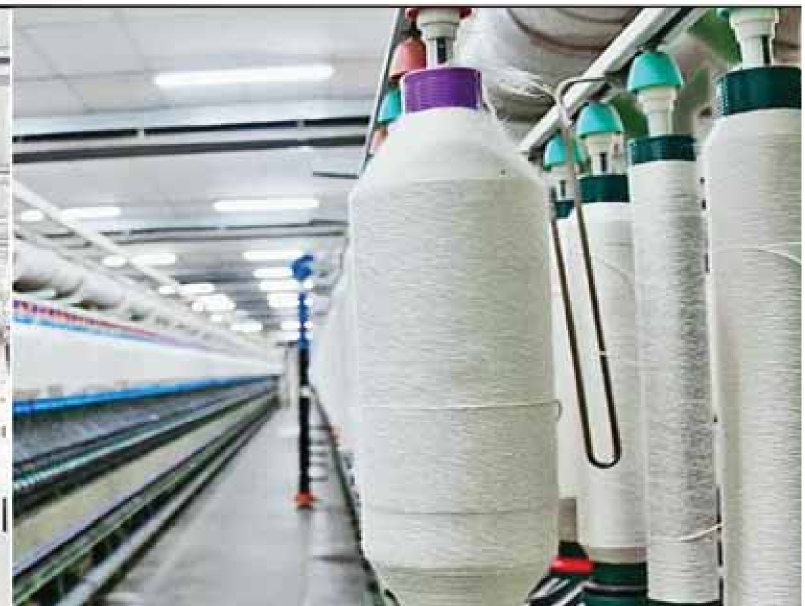
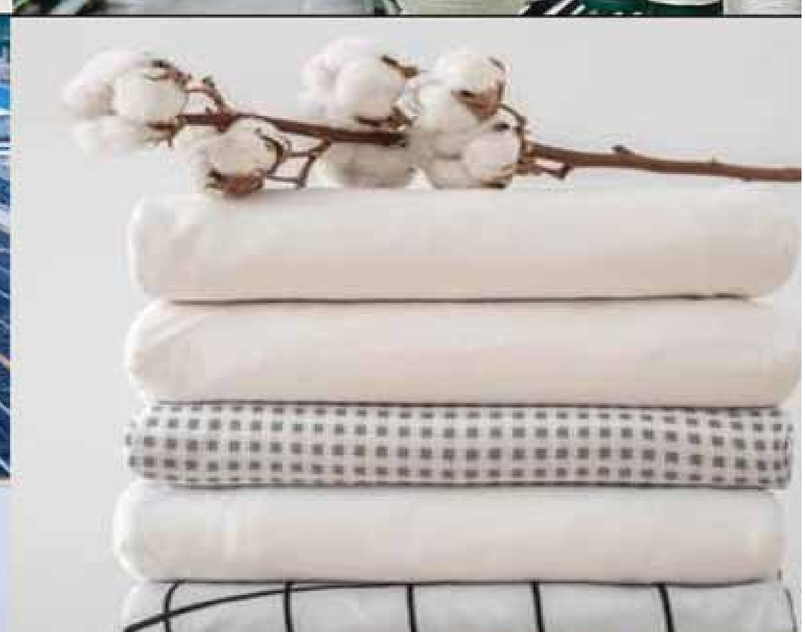
INDUS DYEING & MANUFACTURING
COMPANY LIMITED

ANNUAL REPORT 2024



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. Yasir Anwar

Chief Internal Auditor
Mr. Yaseen Hamidia

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

Registered1 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., Hyderabad, Sindh.	Tel. 0223 - 886281 & 84
2	Plot No. 3 & 7, Sector-25 Korangi Industrial Area, Karachi.	Tel: 021 – 35061577-9
3	Muzaffergarh, Bagga Sher, District Multan.	Tel. 0662 - 490202 – 205
4	Indus Lyallpur Limited. 38th Kilometer, Shaikhupura Road, District Faisalabad.	Tel: 041-4689235-6
5	Indus Home Limited. 2.5 Kilometer, Off Manga Raiwind Road, Manga Mandi, Lahore.	UAN 111-404-405 Tel. 042-35385021-7
6	Indus Wind Energy Limited. Deh Kohistan 7/3 & 7/4, Tapo Jangshahi, Taluka & District Thatta	UAN 111-404-404 Tel 021-3569654 (Ext – 177)

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, 2024

Dear Shareholders,

On behalf of the board of Directors, I am pleased to present to you the annual results of the company for the year ended June 30, 2024. I would like to take this opportunity to invite you for the 67th Annual General Meeting of the Company.

Review of the Boards Performance

The Board recognizes that well-defined corporate governance processes are vital in enhancing corporate accountability and is committed to ensuring high standards of corporate governance to preserve and maintain stakeholders' value. The composition of the Board depicts reasonable balance and diversity, including independent directors. The Board possesses the requisite skills, core competencies, and industry knowledge to lead the Company effectively. During the year, the Board performed its duties as required under the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019, effectively and diligently. The Board has confirmed that internal control systems are sound in design and have been effectively implemented and monitored by the Board Audit Committee. The annual evaluation of the performance of the Board as a whole and its committees has been carried out following the requirements of the Regulations to ensure that the Board's overall performance is in line with the developed comprehensive criteria and found its performance satisfactory.

Review of Company's Performance

For the financial year ended June 30, 2024, the Board's overall performance and effectiveness has been assessed as satisfactory. Sales of the Company have shown growth amounting to Rs. 67.7 billion however gross profit margins have reduced from 7.46% to 6.02%. The net profit after tax has decreased from Rs. 707.952 million to Rs.72.995 million.

Further, I would like to appreciate the hard work of the management in achieving these results during a challenging economic landscape. The management is working towards improving efficiencies in operations, sales and marketing to emerge as a market leader.

On behalf of the board, I would like to thank all stakeholders for their continued confidence in the Company and for their support, dedication and hard work

October 04, 2024
Chairman

Naveed Ahmed

Directors' Review
FOR THE YEAR ENDED JUNE 30, 2024

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 30, 2024 before the Sixty-Seven Annual General Meeting of the Company.

The consolidated financial highlights of the Company are as under:

	For the year ended June 30 **2024**	**2023**
	(Rupees in 000)	
Sales	105,635,554	81,565,482
Gross profit	8,069,054	8,924,777
Other operating income	935,473	699,726
Finance cost	(5,017,318)	(3,564,483)
Provision for taxation	(525,774)	(1,022,527)
Profit for the year after taxation	**532,647**	**1,992,117**
Earnings per shar–e basic and diluted (net)	9.82	36.74

DIVIDEND

The Board of Directors have not declared any dividend for the year ended June 30, 2024 account of working capital requirements and the liquidity position.

EARNING PER SHARE

The consolidated earnings per share is Rs. 9.82 as compared to Rs. 36.74 per share last year. Earnings per share of the Company on a stand-alone basis is Rs. 1.35 per share as compared to Rs. 13.06 per share last year.

CHANGE IN NATURE OF BUSINESS

No change occurred in the nature of Company's business during the period.

BUSINESS OVERVIEW

Company performance is satisfactory with growth in sales. During the year under review group sales of the company has increased by 29.5 % over the last year and has earned net profit after tax of Rs. 532.647 million over last year profits of Rs. 1,992.117 million.

FUTURE OUTLOOK

The global economy is anticipated to grow at a moderate pace, with Pakistan's GDP projected to expand at just under 4%. Inflation is expected to ease in the coming year, and the State Bank of Pakistan (SBP) may lower the discount rate further in response to global price trends. The domestic currency has shown stability with the onset of the new year, and continued policy consistency is essential to maintain this trend. The government has also secured a staff-level agreement with the IMF for a USD 7 billion Extended Fund Facility (EFF), which is expected to materialize soon. This agreement could pave the way for other international lenders to extend or roll over their financial facilities.

A major challenge for the textile sector this year is the damage to Pakistan's cotton crop due to persistent Monsoon rains, particularly in key cotton-producing regions. Continuous rainfall has delayed harvesting and led to a sharp drop in seed-cotton arrivals, forcing many ginning factories to cease operations due to insufficient supply. As of mid-August, cotton arrivals dropped significantly to just 1.0 million bales, compared to 2.1 million bales during the same period last year. Heavy rains have worsened the situation, further damaging the crop.

Additional challenges arise from measures introduced in the Finance Bill, including the withdrawal of the zero-rating facility on local supplies under the Export Facilitation Scheme (EFS), the imposition of duties on raw material imports, an increase in infrastructure CESS, and a shift in the taxation system from a Final Tax regime to a Normal Tax regime. These changes are straining cash flow management and making Pakistan textile sector less competitive in the international market.

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 party transactions have been provided in Note 42 of the annexed financial statements for the year ended June 30, 2024.

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 30, 2024 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	03
3	Non-Executive Director	04

The names of the directors as at June 30, 2024 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 received in shares through gift of the company by the CEO, Directors, spouses and Minor as follows:

S.No	Name	Shares Transfer
1	Mian Shahzad Ahmed	200,000

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	4/4
2	Mian Shahzad Ahmed	4/4
3	Mian Imran Ahmed	4/4
4	Mr. Irfan Ahmed	4/4
5	Mr. Kashif Riaz	4/4
6	Mr. Sheikh Shafqat Masood	4/4
7	Mr. Faisal Hanif	4/4
8	Mr. Aamir Amin	4/4
9	Ms. Azra Yaqub Vawda	4/4
10	Mrs. Fadia Kashif	4/4

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 2023 to June 2024. 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 protecting a sound climate for everyone by complying with all environmental 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, 2024 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

Mian Imran Ahmed
Director

Dated: October 04, 2024
Karachi

Key operating and financial results

	2019	2020	2021	2022	2023	2024
	Rupees in "000"					
Operating data			Restated	Restated		
Turn over	25,131,061	27,342,812	33,337,610	49,913,263	49,730,688	68,181,724
Less : commission	(204,775)	(241,507)	(272,251)	(452,147)	(412,149)	(473,940)
Sales (net)	24,926,286	27,101,305	33,065,359	49,461,116	49,318,539	67,707,784
Gross profit	2,701,831	2,210,426	4,955,614	10,360,461	3,679,328	4,076,832
Profit before tax	2,047,663	1,189,053	3,834,554	8,164,629	1,188,976	439,138
Profit after tax	1,724,254	901,929	3,212,295	7,687,322	707,952	72,995
Financial data						
Gross assets	22,716,984	22,224,224	26,496,314	38,358,374	45,461,504	43,860,421
Return on equity	13.79%	7.03%	20.26%	33.05%	2.97%	0.31%
Current assets	12,289,316	11,674,462	13,331,374	22,026,240	26,274,353	24,221,402
Shareholders equity	12,503,105	12,830,965	15,853,051	23,261,639	23,832,204	23,849,176
Long term debts	2,315,636	3,470,559	4,360,130	5,490,477	6,878,150	6,076,354
Current liabilities	7,898,243	5,922,700	6,283,133	9,606,258	14,751,150	13,934,891
Key ratios						
Gross profit ratio	10.84%	8.16%	14.99%	20.95%	7.46%	6.02%
Net profit	6.92%	3.33%	9.71%	15.54%	1.44%	0.11%
Debt / equity ratio	64:36	68 : 32	71:29	70:30	59:41	63:37
Current ratio	1.56	1.97	2.08	2.08	1.78	1.73
Earning per share (basic and diluted)	95.40	49.90	59.24	141.78	13.06	1.35
Dividend (percentage)						
- Cash	250%	300%	100%	50%	20%	-
	Final	Interim	Interim	Interim	Interim	-
- Bonus	-	-	200%	-	-	-
Statistics						
Production (tons)	52,690	47,285	48,452	50,701	47,878	62,644

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS OF INDUS DYEING & MANUFACTURING CO. LIMITED
June 30, 2024

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held	Percentage of Total Capital
955	1	100	41,548	0.08
672	101	500	172,590	0.32
194	501	1,000	152,420	0.28
211	1,001	5,000	487,435	0.90
30	5,001	15,000	270,072	0.50
11	15,001	50,000	254,675	0.47
4	50,001	100,000	228,822	0.42
5	100,001	500,000	1,409,754	2.60
2	500,001	1,300,000	2,219,148	4.09
10	1,300,001	4,000,000	21,841,107	40.28
4	4,000,001	6,500,000	20,143,224	37.15
1	6,500,001	10,771,000	7,000,401	12.91
2,099			**54,221,196**	**100.00**

Categories of Shareholding

Shareholders	No. of Share Holders	Shares Held	Percentage
Individuals	2,071	18,619,850	34.34
Joint Stock Companies	10	7,938	0.01
Financial Institutions	3	1,529,031	2.82
Insurance Companies	1	1,339,815	2.47
Mutual Fund	2	1,719,960	3.17
Directors, CEO their Spouses & Minor Children	12	31,004,602	57.18
	2,099	**54,221,196**	**100**

INDIVIDUALS	**2,071**		**18,619,850**
JOINT STOCK COMPANIES	**10**		
S.H. BUKHARI SECURITIES (PVT) LIMITED		1,575	
NH CAPITAL (PVT) LIMITED		30	
KAMAL FACTORY (PVT) LTD		4200	
UNITED CAPITAL SECURITIES (PVT) LTD		51	
AZEEM SERVICES (PVT) LIMITED		594	
BLACK STONE EQUITIES (PVT) LTD		318	
INVESTMENT CORPORATION OF PAKISTAN		126	
HABIB & SONS LTD		255	
FIRST CAPITAL EQUITIES LTD		786	
KTRADE SECURITIES (PVT) LTD		3	
			7,938
FINANCIAL INSTITUTIONS	**3**		
National Bank of Pakistan (Treasury OPS. DIV.)		415,650	
National Investment Trust		33,681	
United Bank Limited Trading Port Folio		1,079,700	
			1,529,031

INSURANCE COMPANIES	**1**		
State Life Insurance Corp. of Pakistan		1,339,815	
			1,339,815
MUTUAL FUND	**2**		
CDC-Trustee National Investmet (UNIT) Trust		1,575,885	
Trustee National Bank of Pakistan (Emp Pension Fund)		144,075	
			1,719,960
DIRECTORS AND THEIR SPOUSES	**12**		
Mr. Shahzad Ahmed		4,249,370	
Mr. Naveed Ahmed		3,216,537	
Mr. Kashif Riaz		5,293,215	
Mr. Imran Ahmed		2,986,589	
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	
			31,004,602
			54,221,196

Shareholders holding 10% or more voting interest in the company as at June 30, 2024

Name	Holding	Percentage
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 2023-2024

Name	Purchase	Sold	Gift
Mian Shahzad Ahmed			**200,000**

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
Indus Dyeing and Manufacturing Company Limited
For the year ended June 30, 2024

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

1. The total number of directors are 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 Mr. Aamir Amin Ms. Azra Yaqub Vawda
Non-Executive Directors	Mr. Sheikh Shafqat Masood Ms. Fadia Kashif Mr. Irfan Ahmed Mr. Naveed Ahmed
Executive Directors	Mian Shahzad Ahmed (CEO) Mian Imran Ahmed Mr. Kashif Riaz
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 for the Company. The Board has ensured that a complete record of particulars of significant policies along with their dates of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of the Board;

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

9. All of the ten Directors of the Company are exempt from the requirement of the directors training program on account of having more than 18 years of experience;

10. No new appointment of the Chief Financial Officer, Company Secretary and Head of Internal Audit 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 the relevant requirements of the Regulations;

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

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

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

b) HR and Remuneration Committee

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

c) Nomination Committee

Chairman	Mr. Mian Shahzad Ahmed
Member	Mr. Naveed Ahmed Mr. Sheikh Shafqat Masood

d) Risk Management Committee

Chairman	Mr. Sheikh Shafqat Masood
Member	Mr. Faisal Hanif Mr. Mian Shahzad Ahmed

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

14. The frequency of meetings of the committee was as follows:

	Committee	No. of Meetings
a)	Audit Committee	04 quarterly meetings
b)	Human Resource and Remuneration Committee	01 annual meeting
c)	Nomination Committee	01 annual meeting
d)	Risk Management Committee	01 annual meeting

15. The Board has set up an effective internal audit function, considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company,

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with the 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 ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company,

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

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27,32, 33, and 36 of the Regulations have been complied with except that the Company has three independent directors out of ten directors. Fractional requirement for Independent directors have not been rounded up as all independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations under which hereby fulfill the necessary requirements; therefore, not warrant the appointment of a fourth independent director; and

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 are below:

S. No.	Non-Mandatory Requirement	Reg. No.	Explanation
1.	**Disclosure of Significant Policies** The Company may post on its website key elements of its significant policies including DE&I and protection against harassment at workplace as advised by SECP vide its SRO 920 (1)/2024 dated 12 June 2024	35 (1,3,4) and 10 (4)	Currently, the Company has voluntarily disclosed its CSR policy on its website. However, the Company is committed to comply with this requirement and is planning to place other significant policies as per requirement of the regulation including policies for DE&I and anti harassment.
2.	**Directors Training Program for Female Executive and Head of Departments** It is encouraged to obtain DTP certification for female executive and one head of department every year starting from July 2020 and July 2022 respectively.	19 (3)	The Company has not arranged any training under Directors' Training Program for female executives and head of the department during the year. However, the Company plans to arrange such trainings in the near future.
3.	**Sustainability Risks and Opportunities** The Board has been made responsible to consider Sustainability Risks and Opportunities and make policies to promote diversity, equity and inclusion (DE&I) and make strategies, priorities and targets. Also board is required to periodically review and monitor and disclose the assessment of risks and disclose measures taken.	10 (A.1)	On June 12, 2024, the SECP has amended the Regulations, and added these requirements. Board will assess the requirement and will make policies in due course of time.

Mr. Naveed Ahmed
Chairman

Director

Date: October 04, 2024
Karachi

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 67th Annual General Meeting of Indus Dyeing & Manufacturing Company Limited will be held at Indus Dyeing & Manufacturing Company Limited, Plot No. 3 & 7, Sector No. 25, Korangi Industrial Area, Karachi on Monday, October 28, 2024 at 11:15 a.m. to transact the following business:

ORDINARY BUSINESS:

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

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, 2024, together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.

3. In accordance with Section 223 of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)2023 dated March 21, 2023, the annual report the Company, including the annual audited financial statements, auditor's report, Directors' report, Chairman's review report and other reports contained therein, can be accessed through the following web link and QR enabled code.

Weblink	**QR Enabled Code**
https://indus-group.com/financial-information-idym/	

4. To appoint the Statutory Auditors for the year ending June 30, 2025 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.

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, 2024 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. 41 of the Financial Statements of the Company for the year ended June 30, 2024 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 2024-2025 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 affected due to majority of Board members are interested in any agenda item.

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

   Resolved Further 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 2024-25.

   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 affected due to majority of Board members are interested in any agenda item till the next Annual General Meeting. However, in order to ensure transparency in these transactions.

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
Ahmed Faheem Niazi

Karachi
Date: 4th October 2024

Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 22, 2024 to October 28, 2024 (both days inclusive). 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 October 21, 2024 will be considered in time to attend and vote at the Meeting.

2. Availability of Financial Statements and Reports on the Website

The Annual Report of the Company for the year ended June 30, 2024 has been placed on the Company's website **https://www.indus-group.com.** The Annual Reports and quarterly financial statements of prior periods are also available. **https://indus-group.com/download/**

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. Access and Transmission of Annual Report

In accordance with the provision of section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(1)2023 dated March 21, 2023, the Company has circulated the notice of AGM along with QR enabled code and web link to view and download the audited financial statements of the Company for the year ended June 30, 2024.

5. Transmission of Annual Report through Email

Pursuant to the SRO No. 787(I)/2024 dated: September 08, 2014, issued by the Securities and Exchange Commission of Pakistan, permitted the Company to circulate its Annual Balance Sheet, Profit and Loss Account, Auditor's Report and Directors' Report etc., ("Annual Report") along with the notice of Annual General Meeting ("Notice"), to its shareholders by email. Shareholders of the Company, who wish to receive the Company's Annual Report and Notice by email, are requested to provide complete Electronic Communication details to the Share Registrar of the Company. However, the Company may provide a hard copy of the Annual Report and Notice to such members on their request, free of cost, within seven days of receipt of such request.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. Video-Link Arrangement for online Participation in the 67th 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 11:00 A.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.

13. 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 67th Annual General Meeting of the Company.

Signature of Member

14. 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.

15. 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.

16. 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 of Material facts concerning special business pursuant to section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business given in agenda item(s) No.5 to 6 of this Notice of AGM, which will be considered to be transacted in the AGM of the Company. The purpose of this statement is to set forth the material facts concerning such Special Businesses:

Agenda Item No. 5 & 6 of the Notice –

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 2023-2024 to be ratified as disclosed in Note No. 41 of the Financial Statements of the Company for the year ended June 30, 2024

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 affected due to majority of Board members are interested in any agenda item). 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 2024-25.

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.

Directors Interest:

The Directors do not have any interest in the Special Business, whether directly or indirectly, except to the extent of their shareholding in the Company.

