



INDUS DYEING & MANUFACTURING COMPANY LIMITED

**Condensed Interim
Financial Information Half Year Ended
July 01, 2021 to December 31, 2021
(Un-Audited)**

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Company Profile

Board of Directors

1	Mr. Naveed Ahmed	Chairman
2	Mian Shahzad Ahmed	Chief Executive Officer
3	Mr. Kashif Riaz	
4	Sheikh Shafqat Masood	
5	Mr. Irfan Ahmed	
6	Mr. Sheikh Shafqat Masood	
7	Mr. Aamir Amin (NIT)	
8	Mr. Faisal Hanif	
9	Mrs. Fadia Kashif	
10	Ms. Azra Yaqub Wawda	

Audit Committee

1	Mr. Faisal Hanif	Chairman
2	Mr. Kashif Riaz	Member
3	Mr. Sheikh Shafqat Masood	Member

Human Resource and Remuneration Committee

1	Mr. Faisal Hanif	Chairman
2	Mr. Irfan Ahmed	Member
3	Mr. Sheikh Shafqat Masood	Member

Company Secretary

Mr. Ahmed Faheem Niazi

Chief Financial Officer

Mr. Zahid Mahmood

Chief Internal Auditor

Mr. Yaseen Hamidia

Legal Advisor

Mr. M. Yousuf Naseem (Advocates & Solicitors)

Registered Office

Office # 508,
5th floor, Beaumont Plaza,
Civil Lines Quarters, Karachi.

UAN 111 - 404 - 404
Tel 009-221-35693641 - 60

Symbol of the Company

IDYM

Website

www.indus-group.com

Auditors

M/s Yousuf Adil
Chartered Accountants

Registrar & Share Transfer Office

JWAFFS Registrar (Pvt) Ltd.
407-408, Al - Ameera Centre,
Shahrah-e-Iraq, Saddar, Karachi.

Tel. 35662023 - 24
Fax. 35221192

Factory Location

- | | | | |
|---|--|-------------|---|
| 1 | P 1 S.I.T.E.
Hyderabad, Sindh. | Tel. | 0223-880219 & 252 |
| 2 | Plot # 3 & 7, Sector - 25,
Korangi Industrial Area, Karachi. | Tel. | 021- 35061577 - 9 |
| 3 | Muzaffargarh, Bagga Sher,
District Multan. | Tel. | 0662 - 490202 - 205 |
| 4 | Indus Lyallpur Limited.
38th Kilometer, Shaikhupura Road,
District Faisalabad. | Tel. | 041 - 4689235 - 6 |
| 5 | Indus Home Limited.
2.5 Kilometer,
Off Manga Raiwind Road,
Manga Mandi, Lahore. | UAN
Tel. | 111 - 404 - 405
042 - 35385021 - 7 |
| 6 | Indus Wind Energy Limited.
Deh Kohistan 7/3 & 7/4
Tapo Jangshahi,
Taluka & District Thatta. | UAN
Tel. | 111 - 404 - 405
021 - 35693654 (Ext - 177) |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2021

The directors of Indus Dyeing and Manufacturing Company Limited are pleased to present the Group's Consolidated Interim Financial Statements for the half year ended December 31, 2021.

FINANCIAL RESULTS

Consolidated turnover for the six months period ending on December 31, 2021 is Rs. 34,666 million as compared to a turnover of Rs. 22,345 million for the same period last year showing an increase of 55.13%.

In spite of the challenges posed by the corona virus and growing competition coupled with an increase in raw cotton prices, the company's results have shown an improving trend. As always, the management continued to strive for cost reductions in all areas of operation.

Following are the operating financial results:

	Six months ended December 31, (Rs in Millions)	
	2021	2020
Sales-Net	34,666	22,345
Gross Profit	6,335	2,546
Other Operating Income	293	508
Profit Before Taxation	4,684	1,779
Taxation	(593)	(368)
Profit After Taxation	4,091	1,411

REVIEW OF OPERATIONS

Sales have increased by Rs. 12,321 million during the six months under review over the last corresponding period. Net profit has increased from Rs. 1,411 million to Rs. 4,091 million. Administrative expense has increased by Rs. 46 million and distribution cost has increased by 130 million due to inflationary impact and increase in sea freight charges. Manufacturing expenses have increased by Rs. 1,319 million mainly due to increase in cotton prices and financial cost has also increased by Rs. 274 million over the last corresponding period. Trend in increase of yarn prices remained constant and contributed an increase of Rs. 2,600 million in profit after tax for the six-month period ended 31st Dec 2021 when compared to corresponding period of last year 2020.

The towel unit's sales during the six months period ended December 31, 2021 were Rs. 5,637 million and contributed Rs. 25 million towards after tax profits in the above-mentioned consolidated results.

DIVIDEND

The Board of Directors in their meeting held on 16th February 2022, have declared first interim cash dividend @ 50% i.e Rs. 05/- per share for the year ended 30th June 2022.

EARNINGS PER SHARE

On a consolidated basis, the earnings per share for the half year ended December 31, 2021 are Rs. 75.45 per share as compared to Rs. 26.04 per share over the previous corresponding period.

CHANGE IN NATURE OF BUSINESS

There is no change occurred in the nature of Company's business during the period.

FUTURE PROSPECTS

The value of textile and garment exports from Pakistan increased by 26.05 per cent year-on-year in dollar terms in the first six months of fiscal 2021-22. During the period, Pakistan earned \$9.381 billion from textile and apparel exports, compared to exports of \$7.442 billion in July-December 2020, according to data from Pakistan Bureau of Statistics. Among textiles, cotton yarn exports increased by 52.33 per cent to \$610.427 million in July-December 2021, as against exports of \$400.733 million made during the corresponding period of 2020. Exports of cotton fabric also rose by 21.35 per cent and were valued at \$1.134 billion during the period under review.

COMPOSITION OF BOARD

The composition of the Board is in compliance with the requirements of the Code of Corporate Governance regulations, 2019 applicable on listed entities which is given below:

Total Number of Directors		
1	Male	08
2	Female	02

S. No	Composition	No. Of Director
1	Independent Director	03
2	Executive Director	03
3	Non -Executive Director	04

The names of the directors as at December 31, 2021 are as follows:

S. No	Name	Position
1	Mr. Naveed Ahmed	Chairman
2	Mian Shahzad Ahmed	Chief Executive Officer
3	Sheikh Shafqat Masood	Director
4	Mr. Irfan Ahmed	Director
5	Mr. Kashif Riaz	Director
6	Mr. Sheikh Shafqat Masood	Director
7	Mr. Faisal Hanif	Director
8	Mr. Aamir Amin	Director
9	Ms. Azra Yaqub Vawda	Director
10	Mrs. Fadia Kashif	Director

ENVIRONMENT, HEALTH AND SAFETY.

Your Company is committed towards protecting a sound climate for everyone by complying with all environmental policies at the production facilities.

WEB PRESENCE

Annual and periodic financial statements of the company are also available on the website of the company <http://www.indus-group.com> for information of the shareholders and others.

ACKNOWLEDGEMENT

The Directors acknowledge the contribution of each and every employee of the Group. We would like to express our thanks to our customers for the trust they have shown in our products and our bankers for their continued support to the Company. We are grateful to our shareholders for their confidence in our management.



