2022 ANNUAL REPORT

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONTENTS

COMPANY PROFILE

Board of Directors

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

Audit Committee

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

Human Resources and Remuneration Committee

1.	Mr. Faisal Hanif	(Chairman)
2.	Mrs. Fadia Kashif	(Member)
3.	Mr. Sheikh Shafqat Masood	(Member)

Company Secretary
Mr. Ahmed Faheem Niazi

Chief Financial Officer
Mr. Muhammad Waseem Umer

Chief Internal Auditor
Mr. Yaseen Hamidia

Legal Advisor
Mr. M. Yousuf Naseem (Advocates & Solicitors)

	Registered Office	
	Office # 508,	
	5th floor, Beaumont Plaza,	UAN: 111-404-404
	Civil Lines Quarters, Karachi	Tel: 009-221-35693641-60
	Symbol of The Company	IDYM
	Website	
	http://www.Indus-group.com	
	Auditors	
	M/s Yousuf Adil	
	Chartered Accountants.	
	Registrar & Share Transfer Office	
	JWAFFS Registrar Services (Pvt) Ltd	
	407 -408, Al – Ameera Centre,	Tel. 35662023 – 24
	Shahrah-e-Iraq, Saddar, Karachi.	Fax. 35221192
	Factory Location	
1	P 1 & P-5 S.I.T.E.,	Tel. 0223 - 886281 & 84
	Hyderabad, Sindh.	
2	Plot No. 3 & 7, Sector-25	Tel: 021 – 35061577-9
	Korangi Industrial Area, Karachi.	
3	Muzaffergarh, Bagga Sher,	Tel. 0662 - 490202 – 205
	District Multan.	
4	Indus Lyallpur Limited	Tel. 041 - 4689235 – 6
	38th Killometer, Shaikhupura Road,	
	District Faislabad	
5	Indus Home Limited	UAN 111-404-405
	2.5 Killometer,	Tel. 042-35385021-7
	Off Manga Raiwind Road,	
	Manga Mandi. Lahore	
6	Indus Wind Energy Limited	UAN 111-404-404
	Deh Kohistan 7/3 & 7/4,	Tel. 021-3569654 (EXT - 177)
	Tapo Jangshahi,	
	Taluka & District Thatta.	

INDUS DYEING & MFG. CO. LIMITED

VISION

To be leading and diversified company, offering a wide range of quality products and services

MISSION

We aim to provide superior products, Financial security, performance and service quality that fully meet the needs of our customers and to maintain the financial strength of the company

CHAIRMAN'S REVIEW

FOR THE YEAR ENDED JUNE 30, 2022

It is my privilege and pleasure in presenting to the members of Indus Dyeing and Manufacturing Company Limited, review on the performance of the Company for the financial year ended June 30, 2022. I would take this opportunity to invite you for the 65th Annual General Meeting of the company.

Review of the Boards Performance

The Board, being responsible for the management of the company's affair and determining the company's level of risk tolerance, formulates polices and strategies. The board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties are as specified and prescribed therein.

Board members are equipped with suitable knowledge, variety of expertise and experience which is required to successfully govern the business. Every board member is committed to perform for the growth of the company and all his tasks are devoted and focused towards the company's values and mission.

The board strictly monitored the performance of its sub-committees. Comprehensive and effective meetings of the board resulted in conducive decisions for the Company. In addition to it, the board also ensures compliance with all applicable rules and best practices of the Company.

To keep updated the board members and enabling them to remain harmonized for continuous progression of the company, the board assessed its sub-committees along with the evaluation of its own performance, facilitating the board to play an effective and efficient role in accomplishing set targets of the company.

Review of Company's Performance

For the financial year ended June 30, 2022, the Board's overall performance and effectiveness has been assessed as excellent. Improvement is an on-going process leading to action plan. There is an increase in sales of 49.5% over the last year and whereas the gross profit margins improved from 15% to 21%. The net profit after tax has increased from 3,212 million to 7,687 million.

Further, I would like to appreciate the hard work of the management in achieving these results which are admirable. The management would strive to improve efficiencies in operations, sales and marketing to emerge as a leader in the market.

On Behalf of the board, I would like to thanks all stakeholders for their continued confidence in the company and for their support, dedication and hard work

December 08, 2022

Chairman

Naveed Ahmed

Directors' Review
FOR THE YEAR ENDED JUNE 30, 2022

The Directors of Indus Dyeing and Manufacturing Company Limited are pleased to present the Annual Report together with the audited Financial Statements for the year ended June 30th, 2022 before the Sixty-Five Annual General Meeting of the Company.

The consolidated financial highlights of the Company are as under:

	For the year ended June 30	
	2022	2021
	(Rupees in 000)	
Sales	75,267,958	49,042,471
Gross profit	14,537,203	6,527,319
Other operating income	817,819	1,057,970
Finance cost	(1,664,664)	(911,809)
Provision for taxation	(847,326)	(878,822)
Profit for the year after taxation	9,982,593	3,848,653
Earnings per shar–e basic and diluted (net)	184.11	70.98

DIVIDEND

The Board of Directors in their meeting held on 16th February 2022, have declared interim cash dividend @ 50% i.e Rs. 5/- per share already paid as final cash dividend for the year ended 30th June 2022.

EARNING PER SHARE

The consolidated earnings per share is Rs. 184.11 as compared to Rs. 70.98 per share last year. Earnings per share of the Company on a stand-alone basis is Rs. 141.78 per share as compared to Rs. 59.24 per share last year.

CHANGE IN NATURE OF BUSINESS

There is no change accured in the nature of company's business during the periods.

BUSINESS OVERVIEW

By the Grace of ALMIGHTY ALLAH, Company performance is excellent with growth in sales and profitability. During the year under review group sales of the company has increased by 53.47% over the last year and has earned net profit after tax of Rs. 9,982 million with shown an increase of 159.40% over last year profits of Rs. 3,848 million.

INDUS HOME LIMITED

Sales for the current year is Rs. 13,320.61 million (M) as against Rs. 9,147.98 M of preceding year, depicting growth of 46%. This includes sale of Rs. 1,064 M of converted and spined yarn. New Spinning Unit became operational from May 2022 and its four auto-cone frames are fully operational now. Finance cost has been increased by Rs: 116 M as compared to previous year due to financing of new spinning unit and increased value of inventory and upward rate revision of markup rates in later part of the year. Profit after taxation is Rs. 408.8 M whereas it was Rs. 445.5 M in previous year.

INDUS WIND ENERGY LIMITED

Alhamdullilah, by the grace of Allah (SWT) Indus Wind Energy Limited; subsidiary of Indus Dyeing & Mfg. Co Ltd (IDM) has achieved its commencement as of 25th March 2022. The energy generation plant is fully operational with the State of Art Technology with an estimated annual contribution of 166 million units of Clean, Green and Cheap energy to the National Grid. In addition to contributing to the Nation's "GO Green" initiative, the Subsidiary is engaged in uplifting the down trodden life of rural people by providing meaningful employment and welfare through its CSR program with key emphasis on Environment and Ecology Protection. Moreover, revenues generated from the Subsidiary Company would immensely contribute to the IDM Group shareholders value for years to come. Finally, we are immensely thankful to all the stakeholders for their trust and efforts to make this venture possible and in achieving commencement in shortest possible time despite events of Global Covid Pandemic, Supply line disruptions with inherent Political and Economic Instability.

FUTURE OUTLOOK

Pakistan textile industry plays a significant role in supporting the economy of Pakistan and continue to be in the spotlight owing to country's dependence on foreign exchange. Presently the economic and political situation in Pakistan is not stable which is affecting the export market badly. The situation has been further aggravated by a steep depreciation of the currency in the last few months which is putting huge pressure on the disposable income of the consumer and might have an adverse impact on the consumption.

We foresee that the textile industry will go through a rough period because of shortage of raw material due to heavy rain and floods which severely damaged cotton crop in Pakistan. This might result in drastic reduction in cotton production and further increase the price of raw material in the local & international market. Due to this disaster, textile industry has to rely on imported cotton to meet the country's demand, putting pressure on country's import bill.

It is projected that the profitability in the coming months will be impacted due to increase in commodity prices, power cost, minimum wage increases, markup rates, etc. On the cost side, better supply-chain management for raw materials and innovation in production processes shall remain pivotal parts of the strategy in company. The management is confident that the company shall be able to compete with these challenges with its experience, operational performance and strategy.

DEFERMENT OF FINANCIAL RESULTS

The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 986 (1)/2019 dated September 02, 2019 granted exemption from the application of IFRS 16 "Leases', IFRS 9 "Financial instruments" (in relation to recognition of embedded derivatives) and IAS 21 "The Effects of Changes in Foreign Exchange Rates" to all companies, which have entered into Power Purchase Agreements (PPAs) before January 1, 2019. In this regard since the PPA of Indus Wind Energy Limited was signed subsequent to the cut-off date in November 2019, the provisions of the said accounting standards became applicable. Such applicability gave rise to material notional/unrealized income which exposed the Company to significant income tax, WPPF and financial implications.

The Company along with certain Independent Power Producers (IPP's) having their PPA's dated after January 01, 2019 filed a petition with the Honorable Lahore High Court (LHC) to also allow the companies be treated along with the power companies that have entered into PPAs before January 01, 2019 because the former had already achieved certain other significant milestones, including the determination of tariff by NEPRA. The LHC through its order dated November 21, 2022 has suspended the impugned condition in S.R.O 986(1) / 2019 dated September 02, 2019 till further order. Therefore, the Company has availed exemptions from the application of relevant accounting standards for the preparation of the financial statements for the year ended June 30, 2022. The process of liaising with legal advisors and other regulatory authorities for availing exemption became the sole cause for delay in conducting the Annual General Meeting of Indus Dyeing & Mfg. Co. Ltd & Indus Wind Energy Ltd, however due extensions for its timely conduct will sought from SECP.

CORPORATE SOCIAL RESPONSIBILITY

The management work towards empowering people by helping them develop the skills they need to succeed in a global economy. The company equips communities with information, technology and the capacity to achieve improved health, education and livelihood outcomes.

Key to this approach are employees of the company who generously give of their time, experience and talent to serve communities; company encourages and facilitate them to do so.

POST BALANCE SHEET EVENTS

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which this balance sheet relates and the date of the Director's report.

RELATED PARTY TRANSACTION

The company has presented all related party transactions before the audit committee and the Board for their review and approval. These transactions have been approved by the Audit Committee and Board in their respective meetings. The details of all related part transactions have been provided in Note 39 of the annexed financial statements for the year ended June 30, 2022.

CORPORATE GOVERNANCE, FINANCIAL REPORTING AND INTERANAL CONTROL SYSTEM

The Company is committed to good corporate governance and compliance with best practices. The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in their Listing Regulations have been duly complied with. A Statement to this effect is annexed with the Report. We are pleased to report that:

- The financial statements, prepared by the management of the company present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and any departure there from has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored. Emphasis is being done on control procedures to ensure that the policies of the company are adhered with and in case of any anomaly, rectification is done timely.
- The board is satisfied that the company is a going concern, Auditors have emphasized the matter of going concern in their report however these financial statements have been prepared on going concern assumption for reasons more fully disclosed in the financial statements.
- Key operating and financial data for the last six year is annexed.
- There are no statuary payments on account of taxes, duties, levies and charge which are outstanding as on June 30th 2022 except for those disclosed in financial statements.

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

	Composition	
1	Independent Director	03
2	Executive Director	02
3	Non-Executive Director	05

The names of the directors as at June 30, 2022 are as follows:

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

BOARD OF DIRECTORS

During the period under the review the transfer in shares through gift of the company by the CEO, Directors, spouses and Minors as follows:

S.No	Name	Shares Transfer
1	Mr. Naveed Ahmed	1,608,537
2	Mr. Kashif Riaz	35,301

Board & Sub Committee Meetings

During the year meetings of the Board were held and attendance by each director is as follows.

Board of Directors		
S.No	**Name of Directors**	**Attended**
1	Mr. Naveed Ahmed	5/5
2	Mian Shahzad Ahmed	5/5
3	Mian Imran Ahmed	5/5
4	Mr. Irfan Ahmed	5/5
5	Mr. Kashif Riaz	5/5
6	Mr. Sheikh Shafqat Masood	5/5
7	Mr. Faisal Hanif	4/5
8	Mr. Aamir Amin	5/5
9	Ms. Azra Yaqub Vawda	5/5
10	Mrs. Fadia Kashif	5/5

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Committee constitutes of:

S.No	Name	Position
1	Mr. Faisal Hanif	Chairman
2	Mrs. Fadia Kashif	Member
3	Mr. Sheikh Shafqat Masood	Member

One (1) Meeting were held during the financial year from July 2021 to June 2022. All three members were present in the meeting.

AUDIT COMMITTEE

The Board of Directors constituted a fully functional Audit Committee comprising three members: one being an Independent Director and two being Non-Executive Directors. The term of reference of the committee, inter alia, consists of ensuring transparent internal audits, accounting and control systems, adequate reporting structure as well as determining appropriate measures to safeguard the Company's assets.

AUDIT COMMITTEE MEETINGS

Four (4) meetings were held during year. All of the members are Non-Executive Directors including the Chairman. Committee constitutes of and status of attendance during the year by:

Audit Committee 4 - Meetings		
S.No	**Name of Directors**	**Attended**
1	Mr. Faisal Hanif	4/4
2	Mr. Irfan Ahmed	4/4
3	Mr. Sheikh Shafqat Masood	4/4

The Board has a formal remuneration policy for its Directors (Executive/Non-Executive) duly approved by the Board of Directors. The policy has been designed as a component of HR strategy and both are required to support business strategy. The Board believes that the policy is appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the company as well as to create congruence between Directors, executives and shareholders.

APPOINTMENT OF AUDITORS

Messer's Yousaf Adil Chartered Accountants is a reputable Chartered Accountants firm completed its tenure of appointment with the company and being eligible has offered its services for another term. The Board of Directors of Company, based on the recommendation of the audit committee of the board, has proposed Yousuf Adil for reappointment as auditors of the company for the ensuring year.

ENVIRONMENT, HEALTH AND SAFETY

Your company is committed towards proteching a sound climiate for every-one by complying with all envrionmental policies at the production facilities.

INTERNAL AUDIT FUNCTION

The board have set up efficient and energetic internal control system with operational, financial and compliance controls to carry on the business of the company. Internal audit findings are reviewed by the Audit Committee, and where necessary, action is taken on the basis of recommendations contained in the internal audit reports.

SHAREHOLDING PATTERN

The shareholding pattern as at June 30th, 2022 is annexed.

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

We acknowledge the contribution of each and every employee of the Company. We would like to express our thanks to our customers for the trust shown in our products and the bankers for continued support to the Company.

We are also grateful to our shareholders for their confidence in our management.

On Behalf of Board of Directors

Mian Shahzad Ahmed
Chief Executive Officer

Dated: December 08, 2022
Karachi

Mian Imran Ahmed
Director

Key operating and financial results

	2017	2018	2019	2020	2021	2022
			Rupees in "000"			
Operating data				Restated	Restated	
Turn over	19,932,316	22,263,855	25,131,061	27,342,812	33,337,610	49,913,263
Less : commission	(175,252)	(173,428)	(204,775)	(241,507)	(272,251)	(452,147)
Sales (net)	19,757,064	22,090,427	24,926,286	27,101,305	33,065,359	49,461,116
Gross profit	1,723,694	2,334,642	2,701,831	2,210,426	4,955,614	10,360,461
Profit before tax	962,934	1,561,596	2,047,663	1,189,053	3,834,554	8,164,629
Profit after tax	685,835	1,378,581	1,724,254	901,929	3,212,295	7,687,322
Financial data						
Gross assets	17,229,879	19,691,466	22,716,984	21,168,288	26,496,314	26,225,053
Return on equity	6.91%	12.45%	13.79%	7.03%	20.26%	33.05%
Current assets	7,256,217	9,666,805	12,289,316	11,618,526	13,331,374	22,026,240
Shareholders equity	9,923,532	11,070,683	12,503,105	12,830,965	15,853,051	23,261,639
Long term debts and deferred liabilities	1,401,927	1,703,529	2,315,636	3,470,559	4,360,130	5,490,477
Current liabilities	5,904,420	6,917,254	7,898,243	5,922,700	6,283,133	9,606,258
Key ratios						
Gross profit ratio	8.72%	10.57%	10.84%	8.16%	14.99%	20.95%
Net profit	3.47%	6.24%	6.92%	3.33%	9.71%	15.54%
Debt / equity ratio	12 : 88	13 : 87	16 : 84	46 : 54	39:63	41:29
Current ratio	1.23	1.40	1.56	1.97	2.08	2.08
Earning per share (basic and diluted)	37.95	76.28	95.40	49.90	59.24	141.78
Dividend (percentage)						
- Cash	180% Final	160% Final	250% Final	300% Interim	100% Interim	50% Interim
- Bonus	-	-	-	-	200%	-
Statistics						
Production (tons)	51,886	50,292	52,690	47,285	48,452	50,701

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS OF INDUS DYEING & MANUFACTURING CO. LIMITED June 30, 2022

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held	PERCENTAGE OF TOTAL CAPITAL
952	1	100	39,745	0.07
721	101	500	192,849	0.36
193	501	1,000	165,307	0.30
207	1,001	5,000	475,544	0.88
24	5,001	15,000	205,930	0.38
14	15,001	50,000	344,974	0.64
4	50,001	100,000	303,822	0.56
5	100,001	500,000	1,409,754	2.60
2	500,001	1,300,000	2,224,848	4.10
7	1,300,001	4,000,000	16,237,497	29.95
3	4,000,001	6,500,000	14,914,431	27.51
2	6,500,001	10,771,000	17,706,495	32.66
2,134			**54,221,196**	**100.00**

Categories of shareholding

Shareholders	No. of Shareholders	SHARES HELD	Percentage
Individuals	2,107	12,041,937	22.21
Joint Stock Companies	10	7,938	0.01
Financial Institutions	3	1,534,731	2.83
Insurance Companies	1	1,339,815	2.47
Mutual Fund	1	1,575,885	2.91
Directors, CEO their Spouses & Minor Children	12	37,720,890	69.57
	2,134	**54,221,196**	**100**

INDIVIDUALS	**2,107**		**12,041,937**
JOINT STOCK COMPANIES	**10**		
S.H. BUKHARI SECURITIES (PVT) LIMITED		1,575	
NH CAPITAL (PRIVATE) LIMITED		30	
KAMAL FACTORY (PVT) LTD		4200	
UNITED CAPITAL SECURITIES PVT. LTD.		51	
AZEEM SECURITIES (PVT) LIMITED		594	
BLACK STONE EQUITIES PVT.LTD.		318	
INVESTMENT CORPORATION OF PAKISTAN		126	
HABIB & SONS LIMITED.		255	
M/S FIRST CAPITAL EQUITIES LTD		786	
K TRADE SECURITIES (PVT) LIMITED		3	
			7,938
FINANCIAL INSTITUTIONS	**3**		
National Bank of Pakistan		415,650	
National Investment Trust		33,681	
United Bank Limited Trading Port Folio		1,085,400	
			1,534,731

INSURANCE COMPANIES	**1**		
State Life Insurance Corp. of Pakistan		1,339,815	
			1,339,815
MUTUAL FUND	**1**		
CDC-Trustee National Investmet (UNIT) Trust		1,575,885	
			1,575,885
Directors and their spouses	**12**		
Mr. Shahzad Ahmed		4,049,370	
Mr. Naveed Ahmed		3,216,537	
Mr. Kashif Riaz		10,735,215	
Mr. Imran Ahmed		4,460,877	
Mr. Irfan Ahmed		6,441,678	
Mr. Shafqat Masood		121,755	
Mr. Faisal Hanif		12	
Ms. Azra Yaqub Vawda		30	
Mrs. Lozina Shahzad		1,189,848	
Mrs. Shazia Naveed		9,417	
Mrs. Fadia Kashif		7,000,401	
Mrs. Tahia Imran		495,750	
			37,720,890
			54,221,196

Shareholders holding 10% or more voting interest in the company as at June 30, 2022

Name	Holding	Percentage
Mr. Kashif Riaz	10,735,215	19.80
Mrs. Fadia Kashif	7,000,401	12.91
Mr. Irfan Ahmed	6,441,678	11.88

Detail of purchase / sale of shares by Directors, Company Secretary, Head of Internal Audit Department, Chief Finance Officer, Chief Executive Office and their spouses, minor children during 2021-2022

N A M E	Purchase	Sold	Gift
Mr. Naveed Ahmed			1,608,537
Mr. Kashif Riaz			35,301

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
Indus Dyeing and Manufacturing Company Limited
For the year ended June 30, 2022

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

1. The total number of director are 10 as per the following;

   a) Male 8
   b) Female 2

2. The composition of Board is as followed;

Category	Names
Independent Directors	Mr. Faisal Hanif Ms. Azra Yaqub Vawda Mr. Aamir Amin
Executive Directors	Mian Shahzad Ahmed (CEO) Mian Imran Ahmed
Non-Executive Directors	Mr. Sheikh Shafqat Masood Mr. Kashif Riaz Mr. Irfan Ahmed Mr. Naveed Ahmed Mrs. Fadia Kashif
Female Director	Ms. Azra Yaqub Vawda Mrs. Fadia Kashif

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

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

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

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

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

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

9. As at June 30, 2022, all of the directors of the Company are exempt from the requirement of the directors training program;

10. No new appointment of Head of Internal Audit, Company Secretary and Chief Financial Officer (CFO) has been made during the year except their remuneration and terms and conditions of employment which was approved by the Board and the Board complied with relevant requirements of the Regulations;

11. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board;

12. The Board has formed committees comprising of the members given below:
    a) Audit Committee

Chairman	Mr. Faisal Hanif
Members	Mr. Irfan Ahmed Mr. Sheikh Shafqat Masood

    b) HR and Remuneration Committee

Chairman	Mr. Faisal Hanif
Member	Mr. Sheikh Shafqat Masood Mrs. Fadia Kashif

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

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

    a) Audit Committee
    Four Quarterly meetings were held during the financial year ended 30/06/2022.

    b) HR and Remuneration Committee
    One meeting was held during the financial year ended 30/06/2022.

15. The Board has set up an effective internal audit function;

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (Spouses, parents, dependents and non-dependents children) of the Chief Executive officer, Chief Financial Officer, head of Internal Audit, Company Secretary or directors of the Company;

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

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

    As per regulation 6, it is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors and currently, there are three independent directors in a board of ten directors. With regard to compliance with Regulation 6 pertaining to fraction contained in one-third number and not rounded up as one, Management believes that three Independent Directors are sufficient to represent minority shareholders which are only 30.43% of total shareholders.

On behalf of the Board of Directors

Date: December 08, 2022
Karachi

Mr. Naveed Ahmed
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 65th Annual General Meeting of Indus Dyeing & Manufacturing. Co. Limited will be held at Indus Dyeing & Manufacturing Company Limited, Plot No. 3 & 7, Sector No. 25, Korangi Industrial Area, Karachi on Thursday, January 19, 2023 at 04:00 P.M. in accordance with the direction of SECP dated December 22, 2022 under section 147 of the Companies Act, 2017 to transact the following business:

ORDINARY BUSINESS:

1. To confirm minutes of the Annual General Meeting held on October 28, 2021.

2. To receive, consider, approve and adopt the audited consolidated and un consolidated financial statements of the Company for the financial year ended June 30, 2022, together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.

3. To appoint the Statutory Auditors for the year ending June 30, 2023 and to fix their remuneration. The Board of Directors on the recommendation of Audit Committee has recommended the appointment of retiring auditors, Messers Yousuf Adil, Chartered Accountants who being eligible have offered themselves for re-appointment.

4. To approve interim cash dividend of Rs. 5/- per share i.e 50% already paid by the company (declared on February 16, 2022) as a final dividend for the year ended June 30, 2022.

SPECIAL BUSINESS:

5. To ratify the transactions carried out by the Company with related parties disclosed in the Financial Statements for the year ended June 30, 2022 by passing the following resolution with or without modification.

"RESOLVED THAT all related parties transactions carried out by the Company as disclosed in Note No 39 of the Financial Statements of the Company for the year ended June 30, 2022 be and are hereby noted, ratified and approved."

6. To approve potential transactions with related parties intended to be carried out in the financial year 2022-2023 and to authorize the Board of Directors of the Company to carry out such related party transactions at its discretion from time to time, irrespective of the composition of the Board of Directors.

The resolutions to be passed in this respect (with or without modification) as special resolutions are as under:

"RESOLVED THAT in accordance with the policy approved by the Board and subject to such conditions as may be specified from time to time, the Company be and is hereby authorized to carry out transactions with the related parties for the fiscal year 2022-23."

"RESOLVED FURTHER THAT the Board of Directors of the Company may, at its discretion, approves specific related party/parties transaction(s) from time to time, irrespective of the composition of the Board, and in accordance with the provisions of related laws/regulations and Company's policy pertaining to related parties transactions till the next Annual General Meeting."

"RESOLVED FURTHER THAT all such transactions shall be placed before the shareholders in the next Annual General Meeting for their noting/ratification/approval."

7. To transact any other business with the permission of the chair.

By Order of the Board

Karachi
Date: 26th December 2022

Ahmed Faheem Niazi
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from January 13, 2023 to January 19, 2023 (both days inclusive) and the Final Cash Dividend will be paid to the Members whose name appear in the Register of Members. Transfers received in order at the Office of Company's Share Registrar M/s Jwaffs Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shahra-e-Iraq, Saddar Karachi. ('Registrar') at the close of business on January 12, 2023 will be considered in time to attend and vote at the Meeting.

2. Financial Statements for the year ended June 30, 2022 will be available at the website of the Company www.indus-group.com twenty one days before the date of meeting.

   Further, as per approval obtained from members in Annual General Meeting of the Company held on October 31, 2016 to circulate Annual Audited Accounts through CD/DVD/USB in accordance with SRO 470(I)/2016 dated May 31, 2016 of Securities and Exchange Commission of Pakistan (SECP); Annual Audited Accounts of the Company for the year ended June 30, 2022 are being dispatched to the Members through CD/DVD. The Members may request a hard copy of Annual Audited Accounts free of cost. Standard request form is available at the website of the Company www.indus-group.com

3. Pursuant to Section 223 of the Companies Act, 2017, the Company is allowed to send audited financial statements and reports to its members electronically. Members are therefore requested to provide their valid email IDs. For convenience, a Standard Request Form has also been made available on the Company's website www.indus-group.com

4. Members (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Registrar of the Company M/s Jwaffs Registrar Services (Pvt) Ltd, 407-408 Al-Ameera Center, Shahra-e-Iraq, Saddar Karachi.

5. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

6. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. FOR ATTENDING THE MEETING:

i. In case of individuals, the accounts holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport at the time of attending the Meeting.

ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. FOR APPOINTING PROXIES:

i. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.

ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

iii. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.

iv. The proxy shall produce his/her original CNIC or original Passport at the time of meeting.

v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

7. Members are requested to notify Change in their addresses, if any; in case of book entry securities in CDS to their respective participants/investor account services and in case of physical shares to the Registrar of the Company by quoting their folio numbers and name of the Company at the above mentioned address, if not earlier notified/submitted.

8. **Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001**

Pursuant to the provisions of the Finance Act 2019 effective July 1, 2019, the rates of deduction of income tax from dividend payments under the income Tax Ordinance, have been revised as follows:

(a)	**Rate of tax deduction for filer of income tax returns**	**15%**
(b)	**Rate of deduction for non-filer of income tax returns**	**30%**

The income tax is deducted from the payment of dividend according to Active Tax-Payers List (ATL) provided on the website of FBR. All those shareholders who are filers of income tax returns are therefore advised to ensure that their names are entered into ATL to enable the Company to withhold income tax from payment of cash dividend @ 15% instead of 30%.

Further, according to clarification received from FBR, withholding tax will be determined separately on 'Filer/Non Filer' status of Principal Shareholder as well as Joint-holder(s) based on their shareholding proportions in case of joint accounts held by the shareholders.

In this regard, all shareholders who hold shares jointly are requested to provide the shareholding proportions of Principal Shareholder and Joint-holders in respect of shares held by them to our Shares Registrar, in writing. The joint accounts information must reach to our Shares Registrar within 10 days of this notice. In case of non-receipt of the information, it will be assumed that the shares are equally held by Principal Shareholder and the Joint-holder(s).

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be.

9. **Dividend Mandate and Payment of Cash Dividend through Electronic Mode**

The provisions of Section 242 of the Companies Act, 2017 require that the dividend payable in cash shall only be paid through electronic mode directly into the bank accounts designated by the entitled shareholders. Therefore, for making compliance to the provisions of the law , all those physical shareholders who have not yet submitted their IBAN bank account details to the Company are requested to provide the same on the Dividend Mandate Form available on Company website at https://www.indus-group.com.

Non CDC shareholders are requested to send valid and legible copy of CNIC/Passport (in case of individual) and NTN Certificate (in case of corporate entity) to the Registrar of the Company. Please note that CNIC number is mandatory for issuance of dividend warrants and in the absence of this information payment of dividend shall be withheld.

CDC shareholders who have also not provided their IBAN bank account details are also requested to provide the same to their Participants in CDC and ensure that their IBAN bank account details are updated. In case of unavailability of IBAN, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2017.

10. **Video-Link Arrangement for online Participation in the 65th Annual General Meeting of the Company**

Shareholders interested in attending the Annual General Meeting (AGM) through video link facility are requested to get themselves registered with the Company Secretary office at least two working days before the holding of the time of AGM at corporate.affairs@indus-group.com by providing the following details: -

Name of Shareholder	CNIC NO	Folio CDC No.	Cell No.	Email address

- The Login facility will remain open from 03:45 P.M. till the end of the meeting.
- Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participation through proxies.
- Shareholders will be able to login and participate in AGM proceedings through their smart phone or computer devices from their home after completing all the facilities required for the identification and verification of the Shareholders.

The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measure are in place for the well-being of its members.

11. Video Conference Facility

Members may avail video conference facility for this Annual General Meeting other than Karachi, provided the Company receives consent (standard format is given below) atleast 07 days prior to the date of the Meeting from members holding in aggregate 10% or more shareholding residing at respective city.

The Company will intimate respective members regarding venue of the video-link facility before the date of Meeting along with complete information necessary to enable them to access the facility.

"I/we _____________ of _________ being member(s) of Indus Dyeing & Manufacturing Company. Limited, holder of _________ Ordinary Share(s) as per Registered Folio No./CDC Account No. ________ hereby opt for video conference facility at __________in respect of 65th Annual General Meeting of the Company.

____

Signature of Member"

12. Deposit of Physical Shares into Central Depository

As per Section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017. Further SECP vide Letter dated March 26, 2021 has advised to comply Section 72 of the Act and encourage shareholders to convert their shares in book –entry form.

In light of above, shareholders holding physical share certificates are requested to deposit their shares in Central Depository by opening CDC sub-accounts with any of the brokers or Investor Accounts maintained directly with CDC to convert their physical shares into scrip less form. This will facilitate the shareholders to streamline their information in member's Register enabling the Company to effectively communicate with the shareholders and timely disburse any entitlements. Further, shares held shall remain secure and maintaining shares in scrip less form allows for swift sale / purchase.

13. Unclaimed Dividends and Bonus Shares

Shareholders, who for any reason, could not claim their dividend and/or bonus shares are advised to contact our Shares Registrar M/s Jwaffs Registrar Services (Pvt) Limited to collect/enquire about their unclaimed dividends and/or bonus shares if any.

14. Postal Ballot

Pursuant to companies (Postal Ballot) Regulations, 2018 for the agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through e-voting, in accordance with the requirements and procedure contained in the aforesaid regulations.

Statement under Section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning the special business to be transacted at the 65th Annual General Meeting of the Company to be held at Indus Dyeing & Manufacturing Company Limited. Plot No. 3 & 7, Sector No. 25, Korangi Industrial Area, Karachi.

Explanation on Agenda Item No. 5 & 6

The related parties transactions carried out in normal course of business with associated companies and related parties were being approved by the Board of Directors as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act, 2017 and Rule 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the group companies, the quorum of directors could not be formed for approval of these transactions pursuant to Section 207 of the Companies Act, 2017 and therefore, these transactions have to be approved by the shareholders in General Meeting as a special resolution in terms of section 208 of the said Act.

The transactions with related parties carried out during the fiscal year 2021-2022 to be ratified as disclosed in Note No 39 of the Financial Statements of the Company for the year ended June 30, 2022

Likewise, since related party transactions are an ongoing process and a restriction to carry out business with related parties merely due to absence of valid quorum would adversely affect the business of the Company. Therefore, shareholders are being approached to grant the broad approval for such transactions to be entered into by the Company, from time to time, at the discretion of the Board (and irrespective of its composition). The Company shall comply with its policy pertaining to transactions with related parties as stated above to ensure that the same continue to be carried out in a fair and transparent manner and on an arm's length basis. This would also ensure compliance with the Section 208(1) of the Companies Act, 2017 of which requires that shareholders' approval shall be required where the majority directors are interested in any related party transactions and regulation 4 of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 which sets out the conditions for transactions with related parties to be characterized as "arm's length transactions" and states that the parties to the transaction must be unrelated in any way.

Further; it is not possible for the Company or the directors to accurately predict the nature of the related party transaction(s) or the specific related party(ies) with which the transaction(s) shall be carried out. In view of the same and in order to ensure smooth supply during the year, the Company seeks the broad approval of the shareholders that the Board may cause the Company to enter into transactions with related party / parties from time to time in its wisdom and in accordance with the policy of the Company for the fiscal year 2022-23.

All such transactions will be clearly stipulated at the end of the next financial year in the company's Annual Report. In however addition to this all such transactions shall also be placed before the shareholders in the next General Meeting for their noting approval/ ratification.

The Directors are interested in these resolutions only to be extent of their common directorship and shareholding in the associated companies.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF INDUS DYEING & MANUFACTURING COMPANY LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Indus Dyeing & Manufacturing Company Limited (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.

Yousuf Adil

Chartered Accountants

Place: Karachi
Date: 8 December 2022

UDIN: CR202210186YgJqaf2RI

INDUS DYEING & MANUFACTURING COMPANY LIMITED
REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERANANCE) REGULATIONS, 2019

We are pleased to enclose our review report on the Statement of Compliance (the Statement) with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) of Indus Dyeing & Manufacturing Company Limited ("the Company") for the year ended June 30, 2022, prepared by the Board of Directors ("the Board") of the Company .

We shall be pleased to sign our review report, with or without modification, after the Statement has been approved by the Board of Directors (the Board) and signed by the Chairman in this regard and after we have received/completed the following:

a) The Statement of Compliance duly approved by the Board and signed on its behalf by the Chairman duly authorized for this purpose;

b) Director's report to the shareholder's duly approved by the Board and signed on its behalf by the Chief Executive Officer (CEO) duly authorized for this purpose;

c) Minutes of meeting of the Board approving the Statement and the Directors' Report;

d) Engagement Quality Control Review (EQCR) which is an independent review of the review engagement as part of our quality assurance procedures of the firm and required by the International Standards on Review Engagements (ISREs); and

e) Chairman's review report.

2. OUR COMMENTS AND OBSERVATIONS

2.1 Independent directors

As per regulation 6 (1) of the Regulations it is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher. We noted that the Company has not complied with Regulation 6(1) and disclosed such fact along with its reason in the Statement of Compliance.