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, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

Yousuf Adil

Chartered Accountants

Place: Karachi
Date: October 05, 2024
UDIN: CR202410186t70efiRFP

INDEPENDENT AUDITOR'S REPORT
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, 2024 and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information 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, 2024 and of the profit, the 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**	
	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 28 to the unconsolidated financial statements.	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;

	The Company generates revenue by exporting and selling locally. 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'. During the year, net sales has increased by 37.29% which is mainly due to increase in the volume. We considered revenue recognition as key audit matter as it is one of the key performance indicators of the Company and for the year revenue has been increased significantly comparing to previous year. In addition to that, occurrence and recognition of revenue in correct period is considered as significant risk as part of audit process.	• Obtained an understanding of revenue from customers and assessed the design and implementation of controls established for 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 checking 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 stock-in-trade is disclosed in note 10 to the unconsolidated financial statements. Stock-in-trade forms material part of the Company's assets comprising around 25.45% of total assets. The stock in trade is carried at lower of cost or net realizable value. The cost of finished goods and work in process is determined using the average manufacturing costs including production overheads, which includes judgment in relation to the allocation of overheads, which are incurred in bringing the finished goods to its present location and condition. Judgments are also involved in determining the net realizable value (NRV) (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 NRV and checked future selling prices by performing a review of sales close to and subsequent to the year-end and costs necessary to make the sales; and • Checked the calculations of NRV of itemized list of stock-in-trade, on selected sample and compared the NRV 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: October 05, 2024
UDIN: AR202410186zbTfuhRMF

Unconsolidated Statement of Financial Position
As at June 30, 2024

ASSETS	Note	2024	2023
		(Rupees in '000)	
Non-current assets			
Property, plant and equipment	6	**12,952,745**	12,777,385
Intangibles	7	**2,441**	3,487
Long-term investments	8	**6,399,992**	6,399,992
Long-term deposits		**6,890**	6,287
Deferred taxation	21	**276,951**	-
		19,639,019	19,187,151
Current assets			
Stores, spares and loose tools	9	**851,486**	611,043
Stock-in-trade	10	**11,164,028**	14,180,099
Trade debts	11	**10,528,715**	10,239,282
Loans and advances	12	**164,264**	102,121
Trade deposits and short term prepayments	13	**34,295**	87,383
Other receivables	14	**279,040**	133,599
Other financial assets	15	**31,096**	38,933
Tax refundable	16	**983,604**	594,329
Cash and bank balances	17	**184,874**	287,564
		24,221,402	26,274,353
TOTAL ASSETS		**43,860,421**	45,461,504
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
Issued, subscribed and paid up capital	18	**542,211**	542,211
Reserves	19	**23,000,000**	15,000,000
Unappropriated profits		**306,965**	8,289,993
		23,849,176	23,832,204
Non-current liabilities			
Long-term financing	20	**5,524,710**	6,059,252
Deferred taxation	21	**-**	49,786
Deferred liabilities	22	**551,644**	749,997
Lease liabilities	23	**-**	19,115
		6,076,354	6,878,150
Current liabilities			
Trade and other payables	24	**3,593,148**	2,931,781
Unclaimed dividend		**2,383**	19,009
Interest / mark-up payable	25	**351,854**	496,693
Short-term borrowings	26	**8,054,575**	9,823,276
Current portion of long term financing	20	**886,761**	658,975
Current portion of deferred liabilities	22	**1,021,545**	802,688
Current portion of lease liabilities	23	**24,625**	18,728
		13,934,891	14,751,150
TOTAL EQUITY AND LIABILITIES		**43,860,421**	45,461,504
CONTINGENCIES AND COMMITMENTS	27		

The annexed notes from 1 to 51 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, 2024

	Note	2024	Restated 2023
		-------------(Rupees in 000)-----------	
Revenue from contract with customers	28	**67,707,784**	49,318,539
Cost of goods sold	29	**(63,630,952)**	(45,639,211)
Gross profit		**4,076,832**	3,679,328
Other income	30	**168,235**	341,113
Distribution cost	31	**(695,856)**	(496,095)
Administrative expenses	32	**(494,779)**	(422,408)
Other operating expenses	33	**(51,778)**	(345,109)
Finance cost	34	**(2,563,516)**	(1,567,853)
		(3,805,929)	(2,831,465)
Profit before levies and taxation		**439,138**	1,188,976
Levies	35	**(855,535)**	(503,186)
(Loss) / profit before taxation		**(416,397)**	685,790
Taxation	36	**489,392**	22,162
Profit for the year		**72,995**	707,952
		(Rupees)	
Earnings per share - basic and diluted	37	**1.35**	13.06

The annexed notes from 1 to 51 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, 2024

	Note	2024	2023
		-------------(Rupees in 000)-----------	
Profit for the year		**72,995**	707,952
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability	21.1.6	**(61,167)**	(32,017)
Less: tax thereon		**5,144**	3,072
		-	
		(56,023)	(28,945)
Total comprehensive income for the year		**16,972**	679,007

The annexed notes from 1 to 51 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, 2024

		Note	2024	2023
			(Rupees in 000)	
A.	**Cash flows from operating activities**			
	Cash generated from operations	38	**7,588,434**	2,636,848
	Levies and taxes paid		**(1,050,444)**	(1,300,911)
	Finance cost paid		**(2,309,199)**	(1,149,473)
	Gas Infrastructure Development Cess paid	22.3	**-**	(4,129)
	Gratuity paid	22.1.4	**(106,085)**	(177,683)
	Net cash generated from operating activities		**4,122,706**	4,652
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment - net of CWIP		**(1,355,199)**	(3,746,455)
	Proceeds from operating fixed assets		**7,688**	43,554
	Proceeds from redemption of investments in other financial assets		**27,085**	28,437
	Long-term deposits paid		**(603)**	-
	Dividend received		**3,330**	156,053
	Net cash used in investing activities		**(1,317,699)**	(3,518,411)
C.	**Cash flows from financing activities**			
	Long-term finance obtained	20.1	**395,536**	2,494,859
	Repayments of long-term finance	20.1	**(778,149)**	(569,381)
	Repayment of lease liabilities		**(20,520)**	(17,025)
	Dividend paid		**(16,626)**	(93,168)
	Net cash (used in) / generated from financing activities		**(419,759)**	1,815,285
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**2,385,248**	(1,698,474)
	Cash and cash equivalents at beginning of the year		**(2,404,741)**	(705,865)
	Effect of exchange rate changes on cash and cash equivalents		**(161)**	(402)
	Cash and cash equivalents at end of the year	39	**(19,654)**	(2,404,741)

The annexed notes from 1 to 51 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, 2024

	Issued, subscribed and paid up capital	Reserves					Total
		Capital (note 19)			Revenue		
		Share premium	Merger reserve	Investment and bonus	General reserve	Unappropriated profits	
	(Rupees in '000)						
Balance as at June 30, 2022	542,211	10,920	11,512	-	8,977,568	13,719,428	23,261,639
Profit for the year	-	-	-	-	-	707,952	707,952
Other comprehensive income for the year - net of tax	-	-	-	-	-	(28,945)	(28,945)
Total comprehensive income for the year	-	-	-		-	679,007	679,007
Transfer from unappropriated profits to General reserve	-	-	-	-	6,000,000	(6,000,000)	-
Transactions with owners							
Interim cash dividend @ Rs.2 per share	-	-	-	-	-	(108,442)	(108,442)
Balance as at June 30, 2023	542,211	10,920	11,512	-	14,977,568	8,289,993	23,832,204
Profit for the year	**-**	**-**	**-**	**-**	**-**	**72,995**	**72,995**
Other comprehensive income for the year - net of tax	**-**	**-**	**-**	**-**	**-**	**(56,023)**	**(56,023)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**16,972**	**16,972**
Transfer from unappropriated profits to Capital reserve	**-**	**-**	**-**	**6,000,000**	**-**	**(6,000,000)**	**-**
Transfer from unappropriated profits to General reserve	**-**	**-**	**-**	**-**	**2,000,000**	**(2,000,000)**	**-**
Balance as at June 30, 2024	**542,211**	**10,920**	**11,512**	**6,000,000**	**16,977,568**	**306,965**	**23,849,176**

The annexed notes from 1 to 51 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, 2024

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, Bagger 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 Pakistan Rupees which is the Company's functional and presentation currency. All financial information presented in Pakistan 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, right of use of asset and lease liability which are measured at present value and certain financial instruments which are carried at fair value.

2.4 Amendments to accounting standards that are effective for the year ended June 30, 2024

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

- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - 'Disclosure of accounting policies'

- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

- Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

- Amendments to IAS 12 ' Income Taxes' - International Tax Reform - Pillar Two Model Rules

2.5 New standard and amendments to accounting standards that are not yet effective

The following new accounting standard and amendments are 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 unconsolidated financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial Instruments Disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – 'Insurance Contracts' (including ammendments made in June 2020 and December 2021)	January 01, 2026

- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and measurement of financial instruments — January 01, 2026

Other than the aforesaid amendments, 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 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

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 6.1)
- Incremental borrowing rate used in discounting of future cashflows of right of use asset (note 4.1.3 and 6.5)
- Useful lives of intangibles (note 4.2 and 7)
- Net realizable value of stock-in-trade (note 4.5 and 10)
- Provision for slow moving and obsolete items (note 4.4 and 9)
- Provision for impairment of trade debts and other receivables (note 4.6.5, 11 and 14)
- Classification and impairment of investment (note 4.6.1, 4.6.5, 8 and 15)
- Provision for levies, current and deferred taxation (note 4.8, 35 and 36)
- Provision for gratuity (note 4.9 and 22)
- Discounting of Gas Infrastructure Development Cess (GIDC) (note 22.3)

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated financial statements are set out below. These have been consistently applied to all the years presented, except for taxation policy as disclosed in note 4.8.

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 financial year end, if significant.

Depreciation is charged to income applying the reducing balance method at the rates specified in the note 6.1. 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 recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and 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 recognised 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 7. 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 recognised 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 recognised 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 lower of moving average cost and net realizable value less impairment, if any, for obsolete items. Items in transit are valued at cost incurred up to the reporting date.

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 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 amortization 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 derecognizes 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 recognizes 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 recognize the financial asset and also recognizes a collateralized 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

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-months ECL. The assessment of whether lifetime ECL should be recognised 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-months 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 recognised, 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 recognised.

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 recognised 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 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 after considering, the average effective rate of tax.

Deferred income tax asset is recognised 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.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

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, 2024.

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

4.10 Deferred government grant

The benefit of interest rate lower than market rate on borrowings obtained under Temporary Economic Refinance Facility (TERF) for setting up imported and locally manufactured plants and machinery for new projects, 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 recognised in statement of profit or loss in the period in which they are incurred.

4.12 Provisions

Provisions are recognised 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 recognised 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.

For each sale transaction, purchase order forms a contract between the Company and a customer and the goods to be delivered under that contract are the Company's identified performance obligation, the contract contains determined and allocated transaction price. The Company satisfies a performance obligation on delivery of goods to the customer and recognizes the revenue.

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 (EPS)

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 46 to these financial statements.

5. CHANGE IN ACCOUNTING POLICY

The Institute of Chartered Accountants of Pakistan (ICAP) issued 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the guide) in May 2024 and withdrawn the Technical Release 27 'IAS 12 - Income Taxes (Revised 2012)'. The guide requires to classify certain amounts of tax paid under minimum and final tax regime separately as a levies instead of classifying under current tax.

The guide has provided two approaches namely Approah A and Approach B to select any of them considering the business model of the Company. The Company has selected Approach B, according to which, designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as levies falling under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. For calculation of deferred tax, effective rate of tax is required to be used.

This change has been considered as change in accounting policy and has been applied retrospectively in these unconsolidated financial statements in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'. Following are the effects as a result of this change:

	2023		
	Had there been no change in accounting policy	**After incorporating effects of change in accounting policy**	**Impact of change in accounting policy**
	----------------- (Rupees in '000) ----------------------		
Unconsolidated statement of profit or loss			
Profit before taxation	1,188,976	685,790	503,186
Levies	-	503,186	503,186
Taxation	481,024	22,162	503,186

There has been no effect on the unconsolidated statement of financial position, the unconsolidated statement of cash flows and earnings per share as a result of above change.

The enacted rate for deferred tax has been used as per the guide, which is not materially different from the tax rate used for the calculation of deferred tax previously. Therefore, comparative figures have not been restated.

	Note	**2024**	2023
		---------- (Rupees in '000) ---------	
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	**12,661,459**	10,614,933
Capital work-in-progress	6.4	**275,340**	2,133,127
Right of use assets	6.5	**15,946**	29,325
		12,952,745	12,777,385

6.1 **Operating fixed assets**

Particulars	Cost at July 01, 2023	Additions / (disposal) during the year	Cost at June 30, 2024	Accumulated depreciation at July 01, 2023	Depreciation / (disposals) for the year	Accumulated depreciation at June 30, 2024	Carrying value at June 30, 2024	Depreciation rate
	2024							
	(Rupees in '000)							%
Freehold land	845,144	-	845,144	-	-	-	845,144	-
Leasehold land	137,799	-	137,799	-	-	-	137,799	-
Factory buildings on leasehold land	2,070,805	359,927	2,430,732	765,646	74,649	840,295	1,590,437	5%
Non-factory buildings on on leasehold land	181,618	-	181,618	138,856	4,277	143,133	38,485	10%
Office building	98,415	-	98,415	36,215	3,110	39,325	59,090	5%
Plant and machinery	13,398,965	2,195,866	15,594,831	6,722,579	859,948	7,582,527	8,012,304	10%
Electric installations	407,975	206,946	614,921	190,194	41,935	232,129	382,792	10%
Solar panels	489,088	332,330	821,418	47,039	63,041	110,080	711,338	10%
Power generators	1,237,694	63,432	1,301,126	570,514	70,039	640,553	660,573	10%
Office equipment	21,968	9,451	31,419	10,578	1,682	12,260	19,159	10%
Furniture and fixtures	37,506	460	37,966	16,960	2,093	19,053	18,913	10%
Vehicles	415,835	44,574 (16,880)	443,529	229,298	42,276 (13,470)	258,104	185,425	20%
June 30, 2024	19,342,812	3,212,986 (16,880)	22,538,918	8,727,879	1,163,050 (13,470)	9,877,459	12,661,459	

For comparative period

Particulars	Cost at July 01, 2022	Additions / (disposal) / during the year	Cost at June 30, 2023	Accumulated depreciation at July 01, 2022	Depreciation / (disposals) for the year	Accumulated depreciation at June 30, 2023	Carrying value at June 30, 2023	Depreciation rate
	2023							
	(Rupees in '000)							%
Freehold land	845,144	-	845,144	-	-	-	845,144	-
Leasehold land	137,799	-	137,799	-	-	-	137,799	-
Factory buildings on leasehold land	1,891,372	179,433	2,070,805	700,364	65,282	765,646	1,305,159	5%
Non-factory buildings on on leasehold land	181,618	-	181,618	134,104	4,752	138,856	42,762	10%
Office building	98,415	-	98,415	32,941	3,274	36,215	62,200	5%
Plant and machinery	11,998,251	1,531,596 (130,882)	13,398,965	6,235,924	588,231 (101,576)	6,722,579	6,676,386	10%
Electric installations	338,043	69,932	407,975	167,557	22,637	190,194	217,781	10%
Solar panels	217,065	272,023	489,088	12,408	34,631	47,039	442,049	10%
Power generators	1,197,224	59,947 (19,477)	1,237,694	517,099	70,996 (17,581)	570,514	667,180	10%
Office equipment	20,811	1,157	21,968	9,375	1,203	10,578	11,390	10%
Furniture and fixtures	35,355	2,151	37,506	14,762	2,198	16,960	20,546	10%
Vehicles	394,978	42,288 (21,431)	415,835	199,853	42,924 (13,479)	229,298	186,537	20%
June 30, 2023	17,356,075	2,158,527 (171,790)	19,342,812	8,024,387	836,128 (132,636)	8,727,879	10,614,933	

	Note	2024	2023
		---------- (Rupees in '000) ---------	
6.1.1 Allocation of depreciation			
Cost of goods sold	29	**1,115,769**	788,341
Administrative expenses	32	**47,281**	47,788
		1,163,050	836,129

6.2 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) -----	-----	-----			
Vehicles								
Suzuki Cultus	1,250	(930)	320	400	80	Negotiation	Mr. Muhammad Ahmed	None
Corolla GLI	2,379	(1,577)	802	975	173	Negotiation	Mr. Shahzeb Tariq	None
Suzuki Cultus	1,406	(1,067)	339	500	161	Negotiation	Ms. Gul Sumaira Bushra	None
Honda Vezel	3,604	(3,083)	521	600	79	Negotiation	Mr. Muhammad Saqib	None
Toyota Corolla GLI	1,862	(1,513)	349	3,500	3,151	Insurance claim	Adamjee Insurance Co. Ltd	None
Honda Civic	3,013	(2,420)	593	850	257	Negotiation	Mr. Saif ullah	None
Express 70 CC	62	(34)	28	33	5	Negotiation	Mr. Zafar	Employee
Yamaha YB125Z	163	(82)	81	139	58	Negotiation	Mr. Sajjid Ali	None
New Bike 70CC	71	(23)	48	76	28	Insurance claim	Adamjee Insurance & Co.	None
Yamaha YBR 125G	222	(94)	128	198	70	Negotiation	Mr. Muhammad Fahad	None
Unique 70 CC	57	(34)	23	32	9	Negotiation	Mr. Shahid	Employee
Yamaha 125Z	128	(80)	48	120	72	Negotiation	Mr. Malik Abdul Momin	Employee
Hi Speed 70CC	50	(31)	19	25	6	Negotiation	Muhammad Shoaib	None
Suzuki Pickup	345	(345)	-	50	50	Negotiation	Mr. Kashif Rajpoot	None
Suzuki Mehran VXR	390	(384)	6	50	44	Negotiation	Mr. Kashif Rajpoot	None
Toyota Corolla Altis	1,787	(1,712)	75	100	25	Negotiation	Mr. Muhammad Yaseen	None
High Speed - 70	43	(30)	13	12	(1)	Negotiation	Mr. Haseeb Ali	None
Motor Bike Unique	48	(31)	17	28	11	Negotiation	Mr. Muhammad Azam	None
2024	**16,880**	**(13,470)**	**3,410**	**7,688**	**4,278**			
2023	171,790	(132,635)	39,155	43,554	4,399			

6.3 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	Manufacturing / Storage facility and business expansion	40.00	1,742,400
Naseerpur land - Adda Pira Ghayaib, Mototly Road	Manufacturing facility	8.28	360,459
Muzaffargarh 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

6.4 Capital work-in-progress

	Note	2024	2023
		(Rupees in '000)	
Civil works		**55,897**	338,228
Plant and machinery	6.4.2	**25,195**	1,584,769
Solar panels		**154,931**	205,206
Power generator		**39,317**	4,924
	6.4.1	**275,340**	2,133,127

6.4.1 Capital work-in-progress

	Civil works	Plant and machinery	Solar panels	Power generators	Total
	(Rupees '000)				
As at June 30, 2022	121,570	361,322	57,707	4,599	545,198
Additions during the year	381,077	1,734,666	412,778	58,945	2,587,466
Transferred to operating fixed assets	(164,419)	(511,219)	(265,279)	(58,620)	(999,537)
As at June 30, 2023	338,228	1,584,769	205,206	4,924	2,133,127
Additions during the year	**76,610**	**55,646**	**181,373**	**78,131**	391,760
Transferred to operating fixed assets	**(358,941)**	**(1,615,220)**	**(231,648)**	**(43,738)**	(2,249,547)
As at June 30, 2024	**55,897**	**25,195**	**154,931**	**39,317**	275,340

6.4.2 It includes borrowing costs capitalized amounting to Rs. Nil (2023: Rs. 155.428 million) and capitalisation rate of Nil (2023: 2.75% - 23.33%) incurred on long term finance attributable to expansion in production facility.

6.5 Right of use assets

	Note	2024	2023
		(Rupees in '000)	
Office premises			
Cost		**73,311**	73,311
Modification	6.5.1	**2,568**	-
Cost after modification		**75,879**	73,311
Depreciation			
- Opening		**43,986**	29,324
- For the year	6.5.2	**15,947**	14,662
Accumulated depreciation		**59,933**	43,986
Net book value as at June 30		**15,946**	29,325

It 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.

6.5.1 On July 01, 2020, the Company entered into lease agreement in relation to the offices situated at 5th and 6th Floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi, for a period of 5 years. During the year, the agreement was amended to increase the rental payment in relation to the office area.

6.5.2 Depreciation is charged on a lease term of 5 years on straight line basis and has been charged in 'Administrative expenses' (Note 32).

	Note	**2024**	2023
		-------- (Rupees in '000) --------	
7. INTANGIBLES			
Software			
Cost		**26,341**	26,341
Amortization			
- Opening		**22,854**	21,359
- For the year	7.1	**1,046**	1,495
Accumulated amortization		**(23,900)**	(22,854)
Net book value as at June 30		**2,441**	3,487
Annual amortization rate		**30%**	30%

7.1 Amortization for the year has been charged to 'Administrative expenses' (Note 32).

	Note	**2024**	2023
		-------- (Rupees in '000) --------	
8. LONG-TERM INVESTMENTS			
Investment in associate at cost	8.1	**13,476**	13,476
Investment in subsidiaries at cost			
- Indus Home Limited (IHL)	8.2	**2,491,204**	2,491,204
- Indus Lyallpur Limited (ILP)	8.3	**1,635,000**	1,635,000
- Indus Wind Energy Limited (IWE)	8.4	**2,260,312**	2,260,312
		6,386,516	6,386,516
		6,399,992	6,399,992

8.1 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.

8.2 Indus Home Limited (IHL)

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.

8.3 Indus Lyallpur Limited (ILP)

ILP is a wholly owned subsidiary of the Company, the subsidiary 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.

8.4 Indus Wind Energy Limited (IWE)

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	**2024**	2023
		-------- (Rupees in '000) --------	
9. STORES, SPARES AND LOOSE TOOLS			
Stores, spares and loose tools	9.1	**867,834**	624,780
Provision for slow moving and obsolete items	9.2	**(16,348)**	(13,737)
		851,486	611,043

9.1 It includes stores and spares in transit amounting to Rs. 284.077 million (2023: Rs. 68.536 million).

	Note	**2024**	2023
		-------- (Rupees in '000) --------	
9.2 Movement of provision for slow moving and obsolete items			
Balance as at July 01		**13,737**	102,506
Provision / (reversal) made during the year	29.3	**2,611**	(88,769)
Balance as at June 30		**16,348**	13,737

10. STOCK-IN-TRADE

	2024	2023
Raw material		
- in hand	**5,650,140**	9,674,110
- in transit	**2,015,263**	1,577,530
	7,665,403	11,251,640
Work-in-process	**648,338**	687,799
Finished goods	**2,485,483**	1,913,044
Packing material	**127,689**	112,696
Waste	**237,115**	214,920
	11,164,028	14,180,099

Net realisable value of finished goods were lower than its cost, which resulted in written down of Rs. Nil (2023: Rs. 26.545 million) charged to cost of sales.

	Note	2024	2023
		-------- (Rupees in '000) --------	
11. TRADE DEBTS			
Secured			
Foreign debtors	11.1	**1,892,074**	3,926,035
Local debtors	11.1	**365,071**	511,991
Unsecured			
Local debtors	11.2 & 11.3	**8,276,886**	5,806,572
	11.4	**10,534,031**	10,244,598
Allowance for expected credit loss	11.5	**(5,316)**	(5,316)
		10,528,715	10,239,282

11.1 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 credit worthy banks.

11.2 This includes Rs.145.199 million (2023: Rs. Nil) due to related parties (refer note 41 for details).

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

	Maximum aggregate outstanding at the end of any month	0 to 30 days	31 to 180 days	More than 180 days	Total as at June 30
	---------- (Rupees in '000) ----------				
2024					
Indus Lyallpur Limited	**52,861**	**9,783**	**-**	**-**	**9,783**
Indus Home Limited	**137,053**	**72,058**	**-**	**-**	**72,058**
Sunrays Textile Mills Limited	**412,698**	**63,358**	**-**	**-**	**63,358**
2023					
Indus Lyallpur Limited	38,291	-	-	-	-
Indus Home Limited	76,854	-	-	-	-

	Note	2024	2023
		-------- (Rupees in '000) --------	
11.4 Ageing of trade debts			
Not yet due		**8,010,555**	6,918,460
Past due within 30 days		**1,712,237**	2,351,346
Past due within 31 to 60 days		**588,029**	759,232
Past due within 61 to 90 days		**107,043**	101,129
Past due within 91 to 180 days		**92,354**	79,995
Past due beyond 180 days		**23,813**	34,436
		10,534,031	10,244,598
11.5 Allowance for expected credit loss			
Balance as at July 01		**5,316**	11,816
Provision made during the year	33	**-**	5,685
Write off made during the year		**-**	(12,185)
Balance as at June 30		**5,316**	5,316
12. LOANS AND ADVANCES			
Loans and advances to staff	12.1	**15,015**	8,826
Advance income tax and levies - net		**99,159**	55,165
Advances to:			
- Suppliers		**10,343**	1,715
- Others		**39,747**	36,415
		50,090	38,130
		164,264	102,121

12.1 These are interest free, secured against gratuity entitlements and granted not more than Rs. 1,000,000 to a person which is recoverbale within a year.