SHAHZAD AHMED
Chief Executive Officer

Karachi: February 16, 2022

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ

ڈائریکٹرز کا جائزہ

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2021 کو ختم ہونے والی دوسری سہ ماہی کیلئے گروپ کے مجموعی مالیاتی گوشواروں کے مالی نتائج پیش کرتے ہوئے سرٹ محسوس کرتے ہیں۔

مالیاتی نتائج

31 دسمبر 2021 کو ختم ہونے والے چھ مہینوں کے لئے مجموعی فروخت اسی مدت کے لئے 34,666 ملین روپے کے مقابلہ میں پچھلے سال 22,345 ملین روپے جو کہ 55.13 فیصد کا اضافہ ظاہر کرتا ہے۔ کورونا وائرس کی وجہ سے درپیش چیلنجز اور بڑھتی ہوئی مسابقت کے ساتھ ساتھ خام کپاس کی قیمتوں میں اضافے کے باوجود کمپنی کے نتائج میں بہتری کا رجحان دیکھا گیا ہے۔ ہمیشہ کی طرح انتظامیہ نے آپریشن کے تمام شعبوں میں لاگت میں کمی کے لیے کوشش جاری رکھی۔

آپریٹنگ مالیاتی نتائج درج ذیل ہیں۔

31 دسمبر کو ختم ہونے والی دوسری سہ ماہی (روپے ملین میں)		
2020	2021	
22,345	34,666	کل فروخت
2,546	6,335	مجموعی نفع
508	293	دیگر فعال آمدنی (نقصان)
1,779	4,684	ٹیکس سے پہلے نفع
(368)	(593)	ٹیکس
1,411	4,091	ٹیکس کے بعد نفع

جائزہ برائے افعال

فروخت (سیلز) میں 12,321 ملین روپے کا اضافہ ہوا ہے۔ گزشتہ اسی مدت کے دوران زیر جائزہ چھ ماہ کے دوران خالص منافع 1,411 ملین روپے سے بڑھ کر 4,091 ملین روپے ہو گیا ہے۔ مہنگائی کے اثرات اور سمندری کرائے میں اضافے کی وجہ سے انتظامی اخراجات میں 46 ملین اور ڈسٹری بیوشن لاگت میں 130 ملین کا اضافہ ہوا ہے۔ مینوفیکچرنگ اخراجات میں 1,319 ملین روپے کا اضافہ ہوا ہے۔ جس کی بنیادی وجہ خاص طور پر کپاس کی قیمتوں میں اضافہ ہے۔ مالی لاگت میں بھی 274 ملین روپے کا اضافہ ہوا۔ گزشتہ اسی مدت کے دوران دھانے کی قیمتوں میں اضافے کا رجحان برقرار رہا جس کی وجہ سے گزشتہ سال 2020 کی اسی مدت کے مقابلے میں 31 دسمبر 2021 کو ختم ہونے والی چھ ماہ کی مدت کے لیے 2,600 ملین بعد از ٹیکس اضافی منافع حاصل کیا۔

31 دسمبر 2021 کو ختم ہونے والے چھ مہینوں کے دوران تولیہ یونٹ کی فروخت 5,637 ملین روپے تھی اور اوپر بیان کئے گئے مجموعی نتائج میں ٹیکس کے بعد نفع میں 25 ملین روپے کی معاونت کی۔

منافع

بورڈ آف ڈائریکٹرز نے 16 فروری 2022 کو منعقدہ اپنے اجلاس میں 30 جون 2022 کو ختم ہونے والے سال کے لئے پہلے عبوری نقد منافع 50 فیصد یعنی 05 روپے فی حصص قرار دیا۔

فی حصص آمدنی

مجموعی بنیاد پر 31 دسمبر 2021 کو ختم ہونے والی دوسری سہ ماہی کے لئے فی حصص کمائی 75.45 روپے جبکہ پچھلے سال اسی مدت کے دوران فی حصص کمائی 26.04 تھی۔

کاروبار کی فطرت میں تبدیلی

سال کے دوران کمپنی کے کاروبار کی نوعیت میں کوئی تبدیلی نہیں آئی۔

مستقبل کے امکانات

پاکستان سے ٹیکسٹائل اور ملبوسات کی برآمدات کی مالیت میں مالی سال 2021-22 کے پہلے چھ ماہ میں ڈالر کے لحاظ سے سال بہ سال 26.05 فیصد اضافہ ہوا۔ پاکستان بیورو آف شماریات کے اعداد و شمار کے مطابق، اسی عرصے کے دوران، پاکستان نے ٹیکسٹائل اور ملبوسات کی برآمدات سے 9.381 بلین ڈالر کمائے، جو کہ جولائی تا دسمبر 2020 میں 7.442 بلین ڈالر کی برآمدات کے مقابلے میں تھے۔

ٹیکسٹائل میں، سوئی دھاگے کی برآمدات جولائی تا دسمبر 2021 میں 52.33 فیصد اضافے سے 610.427 بلین ڈالر تک پہنچ گئیں، جبکہ 2020 کے اسی عرصے کے دوران درآمدات 400.733 بلین ڈالر کی تھیں۔ زیر نظر مدت کے دوران سوئی کپڑے کی برآمدات بھی 21 فیصد بڑھ کر 41.35 ڈالر کی مالیت پر پہنچ گئیں۔

بورڈ کی تشکیل

بورڈ کی تشکیل کو ڈ آف کارپوریٹ گورننس کے ضوابط، 2019 کے تقاضوں کے مطابق ہے جو درج فہرست اداروں پر لاگو ہوتا ہے جو ذیل میں دیا گیا ہے۔

ڈائریکٹرز کی کل تعداد

08

ا۔ مرد ڈائریکٹر

02

ب۔ خاتون ڈائریکٹر

تشکیل

03 Independent Director-ا

03 Executive Director-ب

04 Non-Executive Director-پ

31 دسمبر 2021 پر موجود ائریکٹرز کے نام درج ذیل ہیں۔

چیرمین	نویدا احمد صاحب
چیف ایگزیکٹو آفیسر	میاں شہزاد احمد صاحب
ڈائریکٹر	میاں عمران احمد صاحب
ڈائریکٹر	عرفان احمد صاحب
ڈائریکٹر	کاشف ریاض صاحب
ڈائریکٹر	شیخ شفقت مسعود
ڈائریکٹر	فیصل حنیف
ڈائریکٹر	عامر امین
ڈائریکٹر	عذرا یعقوب واوڈا
ڈائریکٹر	فادیہ کاشف

WEB PRESENCE

کمپنی کے سالانہ اور متواتر مالی بیانات بھی کمپنی کی ویب سائٹ <http://www.indus-group.com> پر شیئر ہولڈرز اور دیگر کی معلومات کے لئے دستیاب ہیں۔

ماحول، صحت اور حفاظت

آپ کی کمپنی پیداواری سہولیات پر تمام ماحولیاتی پالیسیوں کی تعمیل کرتے ہوئے ہر ایک کے لئے اچھی آب و ہوا کے تحفظ کے لئے پرعزم ہے۔

اظہار تشکر

ہم اپنی کمپنی کے ہر ملازم، صارفین، بینکرز اور حصص یافتگان کے مشکور ہیں جنہوں نے کمپنی کے مقاصد میں اپنا حصہ لیا اور ہم پر اعتماد کیا۔

منجانب

بورڈ کی جانب سے

Shahid

شہزاد احمد

چیف ایگزیکٹو آفیسر

کراچی 16 فروری 2022

AUDITORS' REVIEW REPORT**Report on review of unconsolidated condensed interim financial statements****Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Indus Dyeing & Manufacturing Company Limited (the Company)** as at December 31, 2021, the related unconsolidated condensed interim profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six months period then ended (here-in-after referred to as "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matters

The figures of the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and related notes for the three months period ended December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf Adil.

**Chartered Accountants****Place:** Karachi**Date:** February 22, 2022**UDIN:** RR202110091f0o7xZEOS

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2021

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	8,856,217	7,201,544
Intangibles		6,049	7,117
Long-term investments	5	6,199,992	5,949,992
Long-term deposits		6,287	6,287
		<u>15,068,545</u>	<u>13,164,940</u>
Current assets			
Stores, spares and loose tools		475,988	319,951
Stock-in-trade		14,285,584	7,122,920
Trade debts		6,336,424	4,788,327
Loans and advances		438,526	320,708
Short term prepayments		30,186	6,897
Other receivables		1,273,967	88,447
Other financial assets		235,908	99,472
Tax refundable		93,431	149,613
Cash and bank balances		167,052	163,778
		<u>23,337,066</u>	<u>13,060,113</u>
TOTAL ASSETS		<u>38,405,611</u>	<u>26,225,053</u>
EQUITY AND LIABILITIES			
Authorised share capital			
100,000,000 ordinary shares of Rs.10 each		<u>1,000,000</u>	<u>1,000,000</u>
Share capital and reserves			
Issued, subscribed and paid-up capital			
54,221,196 ordinary shares of Rs.10 each		542,211	542,211
Reserves		9,000,000	9,000,000
Unappropriated profits		9,226,630	6,039,579
		<u>18,768,841</u>	<u>15,581,790</u>
Non-current liabilities			
Long-term financing		3,842,250	3,148,845
Deferred taxation		201,564	207,578
Deferred liabilities		920,354	955,335
Lease liabilities		35,884	48,372
		<u>5,000,052</u>	<u>4,360,130</u>
Current liabilities			
Current portion of long-term financing		568,526	552,755
Current portion of deferred liabilities		328,518	216,070
Current maturity of lease liabilities		16,251	15,478
Trade and other payables		3,779,648	2,380,240
Unclaimed dividend		3,336	3,361
Interest / mark-up payable		155,167	53,429
Short-term borrowings	6	9,785,272	3,061,800
		<u>14,636,718</u>	<u>6,283,133</u>
TOTAL EQUITY AND LIABILITIES		<u>38,405,611</u>	<u>26,225,053</u>
CONTINGENCIES AND COMMITMENTS			
	7		