2.2 Directors' review report on quarterly financial statement

As per Regulation 34 (2) of the Regulations directors' review report on quarterly financial statements shall contain certain information including details of directors, committees and their status etc. We noted that such information is not included in the directors' report. We have been informed that such information is made part of quarterly reports. We recommend the management to include all required information in the quarterly directors' review report to comply with the Regulation.

3. Other

3.1 In addition to the mandatory and non-mandatory clauses / regulations stipulated in the Regulations, there are certain regulations / clauses in the Regulations in which word 'may' or 'encouraged' have been used. We understand that these clauses remain recommendatory in nature and therefore, neither fall under mandatory regulations / clauses nor fall into 'comply or explain' approach. However, the Company may voluntarily comply with such regulations / clauses. As at June 30, 2022, the Company has complied with certain recommendatory regulations / clauses and the Company may consider compliance with remainder of these in future.

3.2 As Required by the Rules, we confirm that, as at June 30, 2022:

i. The firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on Code of the Ethics as applicable in Pakistan;

ii. The firm has been given a satisfactory rating under the Quality Control Program of the institute of Chartered Accountants of Pakistan; and

iii. The Firm and persons associated with our Firms have not been appointed to provide non-audit services to the Company and we have observed applicable guidelines issued by IFAC in this regard.

iv. The Firm and all its partners involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.

We wish to place on record our appreciation for the co-operation extended to us by the management during the course of review.

Yours truly,

Yousuf Adil

Chartered Accountants

Date: 08 December 2022

TO THE MEMBERS OF INDUS DYEING AND MANUFACTURING COMPANY LIMITED
REPORT ON THE AUDIT OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the annexed unconsolidated financial statements of **Indus Dyeing and Manufacturing Company Limited** (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2022, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred 'as unconsolidated financial statements'), and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Revenue from Contracts with Customers**	**Our audit procedures to address the Key Audit Matter included the following:**
	The Company is engaged in manufacturing and sale of yarn. Revenue recognition policy has been explained in note 4.14 to the unconsolidated financial statements, and the related amounts of revenue recognized during the year are disclosed in note 27 to the unconsolidated financial statements. The Company generates revenue from sale of goods to domestic and export customers. Revenue from the local and export sales (including indirect exports) is recognized when performance obligation is satisfied as per the requirements of the International Financial Reporting Standard (IFRS) 15 – 'Revenue from Contracts with Customers'. We identified revenue recognition as key audit matter since it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized on point in time basis i.e. when control of goods is transferred to the customer, in line with the accounting policy adopted and may not have been recognized in the appropriate period.	Our audit procedures to address the Key Audit Matter included the following: • Considered the appropriateness of revenue recognition policy and compared it with the applicable accounting and reporting standards; • Obtained an understanding of revenue from customers and assessed the design, implementation and operating effectiveness of controls around recognition of revenue; • Checked on sample basis relevant underlying supporting documents for ensuring that management has complied with the revenue recognition criteria as per IFRS 15; • Tested timeliness of revenue recognition by comparing individual sales transactions before and after the year end to underlying documents and by checked significant credit notes issued after year-end, if any; and • Evaluated the adequacy and appropriateness of disclosures made in the unconsolidated financial statements.
2.	**Valuation of stock in trade**	
	Stock-in-trade has been valued following an accounting policy as stated in note 4.5 to the unconsolidated financial statements and the value of stock-in-trade is disclosed in note 9 to the unconsolidated financial statements. Stock-in-trade forms material part of the Company's assets comprising around 29% of total assets. The valuation of stock in trade is carried at amount i.e Cost or Net Realizable Value, whichever is lower. Cost has different components, which includes judgment in relation to the allocation of overheads costs, which are incurred in bringing the finished goods to its present location and condition. Judgments are also involved in determining the net realizable value (estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale) of stock-in-trade items in line with accounting policy. Due to the above factors, we have considered the valuation of stock in trade as key audit matter.	Our audit procedures to address the valuation of stock-in-trade, included the following: • Obtained an understanding of mechanism of recording purchases and valuation of stock-in-trade; • Tested on a sample basis purchases with underlying supporting documents; • Verified on test basis, the moving average calculations of raw material as per accounting policy; • Verified the calculations of the actual overhead costs and checked allocation of labor and overhead costs to the finished goods and work in process; • Obtained an understanding of management's process for determining the net realizable value and checked future selling prices by performing a review of sales close to and subsequent to the year-end and ddetermined cost necessary to make the sales; and • Checked the calculations of net realizable value of itemized list of stock-in-trade, on selected sample and compared the net realizable value with the cost to ensure that valuation of stock-in-trade is in line with the accounting policy.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Shafqat Ali.

Yousuf Adil

Chartered Accountants
Place: Karachi
Date: December 08, 2022
UDIN: AR2022101864BspyJYQW

Unconsolidated Statement of Financial Position
As at June 30, 2022

	Note	2022	Restated 2021	Restated 2020
		(Rupees in 000)		
ASSETS				
Non-current assets				
Property, plant and equipment	5	**9,920,873**	7,201,544	6,383,628
Intangibles	6	**4,982**	7,117	10,167
Long-term investments	7	**6,399,992**	5,949,992	4,149,680
Long-term deposits		**6,287**	6,287	6,287
		16,332,134	13,164,940	10,549,762
Current assets				
Stores, spares and loose tools	8	**473,268**	319,951	361,256
Stock-in-trade	9	**11,159,676**	7,394,181	7,000,374
Trade debts	10	**9,348,186**	4,788,327	3,389,567
Loans and advances	11	**341,524**	320,708	210,033
Trade deposits and short term prepayments	12	**68,126**	10,247	1,898
Other receivables	13	**127,244**	88,447	55,286
Other financial assets	14	**76,688**	86,628	191,993
Tax refundable	15	**121,646**	149,613	347,623
Cash and bank balances	16	**309,882**	173,272	116,432
		22,026,240	13,331,374	11,674,462
TOTAL ASSETS		**38,358,374**	26,496,314	22,224,224
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized share capital 100,000,000 ordinary shares of Rs.10 each		**1,000,000**	1,000,000	450,000
Issued, subscribed and paid up capital	17	**542,211**	542,211	180,737
Reserves	18	**9,000,000**	9,000,000	7,000,000
Unappropriated profits		**13,719,428**	6,310,840	5,650,228
		23,261,639	15,853,051	12,830,965
Non-current liabilities				
Long-term financing	19	**4,679,766**	3,148,845	2,078,896
Deferred taxation	20	**110,177**	207,578	77,993
Deferred liabilities	21	**665,423**	955,335	1,313,670
Lease liabilities	22	**35,111**	48,372	-
		5,490,477	4,360,130	3,470,559
Current liabilities				
Trade and other payables	23	**3,557,725**	2,380,240	1,849,857
Unclaimed dividends		**3,735**	3,361	209,634
Interest / mark-up payable	24	**126,578**	53,429	65,715
Short-term borrowings	25	**4,914,087**	3,061,800	3,695,663
Current portion of long term financing	19	**490,743**	552,755	90,388
Current portion of deferred liabilities	21	**496,365**	216,070	11,443
Current portion of Lease liabilities	22	**17,025**	15,478	-
		9,606,258	6,283,133	5,922,700
TOTAL EQUITY AND LIABILITIES		**38,358,374**	26,496,314	22,224,224
CONTINGENCIES AND COMMITMENTS	26			

The annexed notes from 1 to 49 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Unconsolidated Statement of Profit or Loss
For the year ended June 30, 2022

	Note	2022	Restated 2021
		(Rupees in 000)	
Revenue	27	**49,461,116**	33,065,359
Cost of goods sold	28	**(39,100,655)**	(28,109,745)
Gross profit		**10,360,461**	4,955,614
Other income	29	**278,318**	471,249
Distribution cost	30	**(608,808)**	(451,191)
Administrative expenses	31	**(339,737)**	(316,728)
Other operating expenses	32	**(643,761)**	(233,383)
Finance cost	33	**(881,844)**	(591,007)
		(2,474,150)	(1,592,309)
Profit before taxation		**8,164,629**	3,834,554
Taxation	34	**(477,307)**	(622,259)
Profit for the year		**7,687,322**	3,212,295
		(Rupees)	
Earnings per share - basic and diluted	35	**141.78**	59.24

The annexed notes from 1 to 49 form an integral part of these unconsolidated financial statements.

Chief Financial Officer Chief Executive Officer Director

Unconsolidated Statement of Comprehensive Income
For the year ended June 30, 2022

	Note	2022	Restated 2021
		(Rupees in 000)	
Profit for the year		**7,687,322**	3,212,295
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability	21.2.6	**(7,813)**	(10,602)
Less: tax thereon		**185**	1,130
		-	
		(7,628)	(9,472)
Total comprehensive income for the year		**7,679,694**	3,202,823

The annexed notes from 1 to 49 form an integral part of these unconsolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Director

Unconsolidated Statement of Cash Flows
For the year ended June 30, 2022

		Note	2022	Restated 2021
			-------------(Rupees in 000)----------	
A.	**Cash flows from operating activities**			
	Cash generated from operations	36	**4,781,797**	3,964,827
	Taxes paid - net		**(302,039)**	(214,649)
	Finance cost paid		**(647,669)**	(460,705)
	Gas infrastructure development cess paid	21.4	**(24,787)**	(20,664)
	Gratuity paid	21.2.4	**(179,618)**	(93,055)
	Net cash generated from operating activities		**3,627,684**	3,175,754
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment - net of CWIP		**(3,516,524)**	(1,412,843)
	Proceeds from disposal of property, plant and equipment		**27,549**	15,205
	Purchase of investments in other financial assets		**-**	(1,234)
	Investment in subsidiary	7.2.2	**(450,000)**	(1,800,312)
	Proceeds from redemption of investments in other financial assets		**941**	143,933
	Dividends received		**5,586**	55,323
	Net cash used in investing activities		**(3,932,448)**	(2,999,928)
C.	**Cash flows from financing activities**			
	Proceeds from long-term finance	19.1	**2,027,705**	3,202,702
	Repayments of long-term finance	19.1	**(558,796)**	(1,624,664)
	Repayment of lease liabilities		**(15,477)**	(15,889)
	Dividends paid		**(270,732)**	(387,010)
	Net cash generated from financing activities		**1,182,700**	1,175,139
	Net increase in cash and cash equivalents (A+B+C)		**877,936**	1,350,965
	Cash and cash equivalents at beginning of the year		**(1,583,801)**	(2,934,766)
	Cash and cash equivalents at end of the year	37	**(705,865)**	(1,583,801)

The annexed notes from 1 to 49 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Unconsolidated Statement of Changes in Equity
For the year ended June 30, 2022

		Reserves				
		Capital		Revenue		
	Issued, subscribed and paid up capital	Share premium	Merger reserve	General reserve	Unappropriated profits	Total
	(Rupees in '000)					
Balance at June 30, 2020 - As Reported	180,737	10,920	11,512	6,977,568	5,286,763	12,467,500
Effect of change in accounting policy for stock - refer note 4.18	-	-	-	-	363,465	363,465
As at June 30, 2020 - Restated	180,737	10,920	11,512	6,977,568	5,650,228	12,830,965
Profit for the year	-	-	-	-	3,212,295	3,212,295
Other comprehensive income for the year - net of tax	-	-	-	-	(9,472)	(9,472)
Total comprehensive income for the year - restated			-	-	3,202,823	3,202,823
Transfer to revenue reserves			-	2,000,000	(2,000,000)	-
Transactions with owners						
Interim cash dividend @ Rs.10 per share	-	-	-	-	(180,737)	(180,737)
Bonus shares issued for the year @ 200%	361,474	-	-	-	(361,474)	-
Balance at June 30, 2021 - Restated	542,211	10,920	11,512	8,977,568	6,310,840	15,853,051
Profit for the year	-	-	-	-	**7,687,322**	**7,687,322**
Other comprehensive income for the year - net of tax	-	-	-	-	**(7,628)**	**(7,628)**
Total comprehensive income for the year	-	-	-	-	**7,679,694**	**7,679,694**
Transactions with owners						
Interim cash dividend @ Rs.5 per share	-	-	-	-	**(271,106)**	**(271,106)**
Balance at June 30, 2022	**542,211**	**10,920**	**11,512**	**8,977,568**	**13,719,428**	**23,261,639**

The annexed notes from 1 to 49 form an integral part of these unconsolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2022

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 repealed Companies Act,1913 (subsequently replaced by the 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, P-5 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 following investees:

- 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

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

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017 has been followed.

These are separate financial statements wherein subsidiaries and associates are measured at cost.

2.2 Functional and presentation currency

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

2.3 Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except for employee retirement benefits which are measured at present value and certain financial instruments which are carried at fair value.

2.4 Amendments to standards that are effective for the year ended June 30, 2022

The following amendments are effective for the year ended June 30, 2022. These amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	**January 01, 2021**
- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	**April 01, 2021**

2.5 Amendments to standards that are not yet effective

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

	Effective from Accounting period beginning on or after
- Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
- Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
"Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract"	January 01, 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
"Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates"	January 01, 2023
Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	January 01, 2023
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:
- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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. The areas where various assumptions and estimates are significant to the unconsolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- Depreciation rates and useful life of property, plant and equipment (note 4.1 and 5.1)
- Useful lives of intangible (note 4.2, and 6)
- Incremental borrowing rate used in discounting of future cashflows of right-of-use asset (note 4.1.3, and 5.5)
- Net realizable value of stock-in-trade (note 4.5 and 9)
- Provision for impairment of trade debts and other receivables (note 4.6, 10 and 13)
- Classification and impairment of investment (note 4.6.5, 7 and 14)
- Provision for current and deferred tax (note 4.8 and 34)
- Provision for gratuity (note 4.9 and 21)
- Discounting of Gas Infrastructure Development Cess (GIDC) (note 21.4)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property, plant and equipment

4.1.1 Operating fixed assets

Property, plant and equipment except freehold land, leasehold land and capital work in progress are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land, lease hold land and capital work in progress are stated at cost, less impairment, if any.

Assets' residual values and their useful lives are reviewed and adjusted at each reporting date, if significant.

Depreciation is charged to income applying the reducing balance method at the rates specified in the note 5.1. Depreciation on all additions is charged from the month on which the asset is available for use and no depreciation is charged in the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial year in which they are incurred.

Assets are derecognised when disposed or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets, if any, are recognised in the statement of profit or loss and other comprehensive income, as and when incurred.

4.1.2 Capital work in progress

These are stated at cost less accumulated impairment losses, if any. All expenditures connected with specific assets incurred and advances made during installation and construction period are carried under this head. These are transferred to specific asset as and when the asset is available for its intended use.

4.1.3 Right of use assets and lease liabilities

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for operating fixed asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Company has elected to apply the practical expedient not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

4.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment loss if any. Amortization is charged to statement of profit or loss using the reducing balance method at the rates given in note 6. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on prospective basis.

4.3 Investment in associate and subsidiaries

Associate is an entity over which the Company has significant influence but not control, generally represented by shareholding of 20% to 50% of the voting rights or common directorship.

Subsidiary is an entity which is controlled by the Company when it is exposed, or has rights, to variable returns from its involvement with such entity and has the ability to affect those returns through its power over the investee entity.

The investments in subsidiary and associate are stated at cost less any impairment losses in these unconsolidated financial statements. Subsequently, the recoverable amount is estimated to determine the extent of impairment losses, if any, and carrying amounts are adjusted accordingly. Impairment losses are recognized as expense in the statement of profit or loss. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. Reversal of impairment loss is recognized in the statement of profit or loss adjusted for impairment, if any, in the recoverable amounts of such investments.

4.4 Stores, spares and loose tools

These are valued at cost determined on moving average cost method less allowance for obsolete and slow moving items. Items in transit are valued at invoice values plus other charges incurred thereon.

4.5 Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined by applying the following basis:

	Basis of valuation
Raw material	Moving average cost
Work-in-progress	Moving average cost of material and share of applicable overheads
	Basis of valuation
Finished goods	Moving average cost of material and share of applicable overheads
Packing material	Moving average cost
Waste	Net realizable value
Stock in transit	Accumulated cost till reporting date

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

During the year, management changed its valuation policy for raw material from weighted average to moving average considering that the change in method of valuation will depict more appropriate value of their raw material. Refer note 4.18 for effects of the said change.

4.6 Financial instruments

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

4.6.1 Financial assets

Classification

The Company classifies its financial assets into following three categories:

IFRS 9 contains three principal classification categories for financial assets at:

i) Amortised cost ("AC"),
ii) Fair value through other comprehensive income ("FVTOCI") and
iii) Fair value through profit or loss ("FVTPL").

i) Financial assets at amortised cost

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

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

iii) Financial assets at fair value through profit or loss (FVTPL)

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

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

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

Derecognition of financial assets

"The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received."

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of profit or loss and other comprehensive income.

4.6.2 Subsequent measurement of financial assets

Financial assets at amortised cost

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

Financial assets at FVTOCI

All financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in Other Comprehensive Income (OCI).

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

Financial assets at FVTPL

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

4.6.3 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Basis of valuation of investment in mutual funds

The fair value of units of Funds is based on the net assets value per unit announced by Mutual Funds Association of Pakistan (MUFAP), which is determined on the basis of net assets value communicated by the Asset Management Company on daily basis.

4.6.4 Financial liabilities

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

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

4.6.5 Impairment

Financial assets

The Company recognizes a loss allowance for expected credit loss "ECL" on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The Company always recognizes lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.6.6 Offsetting of financial assets and financial liabilities

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

On initial recognition, for an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

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

4.7 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finances and term deposit receipts of less than 3 months.

4.8 Taxation

Current

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

Deferred

Deferred tax is provided using the statement of financial position method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirements of Technical Release – 27 issued by Institute of Chartered Accountants of Pakistan.

Deferred income tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profits and taxable temporary differences will be available against such temporary differences and tax losses can be utilized.

Deferred income tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

4.9 Staff retirement benefits

Defined benefit plan

The Company operates an unfunded gratuity scheme for its confirmed employees who have completed the minimum qualifying period of service as defined under the scheme. The Company's obligation under the scheme is determined through actuarial valuation carried out at each year end under the Projected Unit Credit Method. The most recent valuation of the scheme was carried out as at June 30, 2022.

Remeasurements which comprise actuarial gains and losses on defined benefit obligations are recognized immediately in other comprehensive income.

4.10 Deferred grant

The benefit of interest rate lower than market rate on borrowings obtained under State Bank of Pakistan (SBP) under Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the Company, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognised and presented in statement of financial position as deferred government grant.

In subsequent periods, the grant shall be amortised over the period of loan and amortization shall be recognised and presented as reduction of related interest expense.

4.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added in the carrying amount of the borrowing.

4.11.1 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time till the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit or loss and other comprehensive income in the period in which they are incurred.

4.12 Provisions

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

4.13 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date. Exchange differences are included in the statement of profit or loss and other comprehensive income.
All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.14 Revenue recognition

Revenue from contracts with customers is recongnised at the point in time when the performance obligation is satisfied i.e. when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company excepts to be entitled to in exchange of those goods.

Dividend income is recognised on the date on which the Company's right to receive the dividend is established.

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.

Gains / losses arising on sale of investments are included in the period in which they arise.

4.15 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders of the Company.

4.16 Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.17 Segment Reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The Company considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments.

On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment; however, certain information about the Company's products, as required by the accounting and reporting standards, is presented in note 43 to these financial statements.

4.18 Changes in accounting policies

During the year, management decided to change valuation method of raw material from weighted average method to moving average method for depicting more appropriate results. Considering this change as a change in accounting policy as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period figures have been restated. Effect of restatements are as follows:

Impact on statement of financial position

	2020		
	Previously reported amount	**Impact of change in policy**	**Restated amount**
	------------------	**(Rupees in '000)**	-----------------
STOCK-IN-TRADE	**6,636,909**	**363,465**	**7,000,374**
- Stock-in-trade- Raw material	5,703,937	321,484	6,025,421
- Stock-in-trade- Work in process	268,040	13,839	281,879
- Stock-in-trade- Finished goods	529,497	28,142	557,639
	6,501,474	**363,465**	**6,864,939**

Impact on statement of financial position

	2021		
	Previously reported amount	**Impact of change in policy**	**Restated amount**
	(Rupees in '000)		
STOCK-IN-TRADE	**7,122,920**	**271,261**	**7,394,181**
- Stock-in-trade- Raw material	6,030,046	106,409	6,136,455
- Stock-in-trade- Work in process	296,296	51,780	348,076
- Stock-in-trade- Finished goods	640,934	113,072	754,006
	6,967,276	**271,261**	**7,238,537**

Impact on statement of profit or loss

	2021		
	Previously reported amount	**Impact of change in policy**	**Restated amount**
	(Rupees in '000)		
Cost of goods sold	**27,864,370**	**245,375**	**28,109,745**
- Cost of goods manufactured - Raw material consumed	22,020,778	368,246	22,389,024
Reduction in :			
- Work in process	28,256	37,941	66,197
- Finished goods	111,437	84,930	196,367
	139,693	122,871	262,564
	21,881,085	**245,375**	**22,126,460**

	Unappropriated Profit Rupees in '000
Impact on statement of changes in equity	
As at June 30, 2020 - as reported	5,286,763
Impact of change in policy	363,465
As at June 30, 2020 - Restated	**5,650,228**
As at June 30, 2021 - As reported	6,039,579
Impact of rectification of policy - 2020 (as stated above)	363,465
Impact of rectification of policy - 2021 (as stated above)	(245,375)
As at June 30, 2021 - Restated	**6,157,669**

Due to above restatements, no material change has been occurred between operating, financing and investing activities of statement of cash flows.

Impact on EPS due to above restatements	**2021**
Profit for the year - as reported (Rupees in '000)	3,304,499
Profit for the year - restated (Rupees in '000)	3,212,295
Impact of restatements (Rupees in '000)	92,204
Weighted average number of shares outstanding (Numbers)	54,221,196
Impact on earnings per share (Rupees)	1.70

There were no dilutive potential ordinary shares in issue.

	Note	2022	2021
		---------- (Rupees in '000) ---------	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	**9,331,688**	6,479,846
Capital work-in-progress	5.4	**545,198**	663,049
Right of use assets	5.5	**43,987**	58,649
		9,920,873	7,201,544

5.1 **Operating fixed assets**

	2022							
Particulars	Cost at July 01, 2021	Additions / (disposal) during the year	Cost at June 30, 2022	Accumulated depreciation at July 01, 2021	Depreciation / (adjustments) for the year	Accumulated depreciation at June 30, 2022	Carrying value at June 30, 2022	Depreciation rate
	---------- (Rupees in '000) ----------							%
Freehold land	8,144	837,000	845,144	-	-	-	845,144	-
Leasehold land	137,799	-	137,799	-	-	-	137,799	-
Factory buildings on leasehold land	1,615,730	275,642	1,891,372	647,005	53,359	700,364	1,191,008	5%
Non-factory buildings on on leasehold land	181,618	-	181,618	128,824	5,280	134,104	47,514	10%
Office building	98,415	-	98,415	29,495	3,446	32,941	65,474	5%
Plant and machinery	10,174,342	2,018,582 (194,673)	11,998,251	5,848,579	564,549 (177,204)	6,235,924	5,762,327	10%
Electric installations	273,833	64,210	338,043	152,020	15,537	167,557	170,486	10%
Solar panel	23,846	193,219	217,065	994	11,414	12,408	204,657	10%
Power generators	1,088,319	111,818 (2,913)	1,197,224	454,478	65,221 (2,600)	517,099	680,125	10%
Office equipment	19,070	1,741	20,811	8,161	1,214	9,375	11,436	10%
Furniture and fixtures	32,361	2,994	35,355	12,619	2,143	14,762	20,593	10%
Vehicles	282,538	129,169 (16,729)	394,978	173,994	33,154 (7,295)	199,853	195,125	20%
June 30, 2022	13,936,015	3,634,375 (214,315)	17,356,075	7,456,169	755,317 (187,099)	8,024,387	9,331,688	

Particulars	Cost at July 01, 2020	Additions / (disposal) / during the year	Cost at June 30, 2021	Accumulated depreciation at July 01, 2020	Depreciation/ (adjustment) during the year	Accumulated depreciation at June 30, 2021	Carrying value at June 30, 2021	Depreciation rate
	2021							
	(Rupees in '000)							%
Freehold land	9,808	(1,664)	8,144	-	-	-	8,144	-
Leasehold land	137,799	-	137,799	-	-	-	137,799	-
Factory buildings on leasehold land	1,464,340	151,390	1,615,730	600,636	46,369	647,005	968,725	5%
Non-factory buildings on on leasehold land	177,606	4,012	181,618	123,239	5,585	128,824	52,794	10%
Office building	98,415	-	98,415	25,868	3,627	29,495	68,920	5%
Plant and machinery	9,773,364	498,191 (97,213)	10,174,342	5,463,555	467,675 (82,651)	5,848,579	4,325,763	10%
Electric installations	260,729	13,104	273,833	139,464	12,556	152,020	121,813	10%
Solar Panel		23,846	23,846	-	994	994	22,852	10%
Power generators	991,769	112,634 (16,084)	1,088,319	401,870	66,132 (13,524)	454,478	633,841	10%
Office equipment	17,069	2,001	19,070	7,049	1,112	8,161	10,909	10%
Furniture and fixtures	28,172	4,189	32,361	10,655	1,964	12,619	19,742	10%
Vehicles	280,336	7,685 (5,483)	282,538	150,700	26,593 (3,299)	173,994	108,544	20%
June 30, 2021	13,239,407	817,052 (120,444)	13,936,015	6,923,036	632,607 (99,474)	7,456,169	6,479,846	

5.1.1 Allocation of depreciation

	Note	2022	2021
		(Rupees in '000)	
Cost of goods sold	28	**717,149**	599,311
Administrative expenses	31	**38,168**	33,296
		755,317	632,607

5.2 **Disposals of operating fixed assets**

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Company
	-- (Rupees in '000) --------------------------------							
Plant and machinery								
Ginning Machine	5,594	(5,594)	-	840	840	Negotiation	Muhammad Iqbal Awan	None
Bale Breaker	385	(342)	43	21	(22)	Negotiation	Khalis Fiber (Private) Limited	None
Scutcher	1,799	(1,722)	77	38	(39)			
Ring Frame FA - 502 Chinese	2,136	(2,023)	113	56	(57)			
Blow Room Auto Plucker	478	(368)	111	55	(56)			
Drawing Breaker DYH-500	9,409	(8,462)	946	470	(476)			
Tfo 363 144 Spindles Twister	3,594	(3,339)	255	126	(129)			
Crosrol MK5	22,876	(19,816)	3,060	585	(2,475)	Negotiation	Choudhary Brothers	None
Crosrol MK5-D	28,519	(26,512)	2,007	2,170	163	Negotiation	Akbar Ali&Bros	None
Toyoda DYH-500	12,104	(11,881)	223	111	(112)	Negotiation	Khalis Fiber (Private) Limited	None
Boiler Plant	5,899	(5,879)	20	400	380	Negotiation	Subhan Trading	None
Card Mk-5D	4,412	(3,867)	546	117	(429)	Negotiation	Hanif'S Trading Corporation	None
Crosrol Card Mk-5D	26,472	(23,255)	3,218	500	(2,718)	Negotiation	Mr. Khalid Ghani	None
Drawing Machine DHY-500C	3,585	(2,906)	678	200	(478)	Negotiation	Lyallpur Textiles	None
Mach Coner - 338 Schlaforst 60 Spindles	10,390	(8,894)	1,495	510	(985)	Negotiation	Mr. Muhammad Asif	None
Crosrol Card MK-5D	8,824	(7,789)	1,036	300	(736)			
Cherry DX-500	3,513	(3,394)	119	200	81			
Simplex Frame FI-200 104 Spindles	4,751	(4,605)	146	120	(26)	Negotiation	Muhammad Imran	None
Toyoda FI-16	7,433	(7,390)	43	120	77			
TFO 363 132 Spindles Twister	727	(659)	69	120	51	Negotiation	Mr. Ghulam Abbas	None
Auto Cone 338-RM 60 Spindles	12,565	(10,581)	1,984	4,370	2,386			
Drawing Finisher RSB-D30	7,474	(6,746)	729	720	(9)			
Auto Cone 338 60 Spindles	11,004	(10,521)	483	5,528	5,045	Negotiation	Adamjee Insurance Co. Limited	None
TFO 363 132 Spindles Twister	727	(659)	69	120	51	Negotiation	Sealink Shipping Pvt Limited	None
	194,673	**(177,204)**	**17,470**	**17,798**	**327**			

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Company
	---------- (Rupees in '000) ----------							
Vehicles								
Suzuki Cultus AVK310 VXR MC 998 CC	1,745	(575)	1,170	1,175	5	Negotiation	Mr. Saif Ulllah	None
Suzuki Swift	1,282	(937)	345	350	5	Negotiation	Mr. Shakeel Ahmed	Employee
Suzuki Cultus VXR 998 CC	1,780	(314)	1,466	1,375	(91)	Negotiation	Mr. Muhammad Aamir	Employee
Unique - 70	48	(27)	21	10	(11)	Negotiation	Mr. Abdul Qadir	Employee
Express Bike 70 CC (Black)	58	(22)	36	20	(16)	Negotiation	Muhammad Faisal Awan	Employee
Unique - 70	44	(35)	8	9	1	Negotiation	Mr. Muhammad Manzoor	Employee
Yamaha 125 Z	119	(61)	58	25	(33)	Negotiation	Mr. Farhan Yameen	Employee
Super Power - Delux -70 CC	62	(25)	36	7	(29)	Negotiation	Mr. Muzaffer Hussain	Employee
Yamaha YBR-Z 125 CC	137	(38)	99	50	(49)	Negotiation	Mr. Umair Ilyas	Employee
Express 70 CC	63	(14)	49	27	(22)	Negotiation	Mr. Skindar Javed	Employee
Honda Grace (Hybrid)	2,500	(1,005)	1,495	1,625	130	Negotiation	Muhammd Faisal Nazeer	None
Express Bike 70 CC (Black)	58	(25)	33	46	13			
New Car Corolla M20 1.6 At 1598CC	3,283	(180)	3,103	3,283	180	Negotiation	Adadjee Insurance Company Ltd	None
Honda CG 125 CC	117	(50)	66	117	51			
Suzuki Swift	1,282	(970)	312	325	13	Negotiation	Mr. Faheem Niazi	Employee
Super Power - 70	49	(25)	24	10	(14)	Negotiation	Muhammad Abid	Employee
Super Power Delux 70 CC	62	(29)	32	5	(27)	Negotiation	Mr. Sharjeel Awan	Employee
Super Power - 70	49	(25)	24	10	(14)	Negotiation	Mr. Zubair	Employee
Super Power - Delux -70	62	(31)	30	10	(20)	Negotiation	Mr. Mehboob Ali	Employee
Yamaha 125 Z	115	(65)	50	25	(25)	Negotiation	Muhammad Adeel	Employee
Unique - 70	49	(29)	20	10	(10)	Negotiation	Mohsin Ali Jamro	Employee
Unique - 70	48	(29)	19	10	(9)	Negotiation	Mr. Noman Ul Haque	Employee
Unique - 70	48	(29)	19	10	(9)	Negotiation	Sheikh Muzammil	Employee
Unique - 70	48	(29)	19	10	(9)	Negotiation	Ghulam Abbas	Employee
Unique - 70	48	(29)	19	10	(9)	Negotiation	Anwar Hussain	Employee
Honda CD - 70	64	(42)	22	10	(12)	Negotiation	Ahmer Waqas	Employee
Super Power	54	(35)	19	8	(11)	Negotiation	Mr. Anees Hussain	Employee
Suzuki Cultus	1,059	(859)	200	-	(200)	Negotiation	Feroz Akhtar	Employee
Corolla Garande	2,401	(1,761)	640	700	60	Negotiation	Mr. Najam Ul Islam	Employee
	16,729	**(7,295)**	**9,434**	**9,271**	**(162)**			
Power Generators								
Caterpillar Diesel Generator	**2,913**	**(2,600)**	**313**	**480**	**167**	Negotiation	Siddiqui & Co	None
2022	**214,315**	**(187,099)**	**27,217**	**27,549**	**332**			
2021	120,444	(99,474)	20,970	15,205	(5,765)			

5.3 Particulars of immovable property in the name of Company are as follows:

Location	Usage of immovable property	Total Area (In acres)	Total area (In sq.ft)
Korangi mill - Plot No. 3 & 7, Sector 25, Korangi, Karachi	Manufacturing facility and labour colony	12.50	544,500
Hyderabad mill - Plot No. P-1 & P-5, S.I.T.E, Hyderabad	Manufacturing facility and labour colony	29.00	1,263,240
Nooriabad land - Plot No. K-31 & K-32, Nooriabad	Held for business expansion	40.00	1,742,400
Naseerpur land - Adda Pira Ghayaib, Mototly Road	Manufacturing facility	8.28	360,459
Muzaffergarh mill - Bagga Sher, Khan pur Shumail, District Multan	Manufacturing facility and labour colony	30.87	1,344,697
Nooriabad land- Plot No. B/77, Jhampeer road, Nooriabad	Manufacturing/ Storage facility and business expansion	31.00	1,350,360

		Note	2022	2021
			---------------(Rupees in 000)-------------	
5.4	**Capital work-in-progress**			
	Civil works		**121,570**	18,470
	Plant and machinery		**361,322**	615,602
	Solar panel		**57,707**	28,977
	Power Generator		**4,599**	-
		5.4.1	**545,198**	663,049

5.4.1 Capital work-in-progress

	Civil works	Plant and machinery	Solar panel	Power generator	Total
	----------------------------- (Rupees '000) ---------------------------				
As at June 30, 2020	64,752	2,505	-	-	67,257
Additions during the year	83,840	936,514	52,882	-	1,073,236
Transferred to operating fixed assets	(130,122)	(323,417)	(23,905)	-	(477,444)
As at June 30, 2021	18,470	615,602	28,977	-	663,049
Additions during the year	327,565	1,224,857	215,480	4,599	1,772,501
Transferred to operating fixed assets	(224,465)	(1,479,137)	(186,750)	-	(1,890,352)
As at June 30, 2022	**121,570**	**361,322**	**57,707**	**4,599**	**545,198**

		Note	2022	2021
			--------- (Rupees in '000) -------	
5.5	**Right of use assets**			
	Balance as at July 01		**58,649**	-
	Additions during the year		-	75,130
	Depreciation for the year	5.5.1	**(14,662)**	(16,481)
	Balance as at June 30		**43,987**	58,649

5.5.1 Depreciation is charged on a lease term of 5 years on Straight line basis and has been charged in 'Administrative expenses' (Note 31).

		Note	2022	2021
			(Rupees in 000)	
6.	**INTANGIBLES**			
	Software			
	Cost		**26,341**	26,341
	Amortization			
	- Opening		**19,224**	16,174
	- For the year	6.1	**2,135**	3,050
	Accumulated amortization		**(21,359)**	(19,224)
	Net book value as at June 30		**4,982**	7,117
	Annual amortization rate		**30%**	30%

6.1 Amortization for the year has been charged to Administrative expenses (Note 31).

		Note	2022	2021
			(Rupees in 000)	
7.	**LONG-TERM INVESTMENTS**			
	Investment in associate at cost	7.1	**13,476**	13,476
	Investment in subsidiaries at cost	7.2	**6,386,516**	5,936,516
			6,399,992	5,949,992

7.1 It represents investment in Sunrays Textile Mills Limited (STML), a public limited company incorporated in Pakistan. As of the reporting date, the Company owns 0.99% shareholding and voting rights in STML and it is considered as an associate due to common directorship.

