacturing of garments using processed fabric.
Power Generation:	Generation and distribution of power using gas, oil, steam, coal, solar and biomass.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

13 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS**i) Fair value hierarchy**

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

**Recurring fair value measurements
At 30 September 2024**

Level 1

Level 2

Level 3

Total

(Rupees in thousand)

Financial assets				
Fair value through other comprehensive income	45,712,596	-	10,410,795	56,123,391
Derivative financial assets	-	52,298	-	52,298
Total financial assets	45,712,596	52,298	10,410,795	56,175,689
Financial liabilities				
Derivative financial liabilities	-	42,063	-	42,063
Total financial liabilities	-	42,063	-	42,063

**Recurring fair value measurements
At 30 June 2024 - Audited**

Level 1

Level 2

Level 3

Total

(Rupees in thousand)

Financial assets				
Fair value through other comprehensive income	48,460,379	-	10,128,247	58,588,626
Derivative financial assets	-	44,256	-	44,256
Total financial assets	48,460,379	44,256	10,128,247	58,632,882
Financial liabilities				
Derivative financial liabilities	-	19,392	-	19,392
Total financial liabilities	-	19,392	-	19,392

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

There were no transfers between levels 1 and 2 for recurring fair value measurements during the quarter ended 30 September 2024. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended 30 June 2024 and for the quarter ended 30 September 2024:

Unlisted equity securities	
(Rupees in thousand)	
Balance as on 30 June 2023 - Audited	8,321,102
Add: Investment made during the period	-
Add: Fair value adjustment recognized in other comprehensive income	-
Balance as on 30 September 2023 - Unaudited	8,321,102
Add: Investment made during the period	1,115,426
Less: Investment buy back during the period	(30,000)
Add: Fair Value adjustment recognized in other comprehensive income	721,719
Balance as on 30 June 2024 - Audited	10,128,247
Add: Investment made during the period	307,147
Less: Investment buy back during the period	(28,500)
Add: Fair Value adjustment recognized in other comprehensive income	3,901
Balance as on 30 September 2024 - Unaudited	10,410,795

iv) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value at		Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
	30 September 2024	30 June 2024		30 September 2024	

(Rupees in thousand)

Fair value through other comprehensive income

Nishat Paper Products Company Limited	117,622	117,622	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +26.642 million / -20.709 million.
			Risk adjusted discount rate	17.59%	
Nishat Dairy (Private) Limited	549,081	577,980	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +46.569 million / -38.447 million.
			Risk adjusted discount rate	21.35%	
Security General Insurance Company Limited	355,567	355,567	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +33.440 million / -26.384 million.
			Risk adjusted discount rate	17.78%	
Nishat Hotels and Properties Limited	1,422,720	1,422,720	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +216.887 million / -170.993 million.
			Risk adjusted discount rate	17.96%	
Hyundai Nishat Motor (Private) Limited	4,406,212	4,406,212	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +302.824 million / -255.875 million.
			Risk adjusted discount rate	22.46%	
Nishat Sutas Dairy Limited	3,559,593	3,248,146	Terminal growth factor	2.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +635.391 million / -505.504 million.
			Risk adjusted discount rate	18.66%	
	10,410,795	10,128,247			

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related parties, post employment benefit plan and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i) Transactions

	Quarter Ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
Subsidiary companies		
Investment made	24,169	2,989,321
Short term loan given	11,580,761	12,879,513
Repayment of short term loan	13,532,167	15,003,314
Interest income	270,717	894,979
Rental income	27,196	24,718
Sale of goods and services	2,740,591	2,477,530
Purchase of goods and services	565,867	214,381
Associated companies		
Investment made	307,147	-
Investment disposed of	28,500	-
Purchase of goods and services	12,265	6,250
Sale of goods and services	24,100	8,152
Purchase of operating fixed assets	53,929	25,350
Rental income	2,886	2,017
Dividend income	1,475,052	4,038,287
Insurance premium paid	125,552	56,995
Insurance claims received	36,190	18,959
Interest income	539	11,727
Finance cost	21,679	24,791
Other related parties		
Dividend income	-	-
Company's contribution to provident fund trust	145,549	111,523
Remuneration paid to Chief Executive Officer and Executives	531,434	434,736

ii) Period end balances

As at 30 September 2024			
Subsidiary companies	Associated companies	Other related parties	Total

(Rupees in thousand)

Trade and other payables	140,559	86,301	-	226,860
Accrued markup	-	8,804	-	8,804
Short term borrowings	-	1,818,529	-	1,818,529
Property, plant and equipment	-	53,594	-	53,594
Long term loans	-	-	274,858	274,858
Trade debts	1,088,686	11,371	-	1,100,057
Loans and advances	5,333,440	-	94,564	5,428,004
Accrued interest	85,728	-	-	85,728
Cash and bank balances	-	132,235	129,045	261,280

As at 30 June 2024 (Audited)			
Subsidiary companies	Associated companies	Other related parties	Total

(Rupees in thousand)

Trade and other payables	153,087	116,788	-	269,875
Accrued markup	-	8,682	-	8,682
Short term borrowings	-	2,677,786	-	2,677,786
Property, plant and equipment	-	19,672	-	19,672
Long term loans	-	-	281,286	281,286
Trade debts	1,034,299	5,854	-	1,040,153
Loans and advances	7,289,838	-	113,600	7,403,438
Accrued interest	119,640	-	-	119,640
Cash and bank balances	-	784,061	334,289	1,118,350

15 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

16 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 30 October 2024.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

17 DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	Un-audited	Audited
	30 September 2024	30 June 2024
	(Rupees in thousand)	
Loan / advances obtained as per Islamic mode:		
Loans	19,944,671	18,358,124
Advances	943,531	900,502
Shariah compliant bank deposits / bank balances		
Bank balances	324,219	609,059
	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
Profit earned from shariah compliant bank deposits / bank balances		
Profit on deposits with banks	-	-
Revenue earned from shariah compliant business	43,444,875	40,027,984
Gain / (loss) or dividend earned from shariah compliant investments		
Dividend income	-	-
Unrealized gain / (loss) on remeasurement of investments at FVTOCI	(2,313,293)	(1,075,127)
Exchange gain earned	281,868	131,570
Mark-up paid on Islamic mode of financing	771,841	622,811
Profits earned or interest paid on any conventional loan / advance		
Profit earned on loan to subsidiary company	270,717	894,979
Interest paid on loans	1,839,674	2,309,939
Profit earned on deposits with banks	51,371	69,511
Interest income on loans to employees	571	653

Relationship with shariah compliant banks

Name	Relationship
Habib Bank Limited- Islamic Banking	Bank balance
Standard Chartered Bank (Pakistan) Limited (Saadiq Islamic Banking)	Bank balance
Bank Islami Pakistan Limited	Bank balance and short term borrowings
Meezan Bank Limited	Bank balance, long term financing and short term borrowings
Dubai Islamic Bank Pakistan Limited	Bank balance and short term borrowings
MCB Islamic Bank Limited	Bank balance
Faysal Bank Limited (Barkat Islami)	Bank balance, short term borrowings and long term financing
Askari Bank Limited - Ikhlas Islamic Banking	Long term financing
The Bank of Punjab (Taqwa Islamic Banking)	Bank balance and short term borrowings
Al-Baraka Bank Pakistan Limited	Bank balance and short term borrowings

18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim
Financial Statements of

**Nishat Mills Limited
and its Subsidiaries**

For the quarter ended 30 September 2024



Consolidated Condensed Interim Statement of Financial Position

As at 30 September 2024

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,100,000,000 (30 June 2024: 1,100,000,000) ordinary shares of Rupees 10 each		11,000,000	11,000,000
Issued, subscribed and paid-up share capital			
351,599,848 (30 June 2024: 351,599,848) ordinary shares of Rupees 10 each		3,515,999	3,515,999
Reserves		142,061,708	138,353,201
Equity attributable to equity holders of the Holding Company		145,577,707	141,869,200
Non-controlling interest		16,788,361	15,978,611
Total equity		162,366,068	157,847,811
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing- secured	6	22,984,461	23,682,746
Lease liabilities		1,499,775	1,583,612
Security deposits		325,760	288,360
Retirement benefit obligation		64,564	61,630
Deferred liabilities		7,009,882	6,900,539
		31,884,442	32,516,887
CURRENT LIABILITIES			
Trade and other payables		23,096,563	19,827,841
Accrued mark-up		1,501,158	1,529,600
Short term borrowings		55,727,636	53,676,569
Current portion of non-current liabilities		5,081,699	5,399,404
Unclaimed dividend		141,659	142,551
Provision for taxation and levy - net		2,688,734	2,765,693
		88,237,449	83,341,658
TOTAL LIABILITIES		120,121,891	115,858,545
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		282,487,959	273,706,356

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	74,461,873	71,700,074
Intangible Assets		701,816	677,647
Right-of-use assets		1,902,528	2,069,327
Long term investments		73,171,634	70,842,826
Long term loans		494,992	484,723
Long term deposits		564,854	625,535
		151,297,697	146,400,132
CURRENT ASSETS			
Stores, spare parts and loose tools		6,910,436	7,003,908
Stock-in-trade		54,145,281	51,724,654
Trade debts		41,120,854	38,376,196
Loans and advances		1,281,999	816,688
Short term deposits and prepayments		611,999	818,434
Other receivables		11,710,847	13,079,543
Accrued interest		78,391	40,879
Short term investments		8,285,965	4,264,954
Cash and bank balances		7,044,490	11,180,968
		131,190,262	127,306,224
TOTAL ASSETS		282,487,959	273,706,356