The annexed explanatory notes from 1 to 15 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director




Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2021

		Six months period ended		Three months period ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Note	----- (Rupees in '000) -----			
Revenue from contracts with a customers	8	23,553,555	14,074,026	12,288,000	7,755,274
Cost of goods sold	9	(18,850,812)	(12,484,048)	(10,077,142)	(6,715,019)
Gross profit		4,702,743	1,589,978	2,210,858	1,040,255
Other income		89,628	372,180	63,666	303,450
		4,792,371	1,962,158	2,274,524	1,343,705
Distribution cost		(265,863)	(174,789)	(159,846)	(89,184)
Administrative expenses		(170,393)	(174,763)	(91,404)	(83,353)
Other operating expenses		(271,525)	(92,799)	(57,699)	(63,276)
Finance cost		(432,833)	(268,021)	(270,604)	(156,806)
Profit before taxation		3,651,757	1,251,786	1,694,971	951,086
Taxation	10	(464,706)	(264,743)	25,982	(176,048)
Profit after taxation		3,187,051	987,043	1,720,953	775,038
		Six months period ended		Three months period ended	
		December 31, 2021	December 31, 2020 (Restated)	December 31, 2021	December 31, 2020 (Restated)
		----- (Rupees in '000) -----			
Earnings per share - basic and diluted	11	58.78	18.20	31.74	14.29

The annexed explanatory notes from 1 to 15 form an integral part of these condensed interim financial statements.


Mian Shahzad Ahmed
Chief Executive Officer


Sheikh Shafqat Masood
Director


Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended		Three months period ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(Rupees in '000)			
Profit after taxation	3,187,051	987,043	1,720,953	775,038
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	3,187,051	987,043	1,720,953	775,038

The annexed explanatory notes from 1 to 15 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Issued, subscribed and paid-up capital	Reserves				Total
		Capital		Revenue		
		Share Premium	Merger Reserve	General Reserve	Un- appropriated Profits	
----- (Rupees in '000) -----						
Balance at June 30, 2020 (Audited)	180,737	10,920	11,512	6,977,568	5,286,763	12,467,500
Total comprehensive income for the period ended December 31, 2020						
Profit for the period	-	-	-	-	987,043	987,043
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	987,043	987,043
Transfer from unappropriated profits to general reserves	-	-	-	2,000,000	(2,000,000)	-
Transaction with owners						
First interim cash dividend @ Rs.10 per share	-	-	-	-	(180,737)	(180,737)
Balance at December 31, 2020 (Un-Audited)	180,737	10,920	11,512	8,977,568	4,093,069	13,273,806
Balance at June 30, 2021 (Audited)	542,211	10,920	11,512	8,977,568	6,039,579	15,581,790
Total comprehensive income for the period ended December 31, 2021						
Profit for the period	-	-	-	-	3,187,051	3,187,051
Other comprehensive income	-	-	-	-	-	-
	-	-	-	-	3,187,051	3,187,051
Balance at December 31, 2021 (Un-Audited)	542,211	10,920	11,512	8,977,568	9,226,630	18,768,841

The annexed explanatory notes from 1 to 15 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



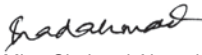
Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended	
	December 31, 2021	December 31, 2020
	(Rupees in '000)	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,651,757	1,251,786
Adjustments		
Depreciation of property, plant and equipment	350,646	314,242
Depreciation on right of use assets	7,331	-
Amortisation on intangibles	1,068	1,526
Provision for gratuity	118,419	61,596
Unrealised loss / (gain) on revaluation of foreign currency loans	47,428	(16,049)
(Gain) / loss on revaluation of foreign currency debtors	(3,194)	3,972
(Gain) / loss on disposal of property, plant and equipment	(1,751)	5,494
Amortisation of grant income	(15,284)	(10,188)
Gain on forward contracts	(47,832)	(17,198)
Unrealised loss / (gain) on revaluation of other financial assets	2,331	(17,976)
Dividend income	(2,093)	(52,840)
Finance cost	432,833	268,021
Reversal of provision against doubtful debts	(3,396)	-
Unrealised loss / (gain) on valuation of units of mutual funds	972	(7,637)
Discounting of provision of Gas Infrastructure Development Cess	18,905	(196,481)
Cash generated before working capital changes	4,558,139	1,588,268
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(156,037)	(6,005)
Stock in trade	(7,162,664)	(261,271)
Trade debts	(1,541,507)	(471,560)
Loans and advances	55,493	(246,597)
Short term prepayments	(23,289)	(23,357)
Other receivables	(1,185,520)	(4,026)
	(10,013,524)	(1,012,816)
Increase / (decrease) in current liabilities		
Trade and other payables	1,272,457	(155,042)
Short-term borrowings	2,062,375	481,714
Cash (used in) / generated from operations	(2,120,552)	902,124
Income taxes paid	(460,901)	(108,046)
Finance cost paid	(331,096)	(267,897)
Gratuity paid	(44,571)	(63,931)
Net cash (used in) / generated from operating activities	(2,957,120)	462,250
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment- net of capital work in progress	(2,029,145)	(857,281)
Proceeds from disposal of property, plant and equipment	18,246	9,897
Proceeds from disposal of other financial assets	-	101,971
Long term investments made	(250,000)	(1,800,312)
Investment in other financial assets	(139,739)	-
Dividend received	2,093	52,840
Net cash used in investing activities	(2,398,545)	(2,492,885)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	984,171	2,482,633
Repayment of long-term financing	(274,591)	(142,876)
Rentals (paid) / recognised against lease liabilities	(11,714)	61,502
Dividend paid	(25)	(387,010)
Deferred liability recognized	-	717,948
Net cash generated from financing activities	697,841	2,732,197
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(4,657,824)	701,563
Cash and cash equivalents at beginning of the period	(1,593,295)	(2,934,766)
Cash and cash equivalents at end of the period	(6,251,118)	(2,233,203)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	167,052	103,778
Short-term running finance	(6,418,170)	(2,336,981)
	(6,251,118)	(2,233,203)

The annexed explanatory notes from 1 to 15 form an integral part of these condensed interim financial statements.


Mian Shahzad Ahmed
Chief Executive Officer


Sheikh Shafqat Masood
Director


Zahid Mahmood
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Indus Dyeing & Manufacturing Company Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act, 1913 (subsequently replaced by repealed Companies Ordinance, 1984 and now Companies Act, 2017). Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The addresses of these facilities are as follows:

Manufacturing Unit	Address
Hyderabad	P-1, S.I.T.E, Hyderabad, Sindh
Karachi	Plot Number 03 & 07, Sector 25, Korangi Industrial Area, Karachi.
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan

The Company has the investments in the following entities:

- Indus Lyallpur Limited - Wholly owned subsidiary
- Indus Home Limited - Wholly owned subsidiary
- Indus Home USA Inc. - Wholly owned subsidiary of Indus Home Limited
- Indus Wind Energy Limited - Wholly owned subsidiary
- Sunrays Textile Mills Limited - Associated undertaking

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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.

2.1.2 These unconsolidated condensed interim financial statements are unaudited. However, a limited scope review of these unconsolidated condensed interim financial statements have been performed by the external auditors of the Company and they have issued their review report thereon. These unconsolidated condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.

2.1.3 These are separate unconsolidated interim financial statements of the Company in which investments in subsidiaries are carried at cost less impairment, if any.

2.2 Basis of measurement

2.2.1 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention modified by: -

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.
- recognition of lease liabilities at present value.