		2022	2021
		(Rupees in 000)	
7.2	**Investment in subsidiaries at cost**		
7.2.1	**Indus Home Limited (IHL)**	**2,491,204**	2,491,204

IHL is a wholly owned subsidiary of the Company, the subsidiary is involved in the business of griege, terry towel and other textile products. The subsidiary is incorporated in Pakistan as a public unlisted company. Investment in IHL is carried at cost less accumulated impairment loss in these unconsolidated financial statements.

		2022	2021
		(Rupees in 000)	
7.2.2	**Indus Lyallpur Limited (ILP)**		
	Opening	**1,185,000**	1,185,000
	Additions	**450,000**	-
	Closing	**1,635,000**	1,185,000

ILP is a subsidiary of the Company. The shares of ILP are owned by the Company and the Indus Home Limited in the ratio of 100% and 0% (2021: 75.82% and 24.18%) respectively. ILP is involved in the business of manufacturing, export and sale of yarn. The subsidiary is incorporated in Pakistan as public unlisted company. Investment in ILP is carried at cost less accumulated impairment loss in these unconsolidated financial statements.

	2022	2021
	----------------(Rupees in 000)--------------	
7.2.3 Indus Wind Energy Limited (IWE)		
Opening	**2,260,312**	460,000
Additions	-	1,800,312
Closing	**2,260,312**	2,260,312

IWE is a wholly owned subsidiary of the Company and is involved in the business of generation and distribution of power. The subsidiary is incorporated in Pakistan as a public unlisted company. Investment in IWE is carried at cost less accumulated impairment loss in these unconsolidated financial statements.

	Note	2022	2021
		----------------(Rupees in 000)--------------	
8. STORES, SPARES AND LOOSE TOOLS			
Stores, spares and loose tools	8.1	**575,774**	404,103
Provision for slow moving and obsolete items	8.2	**(102,506)**	(84,152)
		473,268	319,951

8.1 It includes stores and spares in transit amounting to Rs. 50.136 million (2021: Rs.47.67 million).

	2022	2021
	----------------(Rupees in 000)--------------	
8.2 Movement of provision for slow moving inventories		
Balance as at July 01	**84,152**	41,556
Provision made during the year	**18,354**	42,596
Balance as at June 30	**102,506**	84,152

	2022	(Restated) 2021
	--------- (Rupees in '000) ---------	
9. STOCK-IN-TRADE		
Raw material		
- in hand	**8,684,726**	4,833,390
- in transit	**1,059,552**	1,303,065
	9,744,278	6,136,455
Work-in-process	**411,546**	348,076
Finished goods	**799,371**	754,006
Packing material	**89,098**	68,444
Waste	**115,383**	87,200
	11,159,676	7,394,181

9.1 During the year, stock is carried at cost as net realizable value is higher than cost.

10. TRADE DEBTS	Note	2022	2021
		----------------(Rupees in 000)--------------	
Considered good			
Secured			
Foreign debtors	10.2	**1,651,286**	448,113
Local debtors	10.2	**2,134,610**	-
Unsecured			
Local debtors	10.1 & 10.2	**5,574,106**	4,355,926
		9,360,002	4,804,039
Provision for doubtful debts	10.3	**(11,816)**	(15,712)
	10.4	**9,348,186**	4,788,327

10.1 The details of past due or impaired trade debts from associates and related parties are as follows:

	0 to 30 days	31 to 180 days	More than 181 days	Total as at june 30
	------------------------- (Rupees in '000)			----------------------------
2022	-	-	-	-
2021				
Indus Home Limited	110,628	-	-	110,628
Indus Lyallpur Limited	266,986	-	-	266,986

10.2 Trade debts consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of credit customers, to assess their recoverability. These are secured against letter of credit from creditworthy banks.

10.3 Movement of provision for doubtful debts	Note	2022	2021
		----------------(Rupees in 000)--------------	
Balance as at July 01		**15,712**	16,664
Reversal made during the year		**(3,896)**	(952)
Balance as at June 30		**11,816**	15,712

10.4 Ageing of trade debts

Not yet due	**7,682,847**	3,720,415
Past due within 30 days	**1,293,194**	763,243
Past due within 31 to 60 days	**270,539**	210,064
Past due within 61 to 90 days	**44,263**	77,038
Past due within 91 to 180 days	**38,917**	1,325
Past due beyond 180 days	**18,427**	16,242
	9,348,186	4,788,327

11. LOANS AND ADVANCES

	Note	2022	2021
Considered good			
Loans / advances to staff	11.1	**10,012**	31,489
Advance income tax - net		**67,226**	49,454
Loan to subsidiary	11.2	**241,120**	157,435
Advance against workers profit participation fund	11.3	**5,283**	24,632
Advances to:			
- Suppliers		**101**	27,087
- Others		**17,782**	30,611
		17,883	57,698
		341,524	320,708

11.1 These are interest free, secured against gratuity entitlements and granted not more than Rs. 1,000,000 (2021: Rs. 1,000,000) to a person.

11.2 The Company being the sponsor of Indus Wind Energy Limited has paid the amount as per financial agreements with the lenders to finance sales tax payments of EPC construction contractor. This loan is interest free and repayable on demand.

	Note	2022	2021
		----------------(Rupees in 000)--------------	
11.3 Workers' Profits Participation Fund			
Balance at beginning of the year		**(24,632)**	19,525
Allocation for the year		**429,717**	205,368
		405,085	224,893
Adjustment of excees amount		**24,632**	-
Payments made during the year		**(435,000)**	(249,525)
Balance at end of the year		**(5,283)**	(24,632)

12. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

		2022	2021
Deposits against bank guarantee		**3,350**	3,350
Other deposits		**20,249**	5,919
Prepayments		**44,527**	978
		68,126	10,247

13. OTHER RECEIVABLES

		2022	2021
Considered good			
Cotton claims against short deliveries		**64,662**	15,023
Others		**62,582**	73,424
		127,244	88,447

14. OTHER FINANCIAL ASSETS

	Note	2022	2021
At fair value through profit or loss			
Investment in ordinary shares of listed companies	14.1	**44,702**	53,440
Investment in units of mutual funds	14.2	**31,986**	33,188
		76,688	86,628

14.1 Investment in ordinary shares of listed companies

2022	2021			
--- (Number of shares) ---				
42,000	42,000	Bestway Cement Limited	**5,333**	6,783
30,000	30,000	Fauji Fertilizer Company Limited	**3,307**	3,183
15,000	15,000	Habib Bank Limited	**1,370**	1,836
2,350,000	2,350,000	K-Electric Limited	**7,144**	9,823
19,156	19,156	Pakistan State Oil Company Limited	**3,291**	4,296
10,000	10,000	Pak Elektron Limited	**159**	351
-	99,500	PIAA Corporation Limited	-	572
-	900	Pioneer Cement Limited	-	122
25,950	25,950	Sitara Chemical Industries Limited	**8,045**	9,134
141,900	141,900	United Bank Limited	**16,053**	17,340
			44,702	53,440

14.2 Investment in units of mutual funds

2022	2021			
--- (Number of units) ---				
-	315	Meezan Sovereign Fund	-	16
520,039	520,039	Meezan Islamic Fund	**31,986**	32,958
-	20,308	NBP Financial Sector Income Fund	-	214
			31,986	33,188

	Note	2022	2021
		----------------(Rupees in 000)--------------	
15. TAX REFUNDABLE			
Sales tax refundable		**26,433**	74,420
Income tax refundable		**95,213**	75,193
		121,646	149,613
16. CASH AND BANK BALANCES			
With banks			
- in deposit accounts	16.1	**150,128**	10,553
- in current accounts	16.2	**136,315**	149,942
		286,443	160,495
Cash in hand		**23,439**	12,777
		309,882	173,272

16.1 Markup rates on these accounts range between 5.70% - 7.38 % (2021: 4.5% - 7%) per annum.

16.2 These include balance in foreign currency accounts aggregating to Rs. 28.471 million (USD 0.139 million) at year end (2021: Rs.54.46 million (USD 0.347 million)).

17. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2022	2021		Note	2022	2021
(Number of shares)				(Rupees in '000)	
		Ordinary shares of Rs.10 each			
9,637,116	9,637,116	fully paid in cash		**96,371**	96,371
		Other than cash			
5,282,097	5,282,097	Issued to the shareholders of YTML	17.1	**52,821**	52,821
39,301,983	39,301,983	Issued as bonus shares		**393,019**	393,019
54,221,196	54,221,196			**542,211**	542,211

17.1 These shares were issued pursuant to the Scheme of Amalgamation with Yousuf Textile Mills Limited (YTML), determined as at October 01, 2004, in accordance with agreed share-swap ratio.

17.2 The Company has only one class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

17.3 The Company has no reserved shares for issuance under options and sales contracts.

18. RESERVES

	Note	2022	2021
		(Rupees in '000)	
Capital reserves			
Share premium	18.1	**10,920**	10,920
Merger reserve	18.2	**11,512**	11,512
		22,432	22,432
Revenue reserves			
General reserve	18.3	**8,977,568**	8,977,568
		9,000,000	9,000,000

18.1 This represents share premium received in year 2001 in respect of the issue of 3,639,960 right shares at a premium of Rs.3 per share.

18.2 Merger reserve represents excess of (a) assets of YTML over its liabilities merged with the Company over (b) consideration to shareholders of YTML as per the Scheme of Amalgamation. (Refer note 17.1)

18.3 This represents reserves created out of profits of the Company.

19. LONG-TERM FINANCING

	Note	2022	2021
		(Rupees in '000)	
Secured			
From banking companies	19.1	**5,170,509**	3,701,600
Current portion shown in current liabilities		**(490,743)**	(552,755)
		4,679,766	3,148,845

19.1 Details and movement are as follows:

Name of banks	Note	As at July 01, 2021	Cash flows: Acquired during the year	Cash flows: Repaid during the year	As at June 30, 2022	Current maturity
		------------------------------ Rupees in '000 -------------------------				
Allied Bank Limited	19.4.1	883,936	-	(108,483)	775,453	112,454
Soneri Bank Limited	19.4.2	122,745	92,860	-	215,605	-
MCB Bank Limited	19.4.3	740,574	102,778	(68,975)	774,377	68,975
United Bank Limited	19.4.4	587,118	197,273	(39,407)	744,984	39,255
Habib Bank Limited	19.4.5	832,203	346,619	(51,911)	1,126,911	61,569
Askari Bank Limited	19.4.6	82,716	247,301	(29,865)	300,152	29,865
Habib Bank Limited Salaries Re-Finance	19.4.7	190,025	-	(124,519)	65,506	65,506
The Bank of Punjab Salaries Re-Finance	19.4.8	233,420	-	(129,592)	103,828	103,828
Habib Metropolitan Bank Limited	19.4.9	28,863	258,504	(6,044)	281,323	9,291
The Bank of Punjab	19.4.10	-	97,373	-	97,373	-
National Bank Of Pakistan	19.4.11	-	380,789	-	380,789	-
Bank AlFalah Limited	19.4.12	-	184,116	-	184,116	-
Meezan Bank Limited	19.4.13	-	120,092	-	120,092	-
Grand Total		**3,701,600**	**2,027,705**	**(558,796)**	**5,170,509**	**490,743**

19.2 Particulars of long-term financing

Type and nature of loan	2022: Amount outstanding (Rupees in '000)	Mark up rate per annum	Terms of repayments
Long term finance facility (LTFF)	**3,199,473**	**2.50% to 4.9%**	**Quarterly and half yearly**
Temporary Economic Refinancing Facility	**1,470,219**	**1.75% to 2.25%**	**Quarterly**
Renewable Energy	**281,323**	**3% to 4%**	**Quarterly**
Salaries Re-Finance	**169,334**	**0.5% to 1%**	**Quarterly**
Term finances	**50,160**	**3 months KIBOR + 0.5% to 0.9%**	**Quarterly**
	5,170,509		

Type and nature of loan	2021: Amount outstanding (Rupees in '000)	Mark up rate per annum	Terms of Repayments
Long term finance facility (LTFF)	2,396,080	2.5% to 4.0%	Quarterly and half yearly
Temporary Economic Refinancing Facility	853,212	1.75% to 2.25%	Quarterly
Renewable Energy	28,863	3%	Quarterly
Salaries Re-Finance	423,445	0.5% to 1%	Quarterly
	3,701,600		

19.3 These finances are secured by charge over Land and Building of Hyderabad unit and Plant and Machinery of all units of the Company.

19.4 Demand finances

	Name of institution	Limit	Outstanding amount	Details of financing, security and repayment terms
		------- (Rs. in million) ------		
19.4.1	Allied Bank Limited	795	775	The facility is secured against existing Joint pari passu hypothecation charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 2.5% on this facility and repayable in quarterly basis.
19.4.2	Soneri Bank Limited	216	216	The facility is secured against existing Joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made 32 equal quarterly installments. Mark up rate is 2% on this facility and repayable in quarterly basis.
19.4.3	MCB Bank Limited	2,265	774	The facility is secured against existing Joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 1.75% on temporary Economic Refinancing Facility and 2.5% on Long Term Financing Facility and repayable in quarterly basis.
19.4.4	United Bank Limited	1,565	745	The facility is secured against existing Joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 2.25% on temporary Economic Refinancing Facility and 2.5% on Long Term Financing Facility and repayable in quarterly basis.
19.4.5	Habib Bank Limited	2,600	1127	The facility is secured against existing Joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made 32 equal quarterly installments of Temporary Economic Refinancing Falicilty & Half Yearly Installment on Long term Financing Facility. Mark up rate is 2% on temporary Economic Refinancing Facility & 2.5% to 2.75% on Long Term Financing Facility and repayable in quarterly basis.
19.4.6	Askari Bank Limited	1,518	300	The facility is against existing Joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin.. The repayment of loan (principal amount) will be made equal quarterly installments. Mark up rate is 2.5% to 4.75% on this facility and repayable in quarterly basis.
19.4.7	Habib Bank Limited - Refinance Scheme	102	66	The Company has entered into an arrangement with Habib Bank Limited for obtaining term finance facility under State Bank of Pakistan (SBP) Salary Refinance Scheme to pay three

				month salaries & wages to permanent, contractual and outsourced employees upto a maximum of Rs 338.96 million. The facility is secured against existing first pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 8 equal quarterly installments. Mark up rate is 1% on this facility and repayable in quarterly basis.
19.4.8	The Bank of Punjab - Refinance Scheme	144	104	The Company has entered into an arrangement with Bank of Punjab for obtaining term finance facility under State Bank of Pakistan (SBP) Salary Refinance Scheme to pay three month salaries & wages to permanent, contractual and outsourced employees upto a maximum of Rs 254 million. The facility is secured against existing first pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin duly registered with the Securities and Exchange Commission of Pakistan inclusive of 25% margin. The repayment of loan (principal amount) will be made in 8 equal quarterly installments commencing from July 2021. Mark up rate is 0.5% on this facility and repayable in quarterly basis.
19.4.9	Habib Metropolitan Bank Limited	1,103	282	The Company has entered into an arrangement with Habib Metro Limited for obtaining Renewable Energy Financing Facility under State Bank of Pakistan (SBP) to facilitate Solar Panel installation at Hyderabad Unit maximum of Rs 100 million. The facility is secured against existing joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 duly registered with the Securities and Exchange Commission of Pakistan inclusive of 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments. Mark up rate is SBP rate + 1% on this facility and repayable in quarterly basis.
19.4.10	The Bank of Punjab	2,100	97	During the year the Company has entered into an arrangement with Bank of Punjab for obtaining long term finance facility and term loan under state bank of Pakistan. The facility is secured against existing joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is Kibor rate + 0.50% against Term loan and 3% against long term finance facility and repayable in quarterly basis
19.4.11	National Bank of Pakistan	750	381	During the year the Company has entered into an arangement of temporary economic refinance scheme with National Bank of Pakistan. The facility is secured against first joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin duly registered with the Securities and Exchange Commission of Pakistan inclusive of

				25% margin.The repayment of loan (principal amount) will be made in quarterly installments with 2 years grace period. Mark up rate is 1.8% on temporary Economic Refinancing Facility.
19.4.12	Bank AlFalah Limited	850	184	During the year the Company has entered into an arrangement with Bank Al falah limited for obtaining long term finance facility and term loan under state bank of Pakistan. The facility is secured against existing joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is Kibor rate + 0.90% against Term loan and 3% to 5% against long term finance facility and repayable in quarterly basis.
19.4.13	Meezan Bank Limited	1,000	120	During the year the Company has entered into an arrangement with Meezan Bank Limited limited for obtaining long term finance facility under state bank of Pakistan. The facility is secured against existing joint pari passu charge over Company's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is 3% against long term finance facility and repayable in quarterly basis.
	Total		**5,171**	

There is no non-compliance of the financing agreements with banking companies which may expose the Company to penalties or early repayment.

20. DEFERRED TAXATION

	Opening balance	Recognized in statement of profit or loss	Recognized in statement of comprehensive income	Closing balance
	(Rupees in '000)			
Movement for the year ended June 30, 2022				
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	**(29,989)**	**8,637**	**(185)**	**(21,537)**
- provision of stores and spare parts	**(8,968)**	**580**	**-**	**(8,388)**
- provision of trade debts	**(1,674)**	**8,185**	**-**	**6,511**
- other financial assets	**1,180**	**(1,928)**	**-**	**(748)**
- short term borrowings	**(1,920)**	**1,920**	**-**	**-**
- lease liability	**(6,804)**	**2,538**	**-**	**(4,266)**
- liabilities outstanding more than 3 years	**-**	**-**	**-**	**-**
- minimum tax credits	**-**	**-**	**-**	**-**
Others	**16,635**	**(88,519)**	**-**	**(71,884)**
	(31,540)	**(68,587)**	**(185)**	**(100,312)**

	Opening balance	Recognized in statement of profit or loss	Recognized in statement of comprehensive income	Closing balance
Taxable temporary differences in respect of:				
- accelerated tax depreciation	**232,825**	**(25,957)**	**-**	**206,868**
- Right of use asset	**6,249**	**(2,652)**	**-**	**3,597**
- unclaimed amortisation on intangibles	**44**	**(20)**	**-**	**24**
	239,118	**(28,629)**	**-**	**210,489**
Deferred tax liability	**207,578**	**(97,216)**	**(185)**	**110,177**

	Opening balance	Recognized in statement of profit or loss	Recognized in statement of comprehensive income	Closing balance
	---- (Rupees in '000) ----			
Movement for the year ended June 30, 2021				
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(33,096)	4,237	(1,130)	(29,989)
- provision of stores and spare parts	(4,565)	(4,403)	-	(8,968)
- provision of trade debts	(4,832)	3,158	-	(1,674)
- other financial assets	(79)	1,259	-	1,180
- short term borrowings	(4,800)	2,880	-	(1,920)
- lease liability	-	(6,804)	-	(6,804)
- liabilities outstanding more than 3 years	(68,038)	68,038	-	-
- minimum tax credits	(59,695)	59,695	-	-
- Others	10,328	6,307	-	16,635
	(164,777)	134,367	(1,130)	(31,540)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	242,706	(9,881)	-	232,825
- Right of use asset	-	6,249	-	6,249
- unclaimed amortisation on intangibles	65	(21)	-	44
	242,771	(3,653)	-	239,118
Deferred tax liability	77,994	130,714	(1,130)	207,578

21. DEFERRED LIABILITIES

	Note	2022	2021
		---------- (Rupees in '000) ----------	
Provision for gratuity	21.2	**263,189**	281,411
Deferred government grant	21.3	**-**	2,631
Gas Infrastructure Development Cess (GIDC)	21.4	**402,234**	671,293
		665,423	955,335

21.1 Current portion of deferred liabilities

Deferred government grant	21.3	**6,430**	29,306
Gas Infrastructure Development Cess (GIDC)	21.4	**489,935**	186,764
		496,365	216,070

21.2 Provision for gratuity

The Company operates unfunded gratuity scheme for all its confirmed employees who have completed the minimum qualifying period of service. Provision is made to cover obligations under the scheme on the basis of valuation conducted by a qualified actuary. The latest valuation was conducted on June 30, 2022 using Projected Unit Credit Method. Details of assumptions used and the amounts recognized in these financial statements are as follows:

21.2.1 Significant actuarial assumptions and methods	2022	2021
Discount rate	**13.25%**	10.00%
Expected rate of increase in salary level	**12.25%**	9.00%
Weighted average duration of defined benefit obligation	**6 years**	6 years
Average duration of liability	**5 years**	5 years

The critical gap between the discount rate and salary growth rate is one percentage point (i.e. 1%). This gap was 1% in previous year's valuation.

21.2.2 Assumptions

Discount rate

The market of high quality corporate bonds is not deep enough in Pakistan. Therefore, discount rate is based on market yields on government bonds as at the valuation date. The discount rate used for the valuation is 13% per annum. This rate is consistent with the guidelines of the Pakistan Society of Actuaries on setting discount rates.

Rate of growth in salary

The Gratuity benefits are calculated using the Gross Salary. In view of the market expectations and long-term monetary policy of the State Bank regarding inflation, it has been assumed that the average rate of long-term future Salary increases will be 12% per annum.

Mortality, Withdrawal and Disability Retirement Rates

The mortality rates used for active employees are based on SLIC (2001-05) Mortality Table.

The rates for withdrawal from service and retirement on ill-health grounds are based on industry/country experience.

Withdrawal rates used in this valuation are heavier than those used in the previous valuation

The expected maturity analysis of undiscounted retirement benefit obligation is:

	2022	2021
	Undiscounted payments	
	---------- (Rupees in '000) ----------	
Year 1	**45,515**	53,122
Year 2	**52,915**	63,396
Year 3	**61,283**	78,311
Year 4	**70,293**	87,418
Year 5	**78,245**	96,421
Year 6 and above	**421,704**	233,978

The rates for withdrawal from service and retirement on ill-health grounds are based on industry / country

		Note	2022	2021
			(Rupees in '000)	
21.2.3	**Present value of defined benefit obligation**		**263,189**	281,411
21.2.4	**Movement in net defined benefit liability**			
	Balance at the beginning of the year		**281,411**	301,281
	Recognized in statement of profit or loss			
	Current service cost		**55,132**	40,929
	Past service cost		**69,594**	-
	Losses on settlement		**9,697**	-
	Interest cost		**19,160**	21,654
			153,583	62,583
	Recognized in other comprehensive income			
	Actuarial loss/ (gains) - net (refer below)	21.2.6	**7,813**	10,602
	Benefits paid		**(179,618)**	(93,055)
	Balance at the end of the year		263,189	281,411
21.2.5	**Expense recognised in profit or loss**			
	Current service cost		**55,132**	40,929
	Past service cost		**69,594**	-
	Losses on settlement		**9,697**	-
	Net interest cost		**19,160**	21,654
	Expense recognise in profit or loss		**153,583**	62,583
21.2.6	**Remeasurement recognised in Other Comprehensive Income**			
	Loss/ (gain) from changes in financial assumption		**713**	(11,031)
	Experience loss / (gain)		**7,100**	21,633
	Net re-measurements		**7,813**	10,602
21.2.7	**Net recognised liability**			
	Net liability at the beginning of year		**281,411**	301,281
	Expense recognised in profit or loss		**153,583**	62,583
	Contribution made to the plan during the year		**(179,618)**	(93,055)
	Remeasurements recognised in other comprehensive income		**7,813**	10,602
			263,189	281,411

21.2.8 Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

	Impact on defined benefit obligation		
	Change in assumptions	Increase	Decrease
		(Rupees in '000)	
Discount rate	1%	267,756	295,768
Salary growth rate	1%	295,762	267,752

21.2.9 The expected gratuity expense for the next year amounted to Rs.103.553 million. This is the amount by which defined benefit liability is expected to increase.

21.2.10 Risks to which the scheme maintained by the Company is exposed are as follows such as:

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

withdrawal rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

Mortality rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rates of the participants may increase/decrease the liability and vice versa depending on the age-service distribution of the exiting employees

21.3 Deferred Government Grant

This represents deferred government grant (representing differential between borrowing obtained at concessional rate and market interest rate of 3 months Kibor plus spread of 1 percent) in respect of term finance facility obtained under SBP Salary Refinance Scheme as disclosed in note 19 . There are no unfulfilled conditions or other contingencies attached to this grant.

	Note	2022	2021
		---------- (Rupees in '000) ----------	
Opening		**31,937**	19,582
Government grant recognised		**-**	45,724
Amortization of government grant	29	**(25,507)**	(33,369)
		6,430	31,937
Current portion of deferred government grant		**(6,430)**	(29,306)
		-	2,631

21.4 Gas Infrastructure Development Cess

	2022	2021
	---------- (Rupees in '000) ----------	
Balance at the beginning of the year	**858,057**	1,004,250
Expense for the year	-	15,121
Discounting	-	(198,420)
Unwinding of interest	**58,899**	57,770
Payments made during the year	**(24,787)**	(20,664)
	892,169	858,057
Current portion shown in current liabilities	**(489,935)**	(186,764)
	402,234	671,293

Gas Infrastructure Development Cess (GIDC) was levied through GIDC Act, 2011 with effect from December 15, 2011 and was chargeable from industrial gas customers at different rates as prescribed by the Federal Government through OGRA notification.

On June 13, 2013, the Honorable Peshawar High Court declared the levy, imposition and recovery of the Cess unconstitutional with the direction to refund the “Cess” so far collected. Honorable Supreme Court of Pakistan examined the case and vide its findings dated August 22, 2014, concluded that GID Cess is a fee and not a tax and on either count the “Cess” could not have been introduced through a money bill under Article 73 of the Constitution and the same was, therefore, not validly levied in accordance with the Constitution. However, on September 25, 2014, the President of Pakistan had promulgated GID Cess Ordinance 2014, which was applicable to the whole of Pakistan and has to be complied by all parties.

On September 29, 2014, the Honorable Sindh High Court gave a stay order to various parties against the promulgation of Presidential order dated September 25, 2014.

On May 22, 2015, the GID Cess Act, 2015 was passed by Parliament applicable on all consumers. Following the imposition of the said Act, many consumers filed a petition in Honorable Sindh High Court and obtained stay order against the Act passed by the Parliament.

On October 26, 2016, the High Court of Sindh held that enactment of GIDC Act, 2015 is ultra-vires to the Constitution of Pakistan. Sui Southern Gas Company Limited has filed an intra-court appeal before the Divisional Bench of High Court of Sindh. On August 13, 2020, GIDC matter is decided by the Supreme Court of Pakistan and the Court has ordered gas consumers to pay outstanding amount of GIDC upto July 31, 2020 in twenty four equal monthly installments, starting from August 2020.

"On November 2020, on review petitions filed by companies including those which had obtained the judgment from the Hon'ble Sindh High Court, the Supreme Court through its judgment dated November 03, 2020 dismissed the review petitions and allowed the recovery of the amount in fourty eight equal installments with one year grace period as oppose to twenty four equal installments and six months grace period mentioned in the original decision dated August 30, 2020.

On September 29, 2020, we have challenged the imposition of GIDC upon us by SSGC and its quantum on various grounds including that the company had a judgment from the Hon'ble Sindh High Court which was not appealed in time, that the company had not passed on the burden of the Cess and in any event the 2015 Act could not apply with retrospective effect. Sindh High Court has passed restraining order dated September 29, 2020."

Further, The Institute of Chartered Accountants of Pakistan (ICAP) issued guidelines in January 2021 on accounting of gas infrastructure development cess as per latest judgment of the Supreme Court. As per the guidelines the provision for GIDC should be accounted in accordance with IFRS 9 “Financial Instruments”. In compliance with the guidelines issued by ICAP, the liability for GIDC has been remeasured at fair value in accordance with IFRS 9. The difference amounting to Rs. 198.42 million between the fair value of GIDC liability (i.e.present value of amount required to be paid to settle the GIDC liability) and transaction price of GIDC liability (i.e. undiscounted amount of GIDC liability) has been recognised as a gain on discounting of liability for GIDC in statement of profit or loss.

	Note	2022	2021
		---------- (Rupees in '000) ----------	
22. LEASE LIABILITIES			
Balance as at July 01,		**63,850**	73,311
Rentals paid		**(15,477)**	(14,070)
Interest accrued		**3,763**	4,609
	22.1	**52,136**	63,850
Current portion of lease liabilities		**(17,025)**	(15,478)
Balance as at June 30,		**35,111**	48,372

22.1 The future payments of lease liabilities are as follows:

This represents lease contract for head office Karachi having an estimated lease term of 5 years. The contract is discounted using incremental borrowing rate of the Company.

The future minimum lease payments under the agreement will be due as follows:

	2022			2021		
	Minimum lease payment	**Finance cost allocated to future lease payment**	**Present value of minimum lease payment**	Minimum lease payment	Finance cost allocated to future lease payment	Present value of minimum lease payment
	(Rupees in '000)					
Not later than one year	**17,025**	**2,731**	**14,294**	15,478	3,763	11,715
later than one year but not later than five years	**39,329**	**1,487**	**37,842**	56,354	4,219	52,135
	56,354	**4,218**	**52,136**	71,832	7,982	63,850

23 TRADE AND OTHER PAYABLES

	Note	**2022**	**2021**
		(Rupees in '000)	
Creditors		**533,990**	250,803
Accrued liabilities		**1,534,485**	1,358,293
Infrastructure Cess		**761,211**	548,246
Contract liabilities		**50,656**	49,924
Workers' Welfare Fund	26.1.3	**22,250**	22,250
Withholding tax payable		**17,906**	10,635
Other payables	23.1	**281,907**	46,645
Sales tax payable		**223,228**	66,153
Income tax payable		**132,092**	27,291
		3,557,725	2,380,240

23.1 This includes Rs. 180.769 million (2021: Rs. 0.470 million) due to related parties (refer note 39 for details).

24. INTEREST / MARK-UP PAYABLE

	Note	**2022**	**2021**
		(Rupees in '000)	
On secured loans from banking companies:			
- Long-term financing		**34,957**	23,068
- Short-term borrowings		**91,621**	30,361
		126,578	53,429

25. SHORT-TERM BORROWINGS

From banking companies - secured

Running finance	25.1	**1,015,747**	1,757,073
Foreign currency financing against export / import	25.2	**3,898,340**	1,304,727
	25.3	**4,914,087**	3,061,800

25.1 These carry mark-up ranging from 1 week to 3 months KIBOR + 0.05% to 1% (2021: 1 week,1 month and 3 months KIBOR + 0% to 1%). These are secured against charge over current assets of the Company.

25.2 These carry mark-up ranging from 0.6% to 2.8% (2021: 0.9% to 1.2%) on foreign currency borrowing amount. These arrangements are secured against charge over current assets of the Company.

25.3 The Company has aggregated short-term borrowing facilities amounting to Rs.17,000 million (2021:Rs.11,724 million) from various commercial banks.

26. CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

26.1.1 The Company has recognised GIDC payable amounting to Rs.892.169 million in these financial statements on the basis of GIDC rate applicable to industrial consumers. However, SSGC and SNGPL has charged GIDC on the basis of GIDC tariff applicable to captive consumers resulting in differential of Rs.973.891 million. The Company has not recorded the provision representing differential arising due to use of captive connection rate instead of industrial connection rate in these financial statements, as the matter of application of captive or industrial tariff has been challenged in September 2020 before Honorable Lahore High Court, which is pending adjudication. The management of the Company expect favorable outcome in this regard.

26.1.2 The Company is defendant in certain sales tax related matters with aggregate demand of Rs. 1.357 million (2021. Rs. 1.357 million). Based on views of its tax advisor, management is confident of favorable outcome in these matters and accordingly no provision has been recorded in these financial statements in this respect.

26.1.3 Prior to certain amendments made through the Finance Acts of 2006 & 2008, Workers Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding incomes falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the return.

Aggrieved by the amendments made through the Finance Acts, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the Ordinance in 2011. However, the Company together with other stakeholders filed the petition in the Sindh High Court which, in 2013, decided the petition against the Company and other stakeholders. Management has filed a petition before the Honorable Supreme Court of Pakistan against the decision of the Sindh High Court.

Honorable Supreme Court of Pakistan has passed an order dated November 10, 2016 that the Workers' Welfare Fund (WWF) is a fee, not a tax. Hence, the amendments made through Finance Acts, 2006 and 2008 have been declared invalid in the said order. The management has filed an application for rectification order amounting to Rs. 125.28 million for the years from 2010 to 2014 contending the fact that they had erroneously paid WWF despite of having exemption available to them.

		2022	2021
		---------- (Rupees in '000) ----------	
26.1.4	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
26.1.5	Guarantees issued by banks in favor of custom authorities on behalf of the Company	**3,817**	3,817
26.1.6	Guarantees issued by banks in favor of gas / electric / oil companies	**133,186**	129,869
26.1.7	Bank guarantees against payment of infrastructure cess	**791,542**	538,542
26.2	**Commitments**		
	Letters of credit for raw material and stores and spares	**4,491,068**	4,239,001
	Letters of credit for property, plant and equipment	**2,570,918**	2,526,097
	Stand by letter of credit (Indus Wind)	**1,942,218**	1,476,559
	Sales contracts to be executed	**4,146,212**	5,623,299
	Commitment under forward contract	**602,531**	392,822
	Commitment to Pakistan State Oil	**7,500**	-

26.3 The Company has total unutilised facility limit against letter of credits aggregating to Rs.4.896 billion (2021: 3.986 billion) as of reporting date.

		Note	2022	2021
27	**REVENUE**		---------- (Rupees in '000) ----------	
	Revenue from contract with customers - net			
	Export sales	27.2 & 27.3	**46,736,973**	23,196,297
	Less:			
	Commission		**(184,582)**	(97,015)
	Sales tax on indirect exports		**(4,672,165)**	(1,538,550)
			41,880,226	21,560,732
	Local sales			
	Yarn		**6,836,304**	11,355,274
	Cotton/Fiber		**788,977**	158,494
	Processed yarn		**-**	854,481
	Waste		**1,313,415**	1,245,240
			8,938,696	13,613,489
	Less:			
	Brokerage on local sales		**(267,565)**	(175,236)
	Sales discount		-	(16,629)
	Sales tax on local sales:			
	- Yarn		**(993,309)**	(1,649,912)
	-Processed yarn sale		-	(124,155)
	-Waste		**(190,838)**	(180,932)
			(1,184,147)	(1,954,999)
			49,367,210	33,027,357
	Other revenue	27.1	**93,906**	38,002
			49,461,116	33,065,359

27.1 This represents realised exchange gain on export sales.

27.2 This includes indirect exports of Rs. 27,483,324. million (2021: Rs. 9,050.3 million)

27.3 This includes indirect exports to related parties of Rs. 702.984 million (2021: 334.782 million) (refer note 39 for details).