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Profit or Loss

For the quarter ended 30 September 2024 (Un-audited)

	Note	Quarter ended	
		30 September 2024	30 September 2023
		(Rupees in thousand)	
REVENUE	9	53,152,648	56,421,143
COST OF SALES	10	(44,860,298)	(47,485,495)
GROSS PROFIT		8,292,350	8,935,648
DISTRIBUTION COST		(3,397,332)	(2,615,433)
ADMINISTRATIVE EXPENSES		(1,111,442)	(984,652)
OTHER EXPENSES		(13,092)	(100,319)
		(4,521,866)	(3,700,404)
		3,770,484	5,235,244
OTHER INCOME		1,963,168	1,538,375
PROFIT FROM OPERATIONS		5,733,652	6,773,619
FINANCE COST		(2,842,048)	(2,505,403)
		2,891,604	4,268,216
SHARE OF NET PROFIT OF ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD		1,212,092	1,054,944
PROFIT BEFORE TAXATION AND LEVY		4,103,696	5,323,160
LEVY		(519,019)	(717,836)
PROFIT BEFORE TAXATION		3,584,677	4,605,324
TAXATION		(438,694)	(370,980)
PROFIT AFTER TAXATION		3,145,983	4,234,344
SHARE OF PROFIT ATTRIBUTABLE TO:			
EQUITY HOLDERS OF HOLDING COMPANY		2,336,233	3,519,972
NON-CONTROLLING INTEREST		809,750	714,372
		3,145,983	4,234,344
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	11	6.64	10.01

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Comprehensive Income

For the quarter ended 30 September 2024 (Un-audited)

	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
PROFIT AFTER TAXATION	3,145,983	4,234,344
OTHER COMPREHENSIVE INCOME / (LOSS)		
Items that will not be reclassified to profit or loss:		
Fair value adjustment arising on remeasurement of investments at fair value through other comprehensive income	1,100,866	1,585,777
Share of fair value adjustment on remeasurement of investments at fair value through other comprehensive income of associates - net of tax	355,970	686,984
Deferred income tax relating to investments at fair value through other comprehensive income	(117,087)	(226,059)
	1,339,749	2,046,702
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	32,525	(14,177)
Other comprehensive income for the period - net of tax	1,372,274	2,032,525
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4,518,257	6,266,869
SHARE OF TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Equity holders of holding company	3,708,507	5,552,497
Non-controlling interest	809,750	714,372
	4,518,257	6,266,869

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Changes in Equity

For the quarter ended 30 September 2024 (Un-audited)

Attributable to Equity Holders of the Holding Company													Non-controlling Interest	Total Equity
Share Capital	Capital Reserves					Revenue Reserves				Total Reserves	Shareholders' Equity			
	Premium on Issue of Right Shares	Fair Value Reserve FYTOD Investments	Exchange Translation Reserve	Statutory Reserve	Capital Redemption Reserve Fund	Maintenance Reserve	Sub Total	General Reserve	Unappropriated Profit			Sub Total		
3,515,999	5,499,530	1,306,117	726,591	13,424	111,002	1,344,863	9,001,527	97,449,214	11,560,332	109,009,546	118,011,073	121,527,072	14,639,269	136,186,941
-	-	-	-	-	-	-	-	-	3,519,972	3,519,972	3,519,972	3,519,972	714,372	4,234,344
-	-	2,046,702	(14,177)	-	-	-	2,032,525	-	-	2,032,525	2,032,525	2,032,525	-	2,032,525
-	-	2,046,702	(14,177)	-	-	-	2,032,525	-	3,519,972	3,519,972	5,552,497	5,552,497	714,372	6,266,869
-	-	-	-	-	-	-	(15,263)	-	15,263	15,263	-	-	-	-
3,515,999	5,499,530	3,352,819	712,414	13,424	111,002	1,329,600	11,010,789	97,449,214	15,095,567	112,544,781	123,563,670	127,078,569	15,353,641	142,433,210
-	-	-	-	-	-	-	-	-	(1,757,999)	(1,757,999)	(1,757,999)	(1,757,999)	-	(1,757,999)
-	-	-	-	-	-	-	-	9,802,000	(9,802,000)	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	251,270	251,270	-	-	-
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Consolidated Condensed Interim Statement of Cash Flows

For the quarter ended 30 September 2024 (Un-audited)

	Note	Quarter ended	
		30 September 2024	30 September 2023
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	4,245,818	4,073,973
Finance cost paid		(2,856,595)	(3,229,374)
Income tax paid		(922,775)	(828,492)
Long term security deposits - net		37,400	4,500
Exchange gain on forward exchange contracts received		87,207	19,188
Net increase in retirement benefit obligation		2,795	1,663
Net decrease in long term loans		4,120	8,941
Net decrease / (increase) in long term deposits		267,709	(326)
Net cash generated from operating activities		865,679	50,073
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(4,010,306)	(4,431,339)
Proceeds from sale of property, plant and equipment		25,849	22,978
Dividends received		1,478,935	4,042,170
Loans and advances to associated company		-	(25,280)
Repayment of loan by associated company		8,000	-
Interest received		119,974	267,190
Proceeds from sale of investments		7,117,856	32,873,330
Investments made		(11,044,817)	(33,684,043)
Net cash used in investing activities		(6,304,509)	(934,994)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		-	177,746
Repayment of long term financing		(708,035)	(744,904)
Repayment of lease liabilities		(267,000)	(240,134)
Exchange differences on translation of net investments in foreign subsidiaries		32,525	(14,177)
Short term borrowings - net		2,242,741	(1,093,886)
Dividend paid		(892)	(391)
Net cash from / (used in) financing activities		1,299,339	(1,915,746)
Net decrease in cash and cash equivalents		(4,139,491)	(2,800,667)
Net foreign exchange difference on translating cash and bank balances		3,013	(12,884)
Cash and cash equivalents at the beginning of the period		11,180,968	9,159,628
Cash and cash equivalents at the end of the period		7,044,490	6,346,077

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

1 THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

-Nishat Mills Limited

Subsidiary Companies

-Nishat Power Limited
-Nishat Linen (Private) Limited
-Nishat Hospitality (Private) Limited
-Nishat USA, Inc.
-Nishat Linen Trading LLC
-Nishat International FZE
-China Guangzhou Nishat Global Co., Ltd.
-Nishat Commodities (Private) Limited
-Wernerfelt A/S
-Wernerfelt Sverige AB

NISHAT MILLS LIMITED

Nishat Mills Limited is a public limited Company incorporated in Pakistan under the repealed Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

NISHAT POWER LIMITED

Nishat Power Limited is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The Company is a subsidiary of Nishat Mills Limited. The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW ISO in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. Its registered office is situated at 53-A, Lawrence Road, Lahore. Ownership interest held by non-controlling interests in Nishat Power Limited is 48.99% (30 June 2024: 48.99%).

The Subsidiary Company had a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from 09 June 2010. On 12 February 2021, the Subsidiary Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Subsidiary Company entered into the PPA Amendment Agreement, whereby, the Agreement Year that was ending on 08 June 2021 was extended by sixty eight (68) days to 15 August 2021.

NISHAT LINEN (PRIVATE) LIMITED

Nishat Linen (Private) Limited, a wholly owned subsidiary of Nishat Mills Limited, is a private limited

company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 15 March 2011. The registered office of Nishat Linen (Private) Limited is situated at 7-Main, Gulberg Lahore. The principal objects of the Company are to operate retail outlets for sale of textile and other products and to sell the textile products by processing the textile goods in own and outside manufacturing facility.

NISHAT HOSPITALITY (PRIVATE) LIMITED

Nishat Hospitality (Private) Limited, a wholly owned subsidiary of Nishat Mills Limited, is a private limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 01 July 2011. The registered office of Nishat Hospitality (Private) Limited is situated at 1-B Aziz Avenue, Canal Bank, Gulberg-V, Lahore. The principal business place of the Company is situated at 9-A, Mian Mehmood Ali Kasuri Road, Gulberg-III, Lahore. The principal activity of the Company is to carry on the business of hotels, cafes, restaurants and lodging or apartment houses, bakers and confectioners in Pakistan and outside Pakistan.

NISHAT USA, INC.

Nishat USA, Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat USA, Inc. is situated at 230 5th Avenue, Suite 600, New York, NY 10001, U.S.A. The principal business of the Company is to provide marketing services to Nishat Mills Limited - Holding Company. Nishat Mills Limited acquired 100% shareholding of Nishat USA, Inc. on 01 October 2008.

NISHAT LINEN TRADING LLC

Nishat Linen Trading LLC is a limited liability company formed in pursuance to statutory provisions of the United Arab Emirates (UAE) Federal Law No. (8) of 1984 as amended and registered with the Department of Economic Development, Government of Dubai. Nishat Linen Trading LLC is a subsidiary of Nishat Mills Limited as Nishat Mills Limited, through the powers given to it under Article 11 of the Memorandum of Association, exercise full control on the management of Nishat Linen Trading LLC. Date of incorporation of the Company was 29 December 2010. The registered office of Nishat Linen Trading LLC is situated at P.O. Box 28189 Dubai, UAE. The principal business of Nishat Linen Trading LLC is to operate retail outlets in UAE for sale of textile and related products. The registered address of Nishat Linen Trading LLC in U.A.E. is located at Shop No. SC 128, Dubai Festival City, P.O. Box 28189 Dubai, United Arab Emirates.