	Note	2024	2023
		-------- (Rupees in '000) --------	
13. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Deposits against bank guarantee		**3,135**	6,338
Other deposits		**11,887**	3,526
Prepayments		**19,273**	77,519
		34,295	87,383

14. OTHER RECEIVABLES

Cotton claims receivables	**188,477**	114,350
Others	**90,563**	19,249
	279,040	133,599

15. OTHER FINANCIAL ASSETS

At fair value through profit or loss

Investment in ordinary shares of listed companies	15.1	**31,096**	38,933

15.1 Investment in ordinary shares of listed companies

2024	2023			**2024**	2023
--- (Number of shares) ---		**Investee company**	**Note**	-------- (Rupees in '000) --------	
42,000	42,000	Bestway Cement Limited		**9,420**	6,090
-	30,000	Fauji Fertilizer Company Limited		**-**	2,953
15,000	15,000	Habib Bank Limited		**1,860**	1,098
2,350,000	2,350,000	K-Electric Limited		**10,881**	4,042
-	19,156	Pakistan State Oil Company Limited		**-**	2,127
-	10,000	Pak Elektron Limited		**-**	90
25,950	25,950	Sitara Chemical Industries Limited		**8,935**	5,854
-	141,900	United Bank Limited		**-**	16,679
				31,096	38,933

16. TAX REFUNDABLE

Sales tax refundable	**965,458**	557,100
Income tax refundable	**18,146**	37,229
	983,604	594,329

17. CASH AND BANK BALANCES

With banks			
- in deposit accounts	17.1	**35,093**	64,202
- in current accounts	17.2	**131,418**	215,768
	17.2	**166,511**	279,970
Cash in hand		**18,363**	7,594
		184,874	287,564

17.1 Markup rates on these accounts range between 8.29% - 20.5% (2023: 7.39% - 20.65%) per annum.

17.2 These include balance in foreign currency accounts aggregating to Rs. 57.54 million (USD 0.207 million) at year end (2023: Rs. 146.173 million (USD 0.511 million).

18. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024	2023		Note	2024	2023
------- (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	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 Yousuf Textile Mills Limited (YTML), determined as at October 01, 2004, in accordance with agreed share-swap ratio.

18.2 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.

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

19. RESERVES

	Note	2024	2023
		---------- (Rupees in '000) ----------	
Capital reserves			
Share premium	19.1	**10,920**	10,920
Merger reserve	19.2	**11,512**	11,512
Investment and bonus	19.3	**6,000,000**	-
		6,022,432	22,432
Revenue reserves			
General reserve	19.4	**16,977,568**	14,977,568
		23,000,000	15,000,000

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 Company over (b) consideration to shareholders of YTML as per the Scheme of Amalgamation. (Refer note 18.1)

19.3 The Board of Directors of the Company in its meeting held on February 28, 2024, decided to allocate a sum of Rs. 6 billion as not available for distribution by way of dividend for purpose of Investment and bonus in future years.

19.4 This represents reserves created out of profits of the Company. The Company has transferred Rs. 2 billion (2023: Rs. 6 billion) out of unappropriated profit of the Company.

	2024	2023
	(Rupees in '000)	
20. LONG-TERM FINANCING		
Secured		
From banking companies	**6,411,471**	6,718,227
Current portion shown in current liabilities	**(886,761)**	(658,975)
	5,524,710	6,059,252

20.1 Details and movement are as follows:

Name of banks	As at July 01, 2023	Cash flows: Acquired during the year	Cash flows: Repayment during the year	Amortization of government grant	As at June 30, 2024	Current maturity
	(Rupees in '000)					
Allied Bank Limited	667,076	-	(112,201)	-	554,875	113,573
Soneri Bank Limited	167,022	-	(26,240)	9,374	150,156	17,648
MCB Bank Limited	1,085,217	-	(196,592)	14,546	903,171	137,764
United Bank Limited	620,196	-	(96,878)	11,792	535,110	92,211
Habib Bank Limited	1,268,936	138,583	(162,173)	9,270	1,254,616	184,696
Askari Bank Limited	760,681	-	(113,845)	-	646,836	140,016
Habib Metropolitan Bank	264,259	-	(21,602)	1,900	244,557	33,569
The Bank of Punjab Limited	507,863	-	(1,563)	-	506,300	30,801
National Bank of Pakistan	527,859	-	(46,875)	28,975	509,959	47,545
Bank Alfalah Limited	681,560	22,540	(180)	-	703,920	68,502
Meezan Bank Limited	167,558	234,413	-	-	401,971	20,436
Total	**6,718,227**	**395,536**	**(778,149)**	**75,857**	**6,411,471**	**886,761**

20.2 Particulars of long-term financing

Type and nature of loan	2024 Amount outstanding	Mark up rate per annum	Terms of repayments
	(Rupees in '000)		
Long term finance facility (LTFF)	**2,475,197**	**2.50% to 5%**	**Quarterly and half yearly**
Temporary Economic Refinancing Facility (TERF)	**1,051,296**	**1.75% to 2.25%**	**Quarterly**
Renewable Energy	**594,544**	**3% to 6%**	**Quarterly**
Term finances	**2,290,434**	**3 months KIBOR + 0.5% to 1.25%**	**Quarterly**
	6,411,471		

Type and nature of loan	2023		
	Amount outstanding	Mark up rate per annum	Terms of Repayments
	Rupees in '000		
Long term finance facility (LTFF)	2,863,651	2.50% to 4.9%	Quarterly and half yearly
Temporary Economic Refinancing Facility (TERF)	1,155,140	1.75% to 2.25%	Quarterly
Renewable Energy	462,698	3% to 4%	Quarterly
Term finances	2,236,738	3 months KIBOR + 0.5% to 0.9%	Quarterly
	6,718,227		

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

20.4 Long-term financing

Name of institution	2024 Sanctioned amount	2024 Outstanding amount excluding government grant	Details of financing, security and repayment terms
	------- (Rs. in '000) ------		
Allied Bank Limited	795,000	554,580	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 32 equal quarterly instalments. Mark up rate is 2.5% on this facility and repayable on quarterly basis.
Soneri Bank Limited	216,000	185,751	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 on quarterly basis.
MCB Bank Limited	2,265,000	961,904	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 32 equal quarterly instalments with 2 years grace period of Temporary Economic Refinancing Facility, Long Term Financing Facility

			and Term loan. Mark up rate is 1.75% on Temporary Economic Refinancing Facility, 2.5% on Long Term Financing Facility and 3 months KIBOR + 0.75% on Term loan and repayable on quarterly basis.
United Bank Limited	1,565,000	571,883	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 32 equal quarterly instalments with 2 years grace period. Mark up rate is 2.25% on temporary Economic Refinancing Facility, 2.5% on Long Term Financing Facility and SBP rate +1% on Renewable Energy Financing Facility and repayable on quarterly basis.
Habib Bank Limited	2,702,000	1,286,134	This 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 instalments of Temporary Economic Refinancing Facility & Term loan and 16 equal half yearly Instalments with 2 years grace period of 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 3 month KIBOR + 0.75% on Term loan and repayable on quarterly basis. During the year, the Company has entered into an arrangement with the bank for obtaining Solar loan. The repayment of loan (principal amount) will be made in 28 equal quarterly instalments. Markup rate is 6% per annum.
Askari Bank Limited	1,518,000	646,836	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 32 equal quarterly instalments with 2 years grace period of Long term Financing Facility and 16 equal quarterly instalments with 1 year grace period of Term loan. Mark up rate is 2.5% to 4.75% on Long term Financing Facility and 3 month KIBOR + 1.25% on Term loan and repayable on quarterly basis.
Habib Metropolitan Bank Limited	1,103,000	252,206	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 32 equal quarterly instalments with 2 years grace period of Temporary Economic Refinancing Facility, Long Term Financing Facility and Term loan. Mark up rate is 3% on Long term Financing Facility, 2% on temporary Economic Refinancing Facility and SBP rate + 1% on Renewable Energy Financing Facility and repayable on quarterly basis.

The Bank of Punjab Limited	2,243,000	506,301	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 32 equal quarterly instalments with 2 years grace period. Mark up rate is 3 months KIBOR + 1% spread against Term loan and 5% against long term finance facility and repayable on quarterly basis.
National Bank of Pakistan	750,000	641,887	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 32 quarterly instalments with 2 years grace period. Mark up rate is 1.8% on temporary Economic Refinancing Facility and SBP rate + 1.25% on Renewable Energy Financing Facility and repayable on quarterly basis.
Bank AlFalah Limited	850,000	703,920	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 32 equal quarterly instalments with 2 years grace period. Mark up rate is KIBOR + 0.90% against Term loan and 3% to 5% against long term finance facility and repayable on quarterly basis. During the year, the Company has entered into an arrangement with the bank for obtaining Solar loan. The repayment of loan (principal amount) will be made in 32 quarterly instalments with 2 years grace period. Markup rate for the first year is 3 month KIBOR + 0.9% spread and later will be 3% to 6% as per renewable energy facility markup rates. This is because all solar loans are first disbursed as term finance loans and later on converted into renewable energy loans.
Meezan Bank Limited	1,832,000	401,971	The facility is secured against existing joint pari passu charge over Company's fixed assets against with 25% margin. The repayment of loan (principal amount) will be made in 32 equal quarterly instalments with 2 years grace period. Mark up rate is 3% against long term finance facility and repayable on quarterly basis. During the year, the Company has entered into an arrangement with the Bank for obtaining Term loan. This facility is secured against Joint Pari Passu charge over Plant and Machinery located at Karachi, Muzaffargarh and Hyderabad. The repayment of loan (principal amount) will be made in 32 equal quarterly instalments with 2 years grace period. Mark up rate is 3 month kibor + 0.5% spread.
Total		**6,713,373**	

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

21. DEFERRED TAXATION

Movement for the year ended June 30, 2024	Opening balance	Recognised in statement of profit or loss	Recognised in statement of comprehensive income	Closing balance
	(Rupees in '000)			
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(23,524)	(64,275)	(5,144)	(92,943)
- provision of stores and spare parts	-	(4,741)	-	(4,741)
- provision of trade debts	(253)	(2,575)	-	(2,828)
- other financial assets	(578)	(3,485)	-	(4,063)
- short term borrowings	10,073	(11,614)	-	(1,541)
- lease liability	(3,631)	(3,510)	-	(7,141)
- minimum tax credits	(197,272)	(855,535)	-	(1,052,807)
Others	(5,907)	(837)	-	(6,744)
	(221,092)	(946,572)	(5,144)	(1,172,808)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	267,865	622,962	-	890,827
- right of use asset	2,814	1,810	-	4,624
- unclaimed amortization on intangibles	199	224	-	423
	270,878	624,996	-	895,874
Deferred tax liability / (asset)	49,786	(321,576)	(5,144)	(276,934)

Movement for the year ended June 30, 2023	Opening balance	Recognised in statement of profit or loss	Recognised in statement of comprehensive income	Closing balance
	(Rupees in '000)			
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(21,537)	1,085	(3,072)	(23,524)
- provision of stores and spare parts	(8,388)	8,388	-	-
- provision of trade debts	6,511	(6,764)	-	(253)
- other financial assets	(748)	170	-	(578)
- short term borrowings	-	10,073	-	10,073
- lease liability	(4,266)	635	-	(3,631)
- minimum tax credits	-	(197,272)	-	(197,272)
Others	(71,884)	65,977	-	(5,907)
	(100,312)	(117,708)	(3,072)	(221,092)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	206,868	60,997	-	267,865
- right of use asset	3,597	(783)	-	2,814
- unclaimed amortization on intangibles	24	175	-	199
	210,489	60,389	-	270,878
Deferred tax liability	110,177	(57,319)	(3,072)	49,786

22. DEFERRED LIABILITIES	Note	2024	2023
		-------- (Rupees in '000) --------	
Provision for gratuity	22.1.3	**320,492**	245,190
Deferred government grant	22.2	**301,902**	377,759
Gas Infrastructure Development Cess (GIDC)	22.3	**950,795**	929,736
		1,573,189	1,552,685
Current Portion of:			
Deferred government grant	22.2	**(70,750)**	(75,857)
Gas Infrastructure Development Cess (GIDC)	22.3	**(950,795)**	(726,831)
		551,644	749,997

22.1 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, 2024 using Projected Unit Credit Method. Details of assumptions used and the amounts recognised in these unconsolidated financial statements are as follows:

22.1.1 Significant actuarial assumptions and methods

	2024	2023
Discount rate	**14.75%**	16.25%
Expected rate of increase in salary level	**14.75%**	16.25%
Weighted average duration of defined benefit obligation	**7 years**	7 years
Average duration of liability	**6 years**	6 years

The critical gap between the discount rate and salary growth rate is zero for both years.

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 14.75% 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 of Pakistan regarding inflation, it has been assumed that the average rate of long-term future salary increases will be 14.75% (2023: 16.25%) 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.

		Note	2024	2023
			-------- (Rupees in '000) --------	
22.1.3	**Present value of defined benefit obligation**		**320,492**	245,190
22.1.4	**Movement in net defined benefit liability**			
	Balance at the beginning of the year		**245,190**	263,189
	Recognised in statement of profit or loss			
	Current service cost		**88,995**	91,746
	Losses on settlement		**-**	12,820
	Interest cost		**31,225**	23,101
			120,220	127,667
	Recognised in other comprehensive income			
	Actuarial loss - net	22.1.6	**61,167**	32,017
	Benefits paid		**(106,085)**	(177,683)
	Balance at the end of the year		**320,492**	245,190

		2024	2023
		-------- (Rupees in '000) --------	
22.1.5	**Expense recognised in profit or loss**		
	Current service cost	**88,995**	91,746
	Losses on settlement	**-**	12,820
	Net interest cost	**31,225**	23,101
	Expense recognize in profit or loss	**120,220**	127,667
22.1.6	**Remeasurement recognised in Other Comprehensive Income**		
	Loss from changes in financial assumption	**-**	17,501
	Experience loss	**61,167**	14,516
	Net re-measurements	**61,167**	32,017
22.1.7	**Net recognised liability**		
	Net liability at the beginning of year	**245,190**	263,189
	Expense recognised in profit or loss	**120,220**	127,667
	Benefits paid during the year	**(106,085)**	(177,683)
	Remeasurement recognised in other comprehensive income	**61,167**	32,017
		320,492	245,190

22.1.8 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%	18,571	(19,719)
Salary growth rate	1%	(19,712)	18,575

22.1.9 The expected gratuity expense for the next year amounts to Rs.151.515 million.

22.1.10 The expected maturity analysis of undiscounted retirement benefit obligation is:

	2024	2023
	Undiscounted payments	
	-------- (Rupees in '000) -------	
Year 1	**38,368**	32,371
Year 2	**44,097**	33,606
Year 3	**50,951**	38,921
Year 4	**58,396**	49,995
Year 5	**65,057**	52,096
Year 6 and above	**350,880**	301,027

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

22.1.11 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.

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) in respect of Temporary Economic Refinancing Facility (TERF) as disclosed in Note 20. There are no unfulfilled conditions or other contingencies attached to this grant.

	Note	2024	2023
		-------- (Rupees in '000) --------	
Opening		**377,759**	6,430
Government grant recognised		**-**	451,051
Amortization of government grant	30	**(75,857)**	(79,722)
		301,902	377,759
Current portion of deferred government grant		**(70,750)**	(75,857)
		231,152	301,902

22.3 Gas Infrastructure Development Cess

	2024	2023
Balance at the beginning of the year	**929,736**	892,169
Unwinding of interest	**21,059**	41,696
Payments made during the year	**-**	(4,129)
	950,795	929,736
Current portion shown in current liabilities	**(950,795)**	(726,831)
	-	202,905

22.3.1 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 Honourable Peshawar High Court declared the levy, imposition and recovery of the Cess unconstitutional with the direction to refund the “Cess” so far collected. Honourable 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 Honourable 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 Honourable 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 instalments, 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 forty eight equal instalments with one year grace period as oppose to twenty four equal instalments 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, due to this payment related to Karachi and Hyderabad unit has not yet paid.

23. LEASE LIABILITIES

	Note	**2024**	2023
		-------- (Rupees in '000) --------	
Balance as at July 01		**37,843**	52,136
Modification	6.5.1	**2,568**	-
Payments made		**(20,520)**	(17,025)
Interest accrued		**4,734**	2,732
	23.1	**24,625**	37,843
Current portion		**(24,625)**	(18,728)
Balance as at June 30		**-**	19,115

23.1 The future payments of lease liabilities are as follows:

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

	2024			2023		
	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	**24,625**	**-**	**24,625**	18,728	1,486	17,242
later than one year but not later than five years	**-**	**-**	**-**	20,601	-	20,601
	24,625	**-**	**24,625**	39,329	1,486	37,843

	Note	2024	2023
		-------- (Rupees in '000) --------	
24. TRADE AND OTHER PAYABLES			
Creditors	24.1	**893,987**	627,031
Accrued liabilities		**1,160,499**	1,009,388
Infrastructure cess	24.2	**1,191,409**	1,021,247
Contract liabilities		**97,562**	86,905
Workers' Profits Participation Fund	24.3	**23,254**	61,568
Workers' Welfare Fund	24.4	**5,733**	3,058
Withholding tax payable		**18,149**	7,681
Other payables		**64,865**	37,309
Sales tax payable		**-**	46,030
Income tax and levies payable		**137,690**	31,564
		3,593,148	2,931,781

24.1 This includes Rs. 0.023 million (2023: Rs.129.714 million) due to related parties (refer note 41 for details).

24.2 This represents Government of Sindh, provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Taxation Department, on goods entering or leaving the province of Sindh, through air or sea at prescribed rate, under the Sindh Finance Ordinance, 2001. The imposition of the levy was initially challenged by the Company along with other affectees, in the High Court of Sindh, and the Court was pleased to grant an interim injunction, vide Order dated May 31, 2011, to the effect that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be deposited with the Court until the final order is passed. However, as a matter of prudence, in 2021 the Company has paid 50% of the value of infrastructure fee to the concerned department and recorded liability for the remaining amount which is supported by a bank guarantee. Starting from September 2021, the Company is providing 100% bank guarantee in accordance with the order of Supreme Court of Pakistan dated September 01, 2021.

	Note	2024	2023
		------ (Rupees in '000) ------	
24.3 Workers' Profits Participation Fund			
Balance at beginning of the year		**61,568**	(5,283)
Allocation for the year	33	**23,254**	61,568
		84,822	56,285
Adjustment of excess amount		-	5,283
Payments made during the year		**(61,568)**	-
Balance at end of the year		**23,254**	61,568

	Note	2024	2023
		------- (Rupees in '000) -------	
24.4 Workers' Welfare Fund			
Balance at beginning of the year		**3,058**	22,250
Allocation for the year	33	**2,675**	3,058
		5,733	25,308
Reversal of excess provision	33	**-**	(22,250)
Balance at end of the year		**5,733**	3,058

25. INTEREST / MARK-UP PAYABLE

On secured loans from banking companies:			
- Long-term financing		**164,195**	158,109
- Short-term borrowings		**187,659**	338,584
		351,854	496,693

26. SHORT-TERM BORROWINGS

From banking companies - secured			
Running finance	26.1	**204,528**	2,692,305
Foreign currency financing against export / import	26.2	**4,645,047**	4,047,940
Money market	26.3	**3,205,000**	3,083,031
	26.4	**8,054,575**	9,823,276

26.1 These carry mark-up ranging from 1 month to 3 months KIBOR + 0.1% to 1% (2023: 1 week to 3 months KIBOR + 0.1% to 1%). These are secured against charge over current assets of the Company.

26.2 These carry mark-up ranging from 5.25% to 9.2% (2023: 3% to 6.75%) on foreign currency borrowing amount. These arrangements are secured against charge over current assets of the Company.

26.3 These carry mark-up ranging from 1 week to 3 months KIBOR + 0.05% to 0.75% (2023: KIBOR + 0.05% to 0.75%) on Money Market borrowing amount. These arrangements are secured against charge over current assets of the Company.

26.4 The Company has aggregated short-term borrowing facilities amounting to Rs. 20,175 million (2023: Rs. 17,000 million) from various commercial banks.

27. CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 The Company has recognised GIDC payable amounting to Rs. 929.736 million in these unconsolidated 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 Honourable Lahore High Court, which is pending adjudication. The management of the Company expect favourable outcome in this regard.

27.1.2 The Company is defendant in certain sales tax related matters with aggregate demand of Rs. 1.357 million (2023. 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 financial statements in this respect.

27.1.3 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 Supreme Court of Pakistan against the decision of the Sindh High Court.

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.

		2024	2023
		-------- (Rupees in '000) --------	
27.1.4	Claim of arrears of social security contribution not acknowledged, appeal is pending in High Court of Sindh. The management is hopeful for favourable outcome.	**453**	453
27.1.5	Guarantees issued by banks in favour of custom authorities on behalf of the Company	**3,817**	3,817
27.1.6	Guarantees issued by banks in favour of gas / electric / oil companies	**179,314**	133,186
27.1.7	Bank guarantees against payment of infrastructure cess	**1,294,542**	1,114,542

27.2 Commitments

	2024	2023
Letters of credit for raw material and stores and spares	**3,493,383**	1,929,906
Letters of credit for property, plant and equipment	**141,745**	282,317
Stand by letter of credit (Subsidiary)	**1,614,998**	1,715,940
Sales contracts to be executed	**3,845,786**	3,118,754
Commitment under forward contract	**-**	286,599
Commitment to Pakistan State Oil	**7,500**	7,500

27.3 The Company has total unutilized facility limit against letter of credits aggregating to Rs. 6.662 billion (2023: Rs. 3.218 billion) as of reporting date.

28. REVENUE FROM CONTRACT WITH CUSTOMERS

	Note	**2024**	2023
		------- (Rupees in '000) -------	
Export sales	28.1 & 28.2	**44,896,493**	33,024,318
<u>Less:</u>			
Commission		**(208,692)**	(129,122)
Sales tax on indirect exports		**(624,916)**	(2,660,753)
		44,062,885	30,234,443

Local sales			
Yarn		**23,520,881**	20,203,066
Cotton / Fiber		**885,487**	993,032
Waste		**3,734,814**	1,368,044
		28,141,182	22,564,142
Less:			
Brokerage on local sales		**(265,248)**	(281,526)
Sales discount		**-**	(1,501)
Sales tax on local sales:			
- Yarn		**(3,723,100)**	(3,141,446)
-Waste		**(569,741)**	(203,365)
		(4,292,841)	(3,344,811)
		67,645,978	49,170,747
Other revenue	28.3	**61,806**	147,792
		67,707,784	49,318,539

28.1 This includes indirect exports of Rs. 18,444.461 million (2023: Rs. 15,427.740 million)

28.2 This includes indirect exports to related parties of Rs. 173.219 million (2023: Rs. 287.416 million) (refer note 41 for details).