	2022	2021
	------------ (Rupees in '000) ------------	
27.4 Disaggregation of export sales into geographical area:		
- Bangladesh	**307,395**	28,448
- Brazil	**156,246**	118,325
- Belgium	**211,558**	77,030
- China	**10,381,982**	10,687,366
- Egypt	**5,997**	-
- Germany	**72,133**	95,509
- France	**90,663**	53,466
- Italy	**231,460**	41,903
- Hong Kong	**84,437**	63,588
- Japan	**247,332**	105,701
- Koprovince Czech		4,697
- Korea	**230,648**	316,164
- Mauritius		494
- Philippines	**39,212**	-
- Portugal	**890,588**	239,763
- Sweden	**70,233**	29,130
- Switzerland		9,707
- Taiwan	**104,285**	93,501
- Turkey	**1,238,136**	593,132
- UK	**18,455**	18,998
- US	**181,089**	30,528
- Malaysia	**19,635**	-
- Indirect exports	**32,155,489**	10,588,846
Total sales	**46,736,973**	23,196,297
Less: Sales tax on indirect exports	**(4,672,165)**	(1,538,550)
	42,064,808	21,657,747

	Note	2022	(Restated) 2021
		------------ (Rupees in '000) ------------	
28. COST OF GOODS SOLD			
Raw material consumed	28.1	**31,029,413**	22,389,024
Manufacturing expenses	28.3	**6,575,097**	5,274,207
Outside purchases			
yarn for processing including conversion cost		-	718,016
yarn for processing excluding conversion cost		**1,633,163**	-
		39,237,673	28,381,247
Work in process			
- Opening		**348,076**	281,879
- Closing		**(411,546)**	(348,076)
		(63,470)	(66,197)
Cost of goods manufactured		**39,174,203**	28,315,050

	Note	2022	(Restated) 2021
		------------ (Rupees in '000) ------------	
Finished goods			
- Opening		**754,006**	557,639
- Closing		**(799,371)**	(754,006)
		(45,365)	(196,367)
Waste			
- Opening		**87,200**	78,262
- Closing		**(115,383)**	(87,200)
		(28,183)	(8,938)
	28.1	**39,100,655**	28,109,745

28.1 This includes cost of raw material sold amounting to Rs. 757.206 million (2021: 153.171 million).

	Note	2022	(Restated) 2021
		------------ (Rupees in '000) ------------	
28.2 Raw material consumed			
Opening stock		4,833,390	5,109,678
Purchases		34,880,749	22,112,736
		39,714,139	27,222,414
Closing stock	9.	(8,684,726)	(4,833,390)
		31,029,413	22,389,024

		2022	2021
		------------ (Rupees in '000) ------------	
28.3 Manufacturing expenses			
Salaries, wages and benefits	28.2.1	**1,830,879**	1,494,460
Utilities		**2,430,976**	2,051,662
Packing material consumed		**440,367**	378,756
Stores and spares consumed		**707,280**	585,249
Repairs and maintenance		**82,998**	37,502
Insurance		**23,859**	14,085
Rates and taxes		**7,437**	4,096
Depreciation on operating fixed assets	5.1.1	**717,149**	599,310
Other		**334,152**	109,087
		6,575,097	5,274,207

28.2.1 It includes staff retirement benefits Rs. 146.104 million (2021: Rs. 96.510 million).

		Note	2022	2021
			(Rupees in '000)	
29.	**OTHER INCOME**			
	Scrap sales		**34,867**	23,856
	Gain on disposal of operating fixed assets		**333**	-
	Exchange gain on forward contract booking		**95,837**	97,772
	Amortization of deferred Government Grants		**25,507**	33,369
	Discounting of Government Infrastructure Development Cess	21.4	**-**	198,420
	Unrealized gain on revaluation of foreign currency debtors		**111,514**	1,634
	Realised exchange gain on foreign currency		**-**	4,186
	Unrealised exchange gain on foreign currency		**-**	18,014
	Capital gain on sale of other financial assets		**136**	15,930
	Unrealized gain on other financial assets		**-**	21,404
	Dividend income		**5,586**	55,323
	Profit On fixed deposits		**1,142**	-
	Profit on term deposit receipts		**-**	1,341
	Reversal of Bad debt expense		**3,396**	-
			278,318	471,249
30.	**DISTRIBUTION COST**			
	Export			
	Ocean freight		**355,232**	190,804
	Export development surcharge		**33,895**	32,605
	Export charges		**75,187**	100,731
	Local			
	Salaries and benefits	30.1	**26,798**	18,758
	Freight and other		**112,143**	102,998
	Insurance		**5,553**	5,295
			608,808	451,191

30.1 It includes staff retirement benefits Rs. 1.761 million (2021: Rs. 1.394 million).

		Note	2022	2021
			(Rupees in '000)	
31.	**ADMINISTRATIVE EXPENSES**			
	Salaries and benefits	31.1	**139,263**	140,034
	Directors' remuneration other than meeting fees		**46,621**	24,631
	Meeting fees		**675**	794
	Repairs and maintenance		**6,947**	3,032
	Postage and telephone		**7,815**	7,718
	Traveling and conveyance		**2,906**	1,714
	Vehicles running		**25,483**	20,638
	Printing and stationery		**2,970**	4,603
	Rent, rates and taxes		**1,026**	667
	Utilities		**6,508**	5,964
	Entertainment		**3,898**	3,272
	Fees and subscription		**23,408**	33,707
	Insurance		**6,101**	4,557
	Legal and professional		**2,028**	3,365
	Charity and donations	31.2	**10**	708
	Auditors' remuneration	31.3	**2,318**	2,235
	Depreciation on operating fixed assets	5.1.1	**38,168**	33,296
	Depreciation on right of use asset	5.5	**14,662**	16,481
	Amortization on intangible assets	6.	**2,135**	3,050
	Advertisement		**47**	33
	Others		**6,748**	6,229
			339,737	316,728

31.1 It includes staff retirement benefits of Rs. 5.718 million (2021: Rs. 11.303 million).

31.2 None of the directors and their spouses have any interest in the donees' fund. Each of these donations does not exceed amount of 10% of total company's donation or 1 million, whichever is higher.

		Note	2022	2021
			(Rupees in '000)	
31.3	**Auditors' remuneration**			
	Audit fee		**1,690**	1,630
	Half year review fee		**375**	375
	Fee for certifications		**33**	30
	Out of pocket expenses		**220**	200
			2,318	2,235
32.	**OTHER OPERATING EXPENSES**			
	Workers' Profits Participation Fund	11.3	**429,717**	205,368
	Realised exchange loss on foreign currency- net		**204,909**	-
	Unrealized loss on other financial assets		**9,135**	-
	Workers' Welfare Fund		**-**	22,250
	Loss on disposal of operating fixed assets - net		**-**	5,765
			643,761	233,383

		2022	2021
		------------ (Rupees in '000) ------------	
33.	**FINANCE COST**		
	Mark-up on:		
	- long-term finance	**134,131**	182,494
	- short-term borrowings	**582,924**	265,925
	- lease liabilities	**3,763**	4,609
	Bank charges and commission	**32,999**	21,451
	Discounting charges on letters of credit	**69,128**	58,758
	Unwinding of Government Infrastructure Development Cess	**58,899**	57,770
		881,844	591,007
34.	**TAXATION**		
	Current		
	- For the year	**658,021**	457,684
	Prior year tax	**(83,498)**	33,861
	Deferred	**(97,216)**	130,714
		477,307	622,259

34.1 Figures in respect of relationship between accounting profit and tax expense for the year are not reported as the tax liability for the year is determined under final tax regime and the company have opted for the Income Tax Circular No. 20 of 1992 as a result the provision for taxation for local sale other than sale of raw material is calculated at rate applicable to export sales.

		2022	2021
		------------ (Rupees in '000) ------------	
34.2	**Relationship between tax expense and accounting profit**		
	Accounting profit before tax	**8,164,629**	3,926,758
	Tax rate %		
	Tax rate	**29%**	29%
	Tax on accounting profit	**2,367,742**	1,138,759.82
	Effect of:		
	Income chargeable to tax at reduced rates	**(801)**	(2,975)
	Tax impact of tax credit	**-**	(59,695)
	Income chargeable to tax under final tax regime	**(1,671,541)**	(573,346)
	Due to change in tax rate	**-**	(1,243)
	Impact of permanent differences	**33,828**	10,647
	Prior year tax	**(83,498)**	33,861
	Others	**(168,423)**	76,250
	Tax charge as per accounts	**477,306**	622,259

35. EARNINGS PER SHARE - BASIC AND DILUTED

35.1 Basic earnings per share	2022	Restated 2021
Profit for the year (Rupees in 000)	**7,687,322**	3,212,295
Weighted average number of ordinary shares outstanding during the year (Number)	**54,221,196**	54,221,196
Earnings per share - Basic and diluted (Rupees)	**141.78**	59.24

35.3 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.

36. CASH GENERATED FROM OPERATIONS

	Note	2022	Restated 2021
		(Rupees in '000)	
Profit before taxation		**8,164,629**	3,834,554
Adjustments for:			
Depreciation on operating fixed asset	5.1.1	**755,317**	632,606
Depreciation on right of use assets	5.5	**14,662**	16,481
Amortization on intangibles	6.	**2,135**	3,050
Provision for gratuity	21.2.4	**153,583**	62,583
Reversal against doubtful debts	10.3	**(3,896)**	(952)
Provision for slow moving and obsolete stores	8.2	**18,354**	42,596
Unrealized loss / (gain) on other financial assets	32	**9,135**	(21,404)
Capital gain on sale of other financial assets	29	**(136)**	(15,930)
Realised exchange loss on foreign currency - net	32	**204,909**	-
Unrealized gain on revaluation of foreign currency debtors	29	**(111,514)**	(1,634)
(Gain) / loss on disposal of operating fixed assets	32	**(333)**	5,765
Dividend income	29	**(5,586)**	(55,323)
Amortization of deferred government grant	29	**(25,507)**	(33,369)
Discounting of Gas Infrastructure Development Cess	33	**-**	(198,420)
Finance cost	33	**720,818**	453,028
Unwinding of Gas Infrastructure Development Cess	33	**58,899**	57,770
Gas Infrastructure Development Cess charge for the year		**-**	15,121
Cash generated before working capital changes		**9,955,469**	4,796,522
Working capital changes:			
(Increase) / decrease in current assets			
Stores, spares and loose tools		**(171,671)**	(1,291)
Stock-in-trade		**(3,765,495)**	(393,807)
Trade debts		**(4,444,449)**	(1,396,174)
Loans and advances		**(3,044)**	(189,558)
Trade deposits and short term prepayments		**(54,529)**	(8,349)
Other receivables		**(38,797)**	(33,161)
		(8,477,985)	(2,022,340)
Increase / (decrease) in current liabilities			
Trade and other payables		**915,609**	530,383
Short term borrowings		**2,388,704**	660,262
Cash generated from operations		**4,781,797**	3,964,827

	Note	2022	Restated 2021
		(Rupees in '000)	
37. CASH AND CASH EQUIVALENTS			
Cash and bank balances	16	**309,882**	173,272
Short-term borrowings	25	**(1,015,747)**	(1,757,073)
		(705,865)	(1,583,801)

38. REMUNERATION TO CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration, including all benefits to chief executive officer, executives and directors of the Company are given below:

Particulars	**2022**				
	Chief Executive Officer	**Directors**		**Executives**	**Total**
		Executive	**Non-Executive**		
	(Rupees in '000)				
Remuneration	**-**	**37,911**	**-**	**93,056**	**130,967**
Medical	**-**	**-**	**-**	**2,340**	**2,340**
Utilities	**-**	**2,727**	**5,981**	**1,835**	**10,543**
Meeting fees	**-**	**-**	**675**		**675**
Retirement benefits	**-**	**-**	**-**	**6,412**	**6,412**
Total	-	**40,638**	**6,656**	**103,643**	**150,937**
Number of persons	**1**	**1**	**8**	**38**	**48**

Particulars	2021				
	Chief Executive Officer	Directors		Executives	Total
		Executive	Non-Executive		
	(Rupees in '000)				
Remuneration	-	21,073	-	61,408	82,481
Medical	-	989	227	1,950	3,166
Utilities	-	1,279	1,063	1,529	3,871
Meeting fees	-	-	794	-	794
Retirement benefits	-	-	-	5,152	5,152
Total	-	23,341	2,084	70,039	95,464
Number of persons	1	1	8	33	43

38.1 Company maintained cars are provided to Chief Executive Officer, directors and executives.

39. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries Indus Lyallpur Limited, Indus Home Limited, 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. The receivables and payables are mainly unsecured in nature. Remuneration of key management personnel is disclosed in note 38 to the unconsolidated financial statements. Other significant transactions with related parties are as follows:

Name of related party	Basis of relationship	% of shareholding	Nature of transactions	2022	2021
				------------ (Rupees in '000)	------------
Indus Lyallpur Limited	Subsidiary	100%	Investment made	**450,000**	-
			Conversion cost paid	**170,926**	129,345
			Conversion cost received	**31,816**	13,849
			Doubling cost received	**847**	2,663
			Purchases	**16,116**	-
Indus Home Limited	Subsidiary	100%	Yarn sale	**702,984**	418,963
			Conversion cost received	**332,410**	317,689
			Doubling cost received	**40**	1,391
			Waste sale	**113,988**	-
			Dividend received	**-**	50,000
Sunrays Textile Mills Limited	Associate due to common directorship	0.99%	Purchase of yarn	**-**	407
			Conversion cost paid	**130,557**	-
Indus Heartland Limited	Associate due to common directorship	-	Purchase of Land	**837,000**	-
Indus Wind Energy Limited	Subsidiary	100%	Loan given during the year	**87,888**	157,435
Directors	Directors	-	Dividend paid	**153,260**	101,891
	Spouse and sons of the Directors		Rentals paid	**15,478**	14,071
Balances outstanding as at the year end					
Indus Wind Energy Limited	Subsidiary	100%	Receivable from related party	**241,120**	157,435
Indus Home Limited	Subsidiary	100%	Payable to related party	**(169,758)**	76,766
Indus Lyallpur Limited	Subsidiary	100%	Payable to related party	**(11,011)**	(470)
Sunrays Textile Mills Limited	Associate due to Common directorship	0.99%	Payable from related party	**(541)**	(193)

40. FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures.

The Company's principal financial liabilities comprise long-term financing, short-term borrowings, trade and other payables, interest/dividend payable and financial guarantee contracts. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans and advances, trade and other receivables, cash and bank balances and deposits that arise directly from its operations. The Company also holds long-term and short term investments.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

40.1 Credit risk and concentration of credit risk

"Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single country or single customer."

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

	2022	2021
	------------ (Rupees in '000) ------------	
Long-term deposits	**6,287**	6,287
Trade debts	**9,348,186**	4,788,327
Loans to staff	**10,012**	31,489
Loan to subsidiary	**241,120**	157,435
Other receivables	**127,244**	88,447
Trade deposits	**23,599**	9,269
Other financial assets	**31,986**	33,188
Bank balances	**286,443**	160,495
	10,074,877	5,274,937

The credit quality of receivable can be assessed with reference to their historical performance with negligible defaults in recent history.

The trade debts are due from foreign and local customers for export and local sales. Trade debts from foreign customers are secured against letters of credit. Management assesses the credit quality of local and foreign customers, taking into account their financial position, past experience and other factors.

Credit risk related to equity investments and cash deposits

The Company limits its exposure to credit risk of investments by only investing in listed securities of highly reputed companies / mutual funds having good rating. Credit risk from balances with banks and financial institutions is managed by Finance Director in accordance with the Company's policy.

The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with a reasonably high credit rating. The names and credit rating of major banks where the Company maintains its bank balances are as follows:

Name of bank	Rating agency	Credit rating Long-term	Short-term
Habib Bank Limited	VIS	AAA	A-1+
J.S Bank Limited	PACRA	AA-	A1+
Soneri Bank Limited	PACRA	AA-	A1+
MCB Bank Limited	PACRA	AAA	A1+
Allied Bank Limited	PACRA	AAA	A1+
Dubai Islamic Bank (Pakistan) Limited	VIS	AA	A-1+
United Bank Limited	VIS	AAA	A-1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
Meezan Bank Limited	VIS	AAA	A-1+
Bank Alfalah Limited	PACRA	AA+	A1+
Bank Islami Pakistan	PACRA	A+	A1
Askari Bank Limited	PACRA	AA+	A1+
Bank Al-Habib Limited	PACRA	AAA	A1+
National Bank of Pakistan	PACRA	AAA	A1+
Standard Chartered Bank (Pakistan) Limited	PACRA	AAA	A1+
The Bank of Punjab	PACRA	AA+	A1+
Faysal Bank Limited	PACRA	AA	A1+

40.2 Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash on demand to meet expected working capital requirements. The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

40.2.1 Liquidity and interest risk table

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Carrying Values	Contractual Cash Flows	Upto 1 years	1 to 5 years	More than 5 years
	---Rupees in '000'---				
Long-term financing	**5,170,509**	**5,170,509**	**490,743**	**4,679,766**	**-**
Deferred liabilities	**665,423**	**665,423**	**496,365**	**169,058**	
Trade and other payables	**3,557,725**	**3,557,725**	**3,557,725**	**-**	**-**
Short-term borrowings	**4,914,087**	**4,914,087**	**4,914,087**	**-**	**-**
Unclaimed dividends	**3,735**	**3,735**	**3,735**	**-**	**-**
Interest / mark-up payable	**126,578**	**126,578**	**126,578**	**-**	**-**
Lease liabilities	**52,136**	**52,136**	**17,025**	**35,111**	**-**
2022	**14,490,193**	**14,490,193**	**9,606,258**	**4,883,935**	**-**

	Carrying Values	Contractual Cash Flows	Upto 1 years	1 to 5 years	More than 5 years
	---Rupees in '000'---				
Trade and other payables	1,755,206	1,755,206	1,755,206	-	-
Long-term financing	3,701,600	3,991,482	567,176	2,524,982	899,324
Short-term borrowings	3,061,800	3,061,800	3,061,800	-	-
Unclaimed dividends	3,361	3,361	3,361	-	-
Interest / mark-up payable	53,429	53,429	53,429	-	-
Lease liabilities	63,850	71,832	15,478	56,354	-
2021	8,639,246	8,937,110	5,456,450	2,581,336	899,324

The effective rate of interests on non-derivative financial liabilities are disclosed in respective notes.

40.3 Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

40.3.1 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short-term borrowings from financial institutions. At the reporting date the interest rate risk profile of the Company's interest-bearing financial instruments is:

	Carrying amount 2022	2021
	Rupees in '000	
Fixed rate instruments		
Financial liabilities	5,120,349	1,305,520
Variable rate instruments		
Financial liabilities		
- KIBOR based	50,160	2,396,080
Financial assets		
- KIBOR based	153,478	13,903

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates had been 50 basis points higher / lower and all other variables were held constant, these financials would decrease / increase by Rs. 0.517 million (2021: Rs. 11.911 million) determined on the outstanding balance at year end. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

40.3.2 Foreign exchange risk management

Exposure to currency risk	2022 Rupees	2022 US Dollar	2021 Rupees	2021 US Dollar
	('000)			
Trade debts	**1,651,286**	8,070	448,113	2,852
Bank Balances	**28,471**	**139**	54,457	345
	1,679,757	**8,209**	502,570	3,197

	2022	2021
	(Rupees in '000)	
Average rate	**204.37**	156.37
Reporting date rate	**204.62**	157.13

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Company is exposed to foreign currency risk on sales, purchases and borrowings, which are entered in a currency other than Pak Rupees.

At June 30, 2022, if the Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been higher / lower by Rs. 85.76 million (2021: higher / lower by Rs. 25.13 million) determined on the outstanding balance at year end. Profit / (loss) is sensitive to movement in Rupee / foreign currency exchange rates in 2022 than 2021 because of high fluctuation in foreign currency exchange rates.

40.3.3 Equity price risk management

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities and mutual fund at fair value was Rs. 76.688 million (2021: Rs. 86.628 million). A decrease / increase of 5% in market prices would have an impact of approximately Rs.3.834 million (2021: Rs. 4.33 million) on profit for the year determined based on market value of investments at year end.

40.4 Financial instruments by category

	Amortised cost	Fair value through other comprehensive	Fair value through profit or loss	Total
	(Rupees in '000)			
Financial assets - June 30, 2022				
Long-term deposits	**6,287**	**-**	**-**	**6,287**
Trade debts	**9,348,186**	**-**	**-**	**9,348,186**
Loans	**10,012**	**-**	**-**	**10,012**
Loan to subsidiary	**241,120**	**-**	**-**	**241,120**
Other receivables	**127,244**	**-**	**-**	**127,244**
Trade deposits	**23,599**	**-**	**-**	**23,559**
Other financial assets	**-**	**-**	**76,688**	**76,688**
Bank balances	**286,443**	**-**	**-**	**286,443**
Cash in hand	**23,439**	**-**	**-**	**23,439**
	10,066,330	**-**	**76,688**	**10,143,018**
Financial assets - June 30, 2021				
Long-term deposits	6,287	-	-	6,287
Trade debts	4,788,327	-	-	4,788,327
Loans	31,489	-	-	31,489
Loan to subsidiary	157,435	-	-	157,435
Other receivables	88,447	-	-	88,447
Trade deposits	9,269	-	-	9,269
Other financial assets	-	-	86,628	86,628
Bank balances	160,495	-	-	160,495
Cash in hand	12,777	-	-	12,777
	5,254,526	-	86,628	5,341,154

	Financial liabilities measured at amortized cost	Total
	--------- (Rupees in '000)	---------
Financial liabilities - June 30, 2022		
Long-term financing	**5,170,509**	**5,170,509**
Trade and other payables	**2,401,038**	**2,401,038**
Unclaimed dividends	**3,735**	**3,735**
Short-term borrowings	**4,914,087**	**4,914,087**
Interest / mark-up payable	**126,578**	**126,578**
Lease liabilities	**52,136**	**52,136**
	12,668,083	**12,668,083**
Financial liabilities - June 30, 2021		
Long-term financing	3,701,600	3,701,600
Trade and other payables	1,705,665	1,705,665
Unclaimed dividends	3,361	3,361
Short-term borrowings	3,061,800	3,061,800
Interest / mark-up payable	53,429	53,429
Lease liabilities	63,850	63,850
	8,589,705	8,589,705

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy :

	June 30, 2022							
	Carrying amount				Fair value hierarchy			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	-- (Rupees in '000) --							
Financial assets measured at fair value								
Other financial assets	**76,688**	**-**	**-**	**76,688**	**76,688**	**-**	**-**	**76,688**

Financial assets

	June 30, 2022			
	---------------------- Rupees in '000 ----------------------			
Long-term deposits	-		6,287	6,287
Trade debts	-		9,348,186	9,348,186
Loans	-		10,012	10,012
Other receivables	-		127,244	127,244
Bank balances	-		286,443	286,443
Cash in hand	-		23,439	23,439
	-		9,801,611	9,801,611

Financial liabilities

	June 30, 2022			
	---------------------- Rupees in '000 ----------------------			
Long-term financing	-	-	5,170,509	5,170,509
Trade and other payables	-	-	2,401,038	2,401,038
Unclaimed dividends	-	-	3,735	3,735
Short-term borrowings	-	-	4,914,087	4,914,087
Interest / mark-up payable	-	-	126,578	126,578
Lease liabilities	-	-	52,136	52,136
	-	-	12,668,083	12,668,083

	June 30, 2021							
	Carrying amount				Fair value hierarchy			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)							
Financial assets measured at fair value								
Other financial assets	86,628	-	-	86,628	86,628	-	-	86,628

Financial assets

	June 30, 2021			
	Rupees in '000			
Long-term deposits	-	-	6,287	6,287
Trade debts	-	-	4,788,327	4,788,327
Loans	-	-	31,489	31,489
Other receivables	-	-	88,447	88,447
Bank balances	-	-	160,495	160,495
Cash in hand	-	-	12,777	12,777
	-	-	5,087,822	5,087,822

Financial liabilities

	June 30, 2021			
	Rupees in '000			
Long-term financing	-	-	3,701,600	3,701,600
Trade and other payables	-	-	1,705,665	1,705,665
Unclaimed dividends	-	-	3,361	3,361
Short-term borrowings	-	-	3,061,800	3,061,800
Interest / mark-up payable			53,429	53,429
Lease liabilities			63,850	63,850
	-	-	8,589,705	8,589,705

There were no transfers amongst the levels during the current and preceding year. The Company's policy is to recognise transfer into and transfers out of fair value hierarchy levels as at the end of the reporting periods.

40.5 Fair value and categories of financial instruments

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

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

"- 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 2)."

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

As at year end the fair value of all the financial assets and liabilities approximates to their fair values.

41. CAPITAL RISK MANAGEMENT

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

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

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at June 30, 2022 and 2021 were as follows:

	2022	2021
	(Rupees in '000)	
Total borrowings (note 19 & 25)	**10,084,596**	6,763,400
Less: cash and bank balances (note 16)	**(309,882)**	(173,272)
Net debt	**9,774,714**	6,590,128
Total equity	**23,261,639**	15,853,051
Total capital	**33,036,353**	22,443,179
Gearing ratio	**30%**	29%

There is no significant change in the gearing ratio of the Company as compared to the last year.

42. CAPACITY AND PRODUCTION

Spinning units	**2022**	**2021**
Total number of spindles installed	**197,448**	186,552
Total number of spindles worked per annum (average)	**195,864**	182,974
Number of shifts worked per day	**3**	3
Installed capacity of yarn converted into 20 counts based on 365 days (lbs.)	**133,412,892**	134,055,108
Actual production for the year after conversion into 20 counts (lbs.)	**111,775,140**	106,817,735

It is difficult to describe precisely the production capacity in spinning unit since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed and twist etc. It also varies according to the pattern of production adopted in a particular year.

43. SEGMENT REPORTING

The Company's core business is manufacturing and sale of yarn and it generates more than 90% of its revenue and profit from the production and sale of yarn. Decision making process is centralized at head office led by Chief Executive Officer who continuously is involved in day to day operations and regularly reviews operating results and assesses its performance and makes necessary decisions about resources to be allocated to the segments. Currently the Company has three yarn manufacturing units at Hyderabad, Karachi and Muzaffargarh. Owing to the similarity in nature of the products and services, nature of the production processes, type or class of customers for the products and services, the methods used to distribute the products and the nature of the regulatory environment, all the yarn producing units are aggregated into a single operating segment and the Company's performance is evaluated by the management on an overall basis, therefore these operational segments by location are not separately reportable segments.Currently the Company has not made sales to customers amouting to 10 percent of the total sales.

44. NUMBER OF EMPLOYEES

	Number of employees	
	2022	**2021**
Average number of employees during the year	**2,510**	2,594
Number of employees as at June 30	**2,544**	2,475

44.1 Daily wage employees are not included in the above number of employees.

45. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Long term financing	Dividend	Lease liabilities
	-------------------	(Rupees '000)	---------------------
Balance as at July 1	**3,701,600**	**3,361**	**63,850**
Non cash item	**-**	**271,106**	**3,763**
Financing cash inflows	**2,027,705**	**-**	**-**
Financing cash outflows	**(558,796)**	**(270,732)**	**(15,477)**
2022	**5,170,509**	**3,735**	**52,136**

46. CORRESPONDING FIGURES

Corresponding figures have been reclassified in these financial statements, wherever necessary to facilitate the comparison and to conform with changes and presentation in the current year. However, no significant reclassifications were made in the financial statements.

Transferred from	Amount	Transferred to
	Rs in '000	
Cash and bank balances		**Trade deposits and short term prepayments**
Balance in deposit accounts	3,350	Deposits against bank guarantee
Trade and other payables		**Trade and other payables**
Other Payables	(13,713)	Creditors
Withholding Tax Payable	(13,994)	Other payables
Withholding Tax Payable	(1,041)	Other payables

47. SUBSEQUENT EVENTS

47.1. The Board of Directors in its meeting proposed a final cash dividend of Rs. NIL per share dividend.

48. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements have been authorised for issue on **08, December 2022** by the Board of Directors of the Company.

49. GENERAL

Figures have been rounded off to the nearest rupees in thousand.

Chief Financial Officer	Chief Executive Officer	Director

Consolidated Financial Results 2022

CONTENTS

Consolidated key operating and financial results

	2017	2018	2019	2020	2021	2022
	Rupees in "000"					
Operating data				Restated	Restated	
Turn over	27,818,111	30,877,734	35,671,070	37,531,458	49,447,226	75,925,194
Less : commission	(244,919)	(247,448)	(298,492)	(335,840)	(404,755)	(657,236)
Sales (net)	27,573,192	30,630,286	35,372,578	37,195,618	49,042,471	75,267,958
Gross profit	2,641,910	3,013,451	3,696,349	3,332,799	6,527,319	14,537,203
Profit before tax	1,352,727	2,008,520	2,689,111	1,636,314	4,727,475	10,829,919
Profit after tax	1,035,345	1,781,697	2,331,497	1,250,962	3,848,653	9,982,593
Financial data						
Gross assets	21,984,382	25,641,644	30,628,666	33,365,084	49,795,285	71,431,151
Return on equity	8.65%	13.19%	15.00%	7.69%	19.31%	33.69%
Current assets	11,487,926	14,938,598	18,831,882	18,960,284	24,340,750	38,080,529
Shareholders equity	11,966,431	13,509,269	15,544,391	16,274,138	19,931,962	29,635,026
Long term debts and deferred liabilities	1,694,447	2,385,371	3,509,206	7,012,451	15,264,269	20,452,214
Current liabilities	8,323,504	9,747,004	11,575,069	10,146,967	14,599,054	21,333,911
Key ratios						
Gross profit ratio	9.58%	9.84%	10.45%	8.96%	13.31%	19.31%
Net profit	3.75%	5.82%	6.59%	3.36%	7.85%	13.26%
Debt / equity ratio	11 : 89	12 : 88	16 : 84	38 : 62	27 : 73	28 : 72
Current ratio	1.38	1.23	1.63	1.87	1.66	1.78
Earning per share (basic and diluted)	57.28	98.58	129.00	69.21	70.98	184.11
Dividend (percentage)						
- Cash	**180% Final**	**160% Final**	**250% Final**	**300% Interim**	**100% Interim**	**50% Interim**
- Bonus	-	-	-	-	**200%**	-
Statistics						
Spinning Production (tons)	51,886	50,292	52,690	55,320	60,955	63,769
Weaving Production (tons)	10,798	10,891	9,985	8,938	11,315	11,114

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPOTRATE GOVERNANCE INDUS DYEING & MANUFACTURING COMPANY LIMITED

Opinion

We have audited the annexed consolidated financial statements of Indus Dyeing & Manufacturing Company Limited (the holding Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2022 and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (collectively referred as "consolidated financial statements").

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

Emphasis of Matter

We draw attention to note 2.1.1 to the accompanying consolidated financial statements which states about the recent Order of Honorable Lahore High Court dated November 21, 2022. Our opinion is not modified in respect of the above matter.

Key audit matters

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

Following are the key audit matters:

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">1. Revenue recognition</td></tr>
<tr><td>The Holding Company is engaged in manufacturing and sale of yarn. Revenue recognition policy has been explained in notes 4.14, and the related amounts of revenue recognized during the year are disclosed in note 28 to the consolidated financial statements.

The Holding Company generates revenue from sale of goods to domestic and export customers. Revenue from the local and export sales (including indirect exports) is recognized when performance obligation is satisfied as per the requirements of International Financial Reporting Standards (IFRS) 15 - 'Revenue from Contracts with Customers'.

We identified revenue recognition as key audit matter since it is one of the key performance indicators of the Holding Company and because of the potential risk that revenue transactions may not have been recognized on point in time basis i.e. when control of goods is transferred to the customer, in line with the accounting policy adopted and may not have been recognized in the appropriate period.</td><td>Our audit procedures to assess the recognition of revenue, amongst others, included the following:

• Considered the appropriateness of revenue recognition policy and compared it with the applicable accounting and reporting standards;

• Obtained an understanding of revenue from customers and assessed the design, implementation and operating effectiveness of controls around recognition of revenue;

• Checked on a sample basis relevant underlying supporting documents for ensuring that the Holding Company has complied with the revenue recognition criteria as per IFRS 15;

• Tested timeliness of revenue recognition by comparing individual sales transactions before and after the year end to underlying documents and by checked significant credit notes issued after year-end, if any;

• Evaluated the adequacy and appropriateness of disclosures made in consolidated financial statements.</td></tr>
<tr><td colspan="2">2. Valuation of stock in trade</td></tr>
<tr><td>Stock-in-trade has been valued following an accounting policy as stated in note 4.5 and the related value of stock-in-trade is disclosed in note 10 to the consolidated financial statements. Stock-in-trade forms material part of the Group's assets comprising of around 27% of total assets.

The valuation of stock-in-trade is carried at amount i.e. Cost or Net Realizable Value, whichever is lower. Cost has different components, which includes judgment in relation to the allocation of overheads costs, which are incurred in bringing the finished goods to its present location and condition.

Judgments are also involved in determining the net realizable value (estimated selling price in ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale) of stock-in-trade items in line with accounting policy.

Due to the above factors, we have considered the valuation of stock in trade as key audit matter.</td><td>Our audit procedures to address the valuation of stock-in-trade, included the following:

• Obtained an understanding of mechanism of recording purchases and valuation of stock-in-trade;

• Tested on a sample basis purchases with underlying supporting documents;

• Verified on test basis, the moving average calculations of raw material as per accounting policy;

• Verified the calculations of the actual overhead costs and checked allocation of labor and overhead costs to the finished goods and work in process;

• Obtained an understanding of management's process for determining the net realizable value and checked future selling prices by performing a review of sales close to and subsequent to the year-end and determined cost necessary to make the sales; and

• Checked the calculations of net realizable value of itemized list of stock-in-trade, on selected sample and compared the net realizable value with the cost to ensure that valuation of stock-in-trade is in line with the accounting policy.</td></tr>
</table>

Information other than the financial statements and auditors' report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement of therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under law. We have nothing to report in this regard.

Responsibilities of management and board of directors for the consolidated financial statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the unconsolidated financial statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Shafqat Ali.