NISHAT INTERNATIONAL FZE

Nishat International FZE is incorporated as free zone establishment with limited liability in accordance with the Law No. 9 of 1992 and licensed by the Registrar of Jebel Ali Free Zone Authority. Nishat International FZE is a wholly owned subsidiary of Nishat Mills Limited. Date of incorporation of the Company was 07 February 2013. The registered office of Nishat International FZE is situated at P.O. Box 114622, Jebel Ali Free Zone, Dubai. The principal business of the Company is trading in textile and related products.

CHINA GUANGZHOU NISHAT GLOBAL CO., LTD.

China Guangzhou Nishat Global Co., Ltd. is a Company incorporated in People's Republic of China on 25 November 2013. It is a wholly owned subsidiary of Nishat International FZE which is a wholly owned subsidiary of Nishat Mills Limited. The primary function of China Guangzhou Nishat Global Co., Ltd. is to competitively source products for the retail outlets operated by Group companies in Pakistan and the UAE. The registered office of Nishat Global China Company Limited is situated at N801, No. 371-375 East Huanshi Road, Yuexiu District, Guangzhou City, China.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

NISHAT COMMODITIES (PRIVATE) LIMITED

Nishat Commodities (Private) Limited is a private limited Company incorporated in Pakistan on 16 July 2015 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). It is a wholly owned subsidiary of Nishat Mills Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The principal object of the Company is to carry on the business of trading of commodities including fuels, coals, building material in any form or shape manufactured, semi-manufactured, raw materials and their import and sale in Pakistan.

WERNERFELT A/S

Wernerfelt A/S is a public limited company incorporated and existing under the laws of Denmark, having its principal place of business at Energivej 10, 8500 Grenaa, Denmark. Authorised as well as issued, subscribed and fully paid-up share capital of Wernerfelt A/S stand at 500,000 DKK (Danish Krone Five Hundred Thousand Only), divided into 50 ordinary shares of face value DKK 10,000 (Danish Krone Ten Thousand) each. Nishat Mills Limited acquired all of the aforementioned 50 ordinary shares of Wernerfelt A/S on 24 June 2024, representing the entire ownership and voting interest in Wernerfelt A/S and 100% of total issued and paid-up share capital of Wernerfelt A/S. Established more than 90 years ago, Wernerfelt A/S has a wealth of experience and knowledge in developing and supplying high quality fabrics for personal protection and workwear.

WERNERFELT SVERIGE AB

Wernerfelt Sverige AB is a limited company incorporated and existing under the laws of Sweden, having its principal place of business at Box 8000 - 50118 Borås, Skaraborgsvägen 3A, SE-506 30 Borås, Sweden. Wernerfelt Sverige AB is a wholly owned subsidiary of Wernerfelt A/S which is a wholly owned subsidiary of Nishat Mills Limited. Principal business of Wernerfelt Sverige AB is to conduct the sale of textiles and related activities.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 These consolidated condensed interim financial statements are unaudited and do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2024.

4 CONSOLIDATION

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

Investments in equity method accounted for associates are tested for impairment in accordance with the provision of IAS 36 'Impairment of Assets'.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2024.

	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
6 LONG TERM FINANCING - SECURED		
Opening balance	26,566,394	14,806,282
Add: Obtained during the period / year	-	14,640,745
Less: Repaid during the period / year	(708,035)	(2,895,298)
Add: Deferred income amortized during the period / year	3,334	14,665
	25,861,693	26,566,394
Less: Current portion shown under current liabilities	(2,877,232)	(2,883,648)
	22,984,461	23,682,746

6.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

7 CONTINGENCIES AND COMMITMENTS

a) Contingencies

i) Nishat Mills Limited - Holding Company is contesting various sales tax demands amounting to Rupees 118.458 million (30 June 2024: 309.99 million) and related default surcharge and penalties under the Sales Tax Act, 1990 before Appellate Tribunal Inland Revenue (ATIR). No provision thereagainst has been recognized in these consolidated

condensed interim financial statements as the Holding Company, based on advice of the tax advisor, is confident of favorable outcome of the appeals.

- ii) Guarantees of Rupees 5,522.497 million (30 June 2024: Rupees 5,251.537 million) are given by the banks of the Holding Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, Inspector General Frontier Corps KP (South), The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase), Airport Security Force, Director General (Purchase and Disposal) WAPDA Sunny View Lahore, Provincial Police Officer, Office of Inspector General of Police KPK and Inspector General of Punjab Police against fulfilment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights, Faisalabad Electric Supply Company Limited (FESCO) against installation of grid station and to the bank of Hyundai Nishat Motor (Private) Limited - associated company to secure financial assistance to the associated company. Further, the Holding Company has issued cross corporate guarantees of Rupees 735.417 million (30 June 2024: Rupees 735.417 million) and Rupees 1,777.500 million (30 June 2024: Rupees 1,777.500 million) on behalf of Nishat Linen (Private) Limited - Subsidiary Company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of Subsidiary Company and associated company towards their lenders.
- iii) Post dated cheques of Rupees 25,000 million (30 June 2024: Rupees 27,088.314 million) are issued by the Holding Company to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.
- iv) Post dated cheques of Rupees 122.180 million (30 June 2024: Rupees 471.915 million) are issued by the Holding Company to Sui Northern Gas Pipelines Limited in pursuance of order of Lahore High Court, Lahore in the case of gas infrastructure development cess and in the case of providing blend of RLNG and Gas tariff to new Co-generation Captive connections instead of charging full RLNG notified tariff, post dated cheques of Rupees 2.140 million (30 June 2024: Rupees 417.625 million) are issued to Lahore Electric Supply Company Limited (LESCO) in pursuance of order of Lahore High Court, Lahore in the case of income tax in electricity bills for the month of July 2021.
- v) Holding Company's share in contingencies of associates accounted for under equity method is Rupees 6,377.346 million (30 June 2024: Rupees 9,423.69 million).
- vi) Bank guarantee of Rupees 1.900 million (30 June 2024: Rupees 1.900 million) is given by the bank of Nishat Commodities (Private) Limited - Subsidiary Company in favour of Director, Excise and Taxation, Karachi to cover the disputed amount of Sindh infrastructure cess.
- vii) Deputy Commissioner Inland Revenue (DCIR) passed order against Nishat Commodities (Private) Limited - Subsidiary Company under sections 161 and 205 under the Income

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

Tax Ordinance, 2001 and raised a demand of Rupees 2.549 million (including default surcharge of Rupees 1.116 million) in respect of non-deduction of withholding tax at source against various payments for the tax year 2017. Being aggrieved, Nishat Commodities (Private) Limited - Subsidiary Company has filed an appeal which is pending for adjudication. Based on the advice of the legal counsel, Nishat Commodities (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter. Hence, no provision has been made in these consolidated condensed interim financial statements.

- viii) Guarantees of Rupees 189.350 million (30 June 2024: Rupees 179.350 million) are given by the Nishat Linen (Private) Limited -Subsidiary Company to Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess and Collectors of Customs against import consignments.
- ix) Deemed assessment for the tax year 2017 of Nishat Linen (Private) Limited - Subsidiary Company was amended by Deputy Commissioner Inland Revenue (DCIR) through order dated 31 May 2021 issued under sections 122(5) / 214C of the Income Tax Ordinance, 2001, whereby tax demand of Rupees 2,436.967 million was raised on various grounds. Being aggrieved by the order of DCIR, Nishat Linen (Private) Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 13 September 2021 granted significant relief to Nishat Linen (Private) Limited - Subsidiary Company. Against the order of CIR(A)], both Nishat Linen (Private) Limited - Subsidiary Company and the department have filed cross appeals before Appellate Tribunal Inland Revenue (ATIR) which are pending for adjudication. Based on the advice of the legal counsel, Nishat Linen (Private) Limited - Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.
- x) Tax department passed order dated 24 April 2013 for tax year 2012 under section 122(5A) of the Income Tax Ordinance, 2001 and created demand of Rupees 26.167 million. Being aggrieved, Nishat Linen (Private) Limited - Subsidiary Company filed appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who vide order dated 03 July 2013 modified the assessment by giving relief to the Subsidiary Company on certain matters. Against the order of CIR(A), the tax department filed appeal before Appellate Tribunal Inland Revenue (ATIR) which vide order dated 17 November 2022 remand back the case to Additional Commissioner Inland Revenue (ACIR). The ACIR vide order dated 26 June 2024, decided the matter and reduced the tax demand to Rupees 5.395 million. Being aggrieved, Nishat Linen (Private) Limited - Subsidiary Company has filed an appeal before CIR(A) which is pending for adjudication. Based on the advice of the legal counsel, the Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.
- xi) Deputy Commissioner Inland Revenue passed order dated 20 February 2024 under section 11 of the Sales Tax Act, 1990 for the tax periods November 2019 to June 2022 and created sales tax demand of Rupees 6.027 million for allegedly issuing fake invoices to customer. Being aggrieved, Nishat Linen (Private) Limited - Subsidiary Company has filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] which is pending

for adjudication. Based on the advice of the legal counsel, the Subsidiary Company is hopeful for the favourable outcome of the matter, hence, no provision has been made in these consolidated condensed interim financial statements.