28.3 This represents realized exchange gain on export sales.

		Note	2024	2023
28.4	**Disaggregation of export sales into geographical area:**		--------- (Rupees in '000)	----------
	- Bangladesh		**91,880**	397,927
	- Brazil		**100,113**	206,397
	- Belgium		**-**	87,467
	- China		**22,460,367**	9,593,509
	- Egypt		**-**	157,354
	- Germany		**36,812**	34,168
	- France		**-**	138,709
	- Italy		**358,255**	550,520
	- Hong Kong		**-**	30,936
	- Japan		**227,036**	196,083
	- Korea		**-**	366,920
	- Netherland		**65,312**	-
	- Malaysia		**37,536**	39,540
	- Mexico		**58,003**	16,101
	- Philippines		**-**	20,456
	- Portugal		**209,847**	644,853
	- South Korea		**302,282**	-
	- Sweden		**101,122**	81,234
	- Spain		**77,773**	73,104
	- Taiwan		**107,232**	134,905
	- Turkey		**885,176**	1,269,557
	- UK		**-**	40,355
	- USA		**493,178**	489,168
	- Vietnam		**6,500**	237,439
	- Indirect exports		**19,069,377**	18,088,494
	Total sales		**44,687,801**	32,895,196
	Less: Sales tax on indirect exports		**(624,916)**	(2,660,753)
			44,062,885	30,234,443
29.	**COST OF GOODS SOLD**			
	Raw material consumed	29.1 & 29.2	**51,922,008**	39,913,208
	Manufacturing expenses	29.3	**11,297,615**	6,561,203
	Outside purchases			
	yarn for processing excluding conversion cost		**966,502**	654,263
			64,186,125	47,128,674
	Work in process			
	- Opening		**687,799**	411,546
	- Closing	10	**(648,338)**	(687,799)
			39,461	(276,253)
	Finished goods			
	- Opening		**1,913,044**	799,371
	- Closing	10	**(2,485,483)**	(1,913,044)
			(572,439)	(1,113,673)
	Waste			
	- Opening		**214,920**	115,383
	- Closing	10	**(237,115)**	(214,920)
			(22,195)	(99,537)
			63,630,952	45,639,211

	Note	2024	2023
		---------- (Rupees in '000) ---------	
29.1 Raw material consumed			
Opening stock		**9,674,110**	8,684,726
Purchases		**47,898,038**	40,902,592
		57,572,148	49,587,318
Closing stock	10	**(5,650,140)**	(9,674,110)
	29.2	**51,922,008**	39,913,208

29.2 This includes cost of raw material sold amounting to Rs. 884.553 million (2023: Rs. 764.562 million).

	Note	2024	2023
		--------- (Rupees in '000) ---------	
29.3 Manufacturing expenses			
Salaries, wages and benefits	29.3.1	**2,389,401**	2,011,284
Utilities		**5,991,088**	2,334,337
Packing material consumed		**637,961**	479,022
Provision / (reversal) for slow moving and obsolete items	9.2	**2,611**	(88,769)
Stores and spares consumed		**870,989**	723,485
Repairs and maintenance		**80,702**	111,387
Insurance		**40,062**	25,830
Rates and taxes		**4,162**	3,532
Depreciation on operating fixed assets	6.1.1	**1,115,769**	788,341
Others		**164,870**	172,754
		11,297,615	6,561,203

29.3.1 It includes staff retirement benefits of Rs. 110.564 million (2023: Rs. 120.606 million).

	Note	2024	2023
		--------- (Rupees in '000) ----------	
30. OTHER INCOME			
Scrap sales		**64,768**	38,342
Gain on disposal of operating fixed assets	6.2	**4,278**	4,399
Exchange gain on forward contract booking		**-**	58,760
Amortization of deferred government grants	22.2	**75,857**	79,722
Unrealized gain on revaluation of foreign currency debtors		**-**	2,682
Capital gain on sale of other financial assets		**5,236**	-
Unrealized gain on other financial assets		**14,012**	-
Dividend income		**3,330**	156,053
Profit on fixed deposits		**754**	1,155
		168,235	341,113

31. DISTRIBUTION COST

	Note	2024	2023
Export			
Ocean freight		**203,972**	231,614
Export development surcharge		**69,902**	31,596
Export charges		**175,799**	88,148
Local			
Salaries and benefits	31.1	**38,331**	27,009
Freight and other		**199,144**	114,995
Insurance		**8,708**	2,733
		695,856	496,095

31.1 It includes staff retirement benefits of Rs. 1.771 million (2023: Rs. 1.884 million).

32. ADMINISTRATIVE EXPENSES

	Note	2024	2023
		---------- (Rupees in '000)	---------
Salaries and benefits	32.1	**200,899**	150,586
Directors' remuneration other than meeting fees		**84,037**	74,154
Meeting fees		**600**	1,094
Repairs and maintenance		**4,147**	8,159
Postage and telephone		**12,152**	10,998
Traveling and conveyance		**9,558**	12,973
Vehicles running		**41,632**	33,778
Printing and stationery		**4,984**	5,477
Rent, rates and taxes		**4,035**	926
Utilities		**10,921**	7,969
Entertainment		**4,530**	4,347
Fees and subscription		**20,142**	18,103
Insurance		**7,977**	7,099
Legal and professional		**11,541**	3,613
Charity and donations		**-**	2,000
Auditor's remuneration	32.2	**3,025**	2,700
Depreciation on operating fixed assets	6.1.1	**47,281**	47,788
Depreciation on right of use assets	6.5	**15,947**	14,662
Amortization on intangible assets	7	**1,046**	1,495
Advertisement		**-**	1,345
Allowance for expected credit loss on trade debts		**-**	5,685
Others		**10,325**	7,457
		494,779	422,408

32.1 It includes staff retirement benefits of Rs. 7.885 million (2023: Rs. 5.177 million)

	Note	2024	2023
		---------- (Rupees in '000) ---------	
32.2 Auditors' remuneration			
Audit fee		**2,100**	1,909
Half year review fee		**550**	500
Fee for certifications		**100**	38
Out of pocket expenses		**275**	253
		3,025	2,700

33. OTHER OPERATING EXPENSES

	Note	2024	2023
Workers' Profits Participation Fund	24.3	**23,254**	61,568
Realized exchange loss on foreign currency- net		**734**	188,421
Unrealized exchange loss on foreign currency- net		**5,313**	104,994
Unrealized capital loss on other financial assets		**-**	6,021
Realized capital loss on other financial assets		**-**	3,297
Exchange loss on forward contract booking		**15,367**	-
Unrealized loss on revaluation of foreign currency debtors		**4,435**	-
Workers' Welfare Fund		**2,675**	(19,192)
		51,778	345,109

34. FINANCE COST	Note	2024	2023
		------------ (Rupees in '000) ----------	
Mark-up on:			
- long-term finance		**726,021**	545,724
- short-term borrowings		**1,514,199**	1,047,156
- lease liabilities		**4,734**	2,732
Bank charges and commission		**17,026**	26,568
Discounting charges on letters of credit		**280,477**	105,284
Unwinding of Government Infrastructure Development Cess		**21,059**	41,693
		2,563,516	1,769,157
Less: amounts included in the cost of qualifying asset	6.4.2	**-**	(155,428)
Less: Interest income on loan to subsidiary		**-**	(45,876)
		2,563,516	1,567,853

35. LEVIES	Note	2024	Restated 2023
		------------ (Rupees in '000) ---------	
Final taxes on:			
- export sales		**-**	282,507
- dividend income	35.1	**499**	23,408
Minimum taxes	35.2	**855,036**	197,272
		855,535	503,186

35.1 These represent final taxes paid on export sales, dividend income and capital gain account and are recognised as levies in line with the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 'Income Taxes' issued by Institute of Chartered Accountants of Pakistan.

35.2 This represents provision for minimum tax under section 113, of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these unconsolidated financial statements as per the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 'Income Taxes' issued by Institute of Chartered Accountants of Pakistan.

	2024	Restated 2023
	---------- (Rupees in '000)	----------
36. TAXATION		
Current		
- For the year	**-**	171,453
- Prior year	**(167,799)**	(136,296)
Deferred	**(321,593)**	(57,319)
	(489,392)	(22,162)
36.1 Relationship between tax expense and accounting profit		
Profit before levies and taxation	**439,138**	1,188,976
Tax rate %		
Tax rate	**29%**	29%
Tax on accounting profit	**127,350**	344,803
Effect of:		
Income chargeable to tax at reduced rates	**(466)**	(21,847)
Income chargeable to tax under final tax regime	**-**	51,924
Prior year	**(167,799)**	(136,296)
Impact of super tax	**-**	128,003
Impact of Minimum tax	**728,651**	171,756
Impact of levies	**(855,535)**	(503,186)
Deferred tax	**(321,593)**	(57,319)
Tax charge as per accounts	**(489,392)**	(22,162)

37. EARNINGS PER SHARE - BASIC AND DILUTED

37.1 Basic earnings per share	**2024**	2023
Profit for the year (Rupees in 000)	**72,995**	707,952
Weighted average number of ordinary shares outstanding during the year (Number)	**54,221,196**	54,221,196
Earnings per share - Basic and diluted (Rupees)	**1.35**	13.06

37.2 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.

	Note	**2024**	2023
		---------- (Rupees in '000) ---------	
38. CASH GENERATED FROM OPERATIONS			
Profit before levies and taxation		**439,138**	1,188,976
Adjustments for non cash and other items			
Depreciation on operating fixed asset	6.1.1	**1,163,050**	836,129
Depreciation on right of use assets	6.5	**15,947**	14,662
Amortization on intangibles	7	**1,046**	1,495
Provision for gratuity	22.1.5	**120,220**	127,667
Provision against doubtful debts	11.5	**-**	5,685
Provision / (reversal) for slow moving and obsolete stores	9.2	**2,611**	(88,769)
Unrealized capital (gain) / loss on other financial assets	30	**(14,012)**	6,021
Capital (gain) / loss on sale of other financial assets	30	**(5,236)**	3,297
Unrealized exchange loss on foreign currency loans - net	33	**5,152**	104,592
Unrealized exchange loss on foreign currency - net		**161**	402
Unrealized loss / (gain) on revaluation of foreign currency debtors	33	**4,435**	(2,682)
Gain on disposal of operating fixed assets	30	**(4,278)**	(4,399)
Dividend income	30	**(3,330)**	(156,053)
Amortization of deferred government grant	30	**(75,857)**	(79,722)
Finance cost	34	**2,244,954**	1,595,612
Unwinding of Gas Infrastructure Development Cess	34	**21,059**	41,693
Cash generated before working capital changes		**3,915,060**	3,594,606
Working capital changes			
Decrease / (increase) in current assets			
Stores, spares and loose tools		**(243,054)**	(49,006)
Stock-in-trade		**3,016,071**	(3,020,423)
Trade debts		**(293,868)**	(894,099)
Loans and advances		**(18,149)**	227,342
Trade deposits and short term prepayments		**53,088**	(19,257)
Other receivables		**(145,441)**	(6,355)
		2,368,647	(3,761,798)
Increase / (decrease) in current liabilities			
Trade and other payables		**590,803**	(323,999)
Short term borrowings (excluding running finance)		**713,924**	3,128,039
Cash generated from operations		**7,588,434**	2,636,848

	Note	2024	2023
		---------- (Rupees in '000) --------	
39. CASH AND CASH EQUIVALENTS			
Cash and bank balances	17	**184,874**	287,564
Short-term borrowings - running finance	26	**(204,528)**	(2,692,305)
		(19,654)	(2,404,741)

40. REMUNERATION TO CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

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

Particulars	**2024**				
	Chief Executive Officer	**Directors**		**Executives**	**Total**
		Executive	**Non-Executive**		
	------------------------------------ (Rupees in '000) ---------------------------------				
Remuneration	**-**	**60,450**	**-**	**108,433**	**168,883**
Medical	**-**	**-**	**-**	**3,580**	**3,580**
Utilities	**-**	**8,365**	**10,264**	**3,285**	**21,914**
Meeting fees	**-**	**-**	**600**	**-**	**600**
Retirement benefits	**-**	**-**	**-**	**8,831**	**8,831**
Total	**-**	**68,815**	**10,864**	**124,129**	**203,808**
Number of persons	**1**	**2**	**7**	**43**	**53**

Particulars	2023				
	Chief Executive Officer	Directors		Executives	Total
		Executive	Non-Executive		
	------------------------------------ (Rupees in '000) ------------------------------------				
Remuneration	-	58,081	-	103,180	161,261
Medical	-	-	-	3,113	3,113
Utilities	-	6,252	7,835	2,713	16,800
Meeting fees	-	-	1,094	-	1,094
Retirement benefits	-	-	-	6,875	6,875
Total	-	64,333	8,929	115,881	189,143
Number of persons	1	2	7	40	50

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

41. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries: Indus Lyallpur Limited, Indus Home Limited, Indus Wind Energy Limited, the associate (Sunrays Textile Mills 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 40 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	2024	2023
				--------- (Rupees in '000)	---------
Indus Lyallpur Limited	Subsidiary	100%	Conversion cost paid	**121,362**	140,809
			Conversion cost received	**139,951**	33,960
			Doubling cost received	**440**	2,295
			Waste sale	**-**	52,862
			Fiber sale	**23,809**	-
			Purchases	**-**	23,331
Indus Home Limited	Subsidiary	100%	Yarn, waste and cotton sale	**821,550**	461,874
			Purchases	**-**	118,173
			Conversion cost received	**195,088**	180,734
			Dividend received	**-**	150,000
Sunrays Textile Mills Limited	Associate due to common directorship	0.99%	Waste sale	**690,960**	-
			Waste purchase	**4,546**	-
			Dividend received	**-**	412
Indus Wind Energy Limited	Subsidiary	100%	Payment made on their behalf	**23**	-
			Recovered amounts	**-**	241,120
			Interest received	**-**	44,929
Directors	Directors	-	Dividend paid	**-**	72,122
	Spouse and sons of the Directors		Rentals paid	**20,520**	17,025
Balances outstanding as at the year end					
Indus Wind Energy Limited	Subsidiary	100%	Payable from related party	**(23)**	-
			Interest receivable	**-**	945
Indus Home Limited	Subsidiary	100%	Receivable / (payable) to related party	**72,058**	(62,554)
Indus Lyallpur Limited	Subsidiary	100%	Receivable / (payable) to related party	**9,783**	(68,313)
Sunrays Textile Mills Limited	Associate due to common directorship	0.99%	Receivable from related party	**63,358**	-

42. FINANCIAL INSTRUMENTS BY CATEGORY

	2024	2023
Financial assets	------ (Rupees in '000)	------
At amortised cost		
Long-term deposits	**6,890**	6,287
Trade debts	**10,528,715**	10,239,282
Loan	**15,015**	8,826
Other receivables	**279,040**	133,599
Trade deposits	**15,022**	9,864
Cash and bank balances	**184,874**	287,564
	11,029,556	10,685,422
At fair value through profit or loss		
Other financial assets	**31,096**	38,933
	11,060,652	10,724,355

	2024	2023
	-------- (Rupees in '000)	--------
Financial liabilities		
At amortised cost		
Long-term financing	**6,411,471**	6,718,227
Trade and other payables	**2,119,351**	1,673,728
Unclaimed dividend	**2,383**	19,009
Short-term borrowings	**8,054,575**	9,823,276
Interest / mark-up payable	**351,854**	496,693
Lease liabilities	**24,625**	37,843
	16,964,259	18,768,776

43. 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, investments, 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: credit risk, liquidity risk and market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk).

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

43.1 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:

	2024	2023
	--------- (Rupees in '000) ---------	
Long-term deposits	**6,890**	6,287
Trade debts	**10,528,715**	10,239,282
Loan	**15,015**	8,826
Other receivables	**279,040**	133,599
Trade deposits	**15,022**	9,864
Bank balances	**166,511**	279,970
	11,011,193	10,677,828

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	Credit rating Short-term
Habib Bank Limited	VIS	AAA	A1+
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	A1+
United Bank Limited	VIS	AAA	A1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
Meezan Bank Limited	VIS	AAA	A1+
Bank Alfalah Limited	PACRA	AAA	A1+
Bank Islami Pakistan	PACRA	AA-	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	VIS	AA	A1+

43.3 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.

43.3.1 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 2024	Carrying amount 2023
	---------- (Rupees in '000)	--------
Fixed rate instruments		
Financial liabilities	**8,766,084**	8,529,429
Variable rate instruments		
Financial liabilities		
- KIBOR based	**5,699,962**	8,012,074
Financial assets		
- KIBOR based	**35,093**	64,202

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, profit before tax would decrease / increase by Rs. 28.324 million (2023: Rs. 39.739 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.

43.3.2 Foreign exchange risk management

Exposure to currency risk	2024		2023	
	Rupees	US Dollar	Rupees	US Dollar
	('000)			
Trade debts	**1,892,074**	**6,798**	3,926,035	13,728
Bank balances	**57,510**	**207**	146,173	511
Foreign currency financing against export / import	**(4,645,047)**	**(16,688)**	(4,047,940)	(14,154)
	(2,695,463)	**(9,683)**	24,268	85

	2024	2023
Reporting date rate	**278.34**	285.99
Average rate	**283.24**	286.18

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, 2024, 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. 134.773 million (2023: higher / lower by Rs. 1.213 million) determined on the outstanding balance at year end.

43.3.3 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 at fair value was Rs. 31.096 million (2023: Rs. 38.933 million). A decrease / increase of 5% in market prices would have an impact of approximately Rs.1.555 million (2023: Rs. 1.946 million) on profit for the year determined based on market value of investments at year end.

43.4 Fair value estimation

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).

Details of fair value hierarchy and information relating to fair value of Company's investment categorised as fair value through profit or loss is as follows:

		June 30, 2024			
		Level 1	**Level 2**	**Level 3**	**Total**
	Note	**(Rupees in '000)**			
Financial assets measured at fair value					
Other financial assets	15	**31,096**	**-**	**-**	**31,096**

		June 30, 2023			
		Level 1	Level 2	Level 3	Total
		(Rupees in '000)			
Financial assets measured at fair value					
Other financial assets	15	38,933	-	-	38,933

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

44. 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, 2024 and 2023 were as follows:

	2024	2023
	---------- (Rupees in '000) ---------	
Total borrowings (note 20 & 26)	**14,466,046**	16,541,503
Less: cash and bank balances (note 17)	**(184,874)**	(287,564)
Net debt	**14,281,172**	16,253,939
Total equity	**23,849,176**	23,832,204
	38,130,348	40,086,143
Gearing ratio	**37%**	41%

The gearing ratio of the Company is decreased by 4% as the expansion in Karachi unit is completed.

45. CAPACITY AND PRODUCTION

Spinning units	**2024**	2023
Total number of spindles installed	**208,684**	193,493
Total number of spindles worked per annum (average)	**197,878**	166,333
Number of shifts worked per day	**3**	3
Installed capacity of yarn converted into 20 counts based on 365 days (lbs.)	**150,066,463**	132,421,772
Actual production for the year after conversion into 20 counts (lbs.)	**138,129,594**	105,552,620

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.

46. 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.

47. NUMBER OF EMPLOYEES

	Number of employees	
	2024	2023
Average number of employees during the year	**2,695**	2,538
Number of employees as at June 30	**2,858**	2,532

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

48. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Long term financing	Dividend	Lease liabilities
	(Rupees '000)		
Balance as at July 1, 2023	6,718,227	19,009	37,843
Non cash item	75,857	-	7,302
Financing cash inflows	395,536	-	-
Financing cash outflows	(778,149)	(16,626)	(20,520)
Balance as at June 30, 2024	**6,411,471**	**2,383**	**24,625**

49. EVENTS AFTER REPORTING PERIOD

The Board of Directors in its meeting proposed a final cash dividend of Rs. Nill per share amounting to Rs. million subject to the approval of the members in the forthcoming annual general meeting of the Company.

50. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements have been authorized for issue on October 04, 2024 by the Board of Directors of the Company.

51. GENERAL

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

Chief Financial Officer | Chief Executive Officer | Director

Consolidated Financial Results 2024

CONTENTS

Consolidated key operating and financial results

	2019	2020	2021	2022	2023	2024
	Rupees in "000"					
Operating data			Restated	Restated		
Turn over	35,671,070	37,531,458	49,447,226	75,925,194	82,286,210	106,428,831
Less : commission	(298,492)	(335,840)	(404,755)	(657,236)	(720,728)	(793,277)
Sales (net)	35,372,578	37,195,618	49,042,471	75,267,958	81,565,482	105,635,554
Gross profit	3,696,349	3,332,799	6,527,319	14,537,203	8,924,777	8,069,710
Profit before tax	2,689,111	1,636,314	4,727,475	10,829,919	3,014,644	1,058,421
Profit after tax	2,331,497	1,250,962	3,848,653	9,982,593	1,992,117	532,647
Financial data						
Gross assets	30,628,666	33,433,556	49,795,285	71,421,151	83,986,945	81,978,811
Return on equity	15.00%	7.69%	19.31%	33.69%	6.33%	1.67%
Current assets	18,831,882	19,028,756	24,340,750	38,080,529	46,310,699	42,531,616
Shareholders equity	15,544,391	16,274,138	19,931,962	29,635,026	31,481,480	31,947,595
Long term debts and deferred liabilities	3,509,206	7,012,451	15,264,269	20,452,214	22,900,141	21,093,190
Current liabilities	11,575,069	10,146,967	14,599,054	21,333,911	29,605,324	28,938,026
Key ratios						
Gross profit ratio	10.45%	8.96%	13.31%	19.31%	10.94%	7.64%
Net profit	6.59%	3.36%	7.85%	13.26%	2.44%	0.50%
Debt / equity ratio	61:39	57:43	53:47	53:47	58:42	55:45
Current ratio	1.63	1.87	1.66	1.78	1.56	1.46
Earning per share (basic and diluted)	129.00	69.21	70.98	184.11	36.74	9.82
Dividend (percentage)						
- Cash	250%	300%	100%	50%	20%	-
	Final	Interim	Interim	Interim	Interim	-
- Bonus	-	-	200%	-	-	-
Statistics						
Spinning Production (tons)	52,690	55,320	60,955	63,769	70,329	75,336
Weaving Production (tons)	9,985	8,938	11,315	11,114	9,323	9,742
Power Generation Production (MWh)	-	-	-	76,600	151,860	173,135

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INDUS DYEING AND MANUFACTURING COMPANY LIMITED
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2024 , and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information 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, 2024 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 order of 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:

Key audit matter	How our audit addressed the key audit matter
1. Revenue recognition	
The Group is mainly engaged in manufacturing and sale of yarn. Revenue recognition policy has been explained in notes 4.14 to the consolidated financial statements and the related amounts of revenue recognized during the year are disclosed in note 29 to the consolidated financial statements. The Company generates revenue by exporting and selling locally.	Our audit procedures, amongst others, included the following: • Considered the appropriateness of revenue recognition policy and compared it with the applicable accounting and reporting standards;
The Group 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 considered revenue recognition as key audit matter as it is one of the key performance indicators of the Group 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.	• 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 Group company has compiled 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 checking significant credit notes issued after year-end, if any; • Evaluated the adequacy and appropriateness of disclosures made in consolidated financial statements.
2. Valuation of stock in trade	
Key audit matter	**How our audit addressed the key audit matter**
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 11 to the consolidated financial statements. Stock-in-trade forms material part of the Group's assets comprising of around 23.01% of total assets. The stock in trade is carried at lower of cost or net realizable value. The cost of finished goods and work in process is determined using the average manufacturing costs including production overheads, which includes judgment in relation to the allocation of overheads, which are incurred in bringing the finished goods to its present location and condition. Judgments are also involved in determining the net realizable value (NRV) (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 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 NRV and checked future selling prices by performing a review of sales close to and subsequent to the year-end; and determination of cost necessary to make the sales; and • Checked the calculations of NRV of itemized list of stock-in-trade, on selected sample and compared the NRV with the cost to ensure that valuation of stock-in-trade is in line with the accounting policy.