Yousuf Adil

Chartered Accountants
Place: Karachi
Date: 08 December 2022
UDIN: AR202210186VfjoCbXAJ

Consolidated Statement of Financial Position
As at June 30, 2022

	Note	2022	Restated 2021	Restated 2020
		(Rupees in 000)		
ASSETS				
Non-current assets				
Property, plant and equipment	5	**33,231,075**	25,281,602	14,237,986
Intangibles	6	**7,476**	7,895	11,279
Long-term investments	7	**80,218**	143,637	133,431
Long-term deposits	8	**19,898**	19,245	18,240
Long-term advances		**1,955**	2,156	3,864
		33,340,622	25,454,535	14,404,800
Current assets				
Stores, spares and loose tools	9	**1,004,358**	696,015	692,603
Stock-in-trade	10	**19,120,314**	11,982,227	10,518,566
Trade debts	11	**14,636,476**	7,311,031	4,365,615
Loans and advances	12	**220,101**	391,065	358,507
Trade deposits and short-term prepayments	13	**90,261**	16,921	34,263
Other receivables	14	**477,827**	250,673	140,134
Other financial assets	15	**76,688**	1,194,475	1,219,465
Tax refundable	16	**1,281,971**	1,272,881	1,174,646
Cash and bank balances	17	**1,172,533**	1,225,462	524,957
		38,080,529	24,340,750	19,028,756
TOTAL ASSETS		**71,421,151**	49,795,285	33,433,556
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized share capital				
100,000,000 ordinary shares of Rs.10 each		**1,000,000**	1,000,000	450,000
Issued, subscribed and paid up capital	18	**542,211**	542,211	180,737
Reserves	19	**9,000,677**	9,000,677	7,000,732
Unappropriated profits		**20,092,138**	10,389,074	9,092,669
		29,635,026	19,931,962	16,274,138
Non-current liabilities				
Long-term financing	20	**19,520,193**	13,950,010	5,422,907
Deferred taxation	21	**129,463**	205,230	24,897
Deferred liabilities	22	**729,056**	1,021,927	1,525,653
Lease liabilities	23	**73,502**	87,102	38,994
		20,452,214	15,264,269	7,012,451
Current liabilities				
Trade and other payables	24	**5,766,530**	4,406,394	2,919,088
Unclaimed dividends		**3,735**	3,361	209,634
Interest / mark-up payable	25	**331,015**	180,744	108,828
Short-term borrowings	26	**12,635,272**	8,577,090	6,743,684
Current portion of long term financing	20	**2,067,958**	1,162,370	140,364
Current portion of other deferred liabilities	22	**508,310**	249,234	21,473
Current portion of Lease liabilities	23	**21,091**	19,861	3,896
		21,333,911	14,599,054	10,146,967
TOTAL EQUITY AND LIABILITIES		**71,421,151**	49,795,285	33,433,556
Contingencies and commitments	27			

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Consolidated Statement of Profit or Loss
For the year ended June 30, 2022

	Note	2022	Restated 2021
		-------------(Rupees in 000)-----------	
Revenue	28	**75,267,958**	49,042,471
Directly attributable cost for generating revenue	29	**(60,730,755)**	(42,515,152)
Gross profit		**14,537,203**	6,527,319
Other income	30	**817,819**	1,057,970
Distribution cost	31	**(1,295,198)**	(979,942)
Administrative expenses	32	**(762,303)**	(665,218)
Other operating expenses	33	**(840,544)**	(312,417)
Finance cost	34	**(1,664,664)**	(911,809)
		(4,562,709)	(2,869,386)
Share of profit from associate - net of tax		**37,606**	11,572
Profit before tax		**10,829,919**	4,727,475
Taxation	35	**(847,326)**	(878,822)
Profit for the year		**9,982,593**	3,848,653
			Restated
		-------------(Rupees in 000)-----------	
Earnings per share - basic and diluted	36	**184.11**	70.98

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

Chief Financial Officer	Chief Executive Officer	Director

Consolidated Statement of Comprehensive Income
For the year ended June 30, 2022

	Note	2022	Restated 2021
		-------------(Rupees in 000)-----------	
Profit for the year		**9,982,593**	3,848,653
Items that may be reclassified subsequently to profit and loss			
Exchange gain on translation of balances of foreign subsidiary		**-**	(55)
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability - net of tax	22	**(8,556)**	(11,226)
Less: tax thereon		**133**	1,189
Total other comprehensive income for the year		**(8,423)**	(10,037)
Total comprehensive income for the year		**9,974,170**	3,838,561

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Consolidated Statement of Changes in Equity
For the year ended June 30, 2022

	Issued, subscribed and paid up capital	Reserves – Capital: Share premium	Reserves – Capital: Merger reserve	Reserves: Exchange translation reserve	Reserves – Revenue: General reserve	Reserves – Revenue: Unappropriated profits	Total
	(Rupees in '000)						
Balance at June 30, 2020 - As reported	180,737	10,920	11,512	732	6,977,568	8,678,901	15,860,370
Effect of change in accounting policy for raw material - refer note 4.18	-	-	-	-	-	413,768	413,768
As at June 30, 2020 - Restated	180,737	10,920	11,512	732	6,977,568	9,092,669	16,274,138
Comprehensive income for the year ended June 30, 2021							
Profit for the year (Restated)	-	-	-	-	-	3,848,653	3,848,653
Exchange gain on translation of balances of foreign subsidiary	-	-	-	(55)	-	-	(55)
Other comprehensive income for the year - net of tax	-	-	-	-	-	(10,037)	(10,037)
Total comprehensive income for the year	-	-	-	(55)	-	3,838,616	3,838,561
Transfer to revenue reserves	-	-	-	-	2,000,000	(2,000,000)	-
Transactions with owners							
First interim cash dividend @ Rs.10 per share	-	-	-	-	-	(180,737)	(180,737)
Bonus shares issued for the year @ 200%	361,474	-	-	-	-	(361,474)	-
Balance at June 30, 2021 (Restated)	542,211	10,920	11,512	677	8,977,568	10,389,074	19,931,962
Comprehensive income for the year ended June 30, 2022							
Profit for the year	-	-	-	-	-	9,982,593	9,982,593
Other comprehensive income for the year - net of tax	-	-	-	-	-	(8,423)	(8,423)
Total comprehensive income for the year	-	-	-	-	-	9,974,170	9,974,170
Transactions with owners							
Interim cash dividend @ Rs.5 per share	-	-	-	-	-	(271,106)	(271,106)
Balance at June 30, 2022	**542,211**	**10,920**	**11,512**	**677**	**8,977,568**	**20,092,138**	**29,635,026**

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Consolidated Statement of Cash Flows
For the year ended June 30, 2022

		Note	2022	Restated 2021
			(Rupees in 000)	
A.	**Cash flows from operating activities**			
	Cash generated from operations	37	**4,597,273**	6,514,859
	Taxes paid - net		**(913,875)**	(972,672)
	Finance cost paid		**(1,260,803)**	(637,878)
	GIDC paid	22.3	**(41,335)**	(34,326)
	Gratuity paid		**(200,519)**	(133,129)
	Net cash generated from operating activities		**2,180,741**	4,736,854
B.	**Cash flows from investing activities**			
	Payment for purchase of property, plant and equipment		**(9,812,396)**	(12,380,451)
	Proceeds from disposal of property, plant and equipment		**115,900**	61,448
	Purchase of intangible asset		**(2,000)**	-
	Payment for purchase of other financial assets		**-**	(196,260)
	Proceeds from sale of long term investments		**133,432**	-
	Proceeds from redemption of investments in other financial assets		**1,108,788**	258,584
	Dividends received		**5,586**	6,300
	Net cash used in investing activities		**(8,450,690)**	(12,250,379)
C.	**Cash flows from financing activities**			
	Receipts from long-term finance	20.1	**7,587,002**	11,484,440
	Repayment of long-term finance		**(1,111,231)**	(1,760,653)
	Long term advances		**201**	1,708
	Repayment of lease liabilities		**(20,500)**	(20,582)
	Dividends paid		**(270,732)**	(387,010)
	Net cash generated from financing activities		**6,184,740**	9,317,903
	Net (decrease) / increase in cash and cash equivalents (A+B+C)		**(85,209)**	1,804,378
	Cash and cash equivalents at beginning of the year		**(909,382)**	(2,713,760)
	Cash and cash equivalents at end of the year	38	**(994,591)**	(909,382)

The annexed notes from 1 to 48 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1. THE GROUP AND ITS OPERATIONS

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

1.1.1 Holding group

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

Manufacturing Unit	Address
Hyderabad	P-1 and P-5 , S.I.T.E, Hyderabad, Sindh
Karachi	Plot Number 03 & 07, Sector 25, Korangi Industrial Area, Karachi
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan

1.1.2 Subsidiary companies

Indus Lyallpur Limited - 100% owned

Indus Lyallpur Limited (ILL) is an unlisted public group limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984 (now Companies Act 2017). Principal business of the ILL 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 ILL is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

Indus Home Limited

Indus Home Limited (IHL) was incorporated in Pakistan as a public limited group on May 18, 2006 under the Companies Ordinance 1984 (now Companies Act, 2017). The registered office of the group 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 group is located at Manga Mandi, Lahore. During the year, the holding company has further acquire shares of IHL from ILL. The group owned 100% (2021: 89%) directly and 0% (2021:11%) indirectly shares of IHL respectively.

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 of USA. The Subsidiary is located at 3500 South Dupont Highway Dover Delaware 19901.

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 the IWEL is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

1.1.3 Associate - Sunrays Textile Mills Limited

Sunrays Textile Mills Limited (STML) was incorporated in Pakistan on August 27, 1987 as a public limited group under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange Limited. The group is principally engaged in trade, manufacture and sale of yarn. The group is also operating a ginning unit and an ice factory on leasing arrangements. The registered office of the STML is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding group has 0.99% shareholding and voting rights in the group and it is regarded as an associate due to common directorship.

1.2 Basis of Consolidation

- The consolidated financial statements include the financial statements of the Holding group, its subsidiaries and share of profit / loss from an associate group collectively referred to as "the Group" in these consolidated 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 financial statements of the subsidiaries are prepared for the same reporting year as of the Holding group 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.

2. STATEMENT OF COMPLIANCE

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

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017 has been followed.

2.1.1 In IWEL Exemption from applicability of IAS 21 'The Effects of Changes in Foreign Exchange Rates' and IFRS 9 'Financial Instruments' in relation to the recognition of embedded derivatives

The Securities and Exchange Commission of Pakistan (SECP) through S.R.O 986 (I)/2019 dated September 02, 2019 granted exemption from the application of IFRS 16 "Leases', IFRS 9 "Financial instruments" (in relation to recognition of embedded derivatives) and IAS 21 "The Effects of Changes in Foreign Exchange Rates" to all companies, which have entered into Power Purchase Agreements (PPAs) before January 1, 2019. The Company along with certain Independent Power Producer (IPP) companies having their PPA dated after January 01, 2019 filed a petition in the Honourable Lahore High Court (LHC) to also allow the companies that entered into PPAs after January 01, 2019 on the basis that they have already achieved certain other significant milestones, including determination of tariff by NEPRA, be treated along with the power companies entered into PPAs before January 01, 2019. The LHC through its order dated November 21, 2022 has suspended the impugned condition in S.R.O 986(I) / 2019 dated September 02, 2019 till further order. Accordingly, the Group has also availed the exemptions as per the S.R.O 986 (I)/2019 dated September 02, 2019 for the preparation of the consolidated financial statements for the year ended June 30, 2022.

2.1.2 In IWEL Exemption from application of IFRS - 9 'Financial Instruments' in relation to financial assets due from the Government of Pakistan

SECP through SRO 985(I)/2019 dated September 2, 2019 as amended by SRO 1177(I)/2021 dated September 13, 2021 has notified that the requirements contained in IFRS 9 'Financial Instruments' with respect to the application of Expected Credit Loss method for determination of impairment of financial assets will not be applicable to the entities holding financial assets due from the Government of Pakistan until June 30, 2022, provided that such entities shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement', in respect of above referred financial assets. Accordingly, financial assets due from the Government of Pakistan, i.e., trade debts and certain other receivables are assessed at each reporting date to determine whether there is any objective evidence that it is impaired. These are considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

2.2 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pakistani Rupees which is the Group's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest thousand unless otherwise indicated.

2.3 Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention as modified by:

- recognition of certain employee retirement benefits at net present value;
- recognition of certain financial instruments at fair value; and
- investment in associate accounted for under equity method

2.4 Amendments to standards that are effective for the year ended June 30, 2022

The following amendments are effective for the year ended June 30, 2022. These amendments are either not relevant to the Group's operations or are not expected to have significant impact on the Group's financial statements other than certain additional disclosures.

	"Effective from accounting periods beginning on or after"
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021

2.5 Amendments to standards that are not yet effective

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

	"Effective from accounting periods beginning on or after"
- Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
- Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
- "Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract"	January 01, 2022
- Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41)	January 01, 2022
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
- Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
- "Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates"	January 01, 2023
- Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction	January 01, 2023
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Estimates and judgments, if any, 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. The areas where various assumptions and estimates are significant to the consolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- Provision for current tax and deferred tax (Notes 4.8, 21 and 35)
- Provision for staff retirement benefits (Notes 4.9, 22.2 - 22.4)
- Depreciation rates of property, plant and equipment (Note 5.1)

- Classification of investments (Notes 4.3, 4.6, 7 and 15)
- Net realizable value of stock-in-trade (Notes 4.5 and 10)
- Provision for impairment of trade debts and other receivables (Notes 4.6.5, 10 and 14)
- Provision for slow moving stores and spares (Notes 4.4 and 9)
- Useful lives of intangibles (note 4.2 and 6)

4. SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property, plant and equipment

4.1.1 Operating fixed assets

Property, plant and equipment except freehold land, leasehold land and capital work in progress are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land, lease hold land and capital work in progress are stated at cost, less impairment, if any.

Assets' residual values and their useful lives are reviewed and adjusted at each reporting date, if significant.

Depreciation is charged to income applying the reducing balance method at the rates specified in the note 5.1. Depreciation on all additions is charged from the month on which the asset is available for use and no depreciation is charged in the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial year in which they are incurred.

Assets are derecognised when disposed or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of assets, if any, are recognised in the consolidated statement of profit or loss as and when incurred.

The revaluation of freehold land is carried out at suffiicient regularity intervals to ensure that the carrying amounts do not differ materially from those which would have been determined using fair values at the reporting date. Increase in the carrying amounts arising on revaluation of freehold land is recognised in consolidated statement of comprehensive income and accumulated in surplus on revaluation of land in consolidated statement of changes in equity. To the extent that the increase reverses a decrease previously recognised in consolidated statement of profit or loss, the increase is first recognised in consolidated statement of profit or loss.

Decrease in the carrying amounts arising as a result of revaluation, that reverses previous increase of the same asset is first recognised in consolidated statement of comprehensive income to the extent of the remaining surplus attributable to the asset; all other decrease are charged to consolidated statement of profit or loss.

Expenditure incurred to replace a significant component of an item of property, plant and equipment is capitalized and the asset so replaced is retired. Other subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the items can be measured reliably. All other expenditure (including repairs and normal maintenance) is recognised in the consolidated statement of profit or loss as an expense when it is incurred.

4.1.2 Capital work in progress

These are stated at cost less accumulated impairment losses, if any. All expenditures connected with specific assets incurred and advances made during installation and construction period are carried under this head. These are transferred to specific asset as and when the asset is available for its intended use.

4.1.3 Right-of-use assets and lease liabilities

At inception of a contract, the group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for operating fixed asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The group has elected to apply the practical expedient not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

4.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment loss if any. Amortization is charged to consolidated statement of profit or loss using the reducing balance method at the rates given in note 6. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on prospective basis.

4.3 Investment in associate

Associate is an entity over which the group has significant influence but not control, generally represented by shareholding of 20% to 50% of the voting rights or common directorship.

Investment in associate is accounted for using equity basis of accounting, under which the investment in associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the group's share of profit or loss of the associate after the date of acquisition. The group's share of profit or loss of the associate is recognized in the consolidted statement of profit or loss. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the group's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognized in the associate's profit or loss.

The group's share of those changes is recognized in consolidated statement of comprehensive income.

4.4 Stores, spares and loose tools

These are valued at cost determined on moving average cost method less allowance for obsolete and slow moving items. Items in transit are valued at invoice values plus other charges incurred thereon.

4.5 Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined by applying the following basis:

	Basis of valuation
Raw material	Moving average cost
Work-in-progress	Moving average cost of material and share of applicable overheads
Finished goods	Moving average cost of material and share of applicable overheads
Packing material	Moving average cost
Waste	Net realizable value
Stock in transit	Accumulated cost till reporting date

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

4.6 Financial instruments

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

4.6.1 Financial assets

Classification

The group classifies its financial assets into following three categories:

IFRS 9 contains three principal classification categories for financial assets at:

i) Amortised cost ("AC"),
ii) Fair value through other comprehensive income ("FVTOCI") and
iii) Fair value through profit or loss ("FVTPL").

i) Financial assets at amortised cost

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

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

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

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in fair value in consolidated statement of other comprehensive income (OCI). This election is made on an investment-by-investment basis.

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in consolidated statement of other comprehensive income (OCI).

iii) Financial assets at fair value through profit or loss (FVTPL)

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

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

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

Derecognition of financial assets

"The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received."

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss.

4.6.2 Subsequent measurement of financial assets

Financial assets at amortised cost

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

Financial assets at FVTOCI

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

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

Financial assets at FVTPL

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

4.6.3 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

Basis of valuation of investment in mutual funds

The fair value of units of Funds is based on the net assets value per unit announced by Mutual Funds Association of Pakistan (MUFAP), which is determined on the basis of net assets value communicated by the Asset Management group on daily basis.

4.6.4 Financial liabilities

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

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the consolidated statement of profit or loss.

4.6.5 Impairment

Financial assets

The group recognizes a loss allowance for expected credit loss "ECL" on trade debts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

The group always recognizes lifetime ECL for trade debts. The ECL on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the consolidated statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.6.6 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to off set the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

4.7 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finances and term deposit receipts of less than 3 months.

4.8 Taxation

Current

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

Deferred

Deferred tax is provided using the liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirements of Technical Release – 27 issued by Institute of Chartered Accountants of Pakistan.

Deferred income tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profits and taxable temporary differences will be available against such temporary differences and tax losses can be utilized.

Deferred income tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

4.9 Staff retirement benefits

Defined benefit plan

The group operates an unfunded gratuity scheme covering all its employees who have completed minimum qualifying period. Provisions are determined based on the actuarial valuation conducted by a qualified actuary using Projected Unit Credit Method. Under this method cost of gratuity is charged to statement of profit or loss so as to spread the cost over the service lives of the employees in accordance with the actuarial valuation. Past-service costs are recognized immediately in statement of profit or loss and actuarial gains and losses are recognized immediately in other comprehensive income.

4.10 Deferred grant

The benefit of interest rate lower than market rate on borrowings obtained under State Bank of Pakistan (SBP) under Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of the group, is accounted for as a government grant which is the difference between loan received and the fair value of the loan. The differential amount is recognised and presented in consolidated statement of financial position as deferred government grant.

In subsequent periods, the grant shall be amortised over the period of loan and amortization shall be recognised and presented as reduction of related interest expense.

4.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. Borrowings are classified as current liabilities unless the group has an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added in the carrying amount of the borrowing.

4.11.1 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time till the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in consolidated statement of profit or loss in the period in which they are incurred.

4.12 Provisions

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

4.13 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date. Exchange differences are included in the consolidated statement of profit or loss and other comprehensive income.

All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

4.13.1 Foreign subsidiary

The assets and liabilities of foreign subsidiary are translated to Pakistani Rupees at exchange rates prevailing at the reporting date. The results of foreign subsidiary are translated at the average rate of exchange for the year. Resulting exchange gains and losses are recognised in consolidated statement of comprehensive income.

4.14 Revenue recognition

Revenue from contracts with customers is recongnised at the point in time when the performance obligation is satisfied i.e. when control of the goods is transferred to the customer at an amount that reflects the consideration to which the group expect to be entitled to in exchange of those goods.

Dividend income is recognised on the date on which the group's right to receive the dividend is established.

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the applicable effective interest rate.

Gains / losses arising on sale of investments are included in the period in which they arise.

4.15 Dividend and other appropriations

Dividend distribution to the Group’s shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders of the Group.

4.16 Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.17 Segment Reporting

Segment information is presented on the same basis as that used for internal reporting purposes by the Chief Operating Decision Maker (CODM). The group considers Chief Executive as its CODM who is responsible for allocating resources and assessing performance of the operating segments.

On the basis of its internal reporting structure, the group considers itself to be a single reportable segment; however, certain information about the group's products, as required by the accounting and reporting standards, is presented in note 44 to these consolidated financial statements.

4.18 Changes in accounting policy and rectification of errors

During the year, the Group has changed its policy for stock (refer note 4.18.1) and rectified certain errors as detailed in (note 4.18.2).

4.18.1 Changes in accounting policy

During the year, management decided to change valuation method of raw material from weighted average method to moving average method for depicting more appropriate results. Considering this change as a change in accounting policy as per IAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors", prior period figures have been restated. Effect of restatements are as follows:

Impact on consolidated statement of financial position

	2020		
	Previously reported amount	**Impact of change in policy**	**Restated amount**
	------------------ (Rupees in '000)	-----------------	
STOCK-IN-TRADE	**10,104,798**	**413,768**	**10,518,566**
- Stock-in-trade- Raw material	6,253,781	318,904	6,572,685
- Stock-in-trade- Work in process	915,667	14,421	930,088
- Stock-in-trade- Finished goods	1,521,744	80,443	1,602,187
	8,691,192	**413,768**	**9,104,960**

Impact on consolidated statement of financial position

	2021		
	Previously reported amount	**Impact of change in policy**	**Restated amount**
	-------------------- (Rupees in '000)	--------------	
STOCK-IN-TRADE	**11,664,302**	**317,925**	**11,982,227**
- Stock-in-trade- Raw material	7,032,976	150,457	7,183,433
- Stock-in-trade- Work in process	1,173,586	51,209	1,224,795
- Stock-in-trade- Finished goods	1,701,095	116,259	1,817,354
	9,907,657	**317,925**	**10,225,582**

Impact on consolidated statement of profit or loss

	2021		
	Previously reported amount	Impact of change in policy	Restated amount
	----------------- (Rupees in '000)	----------------	
Cost of goods sold	**42,266,138**	**249,014**	**42,515,152**
- Cost of goods manufactured - Raw material consumed	27,459,244	321,616	27,780,860
Reduction in :			
- Work in process	257,919	36,788	294,707
- Finished goods	186,963	35,814	222,777
	444,882	72,602	517,484
	27,014,362	**249,014**	**27,263,376**

4.18.2 Errors

During the year, management has rectified certain errors relating to prior periods. Details of such errors are as follows:

Long-term loan

The group has received long-term loan under SBP Refinancing Scheme (at interest / profit rates that are based on SBP rate instead of KIBOR) with a view to promote renewable energy projects in the country. The group had erroneously considered difference between interest / profit rate based on KIBOR and SBP rate as below market interest rate (despite the fact that such facility was available to all renewable energy project) as government grant and had recorded deferred income (or deferred government grant) in previous year.

Transaction cost

The group had incurred incremental costs that are directly attributable to the acquisition of long-term loan, which are required to be amortized over the life of loan period using an effective interest rate method. However, the group had erroneously amortized it over the life of loan period on straight line basis.

The management has restated its consolidated financial statements to reflect the effects of such rectification in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The effect of restatements are as follows:

		As at June 30, 2021		
		Previously stated	Change	Restated
		----------------- (Rupees in '000)	----------------	
Impact on consolidated statement of financial position				
Property, plant and equipment	4.18.2.1	25,306,603	(25,001)	25,281,602
Deferred liabilities	4.18.2.2	276,578	745,349	1,021,927
Long-term financing		(14,499,697)	(612,683)	(15,112,380)

4.18.2.1 This includes impact of amortisation of deferred income and charge of transaction cost amounting to Rs. 13.01 million and Rs. 11.96 million respectively.

4.18.2.2 It includes impact of deferred income, amortisation of deferred income and amortisation of transaction cost amounting to Rs. 745.35 million, Rs. 13.01 million and Rs. 11.96 million respectively.

	Unappropriated Profit Rupees in '000
Impact on consolidated statement of changes in equity	
As at June 30, 2020 - as reported	8,678,901
Impact of change in policy	413,768
As at June 30, 2020 - Restated	**9,092,669**
As at June 30, 2021 - As reported	10,071,148
Impact of rectification of policy - 2020 (as stated above)	413,768
Impact of rectification of policy - 2021 (as stated above)	(95,843)
As at June 30, 2021 - Restated	**10,389,073**

Due to above restatements, no material change has been occurred between operating, financing and investing activities of consolidated statement of cash flows.

Impact on EPS due to above restatements	**2021**
Profit for the year - as reported (Rupees in '000)	3,944,495
Profit for the year - restated (Rupees in '000)	3,848,653
Impact of restatements (Rupees in '000)	95,842
Weighted average number of shares outstanding (Numbers)	54,221,196
Impact on earnings per share (Rupees)	1.77

There were no dilutive potential ordinary shares in issue.

	Note	2022	Restated 2021
		(Rupees in '000)	
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	**32,285,817**	14,853,752
Capital work-in-progress	5.4	**861,833**	10,324,790
Right-of-use assets	5.5	**83,425**	103,060
		33,231,075	25,281,602

5.1 Operating fixed assets

Particulars	Cost			Accumalated Depreciation			Carrying value at June 30, 2022	
	As at July 01, 2021	Additions / (disposal) / Adjustments* during the year	As at June 30, 2022	As at July 01, 2021	Depreciation/ (adjustment) for the year	As at June 30, 2022		
	---------- (Rupees in '000) ----------							%
Freehold land	869,772	983,196	1,852,968	-	-	-	1,852,968	-
Leasehold land	142,647	-	142,647		-	-	142,647	-
Factory buildings on leasehold land	3,273,057	1,233,043	4,506,100	1,390,788	213,568	1,604,356	2,901,744	5
Non-factory buildings on on leasehold land	181,618	-	181,618	128,824	5,280	134,104	47,514	10
Office building	158,148	-	158,148	50,680	3,446	54,126	104,022	5
Plant and machinery	18,236,636	16,292,496 (408,947)	34,120,185	8,058,145	1,320,126 (342,443)	9,035,828	25,084,357	10
Electric installations	298,259	64,210	362,469	164,556	16,742	181,298	181,171	10
Solar panel	23,846	193,219	217,065	994	11,414	12,408	204,657	10
Power generators	1,462,761	111,818 (6,748)	1,567,831	521,154	92,573 (5,678)	608,049	959,782	10
Factory equipment	357,047	118,432 (155)	475,324	95,358	27,671 (113)	122,916	352,408	10
Office equipment	45,210	8,246 (858)	52,598	15,380	4,207 (612)	18,975	33,623	10
Furniture and fixtures	67,186	17,552 (629)	84,109	26,523	4,781 (415)	30,889	53,220	10
Vehicles	423,352	253,141 (27,845)	648,648	233,385	61,420 (13,861)	280,944	367,704	20
June 30, 2022	25,539,539	19,275,353 (445,182)	44,369,710	10,685,787	1,761,228 (363,122)	12,083,893	32,285,817	

For Comparative period

Particulars	Cost			Accumalated Depreciation			Carrying value at June 30, 2021	
	As at July 01, 2020	Additions / (disposal) / Adjustments* during the year	As at June 30, 2021	As at July 01, 2020	Depreciation/ (adjustment) for the year	As at June 30, 2021		
	---------- (Rupees in '000) ----------							%
Freehold land	492,124	379,312 (1,664)	869,772	-	-	-	869,772	-
Leasehold land	142,647	-	142,647		-	-	142,647	-
Factory buildings on leasehold land	3,063,370	209,687	3,273,057	1,192,334	198,454	1,390,788	1,882,269	5
Non-factory buildings on on leasehold land	177,606	4,012	181,618	123,239	5,585	128,824	52,794	10
Office building	158,148	-	158,148	47,053	3,627	50,680	107,468	5
Plant and machinery	16,543,870	1,983,148 (290,382)	18,236,636	7,316,317	966,249 (224,421)	8,058,145	10,178,491	10
Electric installations	285,156	36,949	322,105	150,657	14,893	165,550	156,555	10
Power generators	1,250,141	228,704 (16,084)	1,462,761	448,848	85,830 (13,524)	521,154	941,607	10
Factory equipment	178,009	179,038	357,047	82,687	12,671	95,358	261,689	10
Office equipment	41,806	4,102 (698)	45,210	13,052	3,829 (1,501)	15,380	29,830	10
Furniture and fixtures	59,704	8,859 (1,377)	67,186	22,363	4,160	26,523	40,663	10
Vehicles	396,583	43,733 (16,964)	423,352	201,512	42,800 (10,927)	233,385	189,967	20
June 30, 2021 - Restated	22,789,164	3,077,544 (327,169)	25,539,539	9,598,062	1,338,098 (250,373)	10,685,787	14,853,752	

* This represents capitalization of exchange difference relating to IWEL.

	Note	2022	2021
		---------- (Rupees in '000) ----------	

5.1.1 Allocation of depreciation

	Note	2022	2021
Directly attributable cost for generating revenue	29.3	**1,688,641**	1,282,310
Administrative expenses	32	**72,588**	55,788
		1,761,228	1,338,098

5.2 Disposals of operating fixed assets

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Group
	-----	-----	(Rupees in '000)	-----	-----			
Plant and machinery								
Ginning Machine	5,594	(5,594)	-	840	840	Negotiation	Muhammad Iqbal A\	None
Scutcher	1,799	(1,722)	77	38	(39)			
Ring Frame FA - 502 Chinese	2,136	(2,023)	113	56	(57)	Negotiation	Khalis Fiber (Private) Limited	None
Drawing Breaker DYH-500	9,409	(8,462)	946	470	(476)			
TFO-363 144 Spindles Twister	3,594	(3,339)	255	126	(129)			
Crosrol MK5	22,876	(19,816)	3,060	585	(2,475)	Negotiation	Choudhary Brothers	None
Crosrol MK5-D	28,519	(26,512)	2,007	2,170	163	Negotiation	Akbar Ali&Bros	None
Toyoda DYH-500	12,104	(11,881)	223	111	(112)	Negotiation	Khalis Fiber (Private) Limited	None
Boiler Plant	5,899	(5,879)	20	400	380	Negotiation	Subhan Trading	None
Card MK-5D	4,412	(3,867)	546	117	(429)	Negotiation	Hanif'S Trading Corporation	None
Crosrol Card MK-5D	26,472	(23,255)	3,218	500	(2,718)	Negotiation	Mr. Khalid Ghani	None
Drawing Machine DHY-500C	3,585	(2,906)	678	200	(478)	Negotiation	Lyallpur Textiles	None
Mach Coner - 338 Schlaforst 60 Spindles	10,390	(8,894)	1,496	510	(986)			
Crosrol Card MK-5D	8,824	(7,789)	1,036	300	(736)	Negotiation	Mr. Muhammad As	None
Cherry DX-500	3,513	(3,394)	119	200	81			
Simplex Frame FI-200 104 Spindles	4,751	(4,605)	146	120	(26)	Negotiation	Muhammad Imran	None
Toyoda FI-16	7,433	(7,390)	43	120	77			
TFO-363 132 Spindles Twister	727	(659)	68	120	52			
Auto Cone 338-RM 60 Spindles	12,565	(10,581)	1,984	4,370	2,386	Negotiation	Mr. Ghulam Abbas	None
Drawing Finisher RSB-D30	7,474	(6,746)	728	720	(8)			
Auto Cone 338 60 Spindles	11,004	(10,521)	483	5,528	5,045	Negotiation	Adamjee Insurance Co. Limited	None
TFO-363 132 Spindles Twister	727	(659)	68	120	52	Negotiation	Sealink Shipping Pvt Limited	None
Dornier (Jacquard) 300 Cm	32,875	(26,153)	6,722	28,617	21,895	Negotiation	Doku Par Tekstil San	None
Dornier (Dobby) 250 Cm	61,956	(47,241)	14,715	17,923	3,208	Negotiation	Shahina Textile Industries	None
Dornier (Dobby) 300 Cm	37,173	(28,728)	8,445	11,114	2,669	Negotiation	Shahina Textile Industries	None
Dornier Servo Teryy (Jacquard) 300 Cm	6,575	(5,231)	1,344	5,723	4,379	Negotiation	Doku Par Tekstil Sar	None
Dornier (Dobby) 300 Cm	12,391	(9,320)	3,071	5,738	2,667	Negotiation	Terry Master	None
Compressor (Cameron) 01	23,870	(18,496)	5,374	4,750	(624)	Negotiation	Azgard Nine	None
Kilenweffer Bleaching Range	39,435	(30,070)	9,365	5,000	(4,365)	Negotiation	Metal power eng.	None
	408,082	**(341,733)**	**66,350**	**96,587**	**30,236**			

Particulars	Cost	Accumulated depreciation	Carrying value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of buyers	Relationship of purchaser with the Group
	-----	-----	(Rupees in '000)	-----	-----			
Vehicles								
Suzuki Cultus AVK310 VXR MC 998 CC	1,745	(575)	1,170	1,175	5	Negotiation	Mr. Saif Ulllah	None
Suzuki Swift	1,282	(937)	345	350	5	Negotiation	Mr. Shakeel Ahmed	Employee
Suzuki Cultus VXR 998 CC	1,780	(314)	1,466	1,375	(91)	Negotiation	Mr. Muhammad Aamir	Employee
Honda Grace (Hybrid)	2,500	(1,005)	1,495	1,625	130	Negotiation	Muhammd Faisal Nazeer	None
New Car Corolla M20 1.6 At 1598CC	3,283	(180)	3,103	3,283	180	Negotiation	Adamjee Insurance Company Ltd	None
Suzuki Swift	1,282	(970)	312	325	13	Negotiation	Mr. Faheem Niazi	Employee
Suzuki Cultus	1,059	(859)	200	-	(200)	Negotiation	Feroz Akhtar	Employee
Corolla Garande	2,401	(1,761)	640	700	61	Negotiation	Mr. Najam Ul Islam	Employee
Mehran	708	(503)	205	550	345	Negotiation	Mr. Mohsin Jamroo	Employee
Honda Civic Vti Oriel Prosmatec	2,522	(1,776)	746	1,500	754	Negotiation	Aatir Raza	Employee
Honda Civic Vti Oriel Prosmatec	2,452	(1,752)	700	2,050	1,350	Negotiation	Zarar Butt	Employee
Suzuki Swift	1,426	(825)	601	800	199	Negotiation	Shafqat Riaz	Employee
Civic Prosmatic	2,450	(504)	1,946	2,000	54	Negotiation	Asfand yar malik	Employee
	24,890	**(11,961)**	**12,929**	**15,733**	**2,804**			
Power generators								
Caterpillar Diesel Generator	2,913	(2,600)	313	480	167	Negotiation	Siddiqui & Co	None
Diesal Generator Caterpillar 1120 KW	3,835	(3,078)	757	1,500	743	Negotiation	Javaid Iqbal	None
	6,748	**(5,678)**	**1,070**	**1,980**	**910**			
Assets having carrying value less than Rs. 500,000	**5,462**	**(3,751)**	**1,711**	**1,600**	**(111)**	Negotiation	Various	None
2022	**445,182**	**(363,122)**	**82,060**	**115,900**	**33,839**			
2021	327,169	(250,373)	76,796	61,448	(15,348)			

5.3 Particulars of lands in the name of Group are as follows:

Location	Usage of immovableproperty	Total Area (In acres / Kanal)	Total area (In sq.ft)
Korangi mill - Plot No. 3 & 7, Sector 25, Korangi, Karachi	Manufacturing facility and labour colony	12.50	544,500
Hyderabad mill - Plot No. P-1 & P-5, S.I.T.E, Hyderabad	Manufacturing facility and labour colony	29.00	1,263,240
Nooriabad land - Plot No. K-31 & K-32, Nooriabad	Held for business expansion	40.00	1,742,400
Naseerpur land - Adda Pira Ghayaib, Mototly Road	Manufacturing facility	8.28	360,459
Muzaffergarh mill - Bagga Sher, Khan pur Shumail, District Multan	Manufacturing facility and labour colony	30.87	1,344,697
Nooriabad land- Plot No. B/77, Nooriabad, District Jamshoro, Sindh	Manufacturing/ Storage facility and business expansion	31.00	1,350,360
Chak # 61 R/B, Mouza Bedianwala, Tehsil Jaranwala at 38-Km, Sheikhpura Road, Dist. Faisalabad	Manufacturing facility	47.21	2,056,577
Raiwind Road, Manga Mandi Lahore	Manufacturing Unit	537.15	2,924,782
Deh Kohistan 7/3 & 7/4 Tapo Jungshahi Taluka & District Thatta	Generation of electricity	428.00	18,643,680
2.5 Km Off Manga Raiwind Road, Manga Mandi Lahore	Grid Station	9.00	49,005
	Labour Colony	80.50	438,323
174 - 173 Abubakar Block New Garden Town, Lahore	Head Office	8.30	45,194

	Note	2022	2021
		-------- (Rupees in '000) --------	
5.4 Capital work-in-progress			
Solar panel		**57,707**	28,977
Civil works		**343,939**	593,808
Plant and machinery		**455,588**	9,702,005
Power Generator		**4,599**	-
	5.4.1	**861,833**	10,324,790

5.4.1 Capital work-in-progress

	Solar panel	Civil works	Plant and machinery	Power generator	Total
	------------	------------	Rupees '000'	------------	------------
As at June 30, 2020	-	180,899	816,841	-	997,740
Additions during the year	52,882	636,153	10,803,972	-	11,493,007
Transferred to operating fixed assets	(23,905)	(223,244)	(1,918,808)	-	(2,165,957)
As at June 30, 2021	28,977	593,808	9,702,005	-	10,324,790
Additions during the year	215,480	931,997	5,761,679	4,599	6,913,755
Transferred to operating fixed assets	(186,750)	(1,181,866)	(15,008,096)	-	(16,376,712)
As at June 30, 2022	**57,707**	**343,939**	**455,588**	**4,599**	**861,833**

	Note	2022	2021
		-------- (Rupees in '000) --------	
5.5 Right-of-use assets			
Rental premises			
Balance at the beginning of the year		**103,060**	49,144
Additions during the year		**-**	75,322
Depreciation for the year	5.5.1	**(19,635)**	(21,406)
Net book value at end of the year		**83,425**	103,060

5.5.1 Depreciation is charged on a useful life of 5 years and depreciation expense relating to right of use asset has been charged in 'Administrative expenses'.