- xii) Proceedings under section 122 of the Income Tax Ordinance, 2001 for the tax year 2014 against Nishat Hospitality (Private) Limited - Subsidiary Company were initiated by Deputy Commissioner Inland Revenue (DCIR), who vide order dated 31 October 2017, raised a demand of Rupees 2.172 million in respect minimum tax under section 113 on account of disallowances in the light of sections 111 and 174 of the Income Tax Ordinance, 2001 and disallowed income tax refund amounting to Rupees 14.141 million under section 148 of the Income Tax Ordinance, 2001. Being aggrieved with the impugned order, Nishat Hospitality (Private) Limited - Subsidiary Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] who via its order dated 13 February 2020, upheld the imposition of minimum tax and remanded back the remaining points to DCIR for fresh consideration. Consequently, Nishat Hospitality (Private) Limited - Subsidiary Company has preferred an appeal against the order of CIR(A) to the extent of points confirmed by CIR(A) before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication.

Simultaneously Nishat Hospitality (Private) Limited - Subsidiary Company also filed a rectification application with the DCIR as a result of which an income tax refund of Rupees 474,557 was created. However, while passing the rectification order dated 13 December 2017, the DCIR disallowed adjustment of income tax collected of Rupees 14.141 million under section 148 of the Income Tax Ordinance, 2001. Nishat Hospitality (Private) Limited - Subsidiary Company feeling aggrieved by the order, filed a rectification application before the CIR(A). The CIR(A) through order dated 28 January 2022 upheld the treatment of the assessing officer of disallowing adjustment of income tax deducted under section 148 of the Income Tax Ordinance, 2001. Nishat Hospitality (Private) Limited - Subsidiary Company has preferred an appeal against the aforementioned appellate order before the ATIR which is pending for adjudication.

In compliance with the remand-back directions of CIR(A), contained in appellate order dated 13 February 2020, the learned DCIR passed an appeal effect order dated 30 May 2023 under section 124 of the Income Tax Ordinance, 2001 and increased the earlier income tax refund of Rupees 474,557 to Rupees 771,633. However, there are certain factual mistakes on the surface of the order against which Nishat Hospitality (Private) Limited - Subsidiary Company re-filed an application under section 221 of the Income Tax Ordinance, 2001 for rectification of the order. Following the Company's application, the DCIR passed a rectification order dated 29 February 2024 under section 221 of the Income Tax Ordinance, 2001 and raised demand of Rupees 8.387 million against which the Company has filed subsequently another rectification application before DCIR, however, no order has been passed till date.

Based on the view of its legal counsel, the management of Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

- xiii)** Proceedings under section 122 of the Income Tax Ordinance, 2001 for the tax year 2015 were initiated by Deputy Commissioner Inland Revenue (DCIR) against Nishat Hospitality (Private) Limited - Subsidiary Company, who vide order dated 27 December 2018, disallowed certain expenses amounting to Rupees 100.117 million under section 174 of the Income Tax Ordinance, 2001 and ordered an addition of Rupees 165.902 million to income from other sources under section 39 of the Income Tax Ordinance, 2001. Being aggrieved with the impugned order, Nishat Hospitality (Private) Limited - Subsidiary Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)]. The CIR(A) vide its order dated 02 December 2021, has confirmed the disallowance under section 174 to the extent of Rupees 60.385 million whereas the issue under section 39 of the Income Tax Ordinance, 2001 has been remanded back to the DCIR for re-examination in the light of evidence provided by Nishat Hospitality (Private) Limited - Subsidiary Company. Nishat Hospitality (Private) Limited - Subsidiary Company further preferred an appeal against the said order before the Appellate Tribunal Inland Revenue which was decided in favour of Nishat Hospitality (Private) Limited - Subsidiary Company. Against the order of Appellate Tribunal Inland Revenue, the department has filed an appeal before Honourable Lahore High Court, Lahore which is pending for adjudication. Based on the view of its legal counsel, the management of Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.
- xiv)** The Deputy Commissioner Inland Revenue (DCIR) passed order dated 31 October 2022 under section 161/205 of the Income Tax Ordinance, 2001 for non-deduction of withholding income tax for the tax year 2017 and raised demand of Rupees 13.615 million. Being aggrieved, Nishat Hospitality (Private) Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue Appeals [CIR(A)]. The CIR(A) vide order dated 16 August 2023 has set-aside the order, thereby, vacating the impugned tax demand, with directions to the assessing officer to re-consider the matter. Based on the view of its legal counsel, the management of Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.
- xv)** The Deputy Commissioner Inland Revenue (DCIR) passed order dated 30 March 2021 under section 161/205 of the Income Tax Ordinance, 2001 for the tax year 2019 and raised demand of Rupees 3.459 million (including default surcharge of Rupees 0.284 million). Being aggrieved, Nishat Hospitality (Private) Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue Appeals [CIR(A)] who vide order dated 10 October 2022 has set-aside the order, thereby, vacating the impugned tax demand, with directions to the assessing officer to re-consider the matter. Nishat Hospitality (Private) Limited - Subsidiary Company has further challenged the order passed by CIR(A) before Appellate Tribunal Inland Revenue (ATIR) on the grounds that the impugned assessment should have been annulled without any directions for re-consideration. The appeal is pending for adjudication. Based on the view of its legal counsel, the management of Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.
- xvi)** Guarantee of Rupees 1.270 million (30 June 2024: Rupees 1.270 million) is given by the bank of Nishat Hospitality (Private) Limited - Subsidiary Company in favour of Director,

Excise and Taxation, Karachi under direction of Sindh High Court in respect of levy of infrastructure cess.

- xvii)** The Deputy Commissioner Inland Revenue passed order dated 29 May 2024 under section 122 of the Income Tax Ordinance, 2001 for tax year 2021 and raised demand of Rupees 1.214 million on certain matters. Being aggrieved, the Nishat Hospitality (Private) Limited - Subsidiary Company has filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] which is pending for adjudication. Based on the view of its legal counsel, the management of Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.

- xviii)** The Deputy Commissioner Inland Revenue passed order dated 27 June 2024 for tax year 2018 and raised demand of Rupees 1.501 million on the matters related to withholding tax in respect of certain expenditures. Nishat Hospitality (Private) Limited - Subsidiary Company is in the process of filing an appeal before CIR(A). Based on the view of its legal counsel, the management of the Nishat Hospitality (Private) Limited - Subsidiary Company is confident of the favourable resolution of this matter.

- xix)** During the year ended 30 June 2023, the Enforcement Officer, Punjab Revenue Authority, Lahore passed an order under section 24 of the Punjab Sales Tax on Services Act, 2012 for the tax periods March 2016 to July 2022 and raised demand of Rupees 2.382 million. Being aggrieved, Nishat Hospitality (Private) Limited - Subsidiary Company has filed an appeal before Commissioner Punjab Revenue Authority (Appeals) which is pending for adjudication.

- xx)** On 19 August 2014, the department raised a demand of Rupees 1,722.811 million against Nishat Power Limited - Subsidiary Company relating to apportionment of input sales tax under section 8 of the Sales Tax Act, 1990 for tax years 2010 to 2013. The disallowance was primarily made on the grounds that since revenue derived by Nishat Power Limited - Subsidiary Company on account of 'capacity revenue' was not chargeable to sales tax, input sales tax claimed by Nishat Power Limited - Subsidiary Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy revenue' admissible to Nishat Power Limited - Subsidiary Company. Nishat Power Limited - Subsidiary Company assailed the underlying proceedings before Honourable Lahore High Court, Lahore ('LHC') directly and in this respect, vide order dated 31 October 2016, LHC accepted Nishat Power Limited - Subsidiary Company's stance and annulled the proceedings. The department has challenged the decision of LHC before Supreme Court of Pakistan and has also preferred an Intra Court Appeal against such order which are pending adjudication.

- xxi)** In respect of tax periods from July 2016 to June 2017, Nishat Power Limited - Subsidiary Company's case was selected for 'audit' involving input sales tax amounting to Rupees 541.091 million, on the same grounds as explained above and Rupees 49.774 million on other matters. Being aggrieved, Nishat Power Limited - Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 25 February 2022, CIR(A) passed an order and provided partial relief to the Nishat Power Limited - Subsidiary Company. Being aggrieved with the order of CIR(A), Nishat Power Limited -

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

Subsidiary Company preferred an appeal before Appellate Tribunal Inland Revenue (ATIR) who vide order dated 15 April 2022 decided the matter in favour of Nishat Power Limited - Subsidiary Company. Against the order of CIR(A), the department has also filed an appeal in ATIR which is pending adjudication.

On 29 May 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order relating to tax periods from July 2018 to June 2019 involving input sales tax on 'capacity purchase price' amounting to Rupees 530.024 million on the same grounds as explained above and disallowance of input sales tax on goods / services amounting to Rupees 6.107 million under various provisions of Sales Tax Act, 1990. Nishat Power Limited - Subsidiary Company paid the impugned sales tax demand of Rupees 6.107 million in protest. However, recovery of input sales tax attributable to 'capacity purchase price' was held in abeyance till the decision of the case by Supreme Court of Pakistan as explained above. The Subsidiary Company preferred appeal before CIR(A) on 24 June 2024 relating to disallowance of input sales tax on goods / services which has not been taken up for adjudication. Based on the tax advisor opinion, there exists reasonable grounds to defend these cases. Therefore, no provision has been made in these consolidated condensed interim financial statements.