Information other than the consolidated 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 consolidated financial statements and our auditors' reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 report that fact. 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: October 05, 2024
UDIN: AR20241018618Huy6xwR

Consolidated Statement of Financial Position
As at June 30, 2024

ASSETS	Note	2024	2023
		(Rupees in 000)	
Non-current assets			
Property, plant and equipment	6	**38,804,117**	37,566,687
Intangibles	7	**11,861**	5,232
Long-term investments	8	**81,212**	82,663
Long-term deposits	9	**20,451**	19,848
Long-term advances		**1,594**	1,816
Deferred taxation	22	**527,960**	-
		39,447,195	37,676,246
Current assets			
Stores, spares and loose tools	10	**1,820,834**	1,374,283
Stock-in-trade	11	**18,890,222**	23,832,552
Trade debts	12	**17,510,904**	17,490,955
Loans and advances	13	**786,441**	494,234
Trade deposits and short-term prepayments	14	**83,591**	106,683
Other receivables	15	**493,068**	363,662
Other financial assets	16	**40,127**	140,180
Tax refundable	17	**1,590,814**	1,500,020
Cash and bank balances	18	**1,315,615**	1,008,130
		42,531,616	46,310,699
TOTAL ASSETS		**81,978,811**	83,986,945
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
Issued, subscribed and paid up capital	19	**542,211**	542,211
Reserves	20	**23,000,677**	15,000,677
Unappropriated profits		**8,404,707**	15,938,592
		31,947,595	31,481,480
Non-current liabilities			
Long-term financing	21	**20,173,564**	21,586,120
Deferred taxation	22	**-**	157,170
Deferred liabilities	23	**895,161**	1,103,521
Lease liabilities	24	**24,465**	53,330
		21,093,190	22,900,141
Current liabilities			
Trade and other payables	25	**6,423,720**	5,383,614
Unclaimed dividends		**2,384**	19,009
Interest / mark-up payable	26	**597,128**	959,534
Short-term borrowings	27	**18,048,142**	20,078,366
Current portion of long-term financing	21	**2,745,666**	2,236,601
Current portion of other deferred liabilities	23	**1,090,926**	904,316
Current portion of lease liabilities	24	**30,060**	23,884
		28,938,026	29,605,324
TOTAL EQUITY AND LIABILITIES		**81,978,811**	83,986,945
CONTINGENCIES AND COMMITMENTS	28		

The annexed notes from 1 to 52 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, 2024

	Note	2024	Restated 2023
		-------------(Rupees in 000)-----------	
Revenue	29	**105,635,554**	81,565,482
Directly attributable cost for generating revenue	30	**(97,565,844)**	(72,640,705)
Gross profit		**8,069,710**	8,924,777
Other income	31	**935,473**	699,726
Distribution cost	32	**(1,811,075)**	(1,465,417)
Administrative expenses	33	**(1,050,925)**	(966,762)
Other operating expenses	34	**(65,993)**	(616,054)
Finance cost	35	**(5,017,318)**	(3,564,483)
		(7,945,311)	(6,612,716)
Share of profit from associate - net of tax		**(1,451)**	2,857
Profit before levies and taxation		**1,058,421**	3,014,644
Levies	36	**(1,334,377)**	(818,468)
Profit before taxation		**(275,956)**	2,196,176
Taxation	37	**808,603**	(204,059)
Profit for the year		**532,647**	1,992,117
		-------------(Rupees in 000)-----------	
Earnings per share - basic and diluted	38	**9.82**	36.74

The annexed notes from 1 to 52 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, 2024

	Note	2024	2023
		-------------(Rupees in 000)-----------	
Profit for the year		**532,647**	1,992,117
Other comprehensive income for the year			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability - net of tax	23.1.6	**(75,968)**	(40,613)
Less: tax thereon		**9,436**	3,392
		(66,532)	(37,221)
			-
Total comprehensive income for the year		**466,115**	1,954,896

The annexed notes from 1 to 52 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, 2024

		Reserves						
		Capital (Note 20)				Revenue		
	Issued, subscribed and paid up capital	Share premium	Merger reserve	Investment and bonus shares	Exchange translation reserve	General reserve	Unappropriated profits	Total
	(Rupees in '000)							
Balance at June 30, 2022	542,211	10,920	11,512	-	677	8,977,568	20,092,138	29,635,026
Comprehensive income for the year ended June 30, 2023								
Profit for the year	-	-	-	-	-	-	1,992,117	1,992,117
Other comprehensive income for the year	-	-	-	-	-	-	(37,221)	(37,221)
Transfer from unappropriated profits to general reserves	-	-	-	-	-	6,000,000	(6,000,000)	-
Total comprehensive income for the year	-	-	-	-	-	6,000,000	(4,045,104)	1,954,896
Transactions with owners								
Interim cash dividend @ Rs.2 per share	-	-	-	-	-	-	(108,442)	(108,442)
Balance at June 30, 2023	542,211	10,920	11,512	-	677	14,977,568	15,938,592	31,481,480
Comprehensive income for the year ended June 30, 2024								
Profit for the year	-	-	-	-	-	-	532,647	532,647
Other comprehensive income for the year	-	-	-	-	-	-	(66,532)	(66,532)
Transfer from unappropriated profits to capital reserve	-	-	-	6,000,000	-	-	(6,000,000)	-
Transfer from unappropriated profits to general reserve	-	-	-	-	-	2,000,000	(2,000,000)	-
Total comprehensive income for the year	-	-	-	6,000,000	-	2,000,000	(7,533,885)	466,115
Balance at June 30, 2024	**542,211**	**10,920**	**11,512**	**6,000,000**	**677**	**16,977,568**	**8,404,707**	**31,947,595**

The annexed notes from 1 to 52 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, 2024

		Note	2024	2023
			-------------(Rupees in 000)-----------	
A.	**Cash flows from operating activities**			
	Cash generated from operations	39	**13,022,459**	933,800
	Levies and taxes paid		**(1,114,753)**	(1,518,474)
	Finance cost paid		**(4,785,477)**	(2,590,323)
	Gas Infrastructure Development Cess paid	23.3	**-**	(12,634)
	Gratuity paid		**(136,628)**	(198,445)
	Net cash generated from operating activities		**6,985,601**	(3,386,076)
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment - net of CWIP		**(3,975,084)**	(4,820,214)
	Proceeds from disposal of property, plant and equipment		**94,830**	61,159
	Purchase of intangible asset		**(9,489)**	-
	Purchase of other financial assets		**(5,616)**	(101,247)
	Proceeds from redemption of investments in other financial assets		**124,923**	28,437
	Dividends received		**26,220**	16,570
	Net cash used in investing activities		**(3,744,216)**	4,815,295
C.	**Cash flows from financing activities**			
	Long-term finance obtained	21.1	**1,611,230**	2,870,031
	Short term borrowings (excluding running finance)		**2,816,764**	4,278,639
	Repayments of long-term finance		**(2,464,553)**	(2,015,540)
	Long term advances		**222**	1,734
	Repayments of lease liabilities		**(34,122)**	(24,361)
	Dividends paid		**(16,625)**	(93,168)
	Net cash (used in) / generated from financing activities		**1,912,916**	5,017,335
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**5,154,301**	(3,184,036)
	Cash and cash equivalents at beginning of the year		**(4,178,225)**	(994,591)
	Effect of exchange rate changes on cash and cash equivalents		**161**	402
	Cash and cash equivalents at end of the year	40	**976,237**	(4,178,225)

The annexed notes from 1 to 52 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, 2024

1. THE GROUP AND ITS OPERATIONS

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

1.1.1 Holding Company

Indus Dyeing & Manufacturing Company Limited (the Holding Company) was incorporated in Pakistan on July 23, 1957 as a public limited Company under the repealed Companies Act 1913 (subsequently replaced by repealed Companies Ordinance, 1984 and now Companies Act, 2017). Registered office of the Holding Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company is listed on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn. The manufacturing facilities of the Holding Company are located in Karachi, Hyderabad 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 Company 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 Kilometre, 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 - 100% owned

Indus Home Limited (IHL) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984 (now Companies Act, 2017). The registered office of the Company is located at 174 Abu Bakar Block, New Garden Town, Lahore. The principal activities of the IHL are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Group is located at Manga Mandi, Lahore.

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 Sunrays Textile Mills Limited - Associate

Sunrays Textile Mills Limited (STML) was incorporated in Pakistan on August 27, 1987 as a public limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange Limited. STML is principally engaged in trade, manufacture and sale of yarn. STML 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 Company 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 Company, its subsidiaries and share of profit / loss from an associate 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 Holding Company 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 Company for the purpose of consolidation, using consistent accounting policies.

- The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis.

- Material inter-group balances and transactions have been eliminated.

- Non-controlling interest in equity of the subsidiary companies are measured at fair value as of the acquisition date of the subsidiaries.

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. IWEL along with certain Independent Power Producer (IPP) companies having their PPAs dated after January 01, 2019 filed a petition in the Lahore High Court (LHC) to also allow the companies who entered into PPAs after January 01, 2019 on the basis that they had already achieved certain other significant milestones including determination of tariff by NEPRA, to be treated along with the power companies who 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 IWEL has also availed the exemptions as per the S.R.O 986(I) / 2019 dated September 02, 2019 for the preparation of these consolidated financial statements.

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 and further amended by SRO 67(I) / 2023 dated January 20, 2023 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 December 31, 2024, 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 these are 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 Pakistan Rupees which is the Group's functional and presentation currency. All financial information presented in Pakistan 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 lease liabilities and right of use of assets at present value;
- recognition of certain financial instruments at fair value; and
- investment in associate accounted for under equity method.

2.4 Amendments to accounting standards that are effective for the year ended June 30, 2024

The following amendments are effective for the year ended June 30, 2024. 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.

- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - 'Disclosure of accounting policies'

- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

- Amendments to IAS 12 'Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction

- Amendments to IAS 12 ' Income taxes' - International Tax Reform - Pillar Two Model Rules

Due to the adoption of Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies effective from January 01, 2023. The word 'significant' has been replaced with 'material' as reflected in related note of accounting polices (note 4). Although the amendments did not result in any changes to the accounting policies themselves.

2.5 New standard and amendments to accounting 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 16 ' Leases' - Clarification on how seller - lessee subsequently measures sale and leaseback transactions	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Convenants	January 01, 2024
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – 'Insurance Contracts' (including ammendments made in June 2020 and December 2021)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and measurement of financial instruments	January 01, 2026

Other than the aforesaid amendments, 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 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

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:

- Depreciation rates of property, plant and equipment (note 4.1 & 6.1)
- Incremental borrowing rate used in discounting of future cashflows of right of use asset (note 4.11 and 6.5)
- Useful lives of intangibles (note 4.2 and 7)
- Classification of investments (note 4.3, 4.6, 8 and 16)
- Provision for slow moving stores and spares (note 4.4 and 10)
- Net realizable value of stock-in-trade (note 4.5 and 11)
- Provision for impairment of trade debts and other receivables (note 4.6.5, 12 and 15)
- Provision for levies, current and deferred taxation (note 4.8, 22, 36 and 37)
- Provision for staff retirement benefits (note 4.9 and 23.1)
- Discounting of Gas Infrastructure Development Cess (GIDC) (note 23.3)

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These have been consistently applied to all the years presented, except for taxation policy as disclosed in note 4.8.

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.

Assets' residual values and their useful lives are reviewed and adjusted at each financial year end, if significant.

Depreciation is charged to income applying the reducing balance method at the rates specified in the note 6.1. 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.

In case of IWEL, Exchange differences related to certain foreign currency denominated balances are added to / deducted from the cost of plant and machinery as per S.R.O. 986(I)/2019 dated September 02, 2019 as explained in note 2.1.1, which allows capitalization of exchange differences as opposed to charging the same to statement of profit or loss, as required under IAS 21 'The Effects of Changes in Foreign Exchange Rates (refer note 4.13).

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.

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.

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 7. 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 consolidated 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 lower of moving average cost and net realizable value less impairment, if any, for obsolete items. Items in transit are valued at cost incurred up to the reporting date.

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

	Basis of valuation
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 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 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. The Group financial liability as at fair value through profit or loss includes derivative financial liabilities not designated as hedging instruments.

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-months 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-months 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 after considering, the effective rate of tax.

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.

Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income is classified as levies in the consolidated statement of profit or loss and consolidated other comprehensive income as these levies fall under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

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 consolidated 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 consolidated statement of profit or loss and actuarial gains and losses are recognized immediately in other comprehensive income.

4.10 Deferred government 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 and Temporary Economic Refinance Facility (TERF) for setting up imported and locally manufactured plants and machinery for new projects, 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 Pakistan 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 recognised 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. However, in case of IWEL performance obligation is satisfied when the electricity is transmitted to the Central Power Purchasing Agency Guarantee Limited (CPPA-G). Revenue is recognised on the basis of Net Delivered Energy and Non-Project Missed Volume at the rates approved by National Electric Power Regulatory Authority (NEPRA).

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 (EPS)

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 47 to these consolidated financial statements.

5 CHANGE IN ACCOUNTING POLICY

The Institute of Chartered Accountants of Pakistan (ICAP) issued 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the guide) in May 2024 and withdrawn the Technical Release 27 'IAS 12 - Income Taxes (Revised 2012)'. The guide requires to classify certain amounts of tax paid under minimum and final tax regime separately as a levies instead of classifying under current tax.

The guide has provided two approaches namely Approah A and Approach B to select any of them considering the business model of the Group. The Group Company has selected Approach B, according to which, designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as levies falling under the scope of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. For calculation of deferred tax, effective rate of tax is required to be used.

This change has been considered as change in accounting policy and has been applied retrospectively in these consolidated financial statements in accordance with the requirements of IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'. Following are the effects as a result of this change:

	2023		
	Had there been no change in accounting policy	**After incorporating effects of change in accounting policy**	**Impact of change in accounting policy**
	------------------ (Rupees in '000)	-----------------------	
Consolidated statement of profit or loss			
Profit before taxation	3,014,644	2,196,176	818,468
Levies	-	818,468	818,468
Taxation	1,022,527	204,059	818,468

There has been no effect on the consolidated statement of financial position, the consolidated statement of cash flows and earnings per share as a result of above change.

The enacted rate for deferred tax has been used as per the guide, which is not materially different from the tax rate used for the calculation of deferred tax previously. Therefore, comparative figures have not been restated.

	Note	2024	2023
		------------ (Rupees in '000) ------------	
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	**36,279,389**	35,067,173
Capital work-in-progress	6.4	**2,484,541**	2,435,675
Right-of-use assets	6.5	**40,187**	63,839
		38,804,117	37,566,687

6.1 Operating fixed assets

2024								
Particulars	**Cost at July 01, 2023**	**Additions / (disposal) during the year**	**Cost at June 30, 2024**	**Accumulated depreciation at July 01, 2023**	**Depreciation/ (Disposal) for the year**	**Accumulated depreciation at June 30, 2024**	**Carrying value at June 30, 2024**	**Depreciation rate**
	---------- (Rupees in '000) ----------							%
Freehold land	1,857,715	- (14,700)	1,843,015	-	-	-	1,843,015	-
Leasehold land	142,647	-	142,647	-	-	-	142,647	-
Factory buildings on free hold & leasehold land	4,798,764	574,168	5,372,932	1,896,234	292,900	2,189,134	3,183,798	5
Non-factory buildings on on leasehold land	181,618	-	181,618	138,856	4,277	143,133	38,485	10
Office building	158,148	-	158,148	57,400	3,110	60,510	97,638	5
Plant and machinery	38,040,539	2,644,533 * (250,529)	40,434,543	10,640,039	2,165,333 (183,237)	12,622,135	27,812,408	10
Electric installations	432,401	206,946 (4,000)	635,347	205,056	42,911 (4,000)	243,967	391,380	10
Solar panels	577,874	409,092	986,966	52,426	72,021	124,447	862,519	10
Power generators	1,711,448	63,432	1,774,880	689,387	102,170	791,557	983,323	10
Factory equipment	537,018	110,695 (150)	647,563	162,172	42,410 (91)	204,491	443,072	10
Office equipment	63,301	16,610 (1,122)	78,789	24,544	7,663 (662)	31,545	47,244	10
Furniture and fixtures	99,326	8,355 (1,603)	106,078	36,599	6,750 (892)	42,457	63,621	10
Vehicles and Boats	711,813	91,924 (45,117)	758,620	342,726	81,428 (35,773)	388,381	370,239 -	20
June 30, 2024	49,312,612	4,125,755 (317,221)	53,121,146	14,245,439	2,820,973 (224,655)	16,841,757	36,279,389	

* This includes capitalization of exchange difference amounting to Rs. 199,537 million.

For comparative period

2023								
Particulars	Cost at July 01, 2022	Additions / (disposal) during the year	Cost at June 30, 2023	Accumulated depreciation at July 01, 2022	Depreciation/ (disposal) during the year	Accumulated depreciation at June 30, 2023	Carrying value at June 30, 2023	Depreciation rate
	---------- (Rupees in '000) ----------							%
Freehold land	1,852,968	4,747	1,857,715	-	-	-	1,857,715	-
Leasehold land	142,647	-	142,647	-	-	-	142,647	-
Factory buildings on leasehold land	4,506,100	292,664	4,798,764	1,604,356	291,878	1,896,234	2,902,530	5
Non-factory buildings on on leasehold land	181,618	-	181,618	134,104	4,752	138,856	42,762	10
Office building	158,148	-	158,148	54,126	3,274	57,400	100,748	5
Plant and machinery	34,120,185	4,220,341 * (299,987)	38,040,539	9,035,828	1,828,915 (224,704)	10,640,039	27,400,500	10
Electric installations	362,469	69,932	432,401	181,298	23,758	205,056	227,345	10
Solar Panels	217,065	360,809	577,874	12,408	40,018	52,426	525,448	10
Power generators	1,567,831	163,094 (19,477)	1,711,448	608,049	98,919 (17,581)	689,387	1,022,061	10
Factory equipment	475,324	61,694	537,018	122,916	39,256	162,172	374,846	10
Office equipment	52,598	10,703	63,301	18,975	5,569	24,544	38,757	10
Furniture and fixtures	84,109	16,126 (909)	99,326	30,889	6,299 (589)	36,599	62,727	10
Vehicles and boats	648,648	91,579 (28,414)	711,813	280,944	79,548 (17,766)	342,726	369,087	20
June 30, 2023	44,369,710	5,291,689 (348,787)	49,312,612	12,083,893	2,422,186 (260,640)	14,245,439	35,067,173	

* This includes capitalization of exchange difference amounting to Rs. 2,045 million

6.1.1 Allocation of depreciation	Note	2024	2023
		(Rupees in '000)	
Manufacturing expenses	30.3	**2,733,151**	2,329,324
Administrative expenses	33	**87,822**	92,862
		2,820,973	2,422,186

6.2 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								
Loptex	6,176	(4,405)	1,771	115	(1,656)	Negotiation	Sanyo	None
Card CMK -3 Huwa	3,808	(2,916)	892	58	(834)	Negotiation	Sanyo	None
Xroll MK - 6 Card	3,808	(2,916)	892	58	(834)	Negotiation	Sanyo	None
Argus Fire Control System	2,405	(1,588)	817	53	(764)	Negotiation	Sanyo	None
Ring Frame	775	(416)	359	23	(336)	Negotiation	Sanyo	None
Asta Machine	555	(330)	225	14	(211)	Negotiation	Sanyo	None
Scutcher	555	(332)	223	15	(208)	Negotiation	Sanyo	None
Toyota DYH 500C	1,142	(930)	212	24	(188)	Negotiation	Sanyo	None
Toyota DYH 500C	752	(613)	139	24	(115)	Negotiation	Sanyo	None
Toyota DYH 500C	752	(613)	139	24	(115)	Negotiation	Sanyo	None
Air Condition System	5,473	(2,001)	3,472	3,400	(72)	Negotiation	Mahmood Textile Mills Limited	None
Savio Polar	22,356	(14,819)	7,537	7,500	(37)	Negotiation	Mahmood Textile Mills Limited	None
Card Machine C-21	21,286	(14,773)	6,513	6,500	(13)	Negotiation	Mahmood Textile Mills Limited	None
Airconditioning Plant	915	(742)	173	200	27	Negotiation	Mahmood Textile Mills Limited	None
Uster Tester - 3	813	(659)	154	200	46	Negotiation	Mahmood Textile Mills Limited	None
Crosrol MK - 5 B	1,340	(1,087)	253	300	47	Negotiation	Mahmood Textile Mills Limited	None
	72,911	**(49,140)**	**23,771**	**18,508**	**(5,263)**			

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)							
Crosrol Mk - 5 B	1,341	(1,087)	254	300	46	Negotiation	Mahmood Textile Mills Limited	None
Trutzschler TD 03	3,007	(2,061)	946	1,000	54	Negotiation	Mahmood Textile Mills Limited	None
Trutzschler TD 03	3,007	(2,061)	946	1,000	54	Negotiation	Mahmood Textile Mills Limited	None
Air Conditioning Plant	1,029	(683)	346	400	54	Negotiation	Mahmood Textile Mills Limited	None
Air Conditioning Plant	5,488	(4,452)	1,036	1,100	64	Negotiation	Mahmood Textile Mills Limited	None
Auto Plucker	1,201	(974)	227	300	73	Negotiation	Mahmood Textile Mills Limited	None
Toyoda DYH 500C	1,081	(877)	204	300	96	Negotiation	Mahmood Textile Mills Limited	None
Toyoda Fl - 16	25,587	(19,930)	5,657	6,000	343	Negotiation	Mahmood Textile Mills Limited	None
Jacquard Looms	53,229	(42,543)	10,686	3,033	(7,653)	Negotiation	Muhammad Riaz	None
Printing Machine Dyeing	9,610	(6,342)	3,268	3,156	(112)	Negotiation	Abid Ali	None
Kilenweffer Bleaching Range	39,435	(32,179)	7,256	8,500	1,244	Negotiation	Abid Ali	None
Textile Finishing Machine	33,603	(20,908)	12,695	4,098	(8,597)	Negotiation	Abid Ali	None
Vehicles								
Suzuki Cultus	1,250	(930)	320	400	80	Negotiation	Mr. Muhammad Ahmed	None
Corolla GLI	2,379	(1,577)	802	975	173	Negotiation	Mr. Shahzeb Tariq	None
Suzuki Cultus	1,406	(1,067)	339	500	161	Negotiation	Ms. Gul Sumaira Bushra	None
Honda Vezel	3,604	(3,083)	521	600	79	Negotiation	Mr. Muhammad Saqib	None
Toyota Corolla GLI	1,862	(1,513)	349	3,500	3,151	Insurance claim	Adamjee Insurance Co. Ltd	None
Honda Civic	3,013	(2,420)	593	850	257	Negotiation	Mr. Saif ullah	None
	191,132	**(144,687)**	**46,445**	**36,012**	**(10,433)**			

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)	----------	----------	----------	----------
Express 70 CC	62	(34)	28	33	5	Negotiation	Mr. Zafar	Employee
Yamaha YB125Z	163	(82)	81	139	58	Negotiation	Mr. Sajjid Ali	None
New Bike 70CC	71	(23)	48	76	28	Insurance claim	Adamjee Insurance & Co.	None
Yamaha YBR 125G	222	(94)	128	198	70	Negotiation	Mr. Muhammad Fahad	None
Unique 70 CC	57	(34)	23	32	9	Negotiation	Mr. Shahid	Employee
Yamaha 125Z	128	(80)	48	120	72	Negotiation	Mr. Malik Abdul Momin	Employee
Hi Speed 70CC	50	(31)	19	25	6	Negotiation	Mr. Muhammad Shoaib	None
Suzuki Pickup	345	(345)	-	50	50	Negotiation	Mr. Kashif Rajpoot	None
Suzuki Mehran VXR	390	(384)	6	50	44	Negotiation	Mr. Kashif Rajpoot	None
Toyota Corolla Altis	1,787	(1,712)	75	100	25	Negotiation	Mr. Muhammad Yaseen	None
High Speed - 70	43	(30)	13	12	(1)	Negotiation	Mr. Haseeb Ali	None
Motor Bike Unique	48	(31)	17	28	11	Negotiation	Mr. Muhammad Azam	None
Super Power	72	(36)	36	35	(1)	Negotiation	Mr. Manzoor	Employee
Toyota Lexus	12,713	(11,172)	1,541	3,650	2,109	Negotiation	Mr. Javaid Haider	None
Toyota Estema Hybrid	6,356	(4,581)	1,775	2,600	825	Negotiation	Mr. Muhammd Shamraiz	None
Toyota Corolla XLI	2,149	(1,503)	646	2,900	2,254	Negotiation	Mr. Muhammad Aqeel	Employee
Bike - YBR 125	184	(113)	71	189	118	FNF	Usman Anwer	Employee
Toyota Hilux	2,747	(1,716)	1,031	1,700	669	Negotiation	Mr. Aftab Ahmad	None
	27,587	**(22,001)**	**5,586**	**11,937**	**6,351**			
Freehold land								
Land	**14,700 0**	**-**	**14,700**	**23,100**	**8,400**	Negotiation	Ms. Rabia Hassan and Ayesha Salman	None
Others	**10,891**	**(8,827)**	**2,064**	**5,273**	**3,209**	Negotiation	Various	None
2024	**317,221**	**(224,655)**	**92,566**	**94,830**	**2,264**			
2023	348,787	(260,640)	88,146	61,159	(26,987)			

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

Location	Usage of immovable property	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	Manufacturing/ Storage facility and business expansion	40.00	1,742,400
Naseerpur land - Adda Pira Ghayaib, Mototly Road	Manufacturing facility	8.28	360,459
Muzaffargarh 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
Chak # 61 R/B, Mouza Bedianwala, Tehsil Jaranwala at 38-Km,Sheikhpura Road, Dist. Faisalabad	Manufacturing facility	48.20	2,078,357
Raiwind Road, Manga Mandi Lahore	Manufacturing Unit	537.15	986,833
2.5 Km Off Manga Raiwind Road, Manga Mandi Lahore	Grid Station	9.00	40,500
	Labour Colony	80.50	362,250
174 - 173 Abubakar Block New Garden Town, Lahore	Head Office	8.30	36,461

	Note	2024	2023
		--------- (Rupees in '000) ---------	
6.4 Capital work-in-progress			
Solar panels		**154,931**	205,206
Civil works		**1,953,623**	589,399
Plant and machinery		**336,670**	1,636,146
Power Generator		**39,317**	4,924
	6.4.1	**2,484,541**	2,435,675

6.4.1 Capital work-in-progress

	Solar panels	Civil works	Plant and machinery	Power generator	Total
	----------	----------	Rupees '000'	----------	----------
As at June 30, 2022	57,707	343,939	455,588	4,599	861,833
Additions during the year	412,778	527,856	2,636,019	58,945	3,635,598
Transferred to operating fixed assets	(265,279)	(282,396)	(1,455,461)	(58,620)	(2,061,756)
As at June 30, 2023	205,206	589,399	1,636,146	4,924	2,435,675
Additions during the year	181,373	1,937,406	1,209,789	78,131	3,406,699
Transferred to operating fixed assets	(231,648)	(573,182)	(2,509,265)	(43,738)	(3,357,833)
As at June 30, 2024	**154,931**	**1,953,623**	**336,670**	**39,317**	**2,484,541**

6.4.2 It includes borrowing costs capitalized amounting to Rs. 156.484 million (2023: Rs. 155.428 million) and capitalisation rate of 19% - 23.14% (2023: 2.75% - 23.33%) incurred on long term finance attributable to expansion in production facility.