2.2.2 These unconsolidated condensed interim financial statements do not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2021.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

2.2.3 The comparative statement of financial position presented has been extracted from unconsolidated annual audited financial statements for the year ended June 30, 2021, whereas comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity presented in these unconsolidated condensed interim financial statements have been extracted from the unaudited unconsolidated condensed interim financial statements for the six months period ended December 31, 2020

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

3.1 The accounting policies, underlying estimates and methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated annual audited financial statements of the Company for the year ended June 30, 2021.

The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the unconsolidated annual audited financial statements for the year ended June 30, 2021.

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
4. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating fixed assets	4.1	8,515,615	6,479,846
Capital work in progress	4.2	289,284	663,049
Right of use assets	4.3	51,318	58,649
		<u>8,856,217</u>	<u>7,201,544</u>

4.1 Operating fixed assets

Opening written down value	6,479,846	6,316,371
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Additions during the period / year

Leasehold land	837,000	-
Factory building on leasehold land	95,146	151,390
Non factory building on leasehold land	-	4,012
Plant and machinery	1,273,060	498,191
Electric installations	146,281	13,104
Solar panels	-	23,846
Power generators	-	112,634
Office equipment	1,502	2,001
Furniture and fixtures	1,543	4,189
Vehicles	48,378	7,685
	<u>2,402,910</u>	<u>817,052</u>

INDUS DYEING & MANUFACTURING COMPANY LIMITED

	December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	----- (Rupees in '000) -----	
Disposals during the period / year	Note	
Owned assets - Cost		
Land	-	1,664
Plant and machinery	127,263	97,213
Power generator	2,913	16,084
Vehicles	8,012	5,483
Owned assets - Accumulated depreciation		
Plant and machinery	(115,964)	(82,650)
Power generator	(2,600)	(13,524)
Vehicles	(3,129)	(3,299)
- Written down value of operating fixed assets disposed off	(16,495)	(20,970)
- Depreciation charged during the period / year	(350,646)	(632,607)
Written down value at end of the period / year	<u>8,515,615</u>	<u>6,479,846</u>
4.2 Capital work in progress		
Opening balance	663,049	67,257
Additions during the period / year		
Plant and machinery	738,087	936,514
Civil works	121,068	83,840
Solar panels	138,818	52,882
Additions during the period / year	997,973	1,073,236
Transfers during the period / year		
Plant and machinery	(1,116,899)	(23,905)
Civil works	(162,323)	(130,122)
Solar panels	(92,516)	(323,417)
Transfers during the period / year	(1,371,738)	(477,444)
Closing balance	<u>289,284</u>	<u>663,049</u>
4.3 Right of use assets		
Opening net book value	58,649	-
Additions during the period / year	-	75,130
Depreciation for the period / year	(7,331)	(16,481)
Closing net book value	<u>51,318</u>	<u>58,649</u>
5. LONG TERM INVESTMENTS		
Investment in an associate - at cost	13,476	13,476
Investment in subsidiaries - at cost	6,186,516	5,936,516
	<u>6,199,992</u>	<u>5,949,992</u>

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
5.1 Investment in subsidiaries - at cost	Note		
Indus Home Limited (IHL)		2,491,204	2,491,204
Indus Lyallpur Limited (ILP)	5.1.1	1,435,000	1,185,000
Indus Wind Energy Limited (IWE)		2,260,312	2,260,312
		<u>6,186,516</u>	<u>5,936,516</u>

- 5.1.1** During the period, the Company further invested Rs. 250 million in ILP to strengthen its holding by acquiring 25 million shares at par value of Rs.10, thereby increasing the overall shareholding to 89.24% from 75.82%.

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
6. SHORT-TERM BORROWINGS - from banking companies - secured	Note		
Running finance		6,418,170	1,757,073
Foreign currency financing against exports	5.1.1	3,367,102	1,304,727
		<u>9,785,272</u>	<u>3,061,800</u>

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Claim of arrears of social security contribution not acknowledged. Appeal is pending in the Honorable High Court of Sindh. The management is hopeful for favorable outcome.	<u>453</u>	<u>453</u>
7.1.2 Guarantees issued by banks in favour of custom authorities on behalf of the Company.	<u>3,817</u>	<u>3,817</u>
7.1.3 Guarantees issued by banks in favour of gas / electric companies.	<u>128,375</u>	<u>129,869</u>
7.1.4 Bank guarantees against payment of infrastructure cess.	<u>628,542</u>	<u>538,542</u>
7.1.5 Contingencies are not materially changed as disclosed in the note 14.1 to the unconsolidated annual audited financial statements for the year ended June 30, 2021.		

	December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	----- (Rupees in '000) -----	
7.2 Commitments		
Letters of credit for raw material and stores and spares	<u>5,498,437</u>	<u>4,239,001</u>
Letters of credit for property, plant and equipment	<u>2,556,850</u>	<u>2,526,097</u>
Stand by letter of credit (Indus Wind Energy Limited)	<u>1,715,549</u>	<u>1,476,559</u>
Sales contracts to be executed	<u>5,333,452</u>	<u>5,623,299</u>
Commitment under forward contract	<u>2,596,372</u>	<u>392,822</u>

INDUS DYEING & MANUFACTURING COMPANY LIMITED

8. REVENUE FROM CONTRACTS WITH CUSTOMERS

(Un-Audited)				
	Six months period ended		Three months period ended	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
(Rupees in '000)				
Export sales				
-Yarn	16,424,578	6,161,236	7,955,905	4,298,652
-Waste sale	116,456	47,554	45,240	38,704
	16,541,034	6,208,789	8,001,145	4,337,356
Local sales				
-Yarn	6,379,924	7,263,756	3,914,064	3,067,663
-Waste sale	577,262	542,121	288,918	292,240
	6,957,186	7,805,876	4,202,982	3,359,903
Yarn conversion	147,331	218,600	88,814	115,341
Brokerage and commission	(188,088)	(99,170)	(98,033)	(60,619)
Discount on local yarn sales	-	(2,813)	-	-
Sales exchange rate difference	96,091	(57,257)	93,091	3,294
	(91,996)	(159,239)	(4,942)	(57,325)
	23,553,555	14,074,026	12,288,000	7,755,275

8.1 Disaggregation of export sales into geographical areas :

(Un-Audited)				
	Six months period ended		Three months period ended	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
(Rupees in '000)				
- Bangladesh	117,425	31,816	69,834	14,795
- Belgium	59,624	45,328	8,710	29,065
- Brazil	101,388	54,815	61,118	38,050
- China	6,377,858	3,800,399	3,213,503	2,472,803
- France	53,609	38,128	19,427	33,903
- Germany	22,212	22,084	22,212	11,451
- Italy	27,878	45,271	27,878	7,992
- Japan	121,450	30,073	59,523	23,105
- Republic of Korea	87,731	202,132	44,786	103,849
- Portugal	388,241	144,282	211,488	56,633
- Sweden	38,764	17,244	29,485	7,992
- Taiwan	47,827	11,809	20,172	11,809
- Turkey	415,757	291,076	339,759	121,074
- United Kingdom	21,417	-	21,417	-
- United States	29,085	-	15,840	-
- Czechia	-	8,065	-	8,065
- Hong Kong	-	24,838	-	24,838
- Mauritius	-	3,862	-	-
- Switzerland	-	13,075	-	7,992
	7,910,263	4,784,299	4,165,152	2,973,416
Exchange rate difference	96,091	(57,257)	93,091	3,294
Indirect exports	8,534,679	1,481,747	3,742,903	1,360,646
	16,541,034	6,208,789	8,001,145	4,337,356

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		(Un-Audited)			
		Six months period ended		Three months period ended	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
Note		(Rupees in '000)			
9. COST OF GOODS SOLD					
Raw material consumed		14,614,783	10,052,157	7,545,389	5,488,997
Manufacturing expenses	9.1	3,348,919	2,556,053	1,714,796	1,339,804
Outside purchases		1,002,589	243,951	730,744	165,526
		18,966,291	12,852,161	9,990,929	6,994,327
Work in process					
Opening stock		296,296	268,040	352,635	287,126
Closing stock		(394,403)	(296,936)	(394,403)	(296,935)
		(98,107)	(28,896)	(41,768)	(9,809)
Cost of goods manufactured		18,868,184	12,823,265	9,949,161	6,984,518
Finished Goods					
Opening stock		728,134	607,759	873,487	677,477
Closing stock		(745,506)	(946,976)	(745,506)	(946,976)
		(17,372)	(339,217)	127,981	(269,499)
		18,850,812	12,484,048	10,077,142	6,715,019
		(Un-Audited)			
		Six months period ended		Three months period ended	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
9.1 Manufacturing expenses		(Rupees in '000)			
Salaries, wages and benefits		929,839	766,976	465,421	370,445
Utilities		1,426,829	982,833	712,359	532,612
Packing material consumed		226,932	175,835	114,900	94,199
Stores and spares consumed		307,374	240,987	174,076	141,396
Repairs and maintenance		35,354	31,752	20,182	10,986
Insurance		5,304	7,887	(2,954)	4,246
Rates and taxes		2,329	1,370	1,363	760
Depreciation - on property, plant and equipment		332,973	290,361	174,733	151,120
		81,985	58,052	54,716	34,040
Others		3,348,919	2,556,053	1,714,796	1,339,804

10. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In these unconsolidated condensed interim financial statements, tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary differences that exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is recognized to the extent of local operations.