- xxii)** On 16 April 2019, the Commissioner Inland Revenue (CIR) through an order raised a demand of Rupees 179.046 million against Nishat Power Limited - Subsidiary Company, mainly on account of input sales tax claimed on inadmissible expenses in sales tax return for the tax periods of July 2014 to June 2017 and sales tax default on account of suppression of sales related to tax period of June 2016. Being aggrieved with the order of CIR, Nishat Power Limited - Subsidiary Company filed an appeal before CIR(A). On 07 May 2020, the CIR(A) declared that the admissible forum of appeal against the order of CIR is ATIR. Nishat Power Limited - Subsidiary Company filed application for grant of stay before the ATIR against recovery of the aforesaid demand that was duly granted on 28 January 2021. Further, Nishat Power Limited - Subsidiary Company has filed appeal before ATIR against the order of CIR which is pending adjudication. Management has strong grounds to believe that the case will be decided in Nishat Power Limited - Subsidiary Company's favour. Therefore, no provision has been made in these consolidated condensed interim financial statements.
- xxiii)** On 27 February 2015, Additional Commissioner Inland Revenue (ACIR) created a demand of Rupees 282.377 million for tax year 2013 under section 122(5A) of the Income Tax Ordinance, 2001. Aggrieved with the order of the ACIR, the Company preferred an appeal before CIR(A) who granted partial relief to the Subsidiary Company, while upheld the decision of ACIR in certain matters aggregating to Rupees 31.355 million inter-alia on tax credit claimed by the Nishat Power Limited - Subsidiary Company under section 65B of the Income Tax Ordinance, 2001. Nishat Power Limited - Subsidiary Company and tax department filed appeals before ATIR against the order of CIR(A). On 02 November 2017, ATIR restated the demand to Rupees 14.072 million. Nishat Power Limited - Subsidiary Company filed application before ATIR for rectification of order dated 02 November 2017 on non-adjudication of issue of disallowance of tax loss on disposal of fixed assets. On 30 March 2021, ATIR passed the rectification order with certain legal disputes. On 24 January 2022, the Company filed another application for rectification of order dated 30

March 2021. On 06 May 2024, ATIR rectified the order passed on 30 March 2021 as per the request of Nishat Power Limited - Subsidiary Company. Being aggrieved with the order of ATIR, Nishat Power Limited - Subsidiary Company and tax department have also filed appeals before Honourable Lahore High Court, Lahore which are pending for adjudication. Management has strong grounds to believe that the case will be decided in Nishat Power Limited - Subsidiary Company's favour. Therefore, no provision has been made in these consolidated condensed interim financial statements.

- xxiv)** On 13 February 2019, National Electric Power Regulatory Authority ('NEPRA') issued a show cause notice to Nishat Power Limited - Subsidiary Company along with other Independent Power Producers to provide rationale of abnormal profits earned since commercial operation date (COD) that eventually led to initiation of proceedings against Nishat Power Limited - Subsidiary Company by NEPRA on 18 March 2019. Nishat Power Limited - Subsidiary Company challenged the authority of NEPRA to take suo moto action before the Islamabad High Court (IHC) wherein, on 01 April 2019, IHC provided interim relief by suspending the suo moto proceedings. The case is currently pending adjudication before IHC. Management is confident that based on the facts and law, there will be no adverse implications for Nishat Power Limited - Subsidiary Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.
- xxv)** On 16 March 2020, Government of Pakistan ('GoP') issued a report through which it was alleged that savings were made by the Independent Power Producers ('IPPs'), including Nishat Power Limited - Subsidiary Company, in the tariff components in violation of applicable GoP Policies, tariff determined by National Electric Power Regulatory Authority ('NEPRA') and the relevant Project Agreements. Nishat Power Limited - Subsidiary Company rejected such claims, and discussions were made with the GoP to resolve the dispute. On 12 February 2021, the Company under the 'Master Agreement', agreed that the abovementioned dispute will be resolved through arbitration under the 'Arbitration Submission Agreement' between Nishat Power Limited - Subsidiary Company and GoP. On 15 June 2022, Nishat Power Limited - Subsidiary Company and the GoP signed the 'Arbitration Submission Agreement'. During the year ended 30 June 2023, Arbitration Tribunal has been constituted under the terms of 'Arbitration Submission Agreement'. On 29 September 2023, mutually agreed Terms of Reference has been formally adapted and proceedings under these terms of Reference have been initiated. Management believes that there are strong grounds that the matter will ultimately be decided in Nishat Power Limited - Subsidiary Company's favour. Furthermore, its financial impact cannot be reasonably estimated at this stage, hence, no provision in this respect has been made in these consolidated condensed interim financial statements.
- xxvi)** On 28 April 2022, National Electric Power Regulatory Authority (NEPRA) issued a notice of hearing to all the RFO based IPPs under the 2002 Power Policy regarding application of highest lab tested Calorific Value (CV) for calculation of CV adjustment instead of average CV as per existing mechanism. Nishat Power Limited - Subsidiary Company vide its letter dated 16 May 2022 replied to NEPRA to refrain from re-initiating the subject proceedings which has already been finalized and implemented by NEPRA vide its letter

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

dated 01 September 2021. Contrary to the reply of Nishat Power Limited - Subsidiary Company, NEPRA held its hearing on 17 May 2022 and verbally directed to Nishat Power Limited - Subsidiary Company to provide its comments in 15 days failing which the proceedings would be concluded on ex-parte basis. Against the directions of NEPRA, Nishat Power Limited - Subsidiary Company filed a petition in Honourable Lahore High Court, Lahore (LHC) on 06 June 2022, for restraining NEPRA to take any adverse action in this regard, which is pending adjudication. LHC vide its interim order dated 06 June 2022, suspended the impugned notice of hearing. On 18 November 2022, NEPRA determined that although CV adjustment is computed on the basis of average of two CV results, the said CV adjustment shall be subject to the final outcome of the suit pending before LHC. NEPRA has set out further amendment (change of one of the labs) in methodology for CV adjustment, however Nishat Power Limited - Subsidiary Company, during the reporting period, has replied to NEPRA that aforementioned matter, being similar in nature, is sub-judice before LHC. The management based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favour of Nishat Power Limited - Subsidiary Company. Further, its financial impact cannot be reasonably estimated at this stage, therefore, no provision has been made in these consolidated condensed interim financial statements.

xxvii) On 31 August 2016, Additional Commissioner Inland Revenue (ACIR) passed an amendment order under section 122(5A) of the Income Tax Ordinance, 2001 relating to tax year 2014 whereby tax demand aggregating to Rupees 107.822 million has been raised on various issues. Being aggrieved with the order of ACIR, Nishat Power Limited - Subsidiary Company preferred an appeal before CIR(A) on 23 September 2016. CIR(A) passed an order on 29 November 2016 whereby relief was granted on various issues whereas matter relating to disallowance of tax credit under section 65B of the Income Tax Ordinance, 2001 was decided against Nishat Power Limited - Subsidiary Company. Being aggrieved with the order of CIR(A), both department and Nishat Power Limited - Subsidiary Company preferred appeals before ATIR on 11 December 2016 and 18 January 2017 respectively. On 12 October 2023, ATIR dismissed the department appeal on the issues taken up by the department. Whereas, on 14 September 2023, ATIR passed an order on Nishat Power Limited - Subsidiary Company's appeal and remanded back the case to assessing officer for fresh consideration. However, there were certain apparent factual/legal omissions in the order dated 14 September 2023. Nishat Power Limited - Subsidiary Company filed a rectification application before ATIR. On 08 April 2024, ATIR passed rectification order with the directions to assessing officer to proceed strictly in accordance with the ratio settled by ATIR on the matter in case of another taxpayer as prayed by Nishat Power Limited - Subsidiary Company. No remand back proceedings have been initiated by the department to date. Further, the department filed an appeal before Honourable Lahore High Court, Lahore on 04 April 2024 against the order passed by ATIR dated 12 October 2023. Based on the advice of tax advisor, the management is confident of favourable outcome the matter. Therefore, no provision has been made in these consolidated condensed interim financial statements.

xxviii) The banks have issued the following on behalf of Nishat Power Limited - Subsidiary Company:

- a) Guarantees of Rupees 11.5 million (30 June 2024: Rupees 11.5 million) and Rupees 27.55 million (30 June 2024: Rupees 27.55 million) are given by the bank of the Nishat Power limited - Subsidiary Company in favour of Director Excise and Taxation, Karachi, under directions of Sindh High Court and Supreme Court of Pakistan respectively, in respect of suit filed for levy of infrastructure cess.
- b) Guarantee of Rupees 1.5 million (30 June 2024: Rupees 1.5 million) is given by the bank of the Nishat Power Limited - Subsidiary Company in favour of Punjab Revenue Authority, Lahore under the direction of Honourable Lahore High Court, Lahore in respect of suit filed for levy of infrastructure cess.

b) Commitments

- i) Contracts for capital expenditure of the Group are approximately of Rupees 2,374.434 million (30 June 2024: Rupees 4,036.718 million).
- ii) Letters of credit other than for capital expenditure of the Group are of Rupees 12,091.554 million (30 June 2024: Rupees 4,923.949 million).
- iii) Outstanding foreign currency forward contracts of the Group are Rupees 5,368.499 million (30 June 2024: Rupees 4,374.159 million).
- iv) This represents commitment recognized on a straight-line basis as expense under the practical expedients applied by the Group with respect to IFRS 16. The amount of future payments under this lease and the period in which these payments will become due are as follows:

	Note	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
Not later than one year		132,629	151,797
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	50,521,105	50,648,415
Capital work in progress	8.2	23,871,011	20,980,716
Major spare parts and standby equipments		69,757	70,943
		74,461,873	71,700,074