	Note	2024	2023
		--------- (Rupees in '000) ---------	
6.5 Right-of-use assets			
Office premises and land			
Cost		**126,160**	126,160
Modification	6.5.3	**3,187**	-
Write off		**(11,411)**	-
Cost after modification		**117,937**	126,160
Depreciation			
- Opening		**62,322**	42,736
- Write off		**(4,612)**	-
- For the year	6.5.1	**20,040**	19,586
Accumulated depreciation		**(77,750)**	(62,322)
Net book value at end of the year		**40,187**	63,839

6.5.1 Depreciation is charged on a useful life of 5 - 25 years.

6.5.2 Allocation of depreciation

Manufacturing expenses	30.3	**-**	959
Administrative expenses	33	**20,040**	18,627
		20,040	19,586

6.5.3 On July 01, 2020, the Holding Company entered into lease agreement in relation to the offices situated at 5th and 6th Floor, Beaumont Plaza, Beaumont Road, Civil Lines Quarters, Karachi, for a period of 5 years. During the year, the agreement was amended to increase the rental payment in relation to the office area.

7 INTANGIBLES

		2024	2023
		--------- (Rupees in '000) ---------	
Software			
Cost			
- Opening		**35,694**	35,694
- Additions		**9,489**	-
		45,183	35,694
Amortization			
- Opening		**30,462**	28,218
- For the year		**1,802**	2,244
Accumulated amortization		**(32,264)**	(30,462)
Assets written off			
Cost	7.2	**2,000**	-
Accumulated amortization		**(942)**	-
		1,058	-
Net book value as at June 30		**11,861**	5,232
Annual amortization rate		**30%**	30%

7.1 Amortization for the year has been charged to 'Administrative expenses' (Note 33).

7.2 This represents cost of ERP softwares; Microsoft AX Dynamics and Flow HCM written off by the Company.

8 LONG-TERM INVESTMENTS

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Investment in associate	8.1	**81,212**	82,663

8.1 Investment in associate
- Sunrays Textile Mills Limited

	2024	2023
	--------- (Rupees in '000) ---------	
Cost	**1,716**	1,716
Share of post acquisition profits:		
Opening	**80,947**	78,502
Dividend received	**-**	(412)
Share of (loss) / profit from associate for the year	**(1,451)**	2,857
	79,496	80,947
	81,212	82,663
Number of shares held	**205,962**	205,962
Ownership interest	**0.995%**	0.995%
Book value (Rupees in '000)	**81,624**	83,130
Cost of investment (Rupees in '000)	**1,716**	1,716

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

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

	2024	2023
	--------- (Rupees in '000) ---------	
Non-current assets	**7,868,357**	7,541,297
Current assets	**7,547,016**	4,866,490
Total assets	**15,415,373**	12,407,787
Non-current liabilities	**3,192,396**	2,772,537
Current liabilities	**4,019,550**	1,280,341
Total liabilities	**7,211,946**	4,052,878
Net assets	**8,203,427**	8,354,909
Net assets	**8,203,427**	8,354,909
Percentage holding	**0.995%**	0.995%
Share in net assets	**81,624**	83,130
Revenue	**20,148,888**	9,654,366
Comprehensive income for the year	**(145,825)**	287,064

9 LONG-TERM DEPOSITS

Electricity	**20,438**	19,835
Others	**13**	13
	20,451	19,848

10 STORES, SPARES AND LOOSE TOOLS

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Stores, spares and loose tools		**1,784,565**	1,408,150
Stores in transit		**120,344**	47,597
Provision for slow moving and obsolete items	10.1	**(84,075)**	(81,464)
		1,820,834	1,374,283

	Note	2024	2023
		--------- (Rupees in '000) ---------	
10.1 Movement of provision for slow moving and obsolete items			
Balance at beginning of the year		**81,464**	170,233
Provision / (reversal) made during the year	30.3	**2,611**	(88,769)
Balance at end of the year		**84,075**	81,464

11 STOCK-IN-TRADE

Raw material		
- in hand	**8,920,016**	15,079,121
- in transit	**2,486,867**	2,047,551
	11,406,883	17,126,672
Work-in-process	**2,339,218**	2,472,745
Finished goods	**4,721,102**	3,813,849
Packing material	**141,935**	136,977
Waste	**281,084**	282,309
	18,890,222	23,832,552

11.1 Net realisable value of finished goods were lower than its cost, which resulted in write down of Rs. Nil (2023: Rs. 26.545 million) charged to cost of sales.

		Note	2024	2023
			(Rupees in '000)	
12	**TRADE DEBTS**			
	Secured			
	Foreign debtors		**4,183,078**	7,255,830
	Local debtors		**1,205,681**	2,268,968
		12.1 & 12.2	**5,388,759**	9,524,798
	Unsecured			
	Local debtors	12.2	**12,135,652**	7,979,664
		12.4	**17,524,411**	17,504,462
	Allowance for expected credit loss	12.3	**(13,507)**	(13,507)
			17,510,904	17,490,955

12.1 These are secured against letters of credit, from credit worthy banks, in favour of the Group.

12.2 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.

		2024	2023
		(Rupees in '000)	
12.3	Allowance for expected credit loss		
	Balance as at July 01	**13,507**	29,440
	Provision made during the year	**-**	5,685
	Write off made during the year	**-**	(21,618)
	Balance as at June 30	**13,507**	13,507

		2024	2023
		(Rupees in '000)	
12.4	**Aging of trade debts**		
	Not yet due	**12,702,168**	11,819,196
	Past due within 30 days	**3,181,038**	3,741,435
	Past due within 31 to 60 days	**1,382,344**	1,716,465
	Past due within 61 to 90 days	**126,811**	104,943
	Past due within 91 to 180 days	**93,604**	80,388
	Past due beyond 180 days	**38,446**	42,035
		17,524,411	17,504,462

13 LOANS AND ADVANCES

	Note	2024	2023
Loans and advances to staff	13.1	**15,401**	12,987
Advance income tax - net		**148,167**	94,238
Margin letter of credit		**50,000**	108,638
Advances to:			
- Suppliers		**529,626**	238,188
- Employees		**3,500**	3,768
- Others		**39,747**	36,415
		572,873	278,371
		786,441	494,234

13.1 These represent short-term interest free loans to employees and secured as per Holding Company's policy. These are adjustable against salaries and recoverable within a period of one year.

	Note	2024	2023
		-------- (Rupees in '000)	--------
14 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS			
Security deposits		**3,135**	6,338
Other deposits		**11,887**	3,526
Prepayments		**68,569**	96,819
		83,591	106,683
15 OTHER RECEIVABLES			
Cotton claims receivables		**188,477**	130,937
Rebate refundable		**130,864**	106,150
Interest receivable		**13,777**	9,517
Others		**159,950**	117,058
		493,068	363,662
16 OTHER FINANCIAL ASSETS			
At fair value through profit or loss			
Investment in ordinary shares of listed companies	16.1.1	**31,096**	38,933
Investment in units of mutual funds	16.1.2	**3,415**	101,247
Investment in derivative financial assets	16.1.3	**5,616**	-
		40,127	140,180

16.1 Particulars of other financial assets

16.1.1 Investment in ordinary shares of listed companies

2024	2023		2024	2023
--- (Number of shares) ---			------- (Rupees in '000) -------	
42,000	42,000	Bestway Cement Limited	**9,420**	6,090
-	30,000	Fauji Fertilizer Company Limited	**-**	2,953
15,000	15,000	Habib Bank Limited	**1,860**	1,098
2,350,000	2,350,000	K-Electric Limited	**10,881**	4,042
-	19,156	Pakistan State Oil Company Limited	**-**	2,127
-	10,000	Pak Elektron Limited	**-**	90
25,950	25,950	Sitara Chemical Industries Limited	**8,935**	5,854
-	141,900	United Bank Limited	**-**	16,679
			31,096	38,933

16.1.2 Investment in units of mutual funds

2024	2023		2024	2023
--- (Number of units) ---			------- (Rupees in '000) -------	
58,187	2,024,947	Al Meezan Rozana Amdani Fund	**2,909**	101,247
4,902	-	HBL Cash fund	**506**	-
63,089	2,024,947		**3,415**	101,247

16.1.3 These reflect the positive change in fair value of foreign exchange forward contracts that were not designated in hedge relationships, but were, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

	Note	2024	2023
		------- (Rupees in '000) -------	
17 TAX REFUNDABLE			
Sales tax refundable		**1,425,996**	1,422,302
Income tax refundable		**164,818**	77,718
		1,590,814	1,500,020
18 CASH AND BANK BALANCES			
With banks			
- in deposit accounts	18.1	**786,455**	494,613
- in current accounts	18.2	**510,596**	505,426
	18.3	**1,297,051**	1,000,039
Cash in hand		**18,564**	8,091
		1,315,615	1,008,130

18.1 Markup rates on these accounts range between 7.39% - 20.8 % per annum (2023: 5.3% - 20.65 %) per annum.

18.2 These include balance in foreign currency accounts aggregating to Rs. 193,019 million (USD 0.693 million) at year end (2023: Rs. 216.643 million (USD 0.758 million).

18.3 IWEL's bank accounts are marked as lien against long-term financing obtained by the IWEL.

19 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2023	2024		Note	2024	2023
------ (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	19.1	**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

19.1 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.

19.2 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.

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

20 RESERVES

	Note	2024	2023
		------- (Rupees in '000) -------	
Capital reserves			
Share premium	20.1	**10,920**	10,920
Merger reserve	20.2	**11,512**	11,512
Exchange translation reserve	20.3	**677**	677
Investements and bonus shares	20.4	**6,000,000**	-
		6,023,109	23,109
Revenue reserves			
General reserve	20.5	**16,977,568**	14,977,568
		23,000,677	15,000,677

20.1 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.

20.2 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 19.1).

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

20.4 The Holding Company in its meeting held on February 28, 2024, decided to allocate a sum of Rs. 6 billion as not available for distribution by way of dividend for purpose of investments and bonus shares in future years.

20.5 This represents reserves created out of profits of the Holding Company.

21 LONG-TERM FINANCING

	Note	2024	2023
		--------- (Rupees in '000) ---------	
Secured			
Foreign currency debt		**6,463,394**	7,068,976
From banking companies		**16,534,424**	16,840,612
	21.1	**22,997,818**	23,909,588
Payable within one year		**(2,745,666)**	(2,236,601)
		20,252,152	21,672,987
Transaction cost		**(86,867)**	(107,955)
Amortization		**8,279**	21,088
		(78,588)	(86,867)
		20,173,564	21,586,120

21.1 Details and movement are as follows:

Name of banks / institution	Note	As at July 01, 2023	Cash flows: Acquired during the year	Cash flows: Repayment during the year	Non-Cash flows: Transferred	As at June 30, 2024	Current maturity
		---------------- (Rupees in '000) ----------------					
Allied Bank Limited	21.4.1	1,726,968	-	(292,507)	16,440	1,450,901	213,646
Soneri Bank Limited	21.4.2	608,505	51,388	(80,496)	14,251	593,648	88,041
MCB Bank Limited	21.4.3	2,179,837	297,249	(367,164)	14,546	2,124,468	347,865
United Bank Limited	21.4.4	620,196	-	(96,878)	11,792	535,110	92,211
Habib Bank Limited	21.4.5	5,004,924	138,583	(655,503)	9,270	4,497,274	680,003
Askari Bank Limited	21.4.6	2,033,798	-	(255,251)	6,150	1,784,697	291,735
Habib Metropolitan Bank Limited	21.4.7	545,420	-	(56,753)	7,932	496,599	59,185
Bank Al-Habib Limited	21.4.8	854,731	267,494	(146,063)	32,182	1,008,344	88,529
The Bank of Punjab Limited	21.4.9	507,863	-	(1,563)	-	506,300	30,801
National Bank Of Pakistan	21.4.10	527,859	-	(46,875)	28,975	509,959	47,545
Bank AlFalah Limited	21.4.11	681,560	94,540	(180)	-	775,920	68,502
Meezan Bank Limited	21.4.12	664,158	383,198	(9,550)	-	1,037,806	110,133
Faysal Bank Limited	21.4.13	433,258	378,778	-	-	812,036	149,547
Pakistan Kuwait Investment Company Private Limited	21.4.14	451,535	-	(50,171)	-	401,364	50,171
British International Investment PLC (BII) - Foreign loan	21.4.15	7,068,976	-	(405,599)	(199,985)	6,463,392	427,752
Grand total		**23,909,588**	**1,611,230**	**(2,464,553)**	**141,538**	**22,997,818**	**2,745,666**

21.2 Particulars of long-term financing

Type and nature of loan	2024: Amount outstanding	2024: Mark up rate	2024: Terms of Repayments
	Rupees in '000		
Long term finance facility (LTFF)	**7,686,175**	**2.25% to 8%**	**Quarterly and half yearly**
Term finances	**2,659,012**	**3 months KIBOR + 0.5% to 1.25%**	**Quarterly**
Temporary Economic Refinancing Facility (TERF)	**2,081,693**	**1.75% to 3%**	**Quarterly**
Renewable Energy	**4,107,545**	**1.75% to 6%**	**Quarterly**
Foreign debt	**6,463,393**	**USD LIBOR + 4.25%**	**Quarterly**
	22,997,818		

Type and nature of loan	2023		
	Amount outstanding	Mark up rate	Terms of Repayments
	Rupees in '000		
Long term finance facility (LTFF)	7,759,897	2.25% to 8%	Quarterly and half yearly
Term finances	2,236,738	3 months KIBOR + 0.5% to 1.75%	Quarterly
Temporary Economic Refinancing Facility (TERF)	2,566,298	1.75% to 3%	Quarterly
Renewable Energy	4,277,678	3% to 4.75%	Quarterly
Foreign debt	7,068,976	USD LIBOR + 4.25%	Quarterly
	23,909,588		

21.3 These finances are secured by Joint Pari Passu charge over Land and Building & Plant and Machinery of all units of the Group.

21.4 Long-term financing

	Name of institution	Sanctioned amount	Outstanding amount excluding government grant	Details of financing, security and repayment terms
		------------Rs. in million------------		
21.4.1	tAllied Bank Limited	2,175,000	1,450,901	The facility is secured against first / Joint pari passu hypothecation 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 32 equal quarterly installments. Mark up rate is 2.25% to 3% on this facility and repayable in quarterly basis.
21.4.2	Soneri Bank Limited	847,000	593,647	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.
21.4.3	MCB Bank Limited	4,065,000	2,124,468	The facility is secured against existing Joint pari passu charge of 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 32 equal quarterly installments. Mark up rate is 1.75% on Temporary Economic Refinancing Facility and 2.5% on Long Term Financing Facility and 3 month KIBOR + 0.5%-0.75% on Term Loan and repayable in quarterly basis.
21.4.4	United Bank Limited	1,565,000	535,110	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 32 equal quarterly installments. Mark up rate is 2.25% on Temporary Economic Refinancing Facility, 2.5% on Long Term Financing Facility and SBP rate +1% on Renewable Energy Financing Facility repayable in quarterly basis.

21.4.5	Habib Bank Limited	4,952,000	4,497,274	The facility is secured against 1st Joint pari passu charge of 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 Facility & Term loan and 16 equal half yearly Installments with 2 years grace period of 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 3 month KIBOR + 0.75% on Term loan and repayable on quarterly basis. During the year, the Group has entered into an arrangement with the bank for obtaining Solar loan. The repayment of loan (principal amount) will be made in 28 equal quarterly instalments. Markup rate is 6% per annum.
21.4.6	Askari Bank Limited	1,829,000	1,784,697	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 be made in 32 equal quarterly installments with 2 years grace period of Long term Financing Facility and 16 equal quarterly installments with 1 year grace period of Term loan. Mark up rate is 2.5% to 4.75% on Long term Financing Facility and 3 month KIBOR + 1.25% on Term loan and repayable on quarterly basis.
21.4.7	Habib Metropolitan Bank Limited	1,375,000	496,599	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 32 equal quarterly installments. Mark up rate is SBP rate + 1% on Renewable Solar Facility, 3% on Long Term Financing Facility and 2% on Temporary Economic Refinancing Facility and repayable on quarterly basis.
21.4.8	Bank Al Habib Limited	2,067,000	1,008,344	The facility is secured against existing Joint pari passu charge over Group fixed assets (Land and Building ,Plant and Machinery) with 25% margin. The repayment of loan (principal amount) will be made in equal quarterly installments. Mark up rate is 2.5% to 8% on Long Term Financing Facility and one year KIBOR plus spread on Temporary Economic Refinance Facility and repayable on quarterly basis.
21.4.9	The Bank of Punjab	2,243,000	506,300	During the year the, Group has entered into an arrangement with Bank of Punjab for obtaining further Term loan.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 32 equal quarterly installments with 2 years grace period. Mark up rate is 3 months Kibor rate + 1% against Term loan and 5% against long term finance facility and repayable on quarterly basis.
21.4.10	National Bank of Pakistan	750,000	509,959	The facility is secured against first joint pari passu charge over Group 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 32 quarterly installments with 2 years grace period. Mark up rate is 1.8% on temporary Economic Refinancing Facility and SBP rate + 1.25% on Renewable Energy Financing Facility and repayable on quarterly basis.
21.4.11	Bank AlFalah Limited	922,000	775,920	The facility is secured against existing joint pari passu charge over Group 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 32 equal quarterly instalments with 2 years grace period. Mark up rate is KIBOR + 0.90% against Term loan and 3% to 5% against Long Term Finance Facility and repayable on quarterly basis. During the year, the Group has entered into an arrangement with the bank for obtaining Solar loan. The repayment of loan (principal amount) will be made in 32 quarterly instalments with 2 years grace period. Markup rate for the first year is 3 month KIBOR + 0.9% spread and later will be 3% to 6% as per renewable energy facility markup rates. This is because all solar loans are first disbursed as term finance loans and later on converted into renewable energy loans.
21.4.12	Meezan Bank Limited	2,832,000	1,037,806	The facility is secured against existing joint pari passu charge over Group fixed assets against with 25% margin. The repayment of loan (principal amount) will be made in 32 equal quarterly instalments with 2 years grace period. Mark up rate is 3% to 6 month KIBOR + 0.5% spread against long term finance facility and repayable on quarterly basis. During the year, the Group has entered into an arrangement with the Bank for obtaining Term loan. This facility is secured against Joint Pari Passu charge over Plant and Machinery located at Karachi, Muzaffargarh and Hyderabad. The repayment of loan (principal amount) will be made in 32 equal quarterly instalments with 2 years grace period. Mark up rate is 3 month kibor + 0.5% spread.
21.4.13	Faysal Bank Limited	1,000,000	812,036	The loan under this facility carries markup of 5.00%. 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 over all present and future plant and machinery of the group with 25% margin.

21.4.14 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.

21.4.15 On November 13, 2019, the Group entered into a Rupee Finance Agreement and Foreign Currency Facility Agreement with Local Lenders (consortium of multiple local financial institutions) and British International Investment PLC (BII) for availing long term financing facilities amounting to Rs. 4,968 million and USD 27.6 million respectively under Common Terms Agreement (CTA). The Group utilized Rs. 4,157 million and USD

26 million pertaining to Rupee Facility Agreement and Foreign Currency Facility Agreement respectively. The loan from BII carries interest at the rate of of 3 Month LIBOR plus 4.25%, payable quarterly. The loan from Local Lenders carries markup at SBP rate plus 1.75%.The loans are repayable in 40 equal quarterly installments and 51 variable quarterly installments as per the local and foreign facility agreements respectively. During the financial year ended June 30, 2024, local lenders and British international investment (BII) had amended the loan agreements including the repayment schedule thereby providing relaxation in the repayment of loan installments. As per the original schedules, the Group had to make first installment on June 30, 2022, which had been shifted to next quarter, thereafter, the remaining installments have been shifted accordingly as per the revised repayment schedule.