11. EARNINGS PER SHARE - BASIC AND DILUTED

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

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

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

The following table presents the Company's financial assets which are carried at fair value:

Carrying Amount					Fair Value			
	Fair value through profit and loss account	Fair value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at December 31, 2021 (Un-Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	235,908	-	-	235,908	235,908	-	-	235,908
Financial assets not measured at fair value								
Long-term deposits	-	-	6,287	6,287				
Trade debts	-	-	6,336,424	6,336,424				
Loans and advance	-	-	438,526	438,526				
Other receivables	-	-	5,894.68	5,895				
Long-term investments	-	-	6,199,992	6,199,992				
Cash and bank balances	-	-	167,052	167,052				
	-	-	13,154,176	13,154,176				
Financial liabilities not measured at fair value								
Long-term financing	-	-	4,410,776	4,410,776				
Lease liabilities	-	-	52,135	52,135				
Trade and other payables	-	-	3,085,685	3,085,685				
Short-term borrowings	-	-	9,785,272	9,785,272				
Unclaimed dividend	-	-	3,336	3,336				
Interest / mark-up payable	-	-	155,167	155,167				
	-	-	17,492,371	17,492,371				

INDUS DYEING & MANUFACTURING COMPANY LIMITED

Carrying Amount				Fair Value			
Fair value through profit and loss account	Fair value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at June 30, 2021 (Audited) -----							
----- (Rupees in '000) -----							

Financial assets measured at fair value

Other financial assets	99,472	-	-	99,472	99,472	-	-	99,472
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Financial assets not measured at fair value

Long-term deposits	-	-	6,287	6,287
Trade debts	-	-	4,788,327	4,788,327
Loans and advances	-	-	31,489	31,489
Other receivables	-	-	88,447	88,447
Long term investments	-	-	5,949,992	5,949,992
Cash and bank balances	-	-	163,778	163,778
	-	-	11,028,320	11,028,320

Financial liabilities not measured at fair value

Long-term financing	-	-	3,701,600	3,701,600
Lease liabilities	-	-	48,372	48,372
Trade and other payables	-	-	1,755,206	1,755,206
Unclaimed dividends	-	-	3,361	3,361
Short-term borrowings	-	-	3,061,800	3,061,800
Interest / mark-up payable	-	-	53,429	53,429
	-	-	8,623,768	8,623,768

11.1 Basic earnings per share

----- (Un-Audited) -----			
	Six months period ended	Three months period ended	
	December 31,	December 31,	December 31,
	2021	2020	2021
		2020	
----- (Rupees in '000) -----			
Profit for the period	3,187,051	987,043	1,720,953
			775,038
----- (Number of shares in '000) -----			
	(Restated)	(Restated)	
Weighted average number of ordinary shares outstanding during the period	54,221	54,221	54,221
			54,221
----- (Rupees) -----			
	(Restated)	(Restated)	
Earnings per share - basic and diluted	58.78	18.20	31.74
			14.29

11.2 During the year ended June 30, 2021, the Company issued 200% bonus shares to the existing shareholders resulting in the increase of weighted average number of ordinary shares outstanding at year end to 54,221,196 (2020: 18,073,732). The issuance of bonus shares has a retrospective impact thereby restating the shares outstanding at December 31, 2020.

11.3 No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries Indus Lyallpur Limited, Indus Home Limited, Indus Home USA Inc. and Indus Wind Energy Limited, the associates (Sunrays Textiles Mills Limited, and Indus Heartland Limited, and key management personnel. The Company carries out transactions with related parties as per agreed terms. Transactions with related parties during the period and balances with them at period end are as follows:

12.1 Transactions during the period

			Six months period ended	
			December 31	December 31
			(Un-Audited)	(Un-Audited)
----- (Rupees in '000) -----				
Name of party	Basis of relationship	Nature of transactions		
Indus Lyallpur Limited	Wholly owned subsidiary	Purchase of yarn	25,807	20,765
		Conversion cost received	17,059	6,912
		Conversion cost paid	39,490	50,869
		Doubling cost received	454	-
		Investment made	250,000	-
Indus Home Limited	Wholly owned subsidiary	Sale of yarn	426,523	56,715
		Conversion cost received	130,280	211,688
		Doubling cost received	40	-
Indus Heartland Limited	Wholly owned subsidiary	Purchase of land	837,000	-
Key management personnel	Employment	Remuneration paid	43,512	40,422

12.2 Balance with related parties.

Name of party	Basis of relationship	Nature of transactions	2021	2021
			(Un-Audited)	(Audited)
			----- (Rupees in '000) -----	
Indus Lyallpur Limited	Wholly owned subsidiary	Receivable from /(Payable) to related party	2,360	(1,051)
Indus Home Limited	Wholly owned subsidiary	Receivable from /(Payable) to related party	45,941	(30,616)
Sunrays Textile Mills Limited	Associate on common directorship	Payable to related party	(316)	(755)
Indus Wind Energy Limited	Wholly owned subsidiary	Receivable from related party	209,206	82,905

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

13.1 The carrying amounts are reasonable approximation of their fair values.

13.2 There were no transfers of items between various levels of fair value hierarchy during the period.

14. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on February 16, 2022 by the Board of Directors of the Company.

15. GENERAL

15.1 Figures have been rounded off to the nearest thousand of Rupee.

15.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.

15.3 The figures for the three months period ended December 31, 2021 in these unconsolidated condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

**Condensed Interim
Financial Information Half Year Ended
July 01, 2021 to December 31, 2021
(Un-Audited)**

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2021

	Note	December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
		----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Property, plant and equipment	6	29,547,206	25,306,603
Intangibles		9,079	7,895
Long-term investments	7	153,266	143,637
Long-term deposits		18,572	19,245
Long-term advances		2,490	2,156
		<u>29,730,613</u>	<u>25,479,536</u>
Current assets			
Stores, spares and loose tools		944,296	696,015
Stock-in-trade		24,172,763	11,664,301
Trade debts		9,513,044	7,311,031
Loans and advances		470,547	391,065
Short term prepayments		47,520	16,921
Other receivables		1,296,115	250,673
Other financial assets		269,235	1,194,475
Tax refundable		1,937,870	1,272,881
Cash and bank balances		743,776	1,225,462
		<u>39,395,166</u>	<u>24,022,824</u>
TOTAL ASSETS		<u>69,125,779</u>	<u>49,502,360</u>
EQUITY AND LIABILITIES			
Authorised share capital			
100,000,000 ordinary shares of Rs.10 each		<u>1,000,000</u>	<u>1,000,000</u>
Share capital and reserves			
Issued, subscribed and paid-up capital			
54,221,196 ordinary shares of Rs.10 each		542,211	542,211
Reserves		9,000,784	9,000,677
Unappropriated profits		<u>14,166,607</u>	<u>10,071,148</u>
		<u>23,709,602</u>	<u>19,614,036</u>
Non-current liabilities			
Long-term financing		16,998,814	13,229,662
Deferred taxation		201,565	205,230
Deferred liabilities		993,433	1,767,276
Lease liabilities		<u>72,537</u>	<u>87,102</u>
		<u>18,266,349</u>	<u>15,289,270</u>
Current liabilities			
Current portion of long-term financing		1,710,496	1,162,370
Current portion of deferred liabilities		473,563	249,234
Current maturity of lease liabilities		21,017	19,861
Trade and other payables		5,324,460	4,406,394
Unclaimed dividend		3,336	3,361
Interest / mark-up payable		332,205	180,744
Short-term borrowings	8	<u>19,284,751</u>	<u>8,577,090</u>
		<u>27,149,828</u>	<u>14,599,054</u>
TOTAL EQUITY AND LIABILITIES		<u>69,125,779</u>	<u>49,502,360</u>
CONTINGENCIES AND COMMITMENTS	9		