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

	Un-audited 30 September 2024 (Rupees in thousand)	Audited 30 June 2024
8.1 Operating fixed assets		
Opening book value	50,648,415	49,980,400
Add: Cost of additions during the period / year 8.1.1	1,092,202	5,695,515
Add: Assets transferred upon acquisition of Wernerfelt A/S	-	34,452
	51,740,617	55,710,367
Less: Book value of deletions during the period / year 8.1.2	(10,688)	(167,394)
	51,729,929	55,542,973
Less: Depreciation charged for the period / year	(1,210,078)	(4,890,924)
Add / (Less): Currency retranslation	1,254	(3,634)
	50,521,105	50,648,415
8.1.1 Cost of additions		
Freehold land	942	189,888
Buildings	182,759	791,140
Plant and machinery	554,650	3,680,675
Electric installations	43,029	149,275
Factory equipment	32,644	35,679
Furniture, fixtures and office equipment	82,994	256,112
Computer equipment	26,593	90,322
Vehicles	168,591	501,781
Kitchen equipment and crockery items	-	643
	1,092,202	5,695,515
8.1.2 Book value of deletions		
Buildings	-	14,627
Plant and machinery	-	69,812
Electric installations	-	7,558
Factory equipment	-	167
Furniture, fixtures and office equipment	21	3,482
Computer equipment	741	1,383
Vehicles	9,926	70,365
	10,688	167,394
8.2 Capital work-in-progress		
Buildings on freehold land	8,018,782	7,563,166
Plant and machinery	13,797,173	11,769,170
Unallocated capital expenditures	754,403	361,089
Electric installations	697,779	669,569
Advances for purchase of freehold land	396,547	389,942
Advances for purchase of furniture, fixtures and office equipment	57,850	57,488
Advances for purchase of vehicles	148,477	170,292
	23,871,011	20,980,716

9 REVENUE

9.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

Description	(Rupees in thousand)																		
	Spinning		Weaving		Dyeing		Home Textile and Terry		Garments		Power Generation		Room Rental Services		Other Hotel Ancillary Services		Total - Group		
	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	30-Sep-23	Quarter ended 30-Sep-24	Quarter ended 30-Sep-23	30-Sep-24	Quarter ended 30-Sep-23	30-Sep-24	Quarter ended 30-Sep-23	30-Sep-24		
Region																			
Europe	34,207	185,081	4,945,773	3,987,409	574,180	189,198	5,795,325	5,100,611	1,462,262	676,828	-	-	-	-	-	-	12,784,447	10,118,827	
America	142,879	137,669	215,645	202,744	37,573	3,830	1,962,588	1,608,677	2,433,452	3,237,307	-	-	-	-	-	-	4,792,137	5,190,227	
Asia, Africa, Australia	1,552,214	2,425,139	1,093,386	1,107,329	4,302,491	4,682,874	829,359	901,846	10,524	72,465	-	-	-	-	-	-	7,784,974	9,199,653	
Pakistan	13,148,025	11,911,783	2,140,236	2,322,110	3,504,965	2,942,000	5,789,437	4,687,018	232,436	60,303	2,774,767	9,821,255	165,234	136,669	35,990	31,298	27,791,090	31,912,436	
	14,884,325	14,659,672	8,384,740	7,619,592	8,419,209	7,807,902	14,346,709	12,298,152	4,141,674	4,046,603	2,774,767	9,821,255	165,234	136,669	35,990	31,298	53,152,648	56,421,143	
Timing of revenue recognition																			
Products and services transferred at a point in time	14,884,325	14,659,672	8,384,740	7,619,592	8,419,209	7,807,902	14,346,709	12,298,152	4,141,674	4,046,603	1,690,026	8,805,573	165,234	136,669	35,990	31,298	52,075,907	55,405,461	
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-	1,076,741	1,015,682	-	-	-	-	1,076,741	1,015,682	
	14,884,325	14,659,672	8,384,740	7,619,592	8,419,209	7,807,902	14,346,709	12,298,152	4,141,674	4,046,603	2,774,767	9,821,255	165,234	136,669	35,990	31,298	53,152,648	56,421,143	
Major products / service lines																			
Yarn	14,884,325	14,659,672	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,884,325	14,659,672
Grey Cloth	-	-	8,384,740	7,619,592	-	-	-	-	-	-	-	-	-	-	-	-	-	8,384,740	7,619,592
Processed Cloth	-	-	-	-	8,402,202	7,807,902	3,350,684	2,706,260	-	-	-	-	-	-	-	-	-	11,752,686	10,514,162
Cosmetics	-	-	-	-	-	-	25,316	25,124	-	-	-	-	-	-	-	-	-	25,316	25,124
Waste	-	-	-	-	-	-	76,171	9,516	-	-	-	-	-	-	-	-	-	76,171	9,516
Others	-	-	-	-	-	-	88,627	62,278	-	-	-	-	-	-	-	-	-	88,627	62,278
Made Ups	-	-	-	-	17,007	-	7,660,745	6,612,145	-	-	-	-	-	-	-	-	-	7,677,752	6,612,145
Garments	-	-	-	-	-	-	-	-	4,141,674	4,046,603	-	-	-	-	-	-	-	4,141,674	4,046,603
Towels and Bath Robe	-	-	-	-	-	-	3,145,366	2,686,829	-	-	-	-	-	-	-	-	-	3,145,366	2,686,829
Electricity	-	-	-	-	-	-	-	-	-	-	2,774,767	9,821,255	165,234	136,669	-	-	2,774,767	9,821,255	
Room Rental Services	-	-	-	-	-	-	-	-	-	-	-	-	165,234	136,669	-	-	165,234	136,669	
Other Hotel Ancillary Services	-	-	-	-	-	-	-	-	-	-	-	-	-	35,990	31,298	-	35,990	31,298	
	14,884,325	14,659,672	8,384,740	7,619,592	8,419,209	7,807,902	14,346,709	12,298,152	4,141,674	4,046,603	2,774,767	9,821,255	165,234	136,669	35,990	31,298	53,152,648	56,421,143	

9.2 Revenue is mainly recognised at point in time as per the terms and conditions of underlying contracts with customers.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

	Quarter Ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
10 COST OF SALES		
Raw materials consumed	32,170,867	33,800,976
Processing charges	501,399	313,709
Salaries, wages and other benefits	4,625,710	3,571,548
Stores, spare parts and loose tools consumed	3,486,602	3,838,679
Packing materials consumed	958,388	949,412
Repair and maintenance	243,900	283,998
Fuel and power	5,488,780	5,013,662
Insurance	141,566	137,879
Depreciation on operating fixed assets	1,102,583	1,144,700
Depreciation on right-of-use assets	7,756	8,490
Other factory overheads	523,497	457,572
	49,251,048	49,520,625
Work-in-process		
Opening stock	10,817,097	8,640,997
Closing stock	(10,221,391)	(8,541,392)
	595,706	99,605
Cost of goods manufactured	49,846,754	49,620,230
Finished goods		
Opening stock	15,780,455	15,015,877
Closing stock	(20,766,911)	(17,150,612)
	(4,986,456)	(2,134,735)
	44,860,298	47,485,495

	Quarter Ended	
	30 September 2024	30 September 2023
11 EARNINGS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on the basic earnings per share which is based on:		
Profit attributable to ordinary shareholders of Holding Company (Rupees in thousand)	2,336,233	3,519,972
Weighted average number of ordinary shares of Holding Company (Numbers)	351,599,848	351,599,848
Earnings per share (Rupees)	6.64	10.01

	Note	Quarter Ended	
		30 September 2024	30 September 2023
(Rupees in thousand)			
12 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		4,103,696	5,323,160
Adjustments for non-cash charges and other items:			
Depreciation on operating fixed assets		1,203,795	1,221,070
Depreciation on right-of-use assets		241,715	235,261
Gain on sale of property, plant and equipment		(15,161)	(5,071)
Dividend income		(860,168)	(669,917)
Profit on deposits with banks		(157,486)	(131,672)
Interest income on advance to associated company		-	(19,642)
Gain on disposal of short term investments		(372,697)	(119,327)
Share of profit from associates		(1,212,092)	(1,054,944)
Net exchange gain		(367,665)	(424,536)
Reversal of fair value adjustment on margin against bank guarantee		(14,401)	-
Finance cost		2,842,048	2,505,403
Working capital changes	12.1	(1,145,766)	(2,785,812)
		4,245,818	4,073,973
12.1 Working capital changes			
(Increase) / decrease in current assets:			
- Stores, spare parts and loose tools		93,472	(677,992)
- Stock in trade		(2,420,627)	(5,583,398)
- Trade debts		(2,650,077)	(2,953,090)
- Loans and advances		(487,700)	554,753
- Short term deposits and prepayments		15,703	(24,637)
- Other receivables		1,376,737	2,729,965
		(4,072,492)	(5,954,399)
Increase in trade and other payables		2,926,726	3,168,587
		(1,145,766)	(2,785,812)

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

13 SEGMENT INFORMATION

13.1 The Group has following reportable business segments. The following summary describes the operation in each of the Group's reportable segments:

Spinning:	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving:	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of greige fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments :	Manufacturing of garments using processed fabric.
Power Generation:	Generation, transmission and distribution of power using gas, oil, steam, coal, solar and biomass.
Hotel :	Carrying on the business of hotel and allied services.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