22 DEFERRED TAXATION

	Opening balance	Recognized in consolidated statement of profit or loss	Recognized in consolidated statement of comprehensive income	Closing balance
Movement for the year ended June 30, 2024	(Rupees in '000)			
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(33,054)	(55,643)	(9,436)	(98,133)
- provision of stores and spare parts	(1,474)	(20,299)	-	(21,773)
- provision of trade debts	(1,213)	(2,035)	-	(3,248)
- other financial assets	(578)	(3,502)	-	(4,080)
- short term borrowings	10,073	(11,614)	-	(1,541)
- lease liabilities	(3,631)	(3,510)	-	(7,141)
- minimum tax credits	(197,272)	(1,231,341)	-	(1,428,613)
Others	(32,439)	3,258	-	(29,181)
	(259,588)	(1,324,686)	(9,436)	(1,593,710)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	418,462	641,969	-	1,060,431
- right of use asset	2,814	1,810	-	4,624
- unclaimed amortisation on intangibles	199	224	-	423
- long term loan	(4,717)	4,989	-	272
	416,758	648,992	-	1,065,750
Deferred tax liability / (asset)	157,170	(675,694)	(9,436)	(527,960)

	Opening balance	Recognized in consolidated statement of profit or loss	Recognized in consolidated statement of comprehensive income	Closing balance
Movement for the year ended June 30, 2023	------------------------- (Rupees in '000)			-----------------------------
Deductible temporary differences in respect of:				
Provision for:				
- retirement benefits	(26,021)	(3,641)	(3,392)	(33,054)
- provision of stores and spare parts	(9,733)	8,259	-	(1,474)
- provision of trade debts	5,269	(6,482)	-	(1,213)
- other financial assets	(748)	170	-	(578)
- short term borrowings	-	10,073	-	10,073
- lease liabilities	(4,266)	635		(3,631)
- minimum tax credits	-	(197,272)	-	(197,272)
Others	(96,512)	64,074	-	(32,439)
	(132,011)	(124,184)	(3,392)	(259,588)
Taxable temporary differences in respect of:				
- accelerated tax depreciation	260,066	158,396	-	418,462
- Right of use asset	3,597	(783)		2,814
- unrealized export debtors	(852)	852	-	-
- GIDC provision	(466)	466		-
- unclaimed amortisation on intangibles	24	175		199
- long term loan	(895)	(3,822)	-	(4,717)
	261,474	155,284	-	416,758
Deferred tax liability	129,463	31,100	(3,392)	157,170

23 DEFERRED LIABILITIES

	Note	2024	2023
		--------- (Rupees in '000)	---------
Staff retirement gratuity	23.1	**425,207**	326,478
Deferred government grant	23.2	**610,085**	751,623
Gas Infrastructure Development Cess (GIDC)	23.3	**950,795**	929,736
		1,986,087	2,007,837
Current portion of deferred liabilities			
Deferred government grant	23.2	**(140,131)**	(177,485)
Gas Infrastructure Development Cess (GIDC)	23.3	**(950,795)**	(726,831)
		(1,090,926)	(904,316)
		895,161	1,103,521

23.1 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, 2024 using Projected Unit Credit Method.

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

23.1.1 Significant actuarial assumptions and methods	**2024**	2023
Discount rate	**14.75%**	16.25%
Expected rate of increase in salary level	**14.75%**	16.25%
Weighted average duration of defined benefit obligation	**7 years**	7 years
Average duration of liability	**6 years**	6 years

The critical gap between the discount rate and salary growth rate is zero. This gap was 1% in previous year's valuation.

23.1.2 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 16.25% 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 regarding inflation, it has been assumed that the average rate of long-term future salary increases will be 16.25% 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:

	2024	2023
	Undiscounted payments	
	-------- (Rupees in '000) --------	
Year 1	**49,219**	39,587
Year 2	**56,607**	43,486
Year 3	**66,170**	48,275
Year 4	**77,021**	60,786
Year 5	**86,194**	66,193
Year 6 and above	**461,306**	388,080

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

		Note	2024	2023
			------- (Rupees in '000) -------	
23.1.3	**Present value of defined benefit obligation**		**425,207**	326,478
23.1.4	**Movement in net defined benefit liability**			
	Balance at the beginning of the year		**326,478**	326,822
	Recognized in consolidated statement of profit or loss			
	Current service cost		**117,560**	114,515
	Losses on settlement		**-**	12,820
	Interest cost		**41,829**	30,153
			159,389	157,488
	Recognized in other comprehensive income			
	Actuarial loss - net	23.1.6	**75,968**	40,613
	Benefits paid		**(136,628)**	(198,445)
	Balance at the end of the year		**425,207**	326,478
23.1.5	**Expense recognise in Consolidated Statement of Profit or Loss**			
	Current service cost		**117,560**	114,515
	Losses on settlement		**-**	12,820
	Interest cost		**41,829**	30,153
	Expense recognise in consolidated statement of profit or loss		**159,389**	157,488
23.1.6	**Remeasurement recognised in Consolidated Other Comprehensive Income**			
	(Loss) / gain from change in financial assumption		**(130)**	17,501
	Experience loss		**76,098**	23,112
	Net re-measurements		**75,968**	40,613
23.1.7	**Net recognised liability**			
	Net liability at the beginning of year		**326,478**	326,822
	Expense recognised in profit or loss		**159,389**	157,488
	Contribution made to the plan during the year		**(136,628)**	(198,445)
	Remeasurement recognised in other comprehensive income		**75,968**	40,613
			425,207	326,478

23.1.8 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 assumptio	Increase	Decrease
		------- (Rupees in '000) -------	
Discount rate	1%	28,977	(23,410)
Salary increase	1%	(23,400)	28,982

23.1.9 The expected gratuity expense for the next year amounts to Rs.197.515 million.

23.2 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) in respect of Temporary Economic Refinancing Facility (TERF) and Salary Refinance Scheme under SBP as disclosed in Note 21. There are no unfulfilled conditions or other contingencies attached to this grant.

	Note	**2024**	2023
		------- (Rupees in '000) -------	
Balance at the beginning of the year		**751,623**	9,867
Government grant recognised		**-**	839,202
Amortization of government grant	31	**(141,538)**	(97,446)
		610,085	751,623
Current portion of deferred government grant		**(140,131)**	(177,485)
		469,954	574,138

23.3 Gas Infrastructure Development Cess

	2024	2023
Balance at the beginning of the year	**929,736**	900,677
Unwinding of interest	**21,059**	41,693
Payment made during the year	**-**	(12,634)
	950,795	929,736
Current portion of Gas Infrastructure Development Cess	**(950,795)**	(726,831)
	-	202,905

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 Peshawar High Court declared the levy, imposition and recovery of the Cess unconstitutional with the direction to refund the “Cess” so far collected. 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 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 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.

On September 29, 2020, we have challenged the imposition of GIDC upon us by SSGC and its quantum on various grounds including that the Group had a judgment from the Sindh High Court which was not appealed in time, that the Group 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, due to this payment related to Karachi and Hyderabad unit has not yet paid.

24 LEASE LIABILITIES

	Note	**2024**	2023
		------- (Rupees in '000)	-------
Balance at the beginning of the year		**77,214**	94,593
Modification	6.5.3	**3,186**	-
Interest accrued		**8,246**	6,982
Write off of lease liabilities		**(9,072)**	-
Payments made		**(25,049)**	(24,361)
	24.1	**54,525**	77,214
Current portion of lease liabilities		**(30,060)**	(23,884)
		24,465	53,330

24.1 The future payments of lease liabilities are as follows:

The future minimum lease payments to which the Group is committed under the agreement will be due as follows:

	June 30, 2024			June 30, 2023		
	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	**30,060**	**-**	**30,060**	23,884	1,486	22,398
Later than one year but not later than five years	**26,835**	**11,187**	**15,648**	54,598	7,754	46,844
Later than five years	**34,240**	**25,423**	**8,817**	34,240	26,268	7,972
	91,135	**36,610**	**54,525**	112,722	35,508	77,214

	Note	2024	2023
		------- (Rupees in '000) -------	
25 TRADE AND OTHER PAYABLES			
Creditors		**1,926,621**	1,323,578
Accrued liabilities		**1,961,160**	1,970,254
Bills against gratuity scheme		**6,971**	18,287
Provident fund payable		**-**	826
Infrastructure cess	25.1	**1,692,198**	1,422,578
Workers' Profits Participation Fund	25.2	**43,596**	111,405
Workers Welfare Fund	25.3	**16,112**	41,768
Contract liabilities		**231,275**	280,399
Withholding tax payable		**20,830**	12,568
Income tax payable		**325,583**	33,718
Sales tax payable		**23,678**	92,367
Others		**175,696**	75,866
		6,423,720	5,383,614

25.1 This represents Government of Sindh, provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Taxation Department, on goods entering or leaving the province of Sindh, through air or sea at prescribed rate, under the Sindh Finance Ordinance, 2001. The imposition of the levy was initially challenged by the Group along with other affectees, in the High Court of Sindh, and the Court was pleased to grant an interim injunction, vide Order dated May 31, 2011, to the effect that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be deposited with the Court until the final order is passed. However, as a matter of prudence, in 2021 the Group has paid 50% of the value of infrastructure fee to the concerned department and recorded liability for the remaining amount which is supported by a bank guarantee. Starting from September 2021, the Group is providing 100% bank guarantee in accordance with the order of Supreme Court of Pakistan dated September 01, 2021.

	Note	2024	2023
		------ (Rupees in '000) ------	
25.2 Workers' Profits Participation Fund			
Balance at beginning of the year		**111,405**	113,359
Allocation for the year	34	**32,335**	132,209
Adjustment of excess amount		**-**	5,283
Interest charged during the year on the funds utilized by the Group	35	**5,005**	5,174
		148,745	256,025
Payments made during the year		**(105,149)**	(144,620)
Balance at end of the year		**43,596**	111,405

25.3 Workers' Welfare Fund

	Note	2024	2023
Balance at beginning of the year		**41,768**	34,703
Allocation for the year		**13,054**	29,940
Reversal of excess provision		**(11,808)**	(22,250)
	34	**1,246**	7,690
Payments made during the year		**(26,902)**	(625)
Balance at end of the year		**16,112**	41,768

25.1 This represents Government of Sindh, provision for Sindh Development and Infrastructure Fee and Duty which was levied by the Excise and Taxation Department, on goods entering or leaving the province of Sindh, through air or sea at prescribed rate, under the Sindh Finance Ordinance, 2001. The imposition of the levy was initially challenged by the Group along with other affectees, in the High Court of Sindh, and the Court was pleased to grant an interim injunction, vide Order dated May 31, 2011, to the effect that for every consignment cleared after December 28, 2006, 50% of the value of infrastructure fee should be paid in cash and a bank guarantee for the remaining amount should be deposited with the Court until the final order is passed. However, as a matter of prudence, in 2021 the Group has paid 50% of the value of infrastructure fee to the concerned department and recorded liability for the remaining amount which is supported by a bank guarantee. Starting from September 2021, the Group is providing 100% bank guarantee in accordance with the order of Supreme Court of Pakistan dated September 01, 2021.

	Note	**2024**	2023
		---------- (Rupees in '000) ----------	
26 INTEREST / MARK-UP PAYABLE			
On secured loans from banking companies:			
- Long-term financing		**290,809**	274,915
- Short-term borrowings		**306,319**	684,619
		597,128	959,534
27 SHORT-TERM BORROWINGS			
From banking companies - secured			
Running finance	27.1	**339,378**	5,056,355
Foreign currency financing against export / import	27.2	**10,343,472**	9,087,283
Foreign bill discounting	27.3	**2,728,910**	2,477,504
Money market loan	27.4	**3,455,000**	3,327,224
FE 25 Import		**1,181,382**	-
Working capital finance under markup arrangement	27.5	**-**	130,000
	27.6	**18,048,142**	20,078,366

27.1 These carry mark-up ranging from 1 week,1 month and 3 months KIBOR + 0.01% to 1.5% (2023: 1 week,1 month and 3 month KIBOR + 0.05% to 1.75%). These are secured against charge over current assets of the Group with upto 25% margin.

27.2 These carry mark-up ranging from 3% to 10% (2023: 1% to 10%) 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.

27.3 Foreign bill discounting facility amounting to Rs. 13,840 million (2023 : Rs. 2,790 million) at pricing of 4.5% to 7.5% (2023: 3% to 5%) per annum. The mark-up is payable at a source.

27.4 These carry mark-up rate ranging from 1 month KIBOR plus 0.05% to 0.75% (2023: 1 month KIBOR plus 0.05% to 0.75%). These are secured against registered hypothecation charge over current assets of the Group.

27.5 In IWEL working capital finance facility avail from a commercial bank aggregating to Rs. 1,000 million. The unavailed facility as at year end was Rs. 1000 million. The facility is secured by second ranking hypothecation charge on overall moveable assets (present and future), and first ranking hypothecation charge (ranking pari passu with the long term financing lenders) over receivables, inclusive of 20% margin, of Rs. 1,250 Million. The facility is subject to mark-up at the rate of 1 month KIBOR plus 1.5% per annum.

27.6 The Group has aggregated short-term borrowing facilities amounting to Rs. 42,315 million (2023: Rs. 31,680 million) from various commercial banks.

28 CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

28.1.1 The Holding Company, ILP and IHL have recognised GIDC payable amounting to Rs. 950.795 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. 1,059.76 million. The Holding Company, ILP and IHL 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 Lahore High Court, which is pending adjudication. The management of the Group expect favourable outcome in this regard.

28.1.2 The Holding Company is defendant in certain sales tax related matters with aggregate demand of Rs. 1.357 million (2023. 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.

28.1.3 The IHL has filed income tax return for the tax year 2019 declaring taxable income amounting to Rs. 6.1 million and claiming refund amounting to Rs. 55.5 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 Commissioner Inland Revenue (""ADCIR"") amended the deemed assessment order under section 122(5A) of the Ordinance; thereby assessing taxable income at Rs. 23.5 million and refund at Rs. 25 million.

Being aggrieved by the order of the ADCIR, IHL preferred an appeal before the learned CIR(A), Lahore, whereby the case has been decided in favour of the Group.

28.1.4 The IHL has filed income tax return for the tax year 2022 declaring taxable income amounting to Rs. 30.64 million and claiming refund amounting to Rs.4.5 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 Deputy Commissioner Inland Revenue("DCIR") issue the notice and add Exports income for the working of Super Tax which create liabilty Rs. 45.2 million.Being aggreived by the order of the ACIR, the Company has preferred an appeal before the learned CIR(A), Lahore but due to latest amendment in Finance Act, 2024 case transferred to ATIR, which is pending adjudication. The management expects favourable outcome and accordingly no provision has been recorded

28.1.5 In the books of the Holding Company and ILP, 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 Supreme Court of Pakistan against the decision of the Sindh High Court.

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. 130.15 million for the years from 2010 to 2014 contending the fact that they had erroneously paid WWF despite of having exemption available to them.

		2024	2023
		---------- (Rupees in '000) ----------	
28.1.6	Claim of arrears of social security contribution not acknowledged, appeal is pending in High Court of Sindh. The management is hopeful for favourable outcome.	**453**	453
28.1.7	Guarantees issued by banks in favour of custom authorities on behalf of the Group	**3,817**	3,817
28.1.8	Guarantees issued by banks in favour of gas / electric distribution companies	**943,793**	805,307
28.1.9	Bank guarantees against payment of infrastructure cess	**1,566,542**	1,408,542
28.1.10	Bank guarantees against in favour of Government of Sindh	**263,153**	313,154
28.1.11	Bank guarantees against in favour of Pakistan State Oil Company Limited	**16,250**	16,250
28.2	**Commitments**		
	Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases	**5,612,298**	4,442,212
	Civil work contracts	**37,667**	49,691
	Sales contract to be executed	**5,789,838**	7,064,083
	Stand by letter of credit	**1,614,998**	1,715,940
	Foreign currency forward contracts - Sale	**771,104**	286,599
	Operations and maintenance contract	**206,057**	206,057
	Post dated cheques, Revenue Department - Government of Pakistan	**7,057,159**	4,509,032

28.3 The Group has total unutilised facility limit against letter of credits aggregating to Rs. 16.309 billion (2023: Rs. 8.144 billion) as of reporting date.

		Note	2024	2023
			------ (Rupees in '000) ------	
29	**REVENUE**			
29.1	**Revenue from contracts with customers**			
	Export sales	29.4	**76,846,980**	60,820,071
	Less:			
	Commission		**(274,610)**	(169,815)
	Sales tax on indirect exports		**(1,260,849)**	(3,775,080)
			75,311,521	56,875,176
	Local sales			
	- Yarn		**27,926,782**	23,546,915
	- Cotton		**1,057,822**	1,154,894
	- Towel		**330,973**	293,665
	- Greige Fabric		**21,426**	5,124
	- Waste		**4,320,690**	2,014,377
			33,657,693	27,014,975
	Less:			
	Brokerage on local sales		**(459,110)**	(550,913)
	Sales discount		**(59,557)**	(34,623)
	Sales tax on local sales:			
	- Yarn		**(4,258,410)**	(3,520,194)
	- Towel		**(275,643)**	(355,234)
	- Waste		**(569,741)**	(282,733)
			(5,103,794)	(4,158,161)
			103,346,753	79,146,454
29.2	**Other revenue**	29.5	**83,252**	349,381
29.3	**Revenue from sale of Electricity**			
	Energy Purchase Price (EPP)		**2,469,315**	2,375,607
	Late Payment Interest (LPI)		**36,984**	10,822
	Less: sales tax		**(300,750)**	(316,782)
			2,205,549	2,069,647
			105,635,554	81,565,482

29.4 It includes indirect exports of Rs. 21,313 million (2023: Rs. 25,629 million).

29.5 This represents realised exchange gain / loss on export sales.

	2024	2023
	------- (Rupees in '000) -------	
29.6 Disaggregation of export sales into geographical area:		
- Albania	**13,508**	14,618
- Australia	**229,266**	117,438
- Bangladesh	**243,076**	397,927
- Brazil	**158,148**	234,598
- Bulgaria	**100,333**	131,927
- Belgium	**70,506**	798,479
- Canada	**-**	25,190
- China	**33,146,555**	14,549,826
- Denmark	**1,421,363**	117,338
- Egypt	**-**	184,622
- Estonia	**11,950**	-
- Germany	**1,773,326**	1,152,976
- Greece	**1,055,746**	749,027
- France	**368,279**	561,886
- Ireland	**-**	12,409
- Italy	**461,878**	770,911
- Hong Kong	**242,568**	32,105
- Japan	**1,112,803**	672,961
- Korea	**-**	366,920
- Malaysia	**42,046**	39,540
- Mexico	**64,972**	51,889
- Netherlands	**269,180**	202,608
- New Zealand	**179,050**	49,600
- Philippines	**-**	20,456
- Poland	**41,319**	175,911
- Portugal	**618,055**	1,182,575
- Paraguay	**15,363**	16,803
- Panama	**36,243**	26,893
- Russia	**-**	176
- Singapore	**4,042,633**	1,566,591
- Saudi Arabia	**14,981**	48,745
- South Africa	**71,294**	55,474
- South Korea	**338,600**	-
- Spain	**342,942**	2,520,230
- Sweden	**113,271**	187,077
- Taiwan	**120,116**	154,128
- Thailand	**1,884**	-
- Turkey	**1,042,269**	1,440,862
- UAE	**435,921**	530,472
- Uganda	**32,478**	-
- UK	**4,100,491**	3,929,110
- USA	**2,919,607**	1,694,009
- Vietnam	**7,281**	237,439
- Indirect exports	**21,313,069**	25,628,508
Total sales	**76,572,370**	60,650,256
Less: Sales tax on indirect exports	**(1,260,849)**	(3,775,080)
	75,311,521	56,875,176

		Note	2024	2023
			------- (Rupees in '000) -------	
30	**DIRECTLY ATTRIBUTABLE COST FOR GENERATING REVENUE**			
	Raw material consumed	30.1	**75,002,319**	59,620,149
	Manufacturing expenses	30.3	**22,229,573**	15,409,509
	Outside purchases			
	yarn for processing excluding conversion cost		**1,106,453**	654,263
			98,338,345	75,683,921
	Work in process			
	- Opening		**2,472,745**	1,325,962
	- Closing		**(2,339,218)**	(2,472,745)
			133,527	(1,146,783)
	Cost of goods manufactured		**98,471,872**	74,537,138
	Finished goods			
	- Opening		**3,813,849**	2,053,132
	- Closing		**(4,721,102)**	(3,813,849)
			(907,253)	(1,760,717)
	Waste			
	- Opening		**282,309**	146,593
	- Closing		**(281,084)**	(282,309)
			1,225	(135,716)
			97,565,844	72,640,705

30.1 Raw material consumed

	Note	2024	2023
Opening stock		**15,079,121**	13,335,315
Purchases		**68,843,214**	61,363,955
		83,922,335	74,699,270
Closing stock	11	**(8,920,016)**	(15,079,121)
	30.2	**75,002,319**	59,620,149

30.2 This includes cost of raw material sold amounting to Rs. 1150.937 million (2023: Rs. 787.911 million).

		Note	2024	2023
30.3	**Manufacturing expenses**		------- (Rupees in '000) -------	
	Salaries, wages and benefits	30.3.1	**5,345,160**	4,291,565
	Utilities		**9,374,649**	4,887,982
	Stores and spares consumed		**2,461,429**	2,171,407
	Provision / (reversal) made during the year	10.1	**2,611**	(88,769)
	Packing material consumed		**1,712,404**	1,111,620
	Repairs and maintenance		**433,985**	389,161
	Insurance		**179,884**	136,801
	Rates and taxes		**4,162**	6,201
	Depreciation on operating fixed assets	6.1.1	**2,733,151**	2,329,324
	Depreciation on right-of-use assets		**-**	959
	Others		**(17,862)**	173,258
			22,229,573	15,409,509

30.3.1 It includes staff retirement benefits Rs. 144.588 million (2023: Rs. 149.781 million)

		Note	2024	2023
			------- (Rupees in '000) -------	
31	**OTHER INCOME**			
	Scrap sales		**97,388**	56,272
	Gain on disposal of operating fixed assets - net		**2,264**	-
	Duty drawback, rebates and others		**147,494**	144,100
	Capital gain on sale of other financial assets		**5,236**	-
	Amortization of deferred Government Grants	23.2	**141,538**	97,446
	Profit on term finance certificates		**36,741**	15,851
	Gain on disposal of right of use of asset		**2,273**	-
	Profit on fixed deposits		**181,420**	85,627
	Exchange gain on forward contract booking		**-**	58,760
	Unrealized gain on revaluation of foreign currency debtors		**-**	8,810
	Exchange gain - others		**258,853**	216,290
	Realised exchange gain on foreign currency loans		**20,891**	-
	Unrealised exchange gain on foreign currency loans		**11**	-
	Unrealized gain on other financial assets		**14,018**	-
	Dividend income		**26,220**	16,570
	Other operating income		**1,126**	-
			935,473	699,726

32 DISTRIBUTION COST

	Note	2024	2023
Export			
Ocean freight		**711,007**	441,410
Export development surcharge		**96,234**	81,107
Insurance expense		**3,785**	3,378
Export charges		**320,627**	453,792
		1,131,653	979,687
Local			
Freight and other		**228,663**	135,957
Insurance		**8,708**	2,733
Salaries and wages	32.1	**173,684**	126,543
Travelling and conveyance		**31,085**	24,311
Telephone and postage		**53,275**	47,966
Marketing and promotion		**142,906**	119,254
Others		**41,101**	28,966
		679,422	485,730
		1,811,075	1,465,417

32.1 It includes staff retirement benefits Rs. 2.266 million (2023: Rs. 2.406 million).

33 ADMINISTRATIVE EXPENSES

	Note	2024	2023
		------- (Rupees in '000) -------	
Salaries and benefits	33.1	**535,579**	345,190
Directors' remuneration other than meeting fees		**131,710**	233,231
Meeting fees		**600**	1,094
Repairs and maintenance		**6,850**	15,712
Postage and telephone		**22,117**	19,130
Traveling and conveyance		**20,449**	26,457
Vehicles running		**66,882**	52,837
Printing and stationery		**8,317**	7,863
Short term lease, rates and taxes		**4,456**	5,583
Utilities		**25,958**	19,862
Entertainment		**7,528**	6,423
Fees and subscription		**35,566**	32,984
Insurance		**13,647**	12,807
Legal and professional		**33,122**	43,158
Charity and donations	33.2	**1,000**	4,080
Auditor's remuneration	33.3	**6,663**	5,851
Depreciation on operating fixed assets	6.1.1	**87,822**	92,862
Depreciation on right-of-use assets	6.5	**20,040**	18,627
Amortization on intangible assets	7	**1,802**	2,244
Advertisement		**-**	1,345
Allowance for expected credit loss on trade debts		**-**	5,685
Others		**20,817**	13,737
		1,050,925	966,762

33.1 It includes staff retirement benefits of Rs. 12.534 million (2023: Rs. 5.301 million).

33.2 This represents donation of Rs. 1 million (2023: Rs. 3 million) made to "All Pakistan Textile Mills Association". None of the directors and their spouses have any interest in the donees' fund.