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Six months period ended		Three months period ended	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
(Rupees in '000)					
Sales - net		34,666,198	22,345,097	18,222,421	12,196,677
Cost of goods sold	11	(28,331,207)	(19,799,022)	(15,165,964)	(10,714,673)
Gross profit		6,334,991	2,546,075	3,056,457	1,482,004
Other income		293,896	508,244	152,918	391,810
		6,628,887	3,054,319	3,209,375	1,873,814
Distribution cost		(547,500)	(417,746)	(309,513)	(215,170)
Administrative expenses		(348,558)	(302,654)	(186,759)	(106,408)
Other operating expenses		(362,778)	(140,687)	(103,171)	(91,574)
Finance cost		(690,998)	(416,066)	(411,038)	(233,070)
		(1,949,834)	(1,277,153)	(1,010,481)	(646,222)
Share of profit from Associate - net of tax		9,629	2,308	4,361	1,757
Profit before taxation		4,688,682	1,779,474	2,203,255	1,229,349
Taxation	12	(593,223)	(367,796)	(41,225)	(230,872)
Profit after taxation		4,095,459	1,411,678	2,162,030	998,477
Earnings per share - Basic and diluted		75.53	26.04	39.87	18.41

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS PERIOD AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended		Three months period ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(Rupees in '000)			
Profit after taxation	4,095,459	1,411,678	2,162,030	998,477
Other comprehensive income	107	(492)	32	(477)
Total comprehensive income for the period	4,095,566	1,411,186	2,162,062	998,000

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Issued, subscribed and paid-up capital	Share Premium	Capital	Revenue			Total
			Merger Reserve	Exchange translation reserve	General Reserve	Un- appropriated Profits	
	(Rupees in '000)						
Balance at June 30, 2020 (audited)	542,211	10,920	11,512	732	6,977,568	8,678,901	16,221,844
Comprehensive Income							
Profit for the half year ended December 31, 2020	-	-	-	-	-	1,411,679	1,411,679
Exchange loss on translation of foreign subsidiary	-	-	-	(492)	-	-	(492)
Total comprehensive income	-	-	-	(492)	-	1,411,679	1,411,187
Transfer from Unappropriated profits to general reserves	-	-	-	-	2,000,000	(2,000,000)	-
Interim cash dividend for the year ended June 30, 2020 @ Rs. 10/= per share.	-	-	-	-	-	(180,737)	(180,737)
Balance at December 31, 2020 (Un-audited)	<u>542,211</u>	<u>10,920</u>	<u>11,512</u>	<u>240</u>	<u>8,977,568</u>	<u>7,909,843</u>	<u>17,452,294</u>
Balance at June 30, 2021 (audited)	542,211	10,920	11,512	677	8,977,568	10,071,148	19,614,036
Comprehensive Income							
Profit for the half year ended December 31, 2020	-	-	-	-	-	4,095,459	4,095,459
Exchange loss on translation of foreign subsidiary	-	-	-	107	-	-	107
Total comprehensive income	-	-	-	107	-	4,095,459	4,095,566
Transaction with owners:							
	-	-	-	-	-	-	-
Balance at December 31, 2021 (Un-audited)	<u>542,211</u>	<u>10,920</u>	<u>11,512</u>	<u>784</u>	<u>8,977,568</u>	<u>14,166,607</u>	<u>23,709,602</u>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director




Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Six months period ended	
	December 31, 2021	December 31, 2020
	(Rupees in '000)	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,688,682	1,779,474
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	742,594	633,973
Depreciation on right of use assets	9,223	9,976
Amortization on intangibles	1,068	1,269
Provision for gratuity	130,108	96,608
Share of profit from Associate	(9,629)	(2,308)
Unrealized loss / (gain) on revaluation of foreign currency loans	58,205	(16,049)
(Gain) / loss on revaluation of foreign currency debtors	(3,194)	3,972
Loss on disposal of property, plant and equipment	1,317	9,666
Amortization of deferred grant income	(15,284)	(10,188)
(Gain) on forward Booking	(43,927)	(17,198)
Unrealized loss / (gain) / on revaluation of other financial assets	2,286	(75,592)
Dividend income	(2,093)	(1,497)
Finance cost	690,998	416,066
Reversal of provision against doubtful debts	(3,396)	-
Unrealized loss on valuation of mutual funds units	372	-
Discounting of provision of GIDC	31,304	(196,481)
Cash generated before working capital changes	6,280,134	2,633,691
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(248,281)	(86,999)
Stock in trade	(12,508,462)	(1,095,998)
Trade debts	(2,195,423)	(1,547,696)
Loans and advances	(179,918)	(127,271)
Trade deposits and short-term prepayments	(30,599)	(44,521)
Other receivables	(1,045,442)	(136,187)
	(16,208,125)	(3,038,672)
Increase / (decrease) in current liabilities		
Trade and other payables	791,121	(491,854)
Short Term Borrowings	2,323,240	2,350,164
Cash generated from operations	(6,813,630)	1,453,329
Income taxes paid	(385,908)	(199,977)
Finance cost paid	(500,409)	(407,753)
Gratuity paid	(50,668)	(81,174)
Net cash generated from / (used in) operating activities	(7,750,615)	764,425
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for acquisition of property, plant and equipment	(5,031,844)	(3,145,175)
Proceeds from disposal of property, plant and equipment	46,946	12,069
Increase in long term investment	-	(100,000)
Dividend received	2,093	52,840
Net cash used in investing activities	(4,982,805)	(3,180,266)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	4,471,900	4,133,504
Issue of share capital	-	450,000
Advance against share	-	(132)
Repayment of long-term financing	(520,819)	(142,876)
Increase in lease liability	-	58,396
Repayment of finance lease	(14,745)	-
Dividend paid	(25)	(387,010)
Net cash used in financing activities	3,936,311	4,111,882
Net increase in cash and cash equivalents (A+B+C)	(8,797,109)	1,696,041
Cash and cash equivalents at beginning of the period	(909,362)	(4,014,398)
Cash and cash equivalents at end of the period	(9,706,491)	(2,318,357)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	743,776	1,604,968
Short-term running finance	(10,450,267)	(3,923,325)
	(9,706,491)	(2,318,357)

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.


Mian Shahzad Ahmed
Chief Executive Officer


Sheikh Shafqat Masood
Director


Zahid Mahmood
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. THE GROUP AND ITS OPERATIONS

The "Group" consists of Indus Dyeing & Manufacturing Company Limited (the Holding Company), its subsidiaries and associates.

1.1 Holding Company

Indus Dyeing & Manufacturing Company Limited (the Holding Company) was incorporated in Pakistan on July 23, 1957 as a public limited Company under the Companies Act 1913 (subsequently replaced by the repealed Companies Ordinance, 1984 and now Companies Act 2017). Registered office of the Holding Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company is currently listed on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn. The manufacturing facilities of the Holding Company are located in Karachi, Hyderabad, Muzaffargarh, Lahore and Faisalabad. The addresses of these facilities are as follows:

Manufacturing Unit	Address
Hyderabad	P-1, S.I.T.E, Hyderabad, Sindh
Karachi	Plot No. 03 & 07, Sector 25, Korangi Industrial Area, Karachi
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan.
Faisalabad	Chak No. 61 R/B, Mouza Bedianwala, Tehsil Jaranwala at 38-Km, Sheikhupura Road, District Faisalabad.
Lahore	Raiwand Road, Manga Mandi, Lahore.