6. INTANGIBLES

	2022	2021
	-------- (Rupees in '000) --------	
Software		
Cost		
- Opening	**33,694**	33,694
-Additions	**2,000**	-
	35,694	33,694
Amortization		
- Opening	**25,799**	22,415
- For the year	**2,419**	3,384
Accumulated amortization	**(28,218)**	(25,799)
Net book value as at June 30	**7,476**	7,895
Annual amortization rate	**30%**	30%

6.1 Amortization for the year has been charged to administrative expenses.

7. LONG-TERM INVESTMENTS

	Note	2022	2021
Investment in associate	7.1	**80,218**	43,637
Investment in Term Finance Certificate		**-**	100,000
		80,218	143,637

7.1 Investment in associate
- Sunrays Textile Mills Limited

	2022	2021
Cost	**1,716**	1,716
Share of post acquisition profits:		
Opening	**41,921**	31,715
Dividend received	**(1,025)**	(1,366)
Share of profit from associate for the year	**37,606**	11,572
	78,502	41,921
	80,218	43,637
Number of shares held	**205,962**	208,752
Ownership interest	**0.99%**	1.00%
Book value (Rupees in '000)	**80,622**	44,450
Cost of investment (Rupees in '000)	**1,716**	1,716

7.1.1 The existence of significant influence by the Group is evidenced through common directorship in the associate.

7.1.2 Summarized financial highlights as at and for the year ended June 30 are as follows:

	2022	2021
	------- (Rupees in '000) --------	
Non-current assets	**4,424,199**	1,670,443
Current assets	**5,496,620**	4,296,801
Total assets	**9,920,819**	5,967,244
Non-current liabilities	**959,906**	1,011,571
Current liabilities	**858,078**	547,933
Total liabilities	**1,817,984**	1,559,504
Net assets	**8,102,835**	4,407,740
Net assets	**8,102,835**	4,407,740
Percentage holding	**0.99%**	1.00%
Share in net assets	**80,218**	44,077
Revenue	**9,757,682**	8,640,883
Comprehensive income for the year	**3,798,596**	1,153,912

8. LONG-TERM DEPOSITS

	2022	2021
	--------- (Rupees in '000) ---------	
- Electricity	**19,885**	19,232
- Others	**13**	13
	19,898	19,245

9. STORES, SPARES AND LOOSE TOOLS

	Note	2022	2021
		--------- (Rupees in '000) ---------	
Stores, spares and loose tools		**1,048,405**	804,560
Stores in transit		**126,186**	42,457
Provision for slow moving and obsolete stock	9.1	**(170,233)**	(151,002)
		1,004,358	696,015

9.1 Movement of provision for slow moving inventories

	2022	2021
Balance at beginning of the year	**151,002**	90,202
Provision made during the year	**19,231**	60,800
Balance at end of the year	**170,233**	151,002

10. STOCK-IN-TRADE

	2022	Restated 2021
	(Rupees in '000)	
Raw material		
- in hand	**13,335,315**	7,183,433
- in transit	**2,125,256**	1,503,596
- held by third parties	**33,990**	72,725
	15,494,561	8,759,754
Work-in-process	**1,325,962**	1,224,795
Finished goods	**2,053,132**	1,817,354
Packing material	**100,066**	76,731
Waste	**146,593**	103,593
	19,120,314	11,982,227

11. TRADE DEBTS

		2022	2021
		(Rupees in '000)	
Considered good			
Secured			
Foreign debtors	11.1 & 11.2	**3,644,382**	1,880,923
Local debtors		**2,749,265**	69,597
Other debtors	11.3	**726,431**	-
		7,120,078	1,950,520
Unsecured			
Local debtors	11.1 & 11.2	**7,545,838**	5,392,373
		14,665,916	7,342,893
Provision for doubtful debts	11.4	**(29,440)**	(31,862)
	11.5	**14,636,476**	7,311,031

11.1 These are secured against letters of credit in favour of the Group.

11.2 Trade debts consist of a large number of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of credit customers, to assess their recoverability.

11.3 It represents trade debts secured by a guarantee from the Government of Pakistan (GoP) under the Implementation Agreement (IA). The overdue receivables are subject to interest on delay payment at the rate of KIBOR plus 2% in accordance with EPA. The receivables from CPPA-G are due on or before thirty days.

11.4 Movement of provision for doubtful debts

	Note	2022	2021
		(Rupees in '000)	
Balance at beginning of the year		**31,862**	27,477
Provision made during the year		**(2,422)**	4,385
Balance at end of the year		**29,440**	31,862

11.5 Aging of trade debts

Not yet due	**11,441,580**	5,892,368
Past due within 30 days	**2,661,507**	1,035,394
Past due within 31 to 60 days	**400,217**	270,354
Past due within 61 to 90 days	**52,774**	78,987
Past due within 91 to 180 days	**43,881**	3,966
Past due beyond 180 days	**36,517**	29,962
	14,636,476	7,311,031

12. LOANS AND ADVANCES

Considered good			
Loans / advances to staff	12.1	**11,158**	39,169
Advance income tax - net	12.2	**71,098**	89,274
Margin letter of credit		**-**	27,481
Advances to:			
- Suppliers		**116,801**	204,530
- Employees		**3,262**	-
- Others		**17,782**	30,611
		137,845	235,141
		220,101	391,065

12.1 These are interest free, secured against gratuity entitlements and granted of an amount not more than Rs. 1,000,000 (2021: Rs. 1,000,000)

	2022	2021
	---------- (Rupees in '000) -------	
12.2 Advance income tax - net		
Advance income tax	**243,508**	750,806
Provision for taxation	**(172,410)**	(661,532)
	71,098	89,274
13. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS		
Security deposits	**3,350**	6,897
Other deposits	**20,249**	
Prepayements	**66,662**	10,024
	90,261	16,921
14. OTHER RECEIVABLES		
Considered good		
Cotton claims against short deliveries	**94,416**	48,382
Rebate refundable	**65,875**	39,349
Interest receivable	**1,407**	35,349
Others	**316,129**	127,593
	477,827	250,673

	Note	2022	2021
		-------- (Rupees in '000) --------	
15. OTHER FINANCIAL ASSETS			
At fair value through profit or loss			
Investment in ordinary shares of listed companies	15.1.1	**44,702**	53,440
Investment in units of mutual funds	15.1.2	**31,986**	33,188
At amortised cost			
Treasury bills - Government of Pakistan		**-**	1,107,847
		76,688	1,194,475

15.1 Particulars of other financial assets

15.1.1 Investment in ordinary shares of listed companies

2022	2021		2022	2021
------- (Number of units) -------		Note	-------- (Rupees in '000) --------	
42,000	42,000	Bestway Cement Limited	**5,333**	6,783
30,000	30,000	Fauji Fertilizer Company Limited	**3,307**	3,183
15,000	15,000	Habib Bank Limited	**1,370**	1,836
2,350,000	2,350,000	K-Electric Limited	**7,144**	9,823
19,156	19,156	Pakistan State Oil Company Limited	**3,291**	4,296
10,000	10,000	Pak Elektron Limited	**159**	351
-	99,500	PIAA Corporation Limited	**-**	572
-	900	Pioneer Cement Limited	**-**	122
25,950	25,950	Sitara Chemical Industries Limited	**8,045**	9,134
141,900	141,900	United Bank Limited	**16,053**	17,340
			44,702	53,440

15.1.2 Investment in units of mutual funds

2022	2021		2022	2021
------- (Number of units) -------			-------- (Rupees in '000) --------	
-	315	Meezan Sovereign Fund	**-**	16
520,039	520,039	Meezan Islamic Fund	**31,986**	32,958
-	20,308	NBP Financial Sector Income Fund	**-**	214
			31,986	33,188

	Note	2022	2021
16. TAX REFUNDABLE			
Sales tax refundable		**1,074,474**	1,032,093
Income tax refundable		**207,497**	240,788
		1,281,971	1,272,881
17. CASH AND BANK BALANCES			
With banks			
- in deposit accounts	17.1	**294,384**	538,730
- in current accounts	17.2	**854,201**	661,533
		1,148,585	1,200,263
Balance with Electronic Money Institution (EMI)		**-**	12,400
Cash in hand		**23,948**	12,799
		1,172,533	1,225,462

17.1 Markup rates on these accounts range between 5.3% - 12.25 % per annum (2021: 4.5% - 7%) per annum.

17.2 These include balance in foreign currency accounts aggregating to Rs.577.27 million (USD 2.82 million) at year end (2021: Rs.54.46 million (USD 0.347 million).

18. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2022	2021			2022	2021
------- (Number of shares) --------			Note	-------- (Rupees in '000) --------	
		Ordinary shares of Rs.10 each			
9,637,116	9,637,116	fully paid in cash		**96,371**	96,371
		Other than cash			
5,282,097	5,282,097	Issued to the shareholders of YTML	18.1	**52,821**	52,821
39,301,983	39,301,983	Issued as bonus shares		**393,019**	393,019
54,221,196	54,221,196			**542,211**	542,211

18.1 These shares were issued pursuant to the Scheme of Amalgamation with Yunus Textile Mills Limited (YTML), determined as at October 01, 2004, in accordance with agreed share-swap ratio.

18.2 The Holding Company has only one class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets.

18.3 The Holding Company has no reserved shares for issuance under options and sales contracts.

	Note	2022	2021
		--------- (Rupees in '000) -------	
19. RESERVES			
Capital reserves			
Share premium	19.1	**10,920**	10,920
Merger reserve	19.2	**11,512**	11,512
Exchange translation reserve	19.3	**677**	677
		23,109	23,109
Revenue reserves			
General reserve	19.4	**8,977,568**	8,977,568
		9,000,677	9,000,677

19.1 This represents share premium received in year 2001 in respect of the issue of 3,639,960 right shares at a premium of Rs. 3 per share.

19.2 Merger reserve represents excess of (a) assets of YTML over its liabilities merged with the Holding Company over (b) consideration to shareholders of YTML as per the Scheme of Amalgamation. (Refer note 18.1)

19.3 This represents exchange translation reserve on translation of foreign subsidiary Indus Home USA Inc. (subsidiary of Indus Home Limited).

19.4 This represents reserves created out of profits of the Group.

20. LONG-TERM FINANCING

	Note	2022	Restated 2021
		---------- (Rupees in '000) ------	
Secured			
Foreign currency debt		**5,323,500**	1,930,961
From banking companies		**16,372,606**	13,289,084
	20.1	**21,696,106**	15,220,045
Payable within one year		**(2,067,958)**	(1,162,370)
		19,628,148	14,057,675
Transaction cost		**(119,628)**	(119,628)
Amortization		**11,673**	11,963
		(107,955)	(107,665)
		19,520,193	13,950,010

20.1 Details and movement are as follows:

Name of banks / institution	Note	As at July 01, 2021	Cash flows: Acquired during the year	Cash flows: Repaid during the year	Non-Cash flows: Transferred	As at June 30, 2022	Current maturity
		---------- Rupees in '000 ----------					
Allied Bank Limited	20.4.1	2,112,565	103,817	(167,815)	-	2,048,567	238,575
Soneri Bank Limited	20.4.2	583,386	139,959	-	-	723,345	43,508
MCB Bank Limited	20.4.3	1,935,488	102,778	(169,158)	-	1,869,108	224,191
United Bank Limited	20.4.4	587,118	197,273	(39,407)	-	744,984	39,255
Habib Bank Limited	20.4.5	4,301,078	1,054,719	(145,808)	-	5,209,989	408,661
Askari Bank Limited	20.4.6	1,541,513	269,342	(34,230)	-	1,776,625	168,710
Habib Bank Limited Salaries Re-Finance	20.4.7	235,988	-	(156,973)	2,254	81,269	81,269
The Bank of Punjab Salaries Re-Finance	20.4.8	291,098	-	(164,592)	2,691	129,197	129,197
Habib Metropolitan Bank Limited	20.4.9	225,429	356,653	(6,044)	-	576,038	17,440
Bank Al-Habib Limited	20.4.10	703,006	391,883	(55,968)	-	1,038,921	10,381
The Bank of Punjab	20.4.11	-	97,373	-	-	97,373	-
National Bank Of Pakistan	20.4.12	-	380,789	-	-	380,789	-
Bank AlFalah Limited	20.4.13	-	184,116	-	-	184,116	-
Meezan Bank Limited	20.4.14	-	561,692	-	-	561,692	-
Faysal bank Limited	20.4.15	-	354,070	-	-	354,070	91,378
SBP rozgar refinance scheme	20.4.16	270,332	-	(190,370)	14,479	94,441	33,941
Pakistan Kuwait Investment Company Private Limited	20.4.17	502,083	-	-	-	502,083	50,547
CDC Group UK - Foreign loan	20.4.18	1,930,961	3,392,539	-	-	5,323,500	530,905
Grand total		**15,220,045**	**7,587,002**	**(1,130,365)**	**19,424**	**21,696,106**	**2,067,958**

20.2 Particulars of long-term financing

Type and nature of loan	2022		
	Amount outstanding	**Mark up rate**	**Terms of Repayments**
	Rupees in '000		
Long term finance facility (LTFF)	**10,558,127**	**2.25% to 5%**	**Quarterly and half yearly**
Term finances	**82,247**	**3 months KIBOR + 0.5% to 0.9%**	**Quarterly**
Temporary Economic Refinancing Facility	**1,834,764**	**1.75% to 2.25%**	**Quarterly**
SBP Renewable Energy	**3,687,003**	**3% to 4%**	**Quarterly**
Foreign debt	**5,323,500**	**USD LIBOR + 4.25%**	**Quarterly**
Salaries Re-Finance	**210,466**	**0.5% to 1%**	**Quarterly**
	21,696,107		

Type and nature of loan	Restated 2021		
	Amount outstanding	Mark up rate	Terms of Repayments
	Rupees in '000		
Long term finance facility (LTFF)	7,926,195	1.75% to 5.0%	Quarterly and half yearly
Term finances	132,008	3 months Kibor + 0.5% to 0.75%	Quarterly
Temporary Economic Refinancing Facility	1,060,514	1.75% to 2.25%	Quarterly
SBP Renewable Energy	3,372,949	3% to 4.75%	Quarterly
Foreign debt	1,930,961	USD LIBOR + 4.25%	Quarterly
Salaries Re-Finance	797,418	0.5% to 1%	Quarterly
	15,220,045		

20.3 These finances are secured by charge over Land and Building of Hyderabad unit and Plant and Machinery of all units of the Group.

20.4 Demand finances

	Name of institution	Limit sanctioned	Outstanding amount	Details of financing, security and repayment terms
		----------Rs. in million-----------		
20.4.1	Allied Bank Limited	680 to 1,700	2,048.57	"The facility is secured against first/Joint pari passu hypothecation charge of Rs 934 million over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 2.25% to 3% (2021: 2.25% to 2.50%) on this facility and repayable in quarterly basis."
20.4.2	Soneri Bank Limited	250	723.35	"The facility is secured against existing Joint pari passu charge over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin. The repayment of loan (principal amount) will be made 32 equal quarterly installments. Mark up rate is 2% on this facility and repayable in quarterly basis."
20.4.3	MCB Bank Limited	400 to 827	1,869.11	"The facility is secured against existing Joint pari passu charge of Rs 534 million over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 1.75% on temporary Economic Refinancing Facility and 2.5% on Long Term Financing Facility and repayable in quarterly basis."
20.4.4	United Bank Limited	1,100	744.98	"The facility is secured against existing Joint pari passu charge over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 2.25% on temporary Economic Refinancing Facility and 2.5% on Long Term Financing Facility and repayable in quarterly basis."
20.4.5	Habib Bank Limited	2,997	5,209.99	"The facility is secured against 1st Joint pari passu charge of Rs 2334 million over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin. The repayment of loan (principal amount) will be made 32 equal quarterly installments of Temporary Economic Refinancing Falicilty & Half Yearly Installment on Long term Financing Facility. Mark up rate is 2% (2021: 1.75%) on temporary Economic Refinancing Facility & 2.5% to 2.75% on Long Term Financing Facility and repayable in quarterly and semi annual basis."
20.4.6	Askari Bank Limited	250	1,776.62	"The facility is against 1st Joint pari passu charge over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all units) with 25% margin.. The repayment of loan (principal amount) will

	Name of institution	Limit sanctioned	Outstanding amount	Details of financing, security and repayment terms
		----------Rs. in million-----------		
				be made equal quarterly installments. Mark up rate is 2.5% to 4.75% on this facility and repayable in quarterly basis."
20.4.7	Habib Bank Limited - Salaries Refinance Scheme	100 to 338.96	81.27	"During the year, the Group has entered into an arrangement with Habib Bank Limited for obtaining term finance facility under State Bank of Pakistan (SBP) Salary Refinance Scheme to pay three month salaries & wages to permanent, contractual and outsourced employees upto a maximum of Rs 338.96 million. The facility is secured against existing first pari passu charge over Land, Building and Plant and Machinery installed at Hyderabad, Karachi, and Muzaffargarh Units with 25% margin. The repayment of loan (principal amount) will be made in 8 equal quarterly installments. Mark up rate is 1% on this facility and repayable in quarterly basis."
20.4.8	The Bank of Punjab - Salaries Refinance Scheme	75 to 1,500	129.20	"During the year, the Group has entered into an arrangement with Bank of Punjab for obtaining term finance facility under State Bank of Pakistan (SBP) Salary Refinance Scheme to pay three month salaries & wages to permanent, contractual and outsourced employees upto a maximum of Rs 254 million. The facility is secured against existing first pari passu charge over Group's fixed assets (Land, Building and Plant and Machinery of all Group units) duly registered with the Securities and Exchange Commission of Pakistan inclusive of 25% margin. The repayment of loan (principal amount) will be made in 8 equal quarterly installments commencing from July 2021. Mark up rate is 0.5% on this facility and repayable in quarterly basis."
20.4.9	Habib Metropolitan Bank Limited	350 to 956	576.04	"During the year, the Group has entered into an arrangement with Habib Metropolitan Bank Limited for obtaining Renewable Energy Financing Facility under State Bank of Pakistan (SBP) to facilitate Solar Panel installation at Hyderabad Unit maximum of Rs 100 million. The facility is secured against existing joint pari passu charge over Group's fixed assets (Land and Building of Hyderabad unit and Plant and Machinery of all Group units) duly registered with the Securities and Exchange Commission of Pakistan inclusive of 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments. Mark up rate is SBP rate + 1% to 3% on this facility and repayable in quarterly basis."
20.4.10	Bank Al Habib Limited	250 to 1,206	1,038.92	"The facility is secured against existing Joint pari passu charge of Rs 1313 over Group's fixed assets (Land and Building ,Plant and Machinery) with 25% margin. The repayment of loan (principal amount) will be made in

	Name of institution	Limit sanctioned	Outstanding amount	Details of financing, security and repayment terms
		----------Rs. in million-----------		
				equal quarterly installments. Mark up rate is 2.5% to 5% on Long Term Financing Facility and repayable in quarterly basis."
20.4.11	The Bank of Punjab	2100	97.37	During the year the group has entered into an arrangement with Bank of Punjab for obtaining long term finance facility and term loan under state bank of Pakistan. The facility is secured against existing joint pari passu charge over group's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is Kibor rate + 0.50% against Term loan and 3% against long term finance facility and repayable in quarterly basis.
20.4.12	National Bank of Pakistan	750	380.79	During the year the group has entered into an arrangement of temporary economic refinance scheme with National Bank of Pakistan. The facility is secured against first joint pari passu charge over group's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin duly registered with the Securities and Exchange Commission of Pakistan inclusive of 25% margin.The repayment of loan (principal amount) will be made in quarterly installments with 2 years grace period. Mark up rate is 1.8% on temporary Economic Refinancing Facility.
20.4.13	Bank AlFalah Limited	850	184.12	During the year the group has entered into an arrangement with Bank Al falah limited for obtaining long term finance facility and term loan under state bank of Pakistan. The facility is secured against existing joint pari passu charge over group's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is Kibor rate + 0.90% against Term loan and 3% to 5% against long term finance facility and repayable in quarterly basis.

	Name of institution	Limit sanctioned	Outstanding amount	Details of financing, security and repayment terms
		----------Rs. in million-----------		
20.4.14	Meezan Bank Limited	1,000	561.69	During the year the group has entered into an arrangement with Meezan Bank Limited limited for obtaining long term finance facility under state bank of Pakistan. The facility is secured against existing joint pari passu charge of Rs 667 million over group's fixed assets against plant and machinery of all units and land and building of only Hyderabad unit P-1 with 25% margin. The repayment of loan (principal amount) will be made in 40 equal quarterly installments with 2 years grace period. Mark up rate is 3% to 3.5% (2021: Nil) against long term finance facility and repayable in quarterly basis.
20.4.15	Faysal bank Limited	667	354.07	The loan under this facility carries markup of 5.00% (2021: Rs.Nil). Outstanding installments are repayable quarterly over the period of ten years with two years grace period. This loan is secured by way of Pari Passu charge of Rs. 667 million over all present and future plant and machinery of the group with 25% margin.

20.4.16 This represents loan under Refinance Scheme for Payment of Wages and Salaries to Workers and Employees of Business Concerns (the SBP rozgar refinance scheme) offered by State Bank of Pakistan to mitigate the effect of COVID-19 on employment in Pakistan. The facility has an aggregate sanctioned limit of Rs. 400 million and is availed to finance wages and salaries (excluding bonuses, sales incentives, employee benefit plans, staff retirement benefits, gratuity etc.) of permanent, contractual, daily wagers as well as outsourced employees (collectively the "Employees" for months of April to September, 2020. It carries mark-up at SBP rate plus 0.5% to 0.9% per annum and is secured against First Pari Passu Hypothecation Charge of Rs. 534 million over fixed assets of the Group. The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3 months KIBOR at respective draw down dates. The difference between fair value of loan and loan proceeds has been recognized as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

20.4.17 This represents long term syndicated local debt financing from commercial banks up to Rs. 4,968 million. Initially, the loan is obtained under a mark-up arrangement @ 3 months KIBOR + 1.75%, repayable over 13 years starting from June 30, 2022. However subsequently, a conversion is applied with SBP for a subsidized rate arrangement of 4.75% (3% + 1.75%) as per the SBP Renewable Energy Refinance Scheme, repayable over 10 years from September 30, 2022. The loan is secured by way of first pari-passu hypothecation charge against the project assets.

20.4.18 The Group has arranged long term foreign debt financing from CDC Group Plc up to USD 27.6 million under mark-up arrangement. The facility is subject to mark-up @ 3 month USD LIBOR + 4.25% which is determined at the start of each quarter and is payable on quarterly basis in arrears. The loan is repayable over a period of 13 years starting from June 30, 2022. The facility is secured by way of first pari-passu hypothecation charge over project assets.

20.5 There is no non-compliance of the financing agreements with banking companies which may expose the Group to penalties or early repayment.

21. DEFERRED TAXATION

Movement for the year ended June 30, 2022	Opening balance	Recognized in statement of profit or loss	Recognized in statement of comprehensive income	Closing balance
	------------------------ (Rupees in '000)			---------------------------
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(35,375)	9,487	(133)	(26,021)
- provision of stores and spare parts	(10,698)	965	-	(9,733)
- provision of trade debts	(3,208)	8,477	-	5,269
- other financial assets	1,180	(1,928)	-	(748)
- short term borrowings	(1,920)	1,920	-	-
- lease liabilities	(6,804)	2,538	-	(4,266)
Others	(41,731)	(54,781)	-	(96,512)
	(98,556)	(33,322)	(133)	(132,011)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	297,474	(37,408)	-	260,066
- Right of use asset	6,250	(2,653)	-	3,597
- unrealized export debtors	62	(895)	-	(833)
- long term loan	-	(466)	-	(466)
- GIDC provision	-	24	-	24
- unclaimed amortisation on intangibles	-	(914)	-	(914)
	303,786	(42,312)	-	261,474
Deferred tax liability	205,230	(75,634)	(133)	129,463

Movement for the year ended June 30, 2021	Opening balance	Recognized in statement of profit or loss	Recognized in statement of comprehensive income	Closing balance
	------------------------ (Rupees in '000)			---------------------------
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(38,312)	4,126	(1,189)	(35,375)
- provision of stores and spare parts	(4,565)	(6,133)	-	(10,698)
- provision of trade debts	(6,081)	2,873	-	(3,208)
- other financial assets	(79)	1,259	-	1,180
- short term borrowings	(4,800)	2,880	-	(1,920)
- long term financing	-	(6,804)	-	(6,804)
Others	(244,125)	202,394	-	(41,731)
	(297,962)	200,595	(1,189)	(98,556)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	315,731	(18,257)	-	297,474
- unrealized export debtors	-	6,250	-	6,250
- unclaimed amortisation on intangibles	7,128	(7,066)	-	62
	322,859	(19,073)	-	303,786
Deferred tax liability	24,897	181,522	(1,189)	205,230

	Note	2022	Restated 2021
		---------- (Rupees in '000) -------	
22. DEFERRED LIABILITIES			
Staff retirement gratuity	22.1	**326,822**	341,328
Deferred government grant	22.2	**9,867**	53,336
Gas Infrastructure Development Cess (GIDC)	22.3	**900,677**	876,497
		1,237,366	1,271,161
Current portion of deferred liabilities			
Deferred government grant	22.2	**(9,867)**	(46,764)
Gas Infrastructure Development Cess (GIDC)	22.3	**(498,443)**	(202,470)
		(508,310)	(249,234)
		729,056	1,021,927

22.1 Staff retirement gratuity

The group operates an unfunded gratuity scheme for all its confirmed employees who have completed the minimum qualifying period of service. Provision is made to cover obligations under the scheme on the basis of valuation conducted by a qualified actuary. The latest valuation was conducted on June 30, 2022 using Projected Unit Credit Method.

Details of assumptions used and the amounts recognized in these financial statements are as follows:

22.1.1 Significant actuarial assumptions and methods	2022	2021
Discount rate	**13.25%**	10.00%
Expected rate of increase in salary level	**2.25%**	9.00%
Weighted average duration of defined benefit obligation	**6 years**	6 years
Average duration of liability	**5 years**	5 years

The critical gap between the discount rate and salary growth rate is one percentage point (i.e. 1%). This gap was 1% in previous year's valuation.

22.1.2 Assumptions

Discount rate

The market of high quality corporate bonds is not deep enough in Pakistan. Therefore, discount rate is based on market yields on government bonds as at the valuation date. The discount rate used for the valuation is 13.25% per annum. This rate is consistent with the guidelines of the Pakistan Society of Actuaries on setting discount rates.

Rate of growth in salary

The Gratuity benefits are calculated using the Gross Salary. In view of the market expectations and long-term monetary policy of the State Bank regarding inflation, it has been assumed that the average rate of long-term future Salary increases will be 12.25% per annum.

Mortality, Withdrawal and Disability Retirement Rates

The mortality rates used for active employees are based on SLIC (2001-05) Mortality Table.

The rates for withdrawal from service and retirement on ill-health grounds are based on industry/country experience.

Withdrawal rates used in this valuation are heavier than those used in the previous valuation

The expected maturity analysis of undiscounted retirement benefit obligation is:

	Undiscounted payments	
	-------- (Rupees in '000) --------	
Year 1	**51,700**	55,796
Year 2	**60,324**	65,725
Year 3	**69,300**	80,781
Year 4	**79,542**	89,745
Year 5	**88,817**	99,436
Year 6 and above	**486,994**	275,262

The rates for withdrawal from service and retirement on ill-health grounds are based on industry / country

		Note	2022	2021
			-------- (Rupees in '000) --------	
22.1.3	**Present value of defined benefit obligation**		**326,822**	341,328
22.1.4	**Movement in net defined benefit liability**			
	Balance at the beginning of the year		**341,328**	347,486
	Recognized in statement of profit or loss			
	Current service cost		**74,149**	60,981
	Past service cost		**69,594**	-
	Losses on settlement		**9,697**	-
	Interest cost		**24,017**	26,419
			177,457	87,400
	Recognized in other comprehensive income			
	Actuarial loss/ (gains) - net (refer below)	22.1.6	**8,556**	11,226
	Benefits paid		**(200,519)**	(104,784)
	Balance at the end of the year		**326,822**	341,328
22.1.5	**Expense recognise in consolidated statement of profit or loss**			
	Current service cost		**74,149**	60,981
	Past service cost		**69,594**	-
	Losses on settlement		**9,697**	-
	Net interest cost		**24,017**	26,419
	Expense recognise in consolidated statement of profit or loss		**177,457**	87,400

22.1.6 Remeasurement recognised in consolidated statement of Comprehensive Income

Gain from change in financial assumption	**713**	(11,031)
Experience loss	**7,843**	22,257
Net re-measurements	**8,556**	11,226

22.1.7 Net recognised liability

Net liability at the beginning of year	**341,328**	347,486
Expense recognised in profit or loss	**177,457**	87,400
Contribution made to the plan during the year	**(200,519)**	(104,784)
Remeasurements recognised in other comprehensive income	**8,556**	11,226
	326,822	341,328

22.1.8 Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

	Impact on defined benefit obligation		
	Change in assumption	**Increase**	**Decrease**
		-------- (Rupees in '000) -------	
Discount rate	1%	326,520	364,673
Salary growth rate	1%	364,666	326,515

22.1.9 The expected gratuity expense for the next year amounted to Rs.133.913million.

22.2 Deferred Government Grant

This represents deferred government grant (representing differential between borrowing obtained at concessional rate and market interest rate of 3 months Kibor plus spread of 1 percent) in respect of term finance facility obtained under SBP Salary Refinance Scheme as disclosed in note 20. There are no unfulfilled conditions or other contingencies attached to this grant.

			Restated
		2022	2021
	Note	-------- (Rupees in '000) ----	
Balance at the beginning of the year		**53,336**	35,797
Government grant recognised		**-**	57,242
Amortization of government grant	30	**(43,469)**	(39,703)
		9,867	53,336
Current portion of deferred government grant		**(9,867)**	(46,764)
		-	6,572

		2022	2021
		-------- (Rupees in '000) ----	
22.3	**Gas Infrastructure Development Cess**		
	Balance at the beginning of the year	**876,497**	1,041,694
	Expense for the year	**-**	16,395
	Discounting of GIDC	**-**	(206,788)
	Unwinding of interest	**65,515**	59,522
	Payment made during the year	**(41,335)**	(34,326)
		900,677	876,497
	Current portion of Gas Infrastructure Development Cess	**(498,443)**	(202,470)
		402,234	674,027

Gas Infrastructure Development Cess (GIDC) was levied through GIDC Act, 2011 with effect from December 15, 2011 and was chargeable from industrial gas customers at different rates as prescribed by the Federal Government through OGRA notification.

On June 13, 2013, the Honorable Peshawar High Court declared the levy, imposition and recovery of the Cess unconstitutional with the direction to refund the “Cess” so far collected. Honorable Supreme Court of Pakistan examined the case and vide its findings dated August 22, 2014, concluded that GID Cess is a fee and not a tax and on either count the “Cess” could not have been introduced through a money bill under Article 73 of the Constitution and the same was, therefore, not validly levied in accordance with the Constitution. However, on September 25, 2014, the President of Pakistan had promulgated GID Cess Ordinance 2014, which was applicable to the whole of Pakistan and has to be complied by all parties.

On September 29, 2014, the Honorable Sindh High Court gave a stay order to various parties against the promulgation of Presidential order dated September 25, 2014.

On May 22, 2015, the GID Cess Act, 2015 was passed by Parliament applicable on all consumers. Following the imposition of the said Act, many consumers filed a petition in Honorable Sindh High Court and obtained stay order against the Act passed by the Parliament.

On October 26, 2016, the High Court of Sindh held that enactment of GIDC Act, 2015 is ultra-vires to the Constitution of Pakistan. Sui Southern Gas Company Limited has filed an intra-court appeal before the Divisional Bench of High Court of Sindh. On August 13, 2020, GIDC matter is decided by the Supreme Court of Pakistan and the Court has ordered gas consumers to pay outstanding amount of GIDC upto July 31, 2020 in twenty four equal monthly installments, starting from August 2020.

The Supreme Court, in its judgement dated November 03, 2020 allowed the recovery of the amount in 48 equal installments with one year grace period as oppose to 24 equal installments and 6 months grace period mentioned in the original decision dated August 13, 2020.

Further, The Institute of Chartered Accountants of Pakistan (ICAP) issued guidelines in January 2021 on accounting of gas infrastructure development cess as per latest judgment of the Supreme Court. As per the guidelines the provision for GIDC should be accounted in accordance with IFRS 9 “Financial Instruments”.In compliance with the guidelines issued by ICAP, the liability for GIDC has been remeasured at fair value in accordance with IFRS 9. The difference amounting to Rs. 206.788 million between the fair value of GIDC liability (i.e.present value of amount required to be paid to settle the GIDC liability) and transaction price of GIDC liability (i.e. undiscounted amount of GIDC liability) has been recognised as a gain on discounting of liability for GIDC in consolidated statement of profit or loss.