14 FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these consolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 September 2024	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Financial assets				
Fair value through other comprehensive income	24,501,239	-	-	24,501,239
Derivative financial assets	-	52,298	-	52,298
Total financial assets	24,501,239	52,298	-	24,553,537
Financial liabilities				
Derivative financial liabilities	-	42,063	-	42,063
Total financial liabilities	-	42,063	-	42,063
Recurring fair value measurements At 30 June 2024 - Audited				
(Rupees in thousand)				
Financial assets				
Fair value through other comprehensive income	23,400,372	-	-	23,400,372
Derivative financial assets	-	44,256	-	44,256
Total financial assets	23,400,372	44,256	-	23,444,628
Financial liabilities				
Derivative financial liabilities	-	19,392	-	19,392
Total financial liabilities	-	19,392	-	19,392

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies, post employment benefit plan and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties is as follows:

i) Transactions

	Quarter ended	
	30 September 2024	30 September 2023
	(Rupees in thousand)	
Associated companies		
Investment made	307,147	-
Investment disposed of	28,500	-
Short term loans made	-	25,280
Short term loans received	8,000	-
Purchase of goods and services	95,194	74,291
Sharing of expenses	918	500
Sale of goods and services	56,397	13,084
Purchase of operating fixed assets	53,929	25,350
Rental income	2,886	2,017
Rent paid	27,561	25,040
Dividend income	856,285	666,034
Insurance premium paid	265,787	188,694
Insurance claims received	47,381	24,993
Interest income	46,883	53,239
Finance cost	44,709	40,940
Other related parties		
Sale of goods and services	278	249
Interest income	23,138	55,678
Finance cost	40	95
Group's contribution to provident fund trust	181,687	140,207
Remuneration paid to Chief Executive Officer and Executives of the Holding Company	531,434	434,736

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the quarter ended 30 September 2024 (Un-audited)

ii) Period end balances

	As at 30 September 2024		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Trade and other payables	125,249	-	125,249
Accrued markup	8,804	-	8,804
Short term borrowings	1,818,529	-	1,818,529
Property, plant and equipment	53,594	-	53,594
Long term loans	-	350,930	350,930
Trade debts	40,019	68	40,087
Loans and advances	26,718	106,418	133,136
Other receivables	4,025	-	4,025
Accrued interest	67,774	43	67,817
Cash and bank balances	4,368,903	183,055	4,551,958

	As at 30 June 2024 (Audited)		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Trade and other payables	156,388	-	156,388
Accrued markup	8,682	-	8,682
Short term borrowings	2,677,786	-	2,677,786
Property, plant and equipment	19,672	-	19,672
Long term loans	-	332,242	332,242
Trade debts	5,730	-	5,730
Loans and advances	191	126,207	126,398
Accrued interest	6,434	-	6,434
Cash and bank balances	7,256,809	1,497,334	8,754,143

16 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2024.

17 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 30 October 2024.

18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.


Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangement have been made.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

ہیومن ریسورس اور معاوضہ (HR&R) کمیٹی

نمبر شمار	نام ڈائریکٹرز
1	میاں عمر منشا (رکن)
2	مسز سارہ حفیظ (چیئر پرسن / رکن)
3	جناب محمود اختر (رکن)

ڈائریکٹرز کا مشاہرہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضہ کی پالیسی کی منظوری دی ہے۔ پالیسی کی بنیادی خصوصیات مندرجہ ذیل ہیں:

- ☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کے سوائے آزاد ڈائریکٹرز سمیت اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرے گی۔
- ☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے سلسلے میں ڈائریکٹرز کے سفر اور رہائش کے اخراجات ادا کرے گی۔
- ☆ بورڈ آف ڈائریکٹرز وقتاً فوقتاً، ڈائریکٹرز معاوضہ پالیسی کا جائزہ اور اس کی منظوری دے گا۔

اظہار تشکر۔

بورڈ انتظامیہ، عملہ اور کارکنوں کی کوششوں کو سراہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

David Jazal

فرید نور علی فضل
ڈائریکٹر

Uma Mansha

میاں عمر منشا
چیف ایگزیکٹو آفیسر

30 اکتوبر 2024ء

لاہور

پاورجزیشن

توانائی کی بڑھتی ہوئی قیمتوں اور پائیداری کی بڑھتی ہوئی خصوصی اہمیت کے پیش نظر، کمپنی توانائی کے متبادل ذرائع میں سرمایہ کاری کر رہی ہے۔ کمپنی نے پہلے ہی سٹی توانائی کے پلانٹس میں بڑی سرمایہ کاری کی ہے اور وہ کونسلے کا استعمال بتدریج کم کر رہی ہے۔ اب تک، کونسلے سے چلنے والے 6 میگاواٹ کے پاور پلانٹس کو بائیو ماس میں تبدیل کیا جا چکا ہے، اور باقی پیداواری صلاحیت کی تبدیلی پر کام جاری ہے۔ مزید یہ کہ، کمپنی اگلے سال 1.5 میگاواٹ کے ایک انتہائی مؤثر ٹریگس انجن خریدنے کا منصوبہ بنا رہی ہے تاکہ پیداواری لاگت کم ہو سکے اور توانائی کی کارکردگی بہتر ہو سکے۔

ذیلی کمپنیاں اور کنسولیڈیٹڈ مالیاتی گوشوارے

نشاط پاور لمیٹڈ، نشاط لینن (پرائیویٹ) لمیٹڈ، نشاط کموڈٹیز (پرائیویٹ) لمیٹڈ، نشاط یو ایس اے انکارپوریٹڈ، نشاط لینن ٹریڈنگ ایل ایل سی، نشاط انٹرنیشنل ایف زیڈ ای، چائنا گوانگ ڈونشاط گلوبل کمپنی لمیٹڈ، ورنر فیٹ اے/ایس اور ورنر فیٹ سوپر تچ اے بی، کمپنی کی پورٹ فولیو میں ذیلی کمپنیاں ہیں۔ اس لیے کمپنی نے انٹرنیشنل فنانسنگ رپورٹنگ سٹینڈرڈز کے مطابق علیحدہ جامع فنانسنگ اسٹیٹمنٹس کے ساتھ، یکجا جامع فنانسنگ اسٹیٹمنٹس کو بھی منسلک کیا ہے۔

بورڈ کی ساخت

بورڈ کی ساخت درج ذیل ہے:

ڈائریکٹرز کی کل تعداد

5	(ا) مرد
2	(ب) خواتین

تفصیل

2	(i) آزاد ڈائریکٹرز
4	(ii) نان ایگزیکٹو ڈائریکٹرز
1	(iii) ایگزیکٹو ڈائریکٹر

بورڈ کی کمیٹیاں

آڈٹ کمیٹی

نمبر شمار	نام ڈائریکٹر
1	مسز مہک عادل (چیئر پرسن ارکن)
2	سید زاہد حسین (رکن)
3	جناب فرید نور علی فضل (رکن)

اضافہ/(کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		پروسیسڈ کلا تھا اینڈ میڈ ایس
فیصد	قدر	2023	2024	
(4.52)	(295)	6,530	6,235	فروخت - (میٹرز '000)
16.05	122.55	763.70	886.25	قیمت فی میٹر
10.80	538,801	4,986,938	5,525,739	فروخت - ('000 روپے)

مالی سال 2024-25 کی پہلی سہ ماہی کے دوران ٹیری یونٹ کی کارکردگی بھی مستحکم رہی ہے۔

اضافہ/(کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		ٹیری
فیصد	قدر	2023	2024	
15.17	241	1,589	1,830	فروخت - (کلوگرام '000)
(5.27)	(88.82)	1,685.01	1,596.19	قیمت فی کلوگرام
9.10	243,544	2,677,480	2,921,024	فروخت - ('000 روپے)

گارمنٹس

30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے دوران ڈویژن کا منافع دباؤ میں رہا۔ اگرچہ فروخت کے حجم میں گزشتہ سال کی اسی سہ ماہی کے مقابلے میں 10.80 فیصد کا اضافہ ہوا ہے، لیکن توانائی اور آپریشنز کے بڑھتے ہوئے اخراجات کے نتیجے میں منافع کے مارجن میں کمی واقع ہوئی۔

تاہم، افراط زر اور شرح سود میں حالیہ کمی کی وجہ سے کارخانہ کی کارکردگی کی نشاندہی کرتا ہے، جس میں آنے والی سہ ماہیوں میں لاگت کے دباؤ کو کم کرنے اور مالی کارکردگی کو بہتر بنانے کی صلاحیت ہے۔ مستقبل کو دیکھتے ہوئے، امید ہے کہ کارکردگی کو بڑھانے اور مارکیٹ کے نئے مواقع حاصل کرنے کے لئے اسٹریٹجک اقدامات کے ساتھ ساتھ یہ مثبت اقتصادی پیش رفت، مستقبل میں مضبوط منافع اور پائیدار ترقی کی وجہ بنے گی۔

اضافہ/(کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		گارمنٹس
فیصد	قدر	2023	2024	
10.80	164	1,518	1,682	فروخت - (گارمنٹس '000)
(8.78)	(228.31)	2,599.75	2,371.44	قیمت فی گارمنٹ
1.07	42,343	3,946,427	3,988,770	فروخت - ('000 روپے)

کرتی ہیں۔ ان سرمایہ کاریوں کا مقصد ہماری آپریشنل کارکردگی کو بڑھانا اور عالمی مارکیٹ میں مسابقت کو برقرار رکھنا ہے۔

رنگائی (Dyeing)