1.2 Subsidiary Companies

1.2.1 Indus Lyallpur Limited - 100% owned

Indus Lyallpur Limited (ILP) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984 (subsequently replaced by the repealed Companies Act 2017). Principal business of the ILP is manufacturing and sale of yarn. Its manufacturing facility is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the ILP is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

1.2.2 Indus Home Limited - 100% owned

Indus Home Limited (IHL) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984 (subsequently replaced by the repealed Companies Act 2017). The registered office of the company is located at 174 Abu Bakar Block, New Garden Town, Lahore. The principal activities of the IHL are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Company is located at Manga Mandi, Lahore. On November 21, 2013, the Holding Company acquired 75 million shares of Indus Home Limited from WestPoint Pakistan LLC for an aggregate purchase consideration of USD 12 million. As a result of the acquisition, the Holding Company acquired controlling interest in Indus Home Limited by way of 100% ownership.

1.2.3 Indus Home USA Inc. (100% owned by Indus Home Limited)

Indus Home USA Inc. was established during the year ended June 30, 2014. Its principal business activity is to act as commission agent to generate sales order in textile sector.

1.2.4 Indus Wind Energy Limited - 100% owned

Indus Wind Energy Limited (IWEL) was established during the year ended June 30, 2015. Its principal business activity is to generate and sale electricity to the national grid. Registered office of IWEL is situated at office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

1.2.5 Sunrays Textile Mills Limited - Associated Company

Sunrays Textile Mills Limited was incorporated in Pakistan on August 27, 1987 as a public limited company under the Companies Ordinance, 1984 (subsequently replaced by the repealed Companies Act 2017). Its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in trade, manufacture and sale of yarn. The registered office of the Company is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding Company has 0.99% voting rights in the Company and it is regarded associate due to common directorship.

2. BASIS OF CONSOLIDATION

- These consolidated condensed interim financial statements includes the condensed interim financial statements of the Holding Company, its subsidiaries and an associate company collectively referred to as "the Group" in these financial statements.
- Subsidiary companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control them is established and excluded from consolidation from the date of disposal or when the control is lost.
- The condensed interim financial statements of the subsidiary companies are prepared for the same reporting period as of the Holding Company for the purpose of consolidation, using consistent accounting policies.
- The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis.
- Material inter-group balances and transactions have been eliminated.
- Non-controlling Interest in equity of the subsidiary companies are measured at fair value as of the acquisition date of the subsidiaries.

3. STATEMENT OF COMPLIANCE

- 3.1** 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 comprises of :

- International accounting standards (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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 4.1** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The accounting policies, underlying estimates and methods of computations adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended June 30, 2021.

- 4.2** The financial risk management policies and objectives adopted by the Group are consistent with those disclosed in the Group's annual audited consolidated financial statements for the year ended June 30, 2021.

5. BASIS OF PREPARATION

- 5.1** These consolidated condensed interim financial statements has been prepared under the historical cost convention modified by: -

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

- 5.2** These consolidated condensed interim financial statements does not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended June 30, 2021.

- 5.3** These consolidated condensed interim financial statements is presented in Pakistani Rupees which is also the Group's functional currency.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

- 5.4 The comparative consolidated statement of financial position presented has been extracted from annual consolidated audited financial statements for the year ended June 30, 2021, whereas comparative consolidated condensed interim statement of profit and loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity presented in these consolidated condensed interim financial statements have been extracted from the unaudited consolidated condensed interim financial statement for the six months period ended December 31, 2020.

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	17,243,152	14,878,753
Capital work in progress	6.2	12,211,358	10,324,790
Right-of-use-assets	6.3	92,696	103,060
		<u>29,547,206</u>	<u>25,306,603</u>
6.1 Operating fixed assets - owned			
Opening written down value		14,878,753	13,191,102
Additions during the period / year			
Owned assets			
Free hold land		847,000	379,312
Factory building		95,146	209,687
Non factory building		-	4,012
Plant and machinery		1,929,447	2,008,149
Electric installations		146,281	36,949
Power generator		-	228,704
Office equipment		1,559	4,102
Factory equipment		395	179,038
Furniture and fixtures		5,022	8,859
Vehicles		119,097	43,733
Computers		1,328	-
		<u>3,145,275</u>	<u>3,102,545</u>
Disposal during the period / year			
Owned assets - Cost			
Land		-	1,664
Plant and machinery		241,045	290,382
Power generator		2,913	16,084
Furniture and fixtures		137	1,377
Vehicles		18,326	16,963
Computers		558	698
Owned assets - Accumulated depreciation			
Plant and machinery		(202,595)	(224,421)
Power generator		(2,600)	(13,524)
Furniture and fixtures		(93)	(906)
Vehicles		(9,109)	(10,927)
Computers		(319)	(594)
		<u>48,263</u>	<u>76,796</u>
Depreciation charged during the period		(732,613)	(1,338,098)
Written down value at the end of the period / year		<u>17,243,152</u>	<u>14,878,753</u>

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
6.2 Capital work in progress			
Opening balance	6.1	10,324,790	997,740
	6.2		
Additions during the period / year	6.3		
Plant and machinery		2,363,312	9,758,211
Civil works		1,481,396	1,915,084
Solar panels		138,818	457,935
		3,983,526	12,131,230
Transfers during the period / year			
Plant and machinery		(1,855,371)	(2,096,688)
Civil works		(149,071)	(278,533)
Solar panels		(92,516)	(428,959)
		(2,096,958)	(2,804,180)
Closing balance		<u>12,211,358</u>	<u>10,324,790</u>
6.3 Right-of-use assets			
- Opening balance		103,060	49,144
- Additions during the period		-	75,322
- Depreciation charged during the period		(10,364)	(21,406)
Written down value at end of the period		<u>92,696</u>	<u>103,060</u>
7. LONG TERM INVESTMENTS			
Investment in an associate	7.1	53,266	43,637
Investment in term finance certificate		100,000	100,000
		<u>153,266</u>	<u>143,637</u>
7.1 Investment in associate			
Cost		1,716	1,716
Share of post acquisition profits:			
Opening		41,921	31,715
Dividend received		-	(1,366)
Share of profit from associate for the period		9,629	11,572
		<u>51,550</u>	<u>41,921</u>
		<u>53,266</u>	<u>43,637</u>
Number of shares held		205,962	205,962
Ownership interest		0.99%	0.99%
Market value (Rupees in '000)		55,474	63,848
Cost of investment (Rupees in '000)		1,716	1,716

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			December 31, 2021 (Un-Audited)	June 30, 2021 (Audited)
	Note		----- (Rupees in '000) -----	
8. SHORT TERM BORROWINGS				
- from banking companies - secured				
Running finance			14,156,603	2,134,844
Foreign currency financing against export / import			4,046,224	5,250,513
Foreign bill discounting			746,924	546,733
Money market loan			335,000	645,000
			<u>19,284,751</u>	<u>8,577,090</u>
9. CONTINGENCIES AND COMMITMENTS				
9.1 Contingencies				
Claim of arrears of social security contribution not acknowledged.				
Appeal is pending in Honorable High Court of Sindh.				
The management is hopeful for favorable outcome.			453	453
Bank guarantees in favour of Collector of Customs on behalf of the Group			3,817	26,467
Guarantees issued by banks in favour of gas and electric distribution companies			339,091	345,740
Bank guarantees against payment of infrastructure cess			933,696	630,542
Bank guarantees in favour of Pakistan State Oil Company Limited			12,500	8,750
Guarantees for Central Power Purchase Authority			309,750	276,063
SBLC for Indus Wind Energy Limited			1,715,549	1,476,559
9.2 Commitments				
Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases			13,084,602	8,488,881
10. REVENUE FROM CONTRACTS WITH CUSTOMERS				
			(Un-Audited)	
		Six months period ended	Three months period ended	
		December 31, 2021	December 31, 2021	December 31, 2020
Export sales	Note			
-Yarn		25,783,969	12,953,478	16,836,392
-Waste sale	9.1	116,456	47,554	45,240
		<u>25,900,425</u>	<u>13,001,032</u>	<u>16,881,632</u>
Local sales				
-Yarn		8,142,194	8,838,108	955,066
-Waste sale		817,970	729,341	420,254
		<u>8,960,164</u>	<u>9,567,449</u>	<u>1,375,320</u>
Yarn conversion				
Brokerage and commission		(290,482)	(190,623)	(127,623)
Discount on local yarn sales				(96,986)
Sales exchange rate difference		96,091	(32,761)	(2,813)
		<u>(194,391)</u>	<u>(223,384)</u>	<u>(34,531)</u>
		<u>34,666,198</u>	<u>22,345,097</u>	<u>18,222,421</u>
				<u>12,196,677</u>