23. LEASE LIABILITIES

	Note	2022	2021
		-------- (Rupees in '000) ----	
Balance at the beginning of the year		**106,963**	42,890
Amount recognized during the year		**-**	59,241
Interest accrued		**8,130**	9,332
Lease rentals paid during the year		**(20,500)**	(4,500)
	23.1	**94,593**	106,963
Current portion of lease liabilities		**(21,091)**	(19,861)
		73,502	87,102

23.1 The future payments of lease liabilities are as follows:

This represents lease contract for head office Karachi having an estimated lease term of 5 years. The contract is discounted using incremental borrowing rate of the Group.

The future minimum lease payments to which the Group is committed under the agreement will be due as follows:

	June 30, 2022			June 30, 2021		
	Minimum lease payment	**Finance cost allocated to future lease payment**	**Present value of minimum lease payment**	Minimum lease payment	Finance cost allocated to future lease payment	Present value of minimum lease payment
	--------------------Rupees in 000 --------------------					
Not later than one year	**25,932**	**4,841**	**21,091**	25,301	5,440	19,861
later than one year but not later than five years	**115,275**	**41,773**	**73,502**	137,714	50,612	87,102
	141,207	**46,614**	**94,593**	163,015	56,052	106,963

24. TRADE AND OTHER PAYABLES

	Note	2022	2021
		------- (Rupees in '000) ------	
Creditors		**1,333,830**	559,828
Accrued liabilities		**2,177,277**	1,834,340
Foreign bills payable		**38,285**	794,923
Bills against gratuity scheme		**77,662**	135,467
Provident fund payable		**1,724**	-
Infrastructure cess		**1,062,932**	707,510
Workers' Profits Participation Fund	24.1	**113,359**	31,867
Workers Welfare Fund	27.1.6	**34,703**	36,413
Contract liabilities		**168,054**	115,085
Withholding tax payable		**23,690**	11,889
Income tax payable		**158,971**	27,291
Sales tax payable		**243,926**	100,554
Derivative financial liability		**45,035**	4,544
Others		**287,082**	46,683
		5,766,530	4,406,394

24.1 Workers' Profits Participation Fund

Balance at beginning of the year		**31,867**	62,796
Allocation for the year	33	**548,374**	261,794
Adjustment of excess amount		**24,632**	-
Interest charged during the year on the funds utilized by the Group		**1,686**	866
		606,559	325,456
Payments made during the year		**(493,200)**	(293,589)
Balance at end of the year		**113,359**	31,867

25. INTEREST / MARK-UP PAYABLE

On secured loans from banking companies:		
- Long-term financing	**134,453**	112,214
- Short-term borrowings	**196,562**	68,530
	331,015	180,744

26. SHORT-TERM BORROWINGS

From banking companies - secured			
Running finance	26.1	**2,167,124**	2,134,844
Foreign currency financing against export / import	26.2	**9,866,107**	5,250,513
Foreign bill discounting	26.3	**278,476**	546,733
Money market loan	26.4	**-**	645,000
FE 25 Import	26.5	**323,565**	-
	26.6	**12,635,272**	8,577,090

26.1 These carry mark-up ranging from 1 week,1 month and 3 months KIBOR + 0.05% to 1.75% (2021: 1 week,1 month and 3 month KIBOR + 0% to 1%). These are secured against charge over current assets of the Group with upto 25% margin.

26.2 These carry mark-up ranging from 0.6% to 2.8% (2021: 0.9% to 4%) on foreign currency borrowing amount. These arrangements are secured against charge over current assets of the Group, lien on export documents and registered hypothecation charge over current assets. These have original maturity period exceeding three months.

26.3 Foreign bill discounting facility amounting to Rs. 1,590 million (2021 : Rs. 1,165 million) at pricing of 1% to 3% (2021: 1% to 2.5%) per annum. The mark-up is payable at a source.

26.4 These carry mark-up rate ranging from 1 month KIBOR plus 0.10% to 0.25% (2021: 1 month KIBOR plus 0.10% to 0.25%). These are secured against registered hypothecation charge over current assets of the Group.

26.5 These carry mark-up ranging from 1.3% to 1.55% and three month Libor plus sperad of 0.5% per annum.

26.6 The Group has aggregated short-term borrowing facilities amounting to Rs. 33,154 million (2021: Rs. 21,428 million) from various commercial banks.

27. CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 The Group has recognised GIDC payable amounting to Rs.900.677 million in these consolidated financial statements on the basis of GIDC rate applicable to industrial consumers. However, SSGC and SNGPL has charged GIDC on the basis of GIDC tariff applicable to captive consumers resulting in differential of Rs. 887 million. The Group has not recorded the provision representing differential arising due to use of captive connection rate instead of industrial connection rate in these consolidated financial statements, as the matter of application of captive or industrial tariff has been challenged in September 2020 before Honorable Lahore High Court, which is pending adjudication. The management of the Group expect favorable outcome in this regard.

27.1.2 The Group is defendant in certain sales tax related matters with aggregate demand of Rs. 1.357 million (2021. Rs. 1.357 million). Based on views of its tax advisor, management is confident of favourable outcome in these matters and accordingly no provision has been recorded in these consolidated financial statements in this respect.

27.1.3 The Group has filed an application under section 170 of the Income tax Ordinance (the Ordinance) for issuance of refunds amounting to Rs. 21.89 million which were already assessed by assessing officer under section 122(5A). However, the Deputy Commissioner Inland Revenue (“DCIR”) issued order under section 170(4) of the Ordinance whereby he rejected the refund balance aggregating to Rs. 10.30 million.

Being aggrieved by the order of the DCIR, the Group has preferred an appeal before the learned CIR(A), Lahore, which is pending adjudication. The management expects favourable outcome and accordingly no provision has been recorded.

27.1.4 The Group has filed income tax return for the tax year 2013 declaring tax losses amounting to Rs. 7.31 million and claiming refund amounting to Rs. 35.99 million. The said return is a deemed assessment order treated to be issued by the Commissioner by considering the provisions of section 120(1)(b) of the Ordinance. The Additional Deputy Commissioner Inland Revenue ("ADCIR") amended the deemed assessment order under section 122(5A) of the Ordinance; thereby assessing income at Rs. 10.187 million and refund at Rs. 33.77 million.

Being aggrieved by the order of the ADCIR, the Group preferred an appeal before the learned CIR(A), Lahore, whereby the case has been decided in favour of the Group.

Being aggrieved by the order of the learned CIR(A), Lahore, the tax department has preferred an appeal before the learned ATIR. The said appeal had been fixed / attended; however, no order has been received yet. The management expects favourable outcome and accordingly no provision has been recorded.

27.1.5 The Additional Commissioner Inland Revenue ("ACIR") issued show cause notice bearing No. Unit-11/ST/90 dated 30 November 2020; whereby, it was confronted that certain discrepancies have been observed during the post refund audit of claims filed by the Group for the tax periods July 2019 to October 2019. Resultantly, Group has wrongly obtained excess refund of Rs. 161.822 million in violation of section 3,6,7,10,2 & 26 of the Sale Tax Act, 1990 read with refund rules provided in Chapter-V of Sales Tax Rules, 2006 (The Sale Tax Rules).

In response to the aforesaid notice, the Group submitted the reply vide letter bearing No.039/20-21 dated 30 March 2021. Afterwards, the ACIR issued the Assessment Order No. ST/U-7/02/2021 dated 30 March 2021, whereby the Sales Tax demand (inclusive of penalty) of Rs. 108.148 million was created.

Being aggrieved with the aforesaid order, the Group filed an appeal before the learned Commissioner Inland Revenue (Appeal) ("CIR(A)"), which is pending adjudication. The management expects favourable outcome and accordingly no provision has been recorded.

27.1.6 Prior to certain amendments made through the Finance Acts of 2006 & 2008, Workers Welfare Fund (WWF) was levied at 2% of the total income assessable under the Income Tax Ordinance, 2001 excluding incomes falling under the Final Tax Regime (FTR). Through Finance Act, 2008, an amendment was made in Section 4(5) of the WWF Ordinance, 1971 (the Ordinance) whereby WWF liability is applicable at 2% of the higher of the profit before taxation as per the accounts or declared income as per the return.

Aggrieved by the amendments made through the Finance Acts, certain stakeholders filed petition against the changes in the Lahore High Court which struck down the aforementioned amendments to the Ordinance in 2011. However, the Group together with other stakeholders filed the petition in the Sindh High Court which, in 2013, decided the petition against the Group and other stakeholders. Management has filed a petition before the Honorable Supreme Court of Pakistan against the decision of the Sindh High Court.

Honorable Supreme Court of Pakistan has passed an order dated November 10, 2016 that the Workers' Welfare Fund (WWF) is a fee, not a tax. Hence, the amendments made through Finance Acts, 2006 and 2008 have been declared invalid in the said order. The management has filed an application for rectification order amounting to Rs. 125.28 million for the years from 2010 to 2014 contending the fact that they had erroneously paid WWF despite of having exemption available to them.

		2022	2021
		-------- (Rupees in '000) --------	
27.1.7	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
27.1.8	Guarantees issued by banks in favour of custom authorities on behalf of the Group	**3,817**	26,467
27.1.9	Guarantees issued by banks in favor of gas / electric distribution companies	**422,349**	345,740
27.1.10	Bank guarantees against payment of infrastructure cess	**1,156,696**	630,542
27.1.11	Bank guarantees against in favor of Government of Sindh	**-**	113,154
27.1.12	Bank guarantees against in favor of Pakistan State Oil Company Limited	**16,250**	8,750
27.2	**Commitments**		
	Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases	**8,890,447**	8,488,881
	Civil work contracts	**26,307**	213,801
	Foreign currency forward contracts - Sale	**1,507,120**	2,150,850
	Guarantee for Central Power Purchase Authority for completion Wind Power Project	**358,033**	276,063
	Post dated cheques, Revenue Department - Government of Pakistan	**4,529,370**	1,662,462
	Sales contract to be executed	**10,586,426**	6,690,449
	Stand by letter of credit (Indus Wind)	**1,942,218**	1,476,559

Being aggrieved with the aforesaid order, the Group filed an appeal before the learned Commissioner Inland Revenue (Appeal) ("CIR(A)"), which is pending adjudication. The management expects favourable outcome and accordingly no provision has been recorded.

27.3 The group has total unutilsed facility limit against letters of credit aggregating to Rs. 9.854 billion (2021: Rs. 5.987 billion) as of reporting date.

		Note	2022	2021
			---------- (Rupees in '000) ---------	
28.	**REVENUE**			
28.1	**Revenue from contracts with customers - net**			
	Export sales	28.4	**71,047,036**	39,043,664
	Less:			
	Commission		**(319,317)**	(120,040)
	Sales tax on indirect exports		**(6,002,984)**	(2,024,819)
			64,724,735	36,898,805
	Local sales			
	- Yarn		**8,424,470**	11,742,481
	- Cotton		**-**	14,791
	- Fiber		**1,162,050**	158,494
	- Towel		**313,678**	250,034
	- Greige Fabric		**5,703**	1,949
	- Processed yarn		**-**	854,481
	- Waste		**1,748,536**	1,697,764
			11,654,437	14,719,994
	Less:			
	Brokerage on local sales		**(337,919)**	(284,715)
	Sales discount		**(18,440)**	(47,015)
	Sales tax on local sales:			
	- Yarn		**(1,406,310)**	(1,857,428)
	- Cotton		**-**	(1,345)
	- Towel		**(53,325)**	(40,921)
	- Greige Fabric		**(970)**	(283)
	- Processed yarn		**-**	(124,155)
	- Waste		**(270,510)**	(245,019)
			(1,731,115)	(2,269,151)
			74,291,698	49,017,918
28.2	**Other revenue**	28.5	**125,443**	24,553
28.3	**Revenue from sale of Electricity**			
	Energy Purchase Price (EPP)		**943,216**	-
	Late Payment Interest (LPI)		**5,119**	-
	Less: Sales tax		**(97,518)**	-
			850,817	-
			75,267,958	49,042,471

28.4 It includes indirect exports of Rs. 35,312 million (2021: Rs. 11,911 million).

28.5 This represents realised exchange gain on export sales

28.6 Disaggregation of export sales into geographical area:

	2022	2021
	---------- (Rupees in '000) ----------	
- Albania	**31,474**	12,682
- Australia	**110,995**	70,342
- Bangladesh	**644,917**	28,448
- Brazil	**156,246**	118,325
- Belgium	**492,398**	150,488
- Canada	**-**	3,390
- China	**23,607,642**	13,928,282
- Denmark	**467,804**	470,625
- Egypt	**5,997**	-
- Germany	**1,797,683**	1,460,389
- Greece	**517,993**	34,489
- France	**314,584**	53,466
- Italy	**611,954**	129,333
- Hong Kong	**355,633**	258,355
- Japan	**254,930**	453,546
- Koprovince Czech	**-**	4,697
- Korea	**230,648**	330,504
- Kuwait	**-**	8,127
- Mauritius	**-**	494
- Netherlands	**19,394**	-
- New Zealand	**21,682**	-
- Philippines	**39,212**	-
- Poland	**48,315**	6,284
- Portugal	**890,587**	327,764
- Singapore	**2,673,828**	1,232,076
- Saudi Arabia	**26,449**	21,999
- South Africa	**53,808**	23,152
- Spain	**530,620**	229,807
- Sweden	**83,641**	29,130
- Switzerland	**204,967**	409,639
- Taiwan	**104,285**	112,549
- Turkey	**1,238,136**	623,237
- UAE	**-**	109,958
- UK	**18,455**	2,013,705
- US	**181,089**	2,452,860
- Indirect exports	**35,311,670**	13,935,522
Total sales	**71,047,036**	39,043,665
Less: Sales tax on indirect exports	**(6,002,984)**	(2,024,819)
	65,044,052	37,018,845

		Note	2022	Restated 2021
			---------- (Rupees in '000)	--------
29.	**DIRECTLY ATTRIBUTABLE COST FOR GENERATING REVENUE**			
	Raw material consumed	29.2	**46,120,761**	27,780,862
	Manufacturing expenses	29.3	**13,320,072**	10,496,301
	Outside purchases			
	yarn for processing including conversion cost		**35,816**	4,755,475
	yarn for processing excluding conversion cost		**1,634,051**	-
			61,110,700	43,032,638
	Work in process			
	- Opening		**1,224,795**	930,088
	- Closing		**(1,325,962)**	(1,224,795)
			(101,167)	(294,707)
	Cost of goods manufactured		**61,009,533**	42,737,931
	Finished goods			
	- Opening		**1,817,354**	1,602,187
	- Closing		**(2,053,132)**	(1,817,354)
			(235,778)	(215,167)
	Waste			
	- Opening		**103,593**	95,981
	- Closing		**(146,593)**	(103,593)
			(43,000)	(7,612)
		29.1	**60,730,755**	42,515,152

29.1 This includes cost of raw material sold amounting to Rs. 1,077 million (2021: 153.171 million).

		Note	2022	Restated 2021
			---------- (Rupees in '000)	--------
29.2	**Raw material consumed**			
	Opening stock		**7,183,433**	6,572,685
	Purchases		**52,272,643**	28,391,610
			59,456,076	34,964,295
	Closing stock	10	**(13,335,315)**	(7,183,433)
			46,120,761	27,780,862

29.3 Manufacturing expenses

Salaries, wages and benefits	29.3.1	**3,733,462**	2,934,296
Utilities		**4,091,494**	3,326,266
Stores and spares consumed		**2,081,504**	1,765,486
Packing material consumed		**1,040,342**	902,370
Repairs and maintenance		**164,852**	60,291
Insurance		**84,429**	44,435
Rates and taxes		**10,961**	6,393
Depreciation on operating fixed assets	5.1.1	**1,688,641**	1,282,310
Other		**424,387**	211,276
Less: conversion cost of processed yarn		**-**	(36,822)
		13,320,072	10,496,301

29.3.1 It includes staff retirement benefits Rs. 257.014 million (2021: Rs. 144.06 million).

30. OTHER INCOME

	Note	2022	Restated 2021
		---------- (Rupees in '000) ---------	
Scrap sale		**46,038**	32,737
Gain on disposal of operating fixed assets - net		**33,839**	-
Duty drawback, rebates and others		**335,428**	186,200
Capital gain on sale of other financial assets		**136**	15,930
Amortization of deferred Government Grants	22.2	**43,469**	39,703
Discounting of GIDC	22.3	**-**	206,788
Profit on term finance certificates		**33,432**	-
Profit on term deposits receipts		**-**	82,011
Profit on fixed deposits		**20,766**	31,369
Exchange gain on forward contract booking		**95,837**	93,228
Unrealized gain on revaluation of foreign currency debtors	30.2	**123,609**	3,578
Exchange gain - others		**69,809**	253,695
Realised exchange gain on foreign currency loans		**-**	61,320
Unrealised exchange gain on foreign currency loans		**-**	23,707
Unrealized gain on other financial assets		**-**	21,404
Reversal of bad debt exense		**2,422**	-
Dividend income		**4,561**	6,300
Other operating income		**8,473**	-
		817,819	1,057,970

30.2 This arises due to devaluation of Pakistani Rupee against US Dollar as at the year end which results in exchange gain on revaluation of foreign currency debtors.

		Note	2022	2021
			---------- (Rupees in '000) ----------	
31.	**DISTRIBUTION COST**			
	Export			
	Ocean freight		**724,653**	473,505
	Export development surcharge		**70,251**	42,337
	Insurance expense		**1,123**	1,785
	Export charges		**121,325**	152,580
			917,352	670,207
	Local			
	Freight and other		**135,178**	145,330
	Insurance		**5,653**	5,595
	Advertising		**-**	63,739
	Salaries and wages	31.1	**108,018**	62,548
	Travelling and conveyance		**13,435**	2,950
	Telephone and postage		**26,259**	22,005
	Marketing and promotion		**79,960**	-
	Other		**9,343**	7,568
			1,295,198	979,942

31.1 It includes staff retirement benefits of Rs. 6.12 million (2021 Rs. 3.67 million).

		Note	2022	2021
			---------- (Rupees in '000) ----------	
32.	**ADMINISTRATIVE EXPENSES**			
	Salaries and benefits	32.1	**333,969**	332,600
	Directors' remuneration other than meeting fees	39	**162,112**	56,917
	Meeting fees	39	**675**	794
	Repairs and maintenance		**11,316**	5,157
	Postage and telephone		**14,821**	12,673
	Traveling and conveyance		**5,921**	2,958
	Vehicles running		**38,264**	29,688
	Printing and stationery		**4,512**	6,543
	Rent, rates and taxes		**4,662**	5,777
	Utilities		**14,935**	12,340
	Entertainment		**5,618**	4,459
	Fees and subscription		**35,408**	63,578
	Insurance		**10,318**	8,059
	Legal and professional		**8,298**	19,166
	Charity and donations	32.2	**260**	708
	Auditors' remuneration	32.3	**5,206**	5,356
	Depreciation on operating fixed assets	5.1.1	**72,588**	55,788
	Depreciation on right-of-use asset	5.5	**19,635**	21,405
	Amortization on intangible assets	6	**2,419**	3,384
	Bad debt expense		**-**	5,337
	Advertisement		**47**	33
	Others		**11,319**	12,499
			762,303	665,218

32.1 It includes staff retirement benefits of Rs. 12.596 million (2021: Rs. 27.652 million).

32.2 None of the directors and their spouses have any interest in the donees' fund. Each of these donations does not exceed amount of 10% of total Group's donation or 1 million, whichever is higher.

	2022	2021
	---------- (Rupees in '000)	----------
32.3 Auditors' remuneration		
Audit fee	**4,223**	3,867
Half year limited review fee	**375**	375
Fee for certifications	**183**	667
Out of pocket expenses	**425**	447
	5,206	5,356

	Note	2022	2021
		---------- (Rupees in '000)	----------
33. OTHER OPERATING EXPENSES			
Workers' Profits Participation Fund	24.1	**548,374**	261,794
Workers' Welfare Fund		**645**	35,275
Loss on disposal of operating fixed assets - net		**-**	15,348
Realised exchange loss on foreign currency		**224,649**	-
Unrealized loss on revaluation of foreign currency loans		**12,706**	-
Unrealized loss on other financial assets		**9,135**	-
Unrealised loss on derivative financial instrument		**45,035**	-
		840,544	312,417
34. FINANCE COST			
Mark-up on:			
- long-term finance		**417,758**	299,523
- short-term borrowings		**991,630**	410,271
- lease liability		**8,130**	9,332
Bank charges and commission		**93,545**	50,500
Discounting charges on letters of credit		**86,400**	81,795
Unwinding of Government Infrastructure Development Cess		**65,515**	59,522
Interest on Workers' Profits Participation Fund		**1,686**	866
		1,664,664	911,809

35. TAXATION

Current		
- For the year	**1,010,261**	661,532
- Prior year tax	**(87,301)**	35,768
Deferred	**(75,634)**	181,522
	847,326	878,822

35.1 Relationship between tax expense and accounting profit

Accounting profit before tax	**10,829,919**	4,727,475
Tax rate %		
Tax rate	**29%**	29%
Tax on accounting profit	**3,140,677**	1,370,968
Effect of:		
Income chargeable to tax at reduced rates	**(801)**	(3,303)
Tax impact of tax credit	**-**	(51,014)
Income chargeable to tax under final tax regime	**(2,005,486)**	(675,407)
Due to change in tax rate	**-**	(3,502)
Impact of permanent differences	**33,828**	10,647
Prior year tax charge	**(87,301)**	35,768
Others	**(233,591)**	194,665
Tax charge as per accounts	**847,326**	878,822

36. EARNINGS PER SHARE - BASIC AND DILUTED

36.1 Basic earnings per share

	2022	Restated 2021
	---------- (Rupees in '000) ----------	
Profit for the year	**9,982,593**	3,848,653
	------- (Number of shares) -------	
Weighted average number of ordinary shares outstanding during the year	**54,221,196**	54,221,196
	---------- (Rupees) ----------	
Earnings per share - Basic and diluted	**184.11**	70.98

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

	Note	2022	Restated 2021
		-------- (Rupees in '000) --------	
37. CASH GENERATED FROM OPERATIONS			
Profit before taxation		**10,829,919**	4,727,475
Adjustments for:			
Depreciation	5.1.1	**1,761,228**	1,338,098
Depreciation on right-of-use assets	5.5	**19,635**	21,405
Amortization on intangible assets	6	**2,419**	3,384
Provision for gratuity	22.1	**177,457**	129,062
Provision against doubtful debts		**(2,422)**	4,385
Provision for slow moving and obsolete stores		**19,231**	60,800
Realized gain on disposal of other financial assets	30	**(136)**	(15,930)
Unrealized loss / (gain) on other financial assets	30	**9,135**	(21,404)
Unrealized gain on revaluation of foreign currency debtors	30	**(123,609)**	(3,578)
(Gain) / loss on disposal of operating fixed assets		**(33,839)**	15,348
Profit on term finance certificates		**(33,432)**	-
Dividend income	30	**(4,561)**	(6,300)
Unwinding of deferred government grant	30	**(43,469)**	(39,703)
Discounting of GIDC	30	**-**	(206,788)
Finance cost	34	**1,419,204**	719,126
Unwinding of GIDC	34	**65,515**	59,522
GIDC charge for the year		**-**	16,395
Share of profit from associate	7.1	**(37,606)**	(11,572)
Unrealised (gain) / loss on foreign currency loans	30	**-**	(23,707)
Cash generated before working capital changes		**14,024,669**	6,766,018
Working capital changes:			
(Increase) / decrease in current assets			
Stores, spares and loose tools		**(327,574)**	(64,212)
Stock-in-trade		**(7,138,087)**	(1,463,663)
Trade debts		**(7,199,414)**	(2,946,223)
Loans and advances		**152,788**	(107,444)
Trade deposits and short term prepayments		**(73,340)**	17,342
Other receivables		**(227,154)**	(110,539)
Long term deposits		**(653)**	(1,005)
		(14,813,434)	(4,675,744)
Increase in current liabilities			
Trade and other payables		**1,360,136**	1,487,306
Short term borrowings		**4,025,902**	2,937,279
Cash generated from operations		**4,597,273**	6,514,859

	Note	2022	2021
		---------- (Rupees in '000) ----------	
38. CASH AND CASH EQUIVALENTS			
Cash and bank balances	17	**1,172,533**	1,225,462
Short-term borrowings	26	**(2,167,124)**	(2,134,844)
		(994,591)	(909,382)

39. REMUNERATION TO CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these consolidated financial statements for remuneration, including all benefits to chief executive officer, executives and directors of the Group are given below:

Particulars	**Chief Executive Officer**	**Directors**		**Executives**	**Total**
		Executive	**Non-Executive**		
	---------- (Rupees in '000) ----------				
Remuneration including benefits	**63,536**	**111,825**	**-**	**323,475**	**498,836**
Retirement benefits	**2,240**			**15,735**	**17,975**
Medical	**-**	**-**	**-**	**2,340**	**2,340**
Utilities	**2,271**	**2,727**	**5,981**	**1,835**	**12,814**
Travelling	**466**	**-**	**-**	**11,316**	**11,782**
Entertainment	**-**	**-**	**-**	**168**	**168**
Vehicle running	**843**	**277**	**-**	**2,734**	**3,854**
Bonus and others	**15,240**	**-**	**-**	**10,745**	**25,985**
Insurance	**944**	**-**	**-**	**497**	**1,441**
Meeting fees	**-**	**-**	**-**	**675**	**675**
Total	**85,541**	**114,830**	**5,981**	**369,520**	**575,870**
Number of persons	**4**	**10**	**8**	**129**	**151**

Particulars	Chief Executive Officer	Directors		Executives	Total
		Executive	Non-Executive		
	---------- (Rupees in '000) ----------				
Remuneration	64,464	48,485	-	187,803	300,752
Retirement benefits	-	-	-	17,223	17,223
Medical	-	989	227	1,950	3,166
Utilities	1,845	1,279	1,063	1,529	5,716
Travelling	99	-	-	907	1,006
Vehicle running	756	-	-	3,463	4,219
Bonus and others	7,556	-	-	10,521	18,077
Insurance	808	-	-	441	1,249
Meeting fees		-	794	-	794
Total	75,528	50,753	2,084	223,837	352,202
Number of persons	4	11	8	72	95

39.1 Group maintained cars and cellular phones are provided to Chief Executive Officers, directors and executives.

40. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate (Sunrays Textiles Mills Limited), entities with common directorship, key management personnel. The Group carries out transactions with related parties on agreed terms. The receivables and payables are mainly unsecured in nature. Remuneration of key management personnel is disclosed in note 39 to the consolidated financial statements and amount payable in respect of staff retirement benefits is disclosed in note 22. Significant transactions with related parties other than those shown elsewhere in these consolidated financial statements, are as follows:

		2022	2021
Relationship	**Nature of transactions**	**Rupees in '000**	
Associate (shareholding : 0.99 percent), Sunrays Textile Mills Limited	Purchase of goods and services	**292,721**	445
	Sales of goods and services	**-**	295,853
Indus Heartland Limited - Associate due to common directorship	Purchase of Land	**837,000**	-
Directors	Dividend paid	**153,260**	101,891
Spouses and sons of Directors	Rentals paid	**19,078**	14,071
Balances with related parties			
Associate - payable, Sunrays Textile Mills Limited		**2,509**	193

41. FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial risk management. The responsibility includes developing and monitoring the Group's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Group's financial risk exposures.

The Group’s principal financial liabilities comprise long-term financing, short-term borrowings, trade and other payables, interest/dividend payable and financial guarantee contracts. The main purpose of these financial liabilities is to raise finance for the Group’s operations. The Group has loans and advances, trade and other receivables, cash and bank balances and deposits that arise directly from its operations. The Group also holds long-term and short term investments.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarized as follows:

41.1 Credit risk and concentration of credit risk

"Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. The Group's does not have any significant exposure to customers from any single country or single customer."

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

	2022	2021
	Rupees in '000	
Long-term deposits	**19,898**	19,245
Long-term investments	**-**	100,000
Trade debts	**14,636,476**	7,311,031
Other receivables	**477,827**	250,673
Loans and advances	**11,158**	66,650
Bank balances	**1,148,585**	1,200,263
	16,293,944	8,947,862

The credit quality of receivable can be assessed with reference to their historical performance with negligible defaults in recent history.

Trade debts are due from foreign and local customers for export and local sales respectively. Trade debts from foreign customers are secured against letters of credit. Management assesses the credit quality of local and foreign customers, taking into account their financial position, past experience and other factors.Though there are few past due trade debts, however, such are not impaied as per management assessment.

Credit risk related to equity investments and cash deposits

The Group limits its exposure to credit risk of investments by only investing in listed mutual funds units having good stock exchange rating. Credit risk from balances with banks and financial institutions is managed by Finance Director in accordance with the Group's policy.

The credit risk on liquid funds (bank balances) is limited because the counter parties are banks with a reasonably high credit rating. The names and credit rating of major banks where the Group maintains its bank balances are as follows:

Name of bank	Rating agency	Credit rating	
		Long-term	Short-term
Habib Bank Limited	VIS	AAA	A-1+
J.S Bank Limited	PACRA	AA-	A1+
Soneri Bank Limited	PACRA	AA-	A1+
MCB Bank Limited	PACRA	AAA	A1+
Allied Bank Limited	PACRA	AAA	A1+
Dubai Islamic Bank (Pakistan) Limited	VIS	AA	A-1+
United Bank Limited	VIS	AAA	A-1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
Meezan Bank Limited	VIS	AAA	A-1+
Bank Alfalah Limited	PACRA	AA+	A1+
Bank Islami Pakistan	PACRA	A+	A1
Askari Bank Limited	PACRA	AA+	A1+
Bank Al-Habib Limited	PACRA	AAA	A1+
National Bank of Pakistan	PACRA	AAA	A1+
Standard Chartered Bank (Pakistan) Limited	PACRA	AAA	A1+
The Bank of Punjab	PACRA	AA+	A1+
Faysal Bank Limited	PACRA	AA	A1+

41.2 Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group ensures that it has sufficient cash on demand to meet expected working capital requirements. Following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying Values	Contractual Cash Flows	Upto 1 years	1 to 5 years	More than 5 years
	------ (Rupees in '000) ------				
Trade and other payables	4,127,225	4,127,225	4,127,225	-	-
Long-term financing	21,588,151	21,588,151	2,067,958	12,996,972	1,433,548
Short-term borrowings	12,635,272	12,635,272	12,635,272	-	-
Unclaimed dividends	3,735	3,735	3,735	-	-
Interest / mark-up payable	331,015	331,015	331,015	-	-
Lease liabilities	94,593	94,593	17,166	67,689	4,556
2022	**38,779,991**	**38,779,991**	**19,182,371**	**13,064,661**	**1,438,104**

	Carrying Values	Contractual Cash Flows	Upto 1 years	1 to 5 years	More than 5 years
	(Rupees in '000)				
Trade and other payables	3,490,870	3,490,870	3,490,870	-	-
Long-term financing (Restated)	15,112,380	15,112,380	1,162,370	13,950,010	-
Short-term borrowings	8,577,090	8,577,090	8,577,090	-	-
Unclaimed dividends	3,361	3,361	3,361	-	-
Interest / mark-up payable	180,744	180,744	180,744	-	-
Lease liabilities	106,963	106,963	19,861	87,102	-
2021	27,471,408	27,471,408	13,434,296	14,037,112	-

The effective rate of interests on non-derivative financial liabilities are disclosed in respective notes.

41.3 Market risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

41.3.1 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and short-term borrowings from financial institutions. At the balance sheet date the interest rate risk profile of the Group's interest-bearing financial instruments is:

	Carrying amount	
	2022	**2021**
	Rupees in '000	
Fixed rate instruments		
Financial liabilities	**16,290,360**	13,157,076
Variable rate instruments		
Financial liabilities		
- KIBOR based	**2,249,371**	2,911,852
- LIBOR based	**15,468,083**	7,728,207
Financial assets		
- KIBOR based	**294,384**	1,746,577

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit before tax for the year ended June 30, 2022 would decrease / increase by Rs. 42.89 million (2021: Rs. 53.20 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings determined on outstanding balance at year end.

41.3.2 Foreign exchange risk management

Exposure to currency risk	2022		2021	
	Rupees	US Dollar	Rupees	US Dollar
	('000)			
Trade debts	**3,644,382**	**17,810**	1,880,923	11,971
Bank balances	**28,471**	**139**	54,457	347
Foreign currency loans	**(15,468,083)**	**(75,594)**	(7,728,207)	(49,184)
	(11,795,230)	**(57,645)**	(5,792,827)	(36,866)

	2022	2021
	(Rupees)	
Average rate	204.37	156.37
Reporting date rate	204.62	157.13

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Group is exposed to foreign currency risk on sales, purchases and borrowings, which are entered in a currency other than Pak Rupees.

At June 30, 2022, if the Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been higher / lower by Rs. 194.393 million (2021: higher / lower by Rs. 289.641 million) determined on the outstanding balance at year end. Profit / (loss) is sensitive to movement in Rupee / foreign currency exchange rates in 2022 than 2021 because of high fluctuation in foreign currency exchange rates.

41.3.3 Equity price risk management

The Group's listed securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was Rs. 76.688 million (2021: Rs. 86.628 million). A decrease / increase of 5% in market prices would have an impact of approximately Rs. 3.834 million (2021: Rs. 4.331 million) on profit for the year determined based on market value of investments at year end.

41.4 Financial instruments by category

	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Total
	(Rupees in '000)			
Financial assets - June 30, 2022				
Long-term deposits	**19,898**	**-**	**-**	**19,898**
Trade debts	**14,636,476**	**-**	**-**	**14,636,476**
Loans and advances	**11,158**	**-**	**-**	**11,158**
Other receivables	**477,827**	**-**	**-**	**477,827**
Other financial assets	**-**	**-**	**76,688**	**76,688**
Bank balances	**1,172,533**	**-**	**-**	**1,172,533**
	16,317,892	**-**	**76,688**	**16,394,580**

	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Total
	(Rupees in '000)			
Financial assets - June 30, 2021				
Long-term deposits	19,245	-	-	19,245
Long-term investments	100,000	-	-	100,000
Trade debts	7,311,031	-	-	7,311,031
Loans to staff	66,650	-	-	66,650
Other receivables	250,673	-	-	250,673
Other financial assets	1,107,847	-	86,628	1,194,475
Cash and bank balances	1,225,462	-	-	1,225,462
	10,080,908	-	86,628	10,167,536

	Financial liabilities measured at amortized cost	Total
	(Rupees in '000)	
Financial liabilities - June 30, 2022		
Long-term financing	**21,588,151**	**21,588,151**
Deferred liabilities	**900,677**	**900,677**
Trade and other payables	**4,127,225**	**4,127,225**
Unclaimed dividends	**3,735**	**3,735**
Short-term borrowings	**12,635,272**	**12,635,272**
Interest / mark-up payable	**331,015**	**331,015**
Lease liabilities	**94,593**	**94,593**
	39,680,668	**39,680,668**

	Financial liabilities measured at amortized cost	Total
	-------- (Rupees in '000) --------	
Financial liabilities - June 30, 2021		
Long-term financing	15,112,380	15,112,380
Deferred liabilities (Restated)	876,497	876,497
Trade and other payables	3,490,870	3,490,870
Unclaimed dividends	3,361	3,361
Short-term borrowings	8,577,090	8,577,090
Interest / mark-up payable	180,744	180,744
Lease liabilities	106,963	106,963
	28,347,905	28,347,905

41.5 Fair value and categories of financial instruments

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

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- 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 2)."