پاکستان کے ٹیکسٹائل سیکٹر کو درپیش چیلنجز کے باوجود ڈویژن نے مالی سال 2024-25 کی پہلی سہ ماہی میں مشکل کاروباری ماحول میں استقامت کا مظاہرہ کرتے ہوئے اچھی کارکردگی دکھائی۔ جیسا کہ ہم اپنے کاروباری دورانیہ کے پیک (Peak) سیزن میں داخل ہو رہے ہیں، دوسری سہ ماہی کے لئے دستیاب تمام پیداواری کپیسٹی پہلے ہی بک ہو چکی ہے۔ مستقبل کے بنیادی چیلنجز میں اس بڑھتی ہوئی طلب کی مدت کے دوران ترسیل کے ہموار نفاذ کو یقینی بنانا اور پیداواری صلاحیت کو موثر طریقے سے منظم کرنا ہوگا۔

تاہم مجتہاد منصوبہ بندی اور آپریشنل کارکردگی پر توجہ مرکوز کرنے کے ساتھ ساتھ، ہم پراعتماد ہیں کہ ہم دوسری سہ ماہی میں اچھی کارکردگی کا مظاہرہ کر سکتے ہیں۔

اضافہ (کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		پروسیسڈ کلاٹھ
فیصد	قدر	2023	2024	
(1.80)	(197)	10,946	10,749	فروخت - (میٹر '000)
1.83	12.83	702.64	715.47	قیمت فی میٹر
(0.01)	(470)	7,691,066	7,690,596	فروخت - ('000 روپے)

ڈویژن نے ایک نئے کارڈورائے کپڑے کے منصوبے میں سرمایہ کاری کرنے کا منصوبہ بنایا ہے، جس کا مقصد ہماری پیداواری صلاحیتوں کو بڑھانا اور ہماری مصنوعات کی ریچ کو متنوع بنانا ہے۔ توقع ہے کہ یہ منصوبہ مارچ 2025 تک آپریشنل ہو جائے گا۔ ہمارے پورٹ فولیو میں کارڈورائے کپڑوں کا اضافہ ہمیں پیداواری صلاحیت کو بہتر بنانے کے قابل بنائے گا، خاص طور پر ہمارے کاروباری دورانیہ کے کم طلب والے مہینوں کے دوران منافع کے مارجن کو بہتر کرے گا۔ مزید برآں، یہ اقدام نئی مارکیٹوں کی تلاش کے مواقع بنائے گا، کم مارجن والے مقامی کاروبار پر ہمارا انحصار کم کرے گا اور اعلیٰ قدر والے شعبوں میں ہماری پوزیشن کو مضبوط کرے گا۔

گھریلو ٹیکسٹائل اور ٹیری (Home Textile and Terry)

مالی سال 2024-25 کی پہلی سہ ماہی نے گزشتہ سال کے چیلنجز کے توازن کی عکاسی کی، خاص طور پر بڑھتی ہوئی پیداواری لاگت اور متعلقہ مارکیٹوں میں کمزور طلب۔ ان مشکلات کے باوجود ڈویژن نے گزشتہ سال کی اسی سہ ماہی کے مقابلے میں فروخت میں 10.80 فیصد اضافہ حاصل کر کے استقامت کا مظاہرہ کیا۔ یہ بہتری بنیادی طور پر موافق قیمتوں کے تغیرات کی وجہ سے تھی، جس نے لاگت کے دباؤ کے کچھ حصے کو دور کرنے میں مدد کی اور ڈویژن کے منافع پر مثبت اثر ڈالا۔

کٹائی (Spinning)

30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے دوران خام کپاس کی قیمتوں میں اضافہ رہا جس کی بنیادی وجہ مقامی کپاس کی فصل میں توقع سے کم پیداوار تھی۔ اس کے ساتھ ہی بین الاقوامی سطح پر کپاس کی قیمتوں میں اضافے کا رجحان جاری رہا۔ اس صورت حال کے رد عمل میں کمپنی نے تیزی سے مقامی کپاس کی خریداری شروع کی اور مقامی اور درآمدی ذرائع کے امتزاج کے ذریعے اپنی سالانہ خام کپاس کی ضروریات کو پورا کرنے کا منصوبہ بنایا۔

بین الاقوامی مارکیٹ میں کٹائن یارن کی قیمتوں میں معمولی بہتری دیکھی گئی جس کی وجہ طلب میں معمولی اضافہ ہے۔ تاہم، مقامی مارکیٹ زیادہ سازگار ثابت ہوئی، خاص طور پر اوپن اینڈ یارن کے لئے، جس نے اسپننگ آپریشنز کے لئے مدد فراہم کی۔ مقامی دھاگے کی بڑھتی ہوئی قیمت کی وجہ سے، مقامی یوورز نے مسابقت کو برقرار رکھنے کے لئے تیزی سے چین، ویتنام، انڈونیشیا اور ازبکستان سے درآمدات کا رخ کیا ہے۔

اضافہ (کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		یارن
فیصد	قدر	2023	2024	
6.39	782	12,243	13,025	فروخت - (کلوگرام '000)
7.29	62.18	853.30	915.48	قیمت فی کلوگرام
14.14	1,477,183	10,446,965	11,924,148	فروخت - ('000 روپے)

بائی (Weaving)

ویونگ ڈویژن کو فیشن کلاٹھ کی طلب میں کمی کا سامنا کرنا پڑا، لیکن ہمارے تیزی سے پھیلنے والے تکنیکی کپڑوں کے کاروبار میں بڑھتے ہوئے اضافے نے اس کی تلافی کی۔ ڈویژن کی فروخت میں گزشتہ سال کی اسی سہ ماہی کے مقابلے میں رواں سہ ماہی میں نمایاں اضافہ دیکھا گیا، جس کی وجہ مثبت موافق قیمتیں اور مقداری تغیر دونوں ہیں۔ اس کارکردگی نے کمپنی کے مجموعی منافع میں مثبت کردار ادا کیا ہے۔ مالی سال 2024-25 کے لئے ہمارا بنیادی ہدف برآمدات کو نمایاں طور پر فروغ دینا ہے۔

اضافہ (کمی)		30 ستمبر کو اختتام شدہ سہ ماہی		گرنے کلاٹھ
فیصد	قدر	2023	2024	
6.72	1,602	23,857	25,459	فروخت - (میٹرز '000)
4.79	16.34	341.19	357.53	قیمت فی میٹر
11.82	962,454	8,139,853	9,102,307	فروخت - ('000 روپے)

برآمدات کے حجم کو مزید بڑھانے کے لئے، خاص طور پر تکنیکی کپڑوں میں، ہم نے اپنی نئی فلامنٹ وارپنگ مشین کو پیداواری سرگرمیوں میں شامل کیا ہے۔ لاگت کے دباؤ کو مد نظر رکھتے ہوئے، ہم جدید ترین لومز میں بھی سرمایہ کاری کر رہے ہیں جو کم توانائی استعمال کرتے ہوئے زیادہ پیداوار فراہم

ڈائریکٹرز کی رپورٹ

نشاط ملز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 ستمبر 2024 کو اختتام شدہ سہ ماہی کے لیے ڈائریکٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

آپریٹنگ مالی نتائج

کمپنی کی آمدنی پچھلے سال کی اسی سہ ماہی کے مقابلے میں موجودہ سہ ماہی میں 3.417 ارب روپے بڑھی۔ تاہم، فروخت کے زیادہ اخراجات کی وجہ سے مجموعی منافع میں معمولی کمی آئی، جو 204.954 ملین روپے تھی۔ دوسری جانب، دیگر آمدنی میں نمایاں کمی آئی، جو 3.238 ارب روپے رہی، جو کہ بنیادی طور پر ڈیویڈنڈ آمدنی میں 2.563 ارب روپے کمی کی وجہ سے تھی۔ نتیجتاً، فی حصص منافع 12.94 سے کم ہو کر 2.68 پر آ گیا۔

مالی جھلکیاں	30 ستمبر کو اختتام شدہ سہ ماہی	
	2023	2024
آمدنی (روپے '000)	40,027,984	43,444,875
مجموعی منافع (روپے '000)	4,958,649	4,753,695
بعد از ٹیکس منافع (روپے '000)	4,548,716	944,044
مجموعی منافع (فیصد)	12.39	10.94
بعد از ٹیکس منافع (فیصد)	11.36	2.17
منافع فی حصص - (روپے)	12.94	2.68

مارکیٹ کا عمومی جائزہ اور مستقبل کے امکانات

توانائی کی بڑھتی ہوئی لاگت، مہنگا خام مال اور بھاری ٹیکسز پاکستان کی ٹیکسٹائل انڈسٹری کے لیے اہم چیلنجز کا باعث بنے ہوئے ہیں۔ اگرچہ بیچ مارک پالیسی ریٹ کو کم کرنے کے 17.5 فیصد کر دیا گیا ہے، لیکن یہ اب بھی زیادہ ہے، اسی وجہ سے مقامی صنعت کاروں کے لئے اپنے ورکنگ کپیٹل اور بی ایم آر کی ضروریات کو پورا کرنے کے لئے فننس حاصل کرنا مشکل ہوتا جا رہا ہے۔

برآمدی مارکیٹ میں، ریٹیلرز اقتصادی سست روی کی وجہ سے فروخت میں کمی سے دوچار ہیں، جس کا نتیجہ آرڈرز اور برآمدات میں کمی ہے۔ اس نے علاقائی حریفوں کے ساتھ مسابقت میں اضافہ کیا ہے، جس کی وجہ سے پاکستان کے ٹیکسٹائل سیکٹر کے منافع میں مزید کمی ہو رہی ہے۔

سیگنٹ تجزیہ

کمپنی کی طبعاتی کارکردگی کا مختصر جائزہ درج ذیل ہے:



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