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10.1 Disaggregation of export sales into geographical areas :

	(Un-Audited)			
	Six months period ended		Three months period ended	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	(Rupees in '000)			
- Albania	9,194	12,682	9,194	136
- Australia	68,083	40,217	-	15,493
- Bangladesh	117,425	31,816	69,834	14,795
- Belgium	65,293	45,328	14,379	29,065
- Brazil	101,388	54,815	61,118	38,050
- Canada	89,380	-	89,380	-
- China	7,722,658	5,779,175	3,657,619	5,212,790
- Czechia	-	8,065	-	8,065
- Denmark	385,413	350,317	170,203	73,816
- France	53,609	38,128	19,427	33,903
- Germany	978,586	895,647	531,165	567,235
- Greece	80,337	17,465	28,425	8,295
- Hong Kong	65,261	130,770	35,849	81,384
- Italy	221,109	120,900	144,228	24,586
- Japan	345,993	234,125	175,870	127,195
- Kuwait	-	8,127	-	8,127
- Korea	87,731	208,304	44,786	110,020
- Mauritius	-	3,862	-	-
- Netherland	10,152	-	10,152	-
- New Zealand	10,881	-	-	-
- Norway	16,246	-	-	-
- Poland	-	6,284	-	-
- Portugal	453,140	202,858	276,387	73,087
- Saudi Arabia	7,297	6,492	-	-
- Singapore	616,940	275,699	337,119	91,769
- South Africa	29,283	7,568	20,293	7,568
- Spain	359,433	114,122	236,483	63,487
- Sweden	38,764	17,244	29,485	7,992
- Switzerland	205,147	188,874	26,589	78,630
- Taiwan	59,882	11,809	22,865	11,809
- Turkey	415,757	304,256	339,759	121,074
- United Arab Emirates	172,262	43,704	109,461	25,655
- United Kingdom	1,158,910	1,489,963	695,764	770,350
- United States	1,026,120	903,430	517,835	450,048
	14,971,674	11,552,046	7,673,669	8,054,424
Exchange rate difference	96,091	(32,761)	93,092	12,107
Indirect exports	10,832,660	1,481,747	9,114,871	-
	25,900,425	13,001,032	16,881,632	8,066,531

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		(Un-Audited)			
		Six months period ended		Three months period ended	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
Note		(Rupees in '000)			
11. COST OF GOODS SOLD					
Raw material consumed		21,335,126	15,082,841	11,181,600	8,322,078
Manufacturing expenses	11.1	6,312,479	4,993,838	3,265,281	2,634,248
Outside purchases		1,016,456	250,863	739,556	165,626
		28,664,061	20,327,542	15,186,437	11,121,952
Work in process					
Opening stock		1,173,586	915,662	1,401,927	187,546
Closing stock		(1,526,574)	(1,265,376)	(1,526,574)	(311,441)
		(352,988)	(349,714)	(124,647)	(123,895)
Cost of goods manufactured		28,311,073	19,977,828	15,061,790	10,998,057
Finished Goods					
Opening stock		1,804,688	1,617,725	1,888,728	122,656
Closing stock		(1,784,554)	(1,796,531)	(1,784,554)	(406,040)
		20,134	(178,806)	104,174	(283,384)
		28,331,207	19,799,022	15,165,964	10,714,673
11.1 Manufacturing expenses					
Salaries, wages and benefits		1,869,039	1,428,894	958,193	722,158
Fuel, water and power		2,164,634	1,619,413	1,124,733	868,659
Stores and spares consumed		834,637	712,922	460,532	396,024
Packing material consumed		552,052	454,681	274,279	259,594
Insurance		15,593	21,112	302	10,893
Repairs and maintenance		104,420	104,161	56,391	48,070
Rent, rate and taxes		3,780	2,371	1,634	1,761
Depreciation		710,478	609,818	368,157	313,956
Others		57,846	40,466	21,060	13,133
		6,312,479	4,993,838	3,265,281	2,634,248

12. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In these unconsolidated condensed interim financial statements, tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary differences that exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is recognized to the extent of local operations.

13. EARNINGS PER SHARE - BASIC AND DILUTED

13.2 During the year ended June 30, 2021, the Company issued 200% bonus shares to the existing shareholders resulting in the increase of weighted average number of ordinary shares outstanding at year end to 54,221,196 (2020: 18,073,732). The issuance of bonus shares has a retrospective impact thereby restating the shares outstanding at December 31, 2020.

13.3 No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

The related parties comprise of subsidiaries Indus Llyalpur Limited, Indus Home Limited, Indus Home USA Inc. and Indus Wind Energy Limited, the associates (Sunrays Textiles Mills Limited, Indus Heartland Limited, Riaz Cotton Factory and Haji Mola Buksh Cotton Company Limited) and key management personnel. The Company carries out transactions with related parties as per agreed terms. Transactions with related parties during the period and balances with them at period end are as follows:

14.2 Balances with related parties:

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15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

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

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The following table presents the Company's financial assets which are carried at fair value:

	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at December 31, 2021 (Un-Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	<u>235,908</u>	<u>-</u>	<u>33,327</u>	<u>269,235</u>	<u>235,908</u>	<u>-</u>	<u>-</u>	<u>235,908</u>
Financial assets not measured at fair value								
Long-term deposits	-	-	18,572	18,572				
Long term investments	-	-	153,266	153,266				
Trade debts	-	-	9,513,044	9,513,044				
Loans and advance	-	-	470,547	470,547				
Other receivables	-	-	28,043	28,043				
Cash and bank balances	-	-	743,776	743,776				
	<u>-</u>	<u>-</u>	<u>10,927,248</u>	<u>10,927,248</u>				

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Carrying Amount				Fair Value			
Fair value through profit and loss account	Fair value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at December 31, 2021 (Un-Audited) -----							
----- (Rupees in '000) -----							

Financial liabilities not measured at fair value

Long-term financing	-	-	18,709,310	18,709,310			
Deferred liabilities	-	-	1,466,996	1,466,996			
Lease liabilities	-	-	93,554	93,554			
Trade and other payables	-	-	4,312,501	4,312,501			
Short-term borrowings	-	-	19,284,751	19,284,751			
Unclaimed dividend	-	-	3,336	3,336			
Interest / mark-up payable	-	-	332,205	332,205			
	-	-	44,202,653	44,202,653			

Carrying Amount				Fair Value			
Fair value through profit and loss account	Fair value through Other Comprehensive Income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at June 30, 2021 (Un-Audited) -----							
----- (Rupees in '000) -----							

Financial assets measured at fair value

Other financial assets	86,628	-	1,107,847	1,194,475	86,628	-	-	86,628
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Financial assets not measured at fair value

Long-term deposits	-	-	19,245	19,245			
Long term investments	-	-	100,000	100,000			
Trade debts	-	-	7,311,031	7,311,031			
Loans and advances	-	-	66,650	66,650			
Other receivables	-	-	250,673	250,673			
Long term investments	-	-	1,107,847	1,107,847			
Cash and bank balances	-	-	1,225,462	1,225,462			
	-	-	10,080,908	10,080,908			

Financial liabilities not measured at fair value

Long-term financing	-	-	14,392,032	14,392,032			
Deferred liabilities	-	-	876,497	876,497			
Lease liabilities	-	-	106,963	106,963			
Trade and other payables	-	-	3,684,047	3,684,047			
Unclaimed dividends	-	-	3,361	3,361			
Short-term borrowings	-	-	8,577,090	8,577,090			
Interest / mark-up payable	-	-	180,744	180,744			
	-	-	27,820,734	27,820,734			

16.1 The carrying amounts are reasonable approximation of their fair values.

16.2 There were no transfers of items between various levels of fair value hierarchy during the period.

17. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on February 16, 2022 by the Board of Directors of the Company.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand of Rupee.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.



Mian Shahzad Ahmed
Chief Executive Officer



Sheikh Shafqat Masood
Director



Zahid Mahmood
Chief Financial Officer



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