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy :

	June 30, 2022							
	Carrying amount				Fair value hierarchy			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)							
Financial assets measured at fair value								
Other financial assets	76,688	-	-	76,688	76,688	-	-	76,688

Financial assets

	June 30, 2022			
	(Rupees in '000)			
Long-term deposits	-	-	19,898	19,898
Trade debts	-	-	14,636,476	14,636,476
Loans to staff	-	-	11,158	11,158
Other receivables	-	-	477,827	477,827
Other financial assets	-	-	-	-
Bank balances	-	-	1,172,533	1,172,533
	-	-	16,317,892	16,317,892
Financial liabilities				
Long-term financing	-	-	21,588,151	21,588,151
Deferred Liabilities	-	-	900,677	900,677
Trade and other payables	-	-	4,127,225	4,127,225
Unclaimed dividends	-	-	3,735	3,735
Short-term borrowings	-	-	12,635,272	12,635,272
Interest / mark-up payable	-	-	331,015	331,015
Lease liabilities	-	-	94,593	94,593
	-	-	39,680,668	39,680,668

	June 30, 2021							
	Carrying amount				Fair value hierarchy			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)							
Financial assets measured at fair value								
Other financial assets	86,628	-	1,107,847	1,194,475	86,628	-	-	86,628

Financial assets

	June 30, 2021			
	(Rupees in '000)			
Long-term deposits	-	-	19,245	19,245
Long term investments	-	-	100,000	100,000
Trade debts	-	-	7,311,031	7,311,031
Loans to staff	-	-	66,650	66,650
Other receivables	-	-	250,673	250,673
Other financial assets	-	-	1,107,847	1,107,847
Cash and bank balances	-	-	1,225,462	1,225,462
	-	-	10,080,908	10,080,908
Financial liabilities				
Long-term financing (Restated)	-	-	15,112,380	15,112,380
Deferred liabilities (Restated)			876,497	876,497
Trade and other payables	-	-	3,490,870	3,490,870
Unclaimed dividends	-	-	3,361	3,361
Short-term borrowings	-	-	8,577,090	8,577,090
Interest / mark-up payable	-	-	180,744	180,744
Lease liabilities	-	-	106,963	106,963
	-	-	28,347,905	28,347,905

There were no transfers amongst the levels during the current and preceding year. The Group's policy is to recognise transfer into and transfers out of fair value hierarchy levels as at the end of the reporting periods.

42. CAPITAL RISK MANAGEMENT

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratios at June 30, 2022 and 2021 were as follows:

	2022	2021
	-------- (Rupees in '000) --------	
Total borrowings (note 20 & 26)	**34,223,423**	23,689,470
Less: cash and bank balances (note 17)	**(1,172,533)**	(1,225,462)
Net debt	**33,050,890**	22,464,008
Total equity	**29,635,026**	19,931,962
Total capital	**62,685,916**	42,395,970
Gearing ratio	**53%**	53%

There is no significant change in the gearing ratio of the Group as compared to the last year.

43. CAPACITY AND PRODUCTION

Spinning units	**2022**	**2021**
Total number of spindles installed	**241,464**	229,922
Total number of spindles worked per annum (average)	**239,243**	222,513
Number of shifts worked per day	**3**	3
Installed capacity of yarn converted into 20 counts based on 365 days (lbs.)	**164,096,500**	164,288,487
Actual production for the year after conversion into 20 counts (lbs.)	**140,584,295**	134,380,510
Power Generation unit		
Installed capacity (theoretical maximum output in MWh) (25 turbines of 2 MW each)	**117,600**	-
Actual production (MWh)	**76,600**	-
Capacity utilization factor	**65.14%**	-

Theoretical maximum output is of 98 days (2021: Nil). The Capacity utilization factor calculated above is total gross generation of 98 days (2021: Nil) over theoretical maximum output of 98 days (2021: Nil). The actual production is subject to actual load demanded and wind conditions.

	2022	2021
Weaving unit		
Normal capacity (Lbs)	**29,062,687**	28,253,465
Actual Production (Lbs)	**24,503,330**	24,945,735

It is difficult to describe precisely the production capacity in spinning unit since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed and twist etc. It also varies according to the pattern of production adopted in a particular year.

44. SEGMENT REPORTING

The Group's core business is manufacturing and sale of yarn and it generates more than 90% of its revenue and profit from the production and sale of yarn. Decision making process is centralized at head office led by Chief Executive Officer who is continuously involved in day to day operations and regularly reviews operating results and assesses its performance and makes necessary decisions about resources to be allocated to the segments. Currently the Group has five yarn manufacturing units at Hyderabad, Karachi, Muzafargarh, Faisalabad and Lahore. Owing to the similarity in nature of the products and services, nature of the production processes, type or class of customers for the products and services, the methods used to distribute the products and the nature of the regulatory environment, all the yarn producing units are aggregated into a single operating segment and the Group's performance is evaluated by the management on an overall basis, therefore these operational segments by location are not separately reportable segments. The Group also has two ginning units including one on leasing arrangement in District Multan. The Group also holds investments in equity shares of listed companies, long-term strategic investments in an associated company results of which are disclosed in note 7.1 to these consolidated financial statements.

45. NUMBER OF EMPLOYEES

	Number of employees	
	2022	2021
Average number of employees during the year	**6,185**	5,816
Number of employees as at June 30	**6,611**	5,882

45.1 Daily wage employees are not included in the above number of employees.

46. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Long term financing	Dividend	Lease liabilities
	--------------------	Rupees '000'	--------------------
Balance as at July 1	**15,112,380**	**3,361**	**106,963**
Non cash item	**19,424**	**271,106**	**8,130**
Financing cash inflows	**7,587,002**	**-**	**-**
Financing cash outflows	**(1,111,231)**	**(270,732)**	**(20,500)**
	21,607,575	**3,735**	**94,593**

47. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements have been authorised for issue on 8 December 2022 by the Board of Directors of the Holding Company.

48. GENERAL

Figures have been rounded off to the nearest rupees in thousand.

Chief Financial Officer	Chief Executive Officer	Director

تعمیل اور آڈٹ جائزہ کا بیان 30 جون 2022ء کی رپورٹ کے ساتھ منسلک کیا گیا ہے۔

ویب سائٹ کی موجودگی

کمپنی کے سالانہ اور متواتر مالی بیانات بھی کمپنی کی ویب سائٹ http://www.indus-group.com پر دستیاب ہے۔شراکتی حصے داروں اور دیگر معلومات کے لیے۔

اظہار تشکر

ہم کمپنی کے ہر ملازم کی شراکت کو تسلیم کرتے ہیں۔ہم اپنی مصنوعات پر ظاہر اعتماد اور کمپنی کو بینکاری فراہم کرنے اور مستقل طور پر کمپنی اور صارفین کے رشتے کو برقرار رکھنے پر صارفین اور بینکرز کا شکریہ ادا کرنا چاہتے ہیں۔

ہم اپنے شراکت داروں کے، ہمارے انتظامیہ پر ان کے اعتماد کے شکر گزار ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

میاں شہزاد احمد
چیف ایگزیکیوٹیو آفیسر
بتاریخ 08، دسمبر 2022ء
کراچی۔

میاں عمران احمد
ڈائریکٹر

سال کے دوران کمیٹی کی تشکیل اور حاضری کی صورتحال:

ممبران کے نام	میٹنگز	حاضری
جناب فیصل حنیف	4	4
جناب عرفان احمد	4	4
جناب شیخ شفقت مسعود	4	4

بورڈ نے اپنے ڈائریکٹرز (Executive/Non-Executive) کے لئے باقاعدہ معاوضہ کی پالیسی رکھی ہے جو بورڈ آف ڈائریکٹر کے ذریعے منظور شدہ ہے۔ پالیسی کو HR حکمت عملی کے ایک جزو کے طور پر ڈیزائن کیا گیا ہے اور دونوں کو کاروباری حکمت عملی کی حمایت کرنے کی ضرورت ہے۔ بورڈ کا خیال ہے کہ بہترین ایگزیکیوٹیو اور ہدایت کاروں کو راغب کرنے کمپنی کو چلانے اور سنبھالنے کے ساتھ ساتھ ڈائریکٹرز، ایگزیکیوٹیو اور شیئر ہولڈرز (حصہ یافتگان/شراکتی حصہ داروں) کے مابین پیدا کرنے اور اسے برقرار رکھنے کی اہلیت میں پالیسی مناسب اور موثر ہے۔

آڈیٹرز کی تقرری (شمولیت)

یوسف عادل، چارٹرڈ اکاؤنٹنٹ، ایک آزادنامہ نگار اور معروف چارٹرڈ اکاؤنٹس فرم نے کمپنی کے ساتھ اپنی تقرری کی مدت پوری کی اور اہل ہونے کی وجہ سے اس نے دوسری مدت کے لیے اپنی خدمات پیش کیں۔ کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی کی سفارش کی بنیاد پر یوسف عادل کو یقینی بنانے والے سال کے لیے کمپنی کے آڈیٹر کے طور پر دوبارہ تقرری کی تجویز دی ہے۔

ماحول، صحت اور حفاظت

آپ کی کمپنی پیداواری سہولیات پر تمام ماحولیاتی پالیسیوں کی تعمیل کرتے ہوئے ہر ایک کے لیے مناسب ماحول کی دستیابی کے لیے پرعزم ہے۔

اندورنی آڈٹ

بورڈ نے کمپنی کے کاروبار کو آگے بڑھانے کے لئے آپریشنل، مالی اور تعمیل کنٹرول کے ساتھ موثر اور توانائی بخش اندرونی کنٹرول سسٹم قائم کیا ہے۔ داخلی (انٹرنل) آڈٹ کے نتائج کا آڈٹ کمیٹی کے ذریعہ جائزہ لیا جاتا ہے، اور جہاں ضروری ہو، داخلی (انٹرنل) آڈٹ رپورٹس میں شامل سفارشات کی بنیاد پر کاروائی کی جاتی ہے۔

ممبران کی ترتیب

ممبران کی ترتیب کا خاکہ 30 جون 2022ء کی رپورٹ کے ساتھ منسلک کیا گیا ہے۔

تعمیل اور آڈٹ جائزہ کا بیان

ڈائریکٹرز کا نام	اہلیت	حاضری
جناب نوید احمد	5	5
میاں شہزاد احمد	5	5
جناب عرفان احمد	5	5
میاں عمران احمد	5	5
جناب کاشف ریاض	5	5
جناب شیخ شفقت مسعود	5	5
جناب فیصل حنیف	5	5
محترمہ عذرا یعقوب واوڈا	5	5
جناب عامر امین	5	5
محترمہ فادیہ کاشف	5	5

انسانی وسائل اور معاوضہ کمیٹی

کمیٹی کی تشکیل۔

۱۔ جناب فیصل حنیف (چیئرمین)

۲۔ محترمہ فادیہ کاشف (ممبر)

۳۔ جناب شیخ شفقت مسعود (ممبر)

ایک اجلاس مالی سال کے دوران جولائی 2021 سے جون 2022 تک منعقد ہوا۔ اجلاس میں تینوں ممبران شریک تھے۔

آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے ایک مکمل فنکشنل آڈٹ کمیٹی تشکیل دی ،جس میں تین ممبران شامل ہیں : ایک آزاد ڈائریکٹر ہے اور دو Non-Executive ڈائریکٹرز۔ کمیٹی کے حوالے کی اصطلاح، شفاف داخلی آڈٹ، اکاؤنٹنگ اور کنٹرول سسٹم، رپورٹنگ کے مناسب ڈھانچے کے ساتھ ساتھ کمپنی کے اثاثوں کی حفاظت کے لئے مناسب اقدامات کا تعین کرنے پر مشتمل ہے۔

آڈٹ کمیٹی کے اجلاس:

جولائی 2021ء سے جون 2022ء کے درمیان چار میٹنگز منعقد ہوئیں۔ تمام Non-Executive ڈائریکٹر بشمول چیئرمین موجود تھے۔

ڈائریکٹرز کی کل تعداد

ا۔مرد ڈائریکٹر	08
ب۔خاتون ڈائریکٹر	02

تشکیل

ا۔ Independent Director	03
ب۔ Executive Director	02
پ۔ Non-Executive Director	05

30 جون 2022 پر موجود ڈائریکٹرز کے نام درج ذیل ہیں۔

جناب نوید احمد	چیئر مین
میاں شہزاد احمد	چیف ایگزیکیوٹیو آفیسر
میاں عمران احمد	ڈائریکٹر
جناب عرفان احمد	ڈائریکٹر
جناب کاشف ریاض	ڈائریکٹر
جناب شیخ شفقت مسعود	ڈائریکٹر
جناب فیصل حنیف	ڈائریکٹر
محترمہ عذرا یعقوب واوڈا	ڈائریکٹر
جناب عامر امین	ڈائریکٹر (این۔آئی۔ٹی)
محترمہ فادیہ کاشف	ڈائریکٹر

بورڈ آف ڈائریکٹرز

زیرنظر سال کے دوران سی اِی او، ڈائریکٹرز، شریک حیات اور نابالغ میں گفٹ کے ذریعے مندرجہ ذیل تبادلہ ہوا۔

	حصص
جناب نوید احمد	(1,608,537)
جناب کاشف ریاض	(35,301)

بورڈ اور اس کے اجلاس

سال 22-2021 کے دوران ہدایت کاروں/بورڈ آف ڈائریکٹرز کے اجلاس اور اس کی حاضری:

متعلقہ فریقین سے لین دین

کمپنی نے متعلقہ فریقین کے معاملات کو جائزے اور منظوری کے لئے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیا۔ ان تمام لین دین کو آڈٹ کمیٹی اور بورڈ نے اپنی میٹنگ میں منظور کرلیا ہے۔ اس سے متعلقہ تمام لین دین کی تفصیلات 30 جون 2022 کی اختتامی سال کے لئے منسلک مالیاتی بیانات کے نوٹ 39 میں فراہم کی گئی ہیں۔

کارپوریٹ گورننس، مالیاتی رپورٹنگ اور اندرونی کنٹرول سسٹم۔

کمپنی اچھی کارپوریٹ گورننس اور بہترین طریقہ کار کے ساتھ تعمیل کے لئے پرعزم ہے۔ کارپوریٹ گورننس کے ضابطہ اخلاق کی وہ ضروریات جن کے مطابق پاکستان اسٹاک ایکسچینج نے ان کی فہرست سازی کے ضوابط طے کیے ہیں۔ اس بارے میں ایک بیان اس رپورٹ کے ساتھ منسلک ہے۔

ہمیں اطلاع دیتے ہوئے خوشی ہے:

- کمپنی کے زیر نظام تیار کردہ مالی بیانات، اس کی صورتحال، اسکے کام، نقد بہاؤ اور ایکیوٹی میں بدلاؤ کے نتیجے کو منصفانہ طور پر پیش کرتے ہیں۔
- کمپنی کے حساب کتاب سے متعلق دستاویزات وضاحت کے ساتھ رکھی گئی ہیں۔
- مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئیں اور وہاں سے کسی بھی طرح کی تبدیلی کا مناسب طور پر انکشاف کیا گیا اور وضاحت کی گئی ہے۔
- اندرونی کنٹرول کا نظام مستحکم ہے اور موثر طریقے سے نافذ اور نگرانی کی گئی ہے۔ کنٹرول کے طریقہ کار پر زور دیا جارہا ہے تاکہ یہ یقینی بنایا جاسکے کہ کمپنی کی پالیسیوں پر عمل پیرا ہیں اور کسی بھی قسم کی عدم استحکام کی صورت میں بروقت اصلاح کی جاسکے۔
- بورڈ پر اعتماد ہے کہ کمپنی مستحکم طور (Going Concern) پر چل رہی ہے، آڈیٹرز نے بھی اپنی رپورٹ میں اس پر زور دیا ہے، تاہم ان مالی شماریات کو مالی بیانات میں وجوہات کو مکمل طور پر واضح کیا ہے اور مستحکم کے مفروضے (Going Concern) پر تیار کیا ہے۔
- پچھلے چھ سالوں کے متعلقہ اعداد و شمار (تفصیلات) بھی منسلک ہے۔
- ٹیکس، ڈیوٹی محصول کے حساب سے کوئی ادائیگی نہیں ہے، جو کہ جون 30، 2022ء سے بقایا ہیں، سوائے اُن کے جن کا مالی بیانات میں انکشاف کیا گیا ہے۔

بورڈ کی تشکیل

بورڈ کی تشکیل کوڈ آف کارپوریٹ گورننس ریگولیشن، 2019 کے ضابطوں کی ضروریات کے مطابق ہے جو کہ لمیٹڈ کمپنیوں پر لاگو ہوتے ہیں درج ذیل ہیں۔

پڑتا ہے جس سے ملک کے درآمدی بل پر دباؤ پڑتا ہے۔

یہ اندازہ لگایا جاتا ہے کہ آنے والے مہینوں میں منافع اشیاء کی قیمتوں میں اضافے، بجلی کی قیمت، کم از کم اجرت میں اضافے، سود کی شرح وغیرہ کی وجہ سے متاثر ہوگا۔ لاگت کی طرف، خام مال کے لیے سپلائی چین کا بہتر انتظام اور پیداواری عمل میں جدت کمپنی میں حکمت عملی کے اہم حصے رہیں گے۔ انتظامیہ کو یقین ہے کہ کمپنی اپنے تجربے، آپریشنل کارکردگی اور حکمت عملی کے ساتھ ان چیلنجوں کا مقابلہ کرنے کے قابل ہوگی۔

مالیاتی نتائج کا التوا

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے 2019 / (1) S.R.O 986 کے ذریعے مورخہ 02 ستمبر 2019 کو IFRS 16 "لیزز" اور IFRS 9 "مالیاتی آلات" (ایمبیڈڈ ڈیریویٹوز کی شناخت کے سلسلے میں) درخواست سے استثنیٰ دیا ہے۔ اور IAS 21 "فارن ایکسچینج ریٹس میں تبدیلیوں کے اثرات" تمام کمپنیوں کے لیے، جنہوں نے یکم جنوری 2019 سے پہلے بجلی کی خریداری کے معاہدے (PPAs) کیے تھے۔ اس سلسلے میں چونکہ انڈس ونڈ انرجی لمیٹڈ کے PPA نے نومبر 2019 میں منقطع تاریخ کے بعد دستخط کیے تھے، مذکورہ اکاؤنٹنگ معیارات کی دفعات لاگو ہوئیں۔ اس طرح کے اطلاق نے مادی تصوراتی / غیر حقیقی آمدنی کو جنم دیا جس نے کمپنی کو اہم انکم ٹیکس، WPPF اور مالیاتی اثرات سے دوچار کیا۔

کمپنی نے کچھ خودمختار پاور پروڈیوسرز (IPP's) کے ساتھ مل کر جن کے PPA's کی تاریخ یکم جنوری 2019 کے بعد کی ہے معزز لاہور ہائی کورٹ (LHC) میں ایک درخواست دائر کی ہے کہ ان کمپنیوں کو بھی ان پاور کمپنیوں کے ساتھ سلوک کرنے کی اجازت دی جائے جو یکم جنوری 2019 سے پہلے PPA میں داخل ہو چکی ہیں۔ کیونکہ سابقہ نے پہلے ہی نیپرا کی طرف سے ٹیرف کا تعین سمیت کچھ دوسرے اہم سنگ میل حاصل کر لیے تھے۔ LHC نے اپنے حکم مورخہ 21 نومبر 2022 کے ذریعے 2019 / (1) S.R.O 986 مورخہ 02 ستمبر 2019 کو اگلے حکم تک معطل کر دیا ہے۔ اس لیے کمپنی نے 30 جون 2022 کو ختم ہونے والے سال کے لیے مالیاتی گوشواروں کی تیاری کے لیے متعلقہ اکاؤنٹنگ معیارات کے اطلاق سے استثنیٰ حاصل کیا ہے۔ استثنیٰ حاصل کرنے کے لیے قانونی مشیروں اور دیگر ریگولیٹری اتھارٹیز کے ساتھ رابطہ قائم کرنے کا عمل تاخیر کی واحد وجہ بن گیا۔ انڈس ڈائنگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ اور انڈس ونڈ انرجی لمیٹڈ کی سالانہ جنرل میٹنگ کے انعقاد میں، تاہم اس کے بروقت انعقاد کے لیے SECP سے توسیع کی درخواست کی جائے گی۔

سماجی ذمہ داریاں

کمپنی کی انتظامیہ لوگوں کی اس بات میں مدد کرتی ہے کہ وہ اپنے اندر کام کی مہارت پیدا کریں تاکہ نہ صرف ذاتی زندگی میں بلکہ بین الاقوامی مارکیٹ میں بھی اپنی جگہ بنا سکیں۔ ہماری کمپنی لوگوں کو معلومات کی پیغام رسانی، ٹیکنالوجی اور اس کو حاصل کرنے کے لیے طریقہ کار، صحت، تعلیم اور معیار زندگی کی ترقی کے لئے تیار کرتی ہے۔ اس مقصد کے حصول کے لئے کمپنی کے مالکان اپنا وقت تجربہ اور صلاحیتیں لوگوں کو آگاہی فراہم کرنے میں خرچ کرتے ہیں تاکہ وہ آگے بڑھ سکیں اور ان کی حوصلہ افزائی کی جا سکے۔

بیلنس شیٹ بنانے کے بعد کے معاملات

بیلنس شیٹ کے اختتامی مراحل میں اور بیلنس شیٹ بنانے کے بعد کوئی ایسا مادی یا معاملاتی معاہدہ نہیں کیا گیا جس سے بیلنس شیٹ کے اعداد و شمار میں کسی طرح کی کوئی تبدیلی واقع ہوا اور وہ منفی طور پر متاثر ہو۔

روپے خالص منافع حاصل کیا۔ جس میں 159.40% اضافہ ہوا۔جبکہ گذشتہ سال کا منافع 3,848 ملین روپے تھا۔

اِنڈس ہوم لمیٹیڈ

اس سال کی فروخت 13,320.61 ملین روپے کے مقابلے میں پچھلے سال کے 9,147.98 ملین روپے ہے۔اور یہ 46% کی نمو کو ظاہر کرتا ہے۔اس میں Converted اور Spined دھاگہ کے 1,064 ملین روپے بھی شامل ہیں۔ نیا اسپننگ یونٹ مئی 2022 سے آپریشنل ہو گیا اور اس کے 4 آٹو کون فریم اب مکمل طور پر کام کر رہے ہیں۔ نئے اسپننگ یونٹ کی فنانسنگ اور انوینٹری کی قیمت میں اضافہ اور سال کے آخر میں مارک اپ کی شرحوں میں اوپر کی طرف نظر ثانی کی وجہ سے فنانس لاگت میں پچھلے سال کے مقابلے میں 116 ملین روپے کا اضافہ ہوا ہے۔ٹیکس کے بعد منافع 408.8 ملین روپے ہے جہاں پچھلے سال 445.5 ملین روپے تھا۔

"اِنڈس ونڈ انرجی لمیٹیڈ"

الحمدللہ، اللہ(SWT) کے فضل سے انڈس ونڈ انرجی لمیٹڈ، انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ(IDM) کے ذیلی ادارے نے 25 مارچ 2022 کو اپنا آغاز حاصل کرلیا ہے۔توانائی پیدا کرنے والا پلانٹ اسٹیٹ آف آرٹ ٹیکنالوجی کے ساتھ مکمل طور پر کام کر رہا ہے جو کہ سالانہ 166 ملین صاف، ماحول دوست اور سستے یونٹ بنا رہا ہے۔نیشنل گرڈ میں توانائی قوم کے "GO GREEN" پہل میں تعاون کرنے کے علاوہ، ذیلی ادارہ اپنے CSR پروگرام کے ذریعے ماحولیات اور ماحولیات کے تحفظ پر کلیدی زور دے کر بامعنی روزگار اور فلاح و بہبود فراہم کر کے دیہی لوگوں کی پستی کی زندگی کو بلند کرنے میں مصروف ہے۔ مزید برآں، ذیلی کمپنی سے حاصل ہونے والی آمدنی آنے والے سالوں کے لیے IDM گروپ کے شیئر ہولڈرز کی قدر میں بہت زیادہ حصہ ڈالے گی۔ عالمی کووڈ وبائی امراض، سپلائی لائن میں رکاوٹوں کے ساتھ موروثی سیاسی اور اقتصادی عدم استحکام کے باوجود ہم تمام اسٹیک ہولڈرز کے بے حد مشکور ہیں کہ ان کے اعتماد اور کوششوں کے باعث اس منصوبے کو ممکن بنانے اور کم سے کم وقت میں اس کے آغاز کو حاصل کرلیا۔

مستقبل کے نقطہ نظر

پاکستان کی ٹیکسٹائل انڈسٹری پاکستان کی معیشت کو سہارا دینے میں اہم کردار ادا کرتی ہے اور ملک کے زرمبادلہ پر انحصار کی وجہ سے مسلسل مرکز نگاہ رہتی ہے۔ اس وقت پاکستان کی معاشی اور سیاسی صورتحال مستحکم نہیں جس کی وجہ سے برآمدی منڈی بری طرح متاثر ہو رہی ہے۔ گذشتہ چند مہینوں میں کرنسی کی قدر میں زبردست گراوٹ کی وجہ سے صورتحال مزید خراب ہوگئی ہے جس سے صارفین کی ڈسپوزایبل آمدنی پر بہت زیادہ دباؤ پڑ رہا ہے اور اس کا کھپت پر منفی اثر پڑ سکتا ہے۔

ہمیں اندازہ ہے کہ پاکستان میں کپاس کی فصل کو شدید نقصان پہنچانے والی شدید بارشوں اور سیلاب کی وجہ سے خام مال کی کمی کی وجہ سے ٹیکسٹائل کی صنعت مشکل دور سے گزرے گی۔ اس کے نتیجے میں کپاس کی پیداوار میں زبردست کمی واقع ہو سکتی ہے اور مقامی اور بین الاقوامی مارکیٹ میں خام مال کی قیمت میں مزید اضافہ ہو سکتا ہے۔ اس تباہی کی وجہ سے ٹیکسٹائل انڈسٹری کو ملکی مانگ کو پورا کرنے کے لیے درآمدی کپاس پر انحصار کرنا

ڈائریکٹرز کی رپورٹ برائے ممبران

اِنڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی کے ڈائریکٹرز، کمپنی کی پینسٹھویں(65)، سالانہ عمومی اجلاس سے پہلے سالانہ رپورٹ 30 جون 2022ء کے اختتام پذیر مالی بیانات کے ذریعے سالانہ رپورٹ پیش کرنے پر خوش ہیں۔

کمپنی کی مالی جھلکیاں درج ذیل ہیں۔

	30 جون، سال کے اختتام پر (روپیہ 000 میں) 2022ء	2021ء
فروختگی	75,267,958	49,042,471
کل منافع	14,537,203	6,527,319
دیگر فعال آمدنی	817,819	1,057,970
مالی لاگت	(1,664,664)	(911,809)
ٹیکس کی فراہمی	(847,326)	(878,822)
ٹیکس لگانے کے بعد سال کا منافع	9,982,593	3,848,653
آمدنی فی حصص	184.11	70.98

منافع

بورڈ آف ڈائریکٹرز نے 16 فروری 2022 کو منعقد ہونے والے اجلاس میں 30 جون 2022 کو ختم ہونے والے سال کے لئے 5 روپے فی حصص (50%) نقد منافع کا اعلان کیا جو کہ ادا کیا جا چکا ہے۔

کاروبار کی فطرت میں تبدیلی

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

فی حصص آمدنی

اس سال گروپ کی فی حصص آمدنی 184.11 روپے کے مقابلے میں پچھلے سال فی حصص آمدنی 70.98 روپے تھی۔ جبکہ اس سال کمپنی کی فی حصص آمدنی 141.78 روپے کے مقابلے میں پچھلے سال فی حصص آمدنی 59.24 روپے تھی۔

کاروباری جائزہ

اللہ تعالٰی کے فضل سے کمپنی کی کارکردگی، فروخت اور منافع میں اضافے کے ساتھ بہترین ہے۔

جاری سال کے دوران زیر جائزہ گروپ نے پچھلے سال کے مقابلے میں کمپنی کی فروختگی میں 53.47% اضافہ ہوا ہے بعد از ٹیکس 9,982 ملین

PROXY FORM
ANNUAL GENERAL MEETING

Shareholder's Folio No. ----------------------Number of shares held ------------------------------ / We. --Of (full address) -- -- being a member of **INDUS DYEING & MANUFACTURING COMPANY LIMITED** hereby appoint.

Mr. / Mrs. / Ms. --of (full address)--------------------------------------- ---------------------------------------or failing him/her/ Mr. / Ms. -------------------------------of (full address) --

as my / our proxy in my/our absence to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 19th day of January, 2023 at 04:00 p.m. plot # 3 & 7, Sector-25 Korangi industrial Area, Karachi and at any adjourned meeting thereof.

WITNESSES	
WITNESS # 1	WITNESS # 2
SIGNATURE	SIGNATURE
NAME CNIC #	NAME CNIC #

Signature on

Rs. 5/-

Revenue Stamp

Note:

1. Proxies in order to be effective, must be received at the Company's Registered Office/ Shares Registrar not less than 48 hours before the meeting and must be duly stamped, signed and witnessed.

2. CDC shareholders and their proxies are requested to attach an attested photocopy of their CNIC or passport with this proxy form before submission to the Company.

AFFIX
CORRECT
POSTAGE

The Company Secretary
INDUS DYEING & MANUFACTURING CO. LTD.
5th Floor 508 Beaumont Plaza Beaumont Road
Civil Lines Quarters Karachi

DIVIDEND MANDATE FORM

The Company Secretary,

Subject Bank account details for payment of Dividend through electronic mode

Dear Sir,

I/we/Messrs.,____ being the shareholder(s) of Indus Dyeing & Manufacturing Company Limited [the "Company"], hereby, authorize the Company, to directly credit cash dividend declared by it, my bank account as detailed below:

(i) Shareholder's details:	
Name of the Shareholder	
CDC Participant ID & Sub-Account No. / CDC IAS	
CNIC/NICOP/Passport/NTN No. (Please attach copy)	
Contact Number (landline & Cell Nos.)	
Shareholder's Address	
(ii) Shareholder's Bank account details:	
Title of Bank Account	
IBAN (see Note 1 below)	
Bank's Name	
Branch Name & Code No.	
Branch Address	

It is stated that the above particulars given by me are correct and I shall keep the Company, informed in case of any changes in the said particulars in future.

Yours Sincerely

____

Signature of Shareholder
(Please affix Company stamp in case of corporate entity)

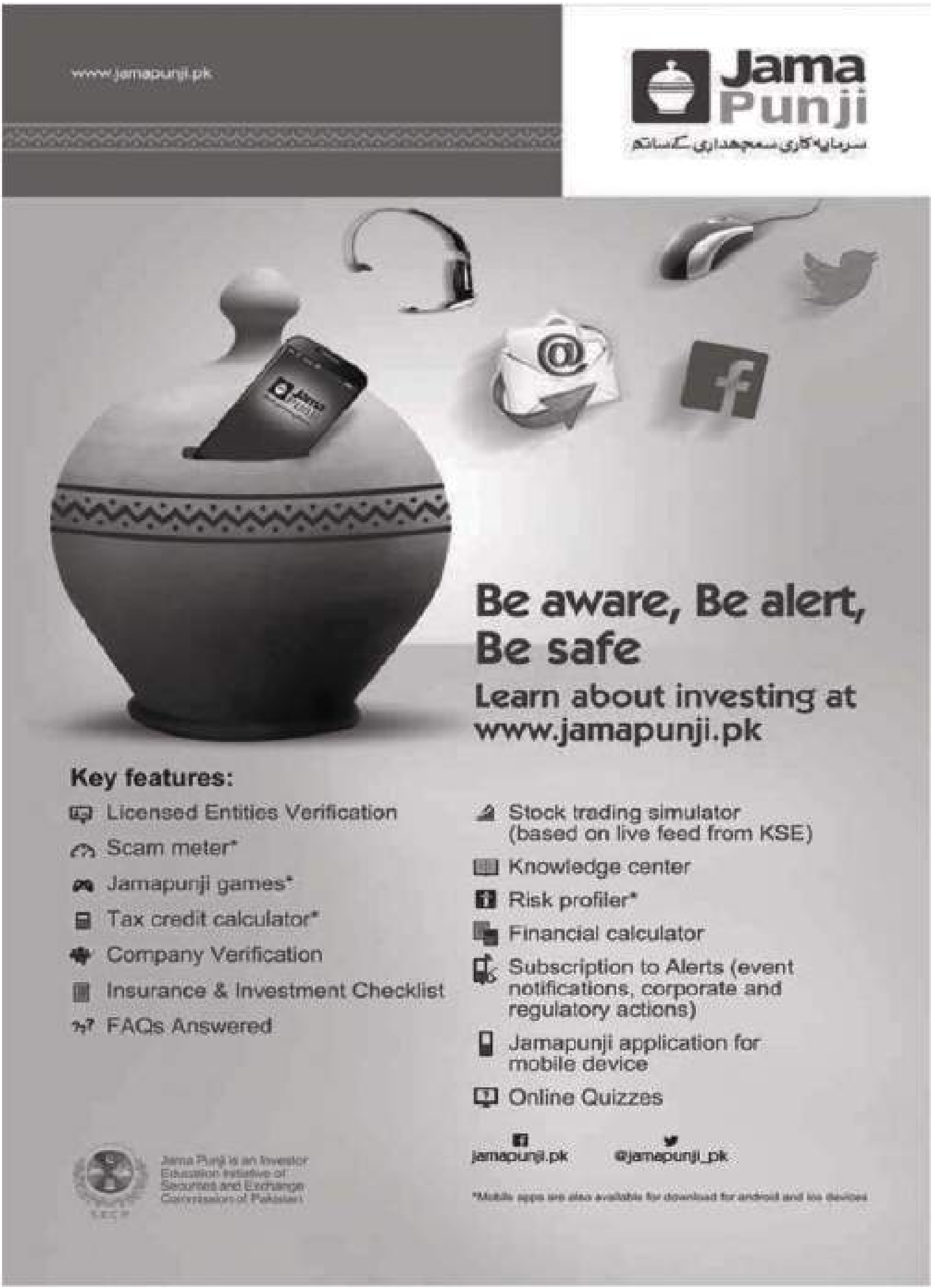
Notes:

(i) Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly into your bank account.

(ii) This letter must be sent to shareholder's participant/CDC Investor Account Services which maintains his/her CDC account for incorporation of banks account details for credit of cash dividend declared by the Company from time to time.

AFFIX
CORRECT
POSTAGE

The Company Secretary
INDUS DYEING & MANUFACTURING CO. LTD.
5th Floor 508 Beaumont Plaza Beaumont Road
Civil Lines Quarters Karachi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INDUS DYEING & MANUFACTURING COMPANY LIMITED

HEAD OFFICE :

Office # 508, 5th Floor, Beaumont Plaza,
Civil Lines Quarters,
Karachi-75563 (Pakistan)

www.indus-group.com