	Note	2024	2023
		------- (Rupees in '000) -------	
33.3 Auditor's remuneration			
Audit fee		**5,219**	4,687
Interim review fee		**550**	500
Fee for certifications		**250**	188
Out of pocket expenses		**644**	476
		6,663	5,851

34 OTHER OPERATING EXPENSES

	Note	2024	2023
Workers' Profits Participation Fund	25.2	**32,335**	132,209
Workers' Welfare Fund	25.3	**13,054**	7,690
Loss on disposal of operating fixed assets - net		**-**	26,987
Realised exchange loss on foreign currency		**-**	294,627
Unrealized loss on revaluation of foreign currency loans		**-**	145,223
Unrealized loss on other financial assets		**-**	6,021
Exchange loss on forward contract booking		**15,367**	-
Unrealized loss on revaluation of foreign currency debtors		**5,237**	-
Realised loss on other financial assets		**-**	3,297
		65,993	616,054

	Note	2024	2023
35 FINANCE COST		-------- (Rupees in '000) --------	
Mark-up on:			
- long-term finance		**1,921,910**	1,527,992
- short-term borrowings		**2,642,699**	1,943,724
- lease liability		**8,246**	6,982
Amortization of transaction cost		**8,279**	21,088
Bank charges and commission		**67,758**	69,833
Discounting charges on letters of credit		**342,362**	127,991
Unwinding of Government Infrastructure Development Cess	23.3	**21,059**	41,693
Interest on Workers' Profits Participation Fund	25.2	**5,005**	5,174
		5,017,318	3,744,477
Less: profit on bank deposit		**-**	(24,566)
Less: amounts included in the cost of qualifying asset	6.4.2	**-**	(155,428)
		5,017,318	3,564,483

			2024	Restated 2023
36	**LEVIES**	**Note**	--------- (Rupees in '000)	---------
	Final taxes	36.1	**499**	443,958
	Prior year leveis		**(1,606)**	(22,657)
	Minimum taxes	36.2	**1,335,484**	397,167
			1,334,377	818,468

36.1 These represent final taxes paid on export sales, dividend income and capital gain account and are recognised as levies in line with the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 ‘Income Taxes’ issued by Institute of Chartered Accountants of Pakistan.

36.2 This represents provision for minimum tax under section 113, of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognised as levies in these consolidated financial statements as per the requirements of IFRIC 21 'Levies' or IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and guide on IAS 12 ‘Income Taxes’ issued by Institute of Chartered Accountants of Pakistan.

		2024	Restated 2023
		--------- (Rupees in '000)	---------
37	**TAXATION**		
	Current		
	- For the year	**33,557**	286,494
	- Prior year	**(166,466)**	(113,639)
	Deferred	**(675,694)**	31,204
		(808,603)	204,059

37.1 Relationship between tax expense and accounting profit

	2024	2023
Accounting profit before tax	**1,058,421**	3,014,644
Tax rate	**29%**	29%

	2024	2023
	-------- (Rupees in '000)	--------
Tax on accounting profit	**306,942**	874,247
Effect of:		
Income chargeable to tax at reduced rates	**(466)**	(21,847)
Income chargeable to tax under final tax regime	**(141,763)**	(352,278)
Prior year	**(170,738)**	(158,483)
Impact of super tax	**-**	162,750
Impact of minimum tax credit	**1,209,099**	171,756
Impact of levies	**(1,335,982)**	(503,186)
Deferred tax	**(675,694)**	31,100
Tax charge as per accounts	**(808,603)**	204,059

38 EARNINGS PER SHARE - BASIC AND DILUTED

38.1 Basic earnings per share

	2024	2023
	---------- (Rupees in '000) ----------	
Profit for the year	**532,647**	1,992,117
	Number of shares	
Weighted average number of ordinary shares outstanding during the year	**54,221,196**	54,221,196
	2024	**2023**
	---------- (Rupees in '000) ----------	
Earnings per share - Basic and diluted	**9.82**	36.74

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

39 CASH GENERATED FROM OPERATIONS

	Note	2024	2023
		------- (Rupees in '000) -------	
Profit before levies and taxation		**1,058,421**	3,014,644
Adjustments for non cash and other items:			
Depreciation on operating fixed asset	6.1.1	**2,820,973**	2,422,186
Depreciation on right-of-use assets	6.5.2	**20,040**	19,586
Amortization on intangible assets	33	**1,802**	2,244
Provision for gratuity	23.1.5	**159,389**	157,488
Provision of allownace of expected credit loss	33	**-**	5,685
Provision / (reversal) for slow moving and obsolete stores	10.1	**2,611**	(88,769)
Write off right of use of asset	6.5	**6,799**	-
Write off intangibles	7	**1,058**	-
Capital (gain) / loss on sale of other financial assets	31	**(5,236)**	3,297
Unrealized capital (gain) / loss on other financial assets	31	**(14,018)**	6,021
Unrealized loss / (gain) on revaluation of foreign currency debtors	34	**5,237**	(8,810)
(Gain) / loss on disposal of operating fixed assets	31	**(2,264)**	26,987
Dividend income	31	**(26,220)**	(16,570)
Unwinding of deferred government grant	31	**(141,538)**	(97,446)
Finance cost	35	**4,581,134**	3,344,358
Unwinding of Gas Infrastructure Development Cess	35	**21,059**	41,693
Share of loss / (profit) from associate	8.1	**1,451**	(2,857)
Realised gain on foreign currency loans		**(399,683)**	53,364
Unrealised (gain) / loss on foreign currency loans	31	**(11)**	145,223
Cash generated before working capital changes		**8,091,004**	9,028,324

Working capital changes:

Decrease / (increase) in current assets

Stores, spares and loose tools	**(449,162)**	(281,156)
Stock-in-trade	**4,942,330**	(4,712,238)
Trade debts	**(25,186)**	(2,851,354)
Loans and advances	**(238,278)**	(252,587)
Trade deposits and short term prepayments	**23,092**	(16,422)
Other receivables	**(129,406)**	114,165
Long term deposits	**(603)**	50
	4,122,787	(7,999,542)
Increase / (decrease) in current liabilities		
Trade and other payables	**808,668**	(94,982)
Cash generated from operations	**13,022,459**	933,800

	Note	2024	2023
		-------- (Rupees in '000) --------	
40 CASH AND CASH EQUIVALENTS			
Cash and bank balances	18	**1,315,615**	1,008,130
Short-term borrowings	27	**(339,378)**	(5,186,355)
		976,237	(4,178,225)

41 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	72,979	137,998	-	547,698	758,675
Retirement benefits	-	-	-	67,945	67,945
Medical	-	-	-	3,580	3,580
Utilities	3,526	6,252	7,835	3,285	20,898
Travelling	4,413	-	-	31,256	35,669
Bonus and others	2,382	-	12,404	24,004	38,790
Insurance	13,029	-	-	-	13,029
Meeting fees	-	-	600	-	600
Total	96,329	144,250	20,839	677,768	939,186
Number of persons	4	5	14	239	262

Particulars	Chief Executive Officer	Directors		Executives	Total
		Executive	Non-Executive		
	-----------	-----------	Rupees in '000	-----------	-----------
Remuneration	69,336	128,995	-	412,336	610,667
Retirement benefits	-	-	-	29,068	29,068
Medical	-	-	-	3,113	3,113
Utilities	2,460	6,252	7,835	2,824	19,370
Travelling	3,694	-	-	22,180	25,874
Vehicle running	843	277	-	-	1,120
Bonus and others	26,332	-	-	19,009	45,341
Insurance	1,735	-	-	-	1,735
Meeting fees	-	-	1,094	-	1,094
Total	104,400	135,524	8,929	488,530	737,383
Number of persons	4	5	15	171	201

41.1 Group maintained cars and cellular phones are provided to Chief Executive Officers, directors and executives.

42 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate (Sunrays Textile Mills Limited), entities with common directorship, key management personnel. The Group carries out transactions with related parties on agreed terms. Remuneration of key management personnel is disclosed in note 41 to the consolidated financial statements and amount payable in respect of staff retirement benefits is disclosed in note 23. Significant transactions with related parties other than those shown elsewhere in these consolidated financial statements, are as follows:

Relationship	Nature of transactions	2024	2023
		-------- (Rupees in '000)	--------
Associate (shareholding : 0.99 percent), Sunrays Textile Mills Limited	Purchase of goods and services	**213,534**	129,860
	Doubling charges	**15,016**	-
Directors	Dividend paid	**-**	72,122
Spouses and sons of Directors	Payment aginst short term leases	**25,048**	20,986
Balances with related parties			
Associate - payable, Sunrays Textile Mills Limited		**30,610**	-

43 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

At amortised cost

Long-term deposits	**20,451**	19,848
Trade debts	**17,510,904**	17,490,955
Loans	**15,401**	12,987
Other receivables	**493,068**	363,662
Trade deposits	**15,022**	9,864
Cash and bank balances	**1,315,615**	1,008,130
	19,370,461	18,905,446
At fair value through profit or loss		
Other financial assets	**40,127**	140,180
	19,410,588	19,045,626

Financial liabilities

At amortised cost

Long-term financing	**22,919,230**	23,843,808
Trade and other payables	**4,070,448**	3,388,811
Short-term borrowings	**18,048,142**	20,078,366
Unclaimed dividends	**2,384**	19,009
Interest / mark-up payable	**597,128**	959,534
Lease liabilities	**54,525**	59,836
	45,691,857	48,349,364

44 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: credit risk, liquidity risk and market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk).

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

44.1 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:

	2024	2023
	-------- (Rupees in '000) --------	
Long-term deposits	**20,451**	19,848
Trade debts	**17,510,904**	17,490,955
Loans	**15,401**	12,987
Other receivables	**493,068**	363,662
Trade deposits	**15,022**	9,864
Bank balances	**1,297,051**	1,000,039
	19,351,897	18,897,355

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 impaired 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	A1+
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	A1+
United Bank Limited	VIS	AAA	A1+
Habib Metropolitan Bank Limited	PACRA	AA+	A1+
Meezan Bank Limited	VIS	AAA	A1+
Bank Alfalah Limited	PACRA	AAA	A1+
Bank Islami Pakistan	PACRA	AA-	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	VIS	AA	A1+

44.2 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:

44.2.1 Liquidity and interest risk table

The following tables displays the Group’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 Group 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	**22,919,230**	**28,481,756**	**2,745,666**	**17,942,525**	**7,793,565**
Trade and other payables	**4,070,448**	**4,070,448**	**4,070,448**	**-**	**-**
Short-term borrowings	**18,048,142**	**18,048,142**	**18,048,142**	**-**	**-**
Unclaimed dividends	**2,384**	**2,384**	**2,384**	**-**	**-**
Interest / mark-up payable	**597,128**	**597,128**	**597,128**	**-**	**-**
Lease liabilities	**54,525**	**91,135**	**30,060**	**26,835**	**34,240**
2024	**45,691,857**	**51,290,993**	**25,493,828**	**17,969,360**	**7,827,805**

	Carrying Values	Contractual Cash Flows	Upto 1 years	1 to 5 years	More than 5 years
	---Rupees in '000'---				
Long-term financing	23,843,808	27,473,779	2,236,601	15,261,159	9,976,019
Trade and other payables	3,388,811	3,388,811	3,388,811	-	-
Short-term borrowings	20,078,366	20,078,366	20,078,366	-	-
Unclaimed dividends	19,009	19,009	19,009	-	-
Interest / mark-up payable	959,534	959,534	959,534	-	-
Lease liabilities	59,836	141,207	23,884	83,083	34,240
2023	48,349,364	52,060,706	26,706,205	15,344,242	10,010,259

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

44.3 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.

44.3.1 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 Group's interest-bearing financial instruments is:

	Carrying amount 2024	2023
	-------- (Rupees in '000) -------	
Fixed rate instruments		
Financial liabilities	**26,947,795**	26,168,660
Variable rate instruments		
Financial liabilities		
- KIBOR based	**7,634,772**	10,750,317
- LIBOR based	**6,463,393**	7,068,976
Financial assets		
- KIBOR based	**786,455**	494,613

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 consolidated 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, 2024 would decrease / increase by Rs. 665.586 million (2023: Rs. 866.234 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.

44.3.2 Foreign exchange risk management

Exposure to currency risk	2024		2023	
	Rupees	US Dollar	Rupees	US Dollar
	---------------------------------- '000	------------------------------		
Trade debts	**4,183,078**	**15,029**	7,255,830	25,371
Bank balances	**193,019**	**693**	216,643	758
Foreign currency loans	**(16,806,866)**	**(60,382)**	(16,156,259)	(56,492)
	(12,430,769)	**(44,660)**	(8,683,786)	(30,363)

	2024	2023
Reporting date rate	**278.34**	285.99
Average rate	**283.24**	286.18

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, 2024, 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. 621.538 million (2023: higher / lower by Rs. 434.189 million) determined on the outstanding balance at year end.

44.3.3 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 including units of mutual funds are at fair value was Rs. 34.511 million (2023: Rs. 140.18 million). A decrease / increase of 5% in market prices or net assets value would have an impact of approximately Rs. 1.726 million (2023: Rs. 7.009 million) on profit for the year determined based on market value of investments at year end.

44.3.4 Fair value estimation

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).

Details of fair value hierarchy and information relating to fair value of Group investment categorised as fair value through profit or loss is as follows:

	Note	June 30, 2024 Level 1	Level 2	Level 3	Total
		------------------------------	(Rupees in '000)	------------------------------	
Financial assets measured at fair value					
Other financial assets	16	**31,096**	**9,031**	**-**	**40,127**

	Note	June 30, 2023 Level 1	Level 2	Level 3	Total
		------------------------------	(Rupees in '000)	------------------------------	
Financial assets measured at fair value					
Other financial assets	16	38,933	101,247	-	140,180

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

45 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 consolidated statement of financial position plus net debt.

The gearing ratios at June 30, 2024 and 2023 were as follows:

	2024	2023
	---------- (Rupees in '000)	--------
Total borrowings (note 21 & 27)	**40,967,372**	43,922,174
Less: cash and bank balances (note 18)	**(1,315,615)**	(1,008,130)
Net debt	**39,651,757**	42,914,044
Total equity	**31,947,595**	31,481,480
Total capital	**71,599,352**	74,395,524
Gearing ratio	**55%**	58%

The gearing ratio of the Group is decreased by 3% as the Group obtained the debt to finance the expansion made.

46 CAPACITY AND PRODUCTION

Spinning units	2024	2023
Total number of spindles installed	**252,652**	237,509
Total number of spindles worked per annum (average)	**241,458**	209,177
Number of shifts worked per day	**3**	3
Installed capacity of yarn converted into 20 counts based on 365 days (lbs.)	**180,716,610**	163,105,380
Actual production for the year after conversion into 20 counts (lbs.)	**166,085,068**	155,047,156
Power Generation unit		
Installed capacity (theoretical maximum output in MWh) (25 turbines of 2 MW each)	**439,200**	438,000
Actual production (MWh)	**173,135**	151,860
Capacity utilization factor	**39.42%**	34.67%

Theoretical maximum output is of 366 days (2023: 365 days from COD). The Capacity utilization factor calculated above is total gross generation of 366 days (2023: 365 days from COD) over theoretical maximum output of 366 days (2022: 365 days from COD). The actual production is subject to actual load demanded and wind conditions.

Weaving unit	2024	2023
Normal capacity (Lbs)	**29,062,687**	29,062,687
Actual Production (Lbs)	**21,478,272**	20,554,296

The difference between the installed capacity and actual production is due to the annual demand variations of the Groups products.

47 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, Muzaffargarh, 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 8.1 to these consolidated financial statements.

48 NUMBER OF EMPLOYEES

	Number of employees 2024	2023
Average number of employees during the year	**7,723**	7,411
Number of employees as at June 30	**7,782**	7,037

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

49 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Long term financing	Dividend	Lease liabilities
	Rupees '000'		
Balance as at July 1	**23,822,721**	**19,009**	**77,214**
Non cash item	**(50,168)**	**-**	**11,433**
Financing cash inflows	**1,611,230**	**-**	**-**
Financing cash outflows	**(2,464,553)**	**(16,625)**	**(34,122)**
	22,919,230	**2,384**	**54,525**

50 CORRESPONDING FIGURES

Corresponding figures have been reclassified in these consolidated 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 consolidated financial statements.

51 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements have been authorised for issue on October 04, 2024 by the Board of Directors of the Group.

52 GENERAL

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

Chief Financial Officer | Chief Executive Officer | Director

بورڈ کے پاس اپنے ڈائریکٹرز ایگزیکیٹو/نان ایگزیکٹیو کے لیے باضابطہ معاوضے کی پالیسی ہے جسے بورڈ آف حکمت عملی کے ایک جزو کے طور پر ڈیزائن کیا گیا ہے اور دونوں HR ڈائریکٹرز نے منظور کیا ہے۔ پالیسی کو کو کاروباری حکمت عملی کی حمایت کرنے کی ضرورت ہے۔ بورڈ کا خیال ہے کہ یہ پالیسی کمپنی کو چلانے اور ،چلانے کے لیے بہترین ایگزیکٹوز اور ڈائریکٹرز کو راغب کرنے اور برقرار رکھنے کے ساتھ ساتھ ڈائریکٹرز ایگزیکٹوز اور شیئر ہولڈرز کے درمیان ہم آہنگی پیدا کرنے کے لیے موزوں اور موثر ہے۔

آڈیٹرز کی تقرری

یوسف عادل چارٹرڈ اکاؤنٹنٹس ایک نامور چارٹرڈ اکاؤنٹنٹس فرم ہے جس نے کمپنی کے ساتھ اپنی تقرری کی مدت مکمل کی ہے اور اہل ہونے کے بعد ایک اور مدت کے لیے اپنی خدمات کی پیشکش کی ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی کی سفارشات کی بنیاد پر یوسف عادل کو یقینی سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کی تجویز دی ہے۔

ماحولیات، صحت اور حفاظت

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

اندرونی آڈٹ فنکشن

بورڈ نے کمپنی کے کاروبار کو آگے بڑھانے کے لیے آپریشنل، مالیاتی اور تعمیل کنٹرول کے ساتھ موثر اور توانا اندرونی کنٹرول سسٹم قائم کیا ہے۔ اندرونی آڈٹ کے نتائج کا آڈٹ کمیٹی جائزہ لیتی ہے، اور جہاں ضروری ہو، اندرونی آڈٹ رپورٹس میں موجود سفارشات کی بنیاد پر کارروائی کی جاتی ہے۔

شیئر ہولڈنگ پیٹرن

جون 30 2024 کو شیئر ہولڈنگ پیٹرن منسلک ہے۔

ویب کی موجودگی

حصص یافتگان اور دیگر افراد کی معلومات کے لیے کمپنی کے سالانہ اور متواتر مالی بیانات کمپنی کی ویب سائٹ پر بھی دستیاب ہیں۔ http://www.indus-group.com

اعتراف

ہم کمپنی کے ہر ملازم کے تعاون کو تسلیم کرتے ہیں۔ ہم اپنی مصنوعات میں دکھائے گئے اعتماد کے لیے اپنے صارفین اور کمپنی کے لیے مسلسل تعاون کے لیے بینکرز کا شکریہ ادا کرنا چاہیں گے۔

ہم اپنے شیئر ہولڈرز کے بھی شکر گزار ہیں کہ انہوں نے ہماری انتظامیہ پر اعتماد کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے

میاں شہزاد احمد	**جناب عمران احمد**
چیف ایگزیکٹو آفیسر	**ڈائریکٹر**

بتاریخ :4 اکتوبر 2024

کراچی۔

S. نمبر	نام	شیئرز ٹرانسفر
1	میاں شہزاد احمد	200,000

بورڈ اور ذیلی کمیٹی کے اجلاس

سال کے دوران بورڈ کے اجلاس منعقد ہوئے اور ہر ڈائریکٹر کی حاضری حسب ذیل ہے۔

بورڈ آف ڈائریکٹرز		
S. نمبر	ڈائریکٹرز کے نام	شرکت کی۔
1	جناب نوید احمد	4/4
2	میاں شہزاد احمد	4/4
3	میاں عمران احمد	4/4
4	جناب عرفان احمد	4/4
5	جناب کاشف ریاض	4/4
6	جناب شیخ شفقت مسعود	4/4
7	فیصل حنیف صاحب	4/4
8	جناب عامر امین	4/4
9	محترمہ عذرا یعقوب واوڈا	4/4
10	مسز فادیہ کاشف	4/4

انسانی وسائل اور معاوضے کی کمیٹی

کمیٹی پر مشتمل ہے

S. نمبر	نام	پوزیشن
1	فیصل حنیف صاحب	چیئرمین
2	مسز فادیہ کاشف	ممبر
3	جناب شیخ شفقت مسعود	ممبر

ایک1میٹنگ مالی سال کے دوران جولائی 2023 سے جون 2024 تک منعقد کی گئی تھی۔ تینوں ممبران میٹنگ میں موجود تھے۔

آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے ایک مکمل طور پر فعال آڈٹ کمیٹی تشکیل دی جس میں تین ممبران شامل تھے :ایک آزاد ،ڈائریکٹر اور دو غیر ایگزیکٹو ڈائریکٹر۔ کمیٹی کا ٹرم آف ریفرنس، دوسری باتوں کے ساتھ، شفاف اندرونی آڈٹ اکاؤنٹنگ اور کنٹرول سسٹم، رپورٹنگ کا مناسب ڈھانچہ نیز کمپنی کے اثاثوں کی حفاظت کے لیے مناسب اقدامات کا تعین کرنے پر مشتمل ہے۔

آڈٹ کمیٹی کی میٹنگز

سال کے دوران چار 4 اجلاس منعقد ہوئے۔ تمام ممبران چیئرمین سمیت نان ایگزیکٹو ڈائریکٹرز ہیں۔ کمیٹی کی تشکیل اور سال کے دوران حاضری کی حیثیت بذریعہ:

آڈٹ کمیٹی کے 04 اجلاس		
S. نمبر	ڈائریکٹرز کے نام	شرکت کی۔
1	فیصل حنیف صاحب	4/4
2	جناب عرفان احمد	4/4
3	جناب شیخ شفقت مسعود	4/4

- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔ اس بات کو یقینی بنانے کے لیے کنٹرول کے طریقہ کار پر زور دیا جا رہا ہے کہ کمپنی کی پالیسیوں پر عمل کیا جائے اور کسی بے ضابطگی کی صورت میں بروقت اصلاح کی جائے۔
- بورڈ اس بات سے مطمئن ہے کہ کمپنی ایک جاری تشویش ہے، آڈیٹرز نے اپنی رپورٹ میں تشویش کے معاملے پر زور دیا ہے تاہم یہ مالیاتی بیانات مالی بیانات میں مکمل طور پر ظاہر ہونے والی وجوہات کی بنا پر تیار کیے گئے ہیں۔
- پچھلے چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- ٹیکسز، ڈیوٹی، لیویز اور چارجز کی مد میں کوئی مجسمہ ادائیگیاں نہیں ہیں جو کہ جون 30 2024 تک بقایا ہیں سوائے مالی بیانات میں ظاہر کردہ۔

بورڈ کی تشکیل

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

ڈائریکٹرز کی کل تعداد		
1	مرد	08
2	خاتون	02

تشکیل

1	آزاد ڈائریکٹر	03
2	ایگزیکٹو ڈائریکٹر	03
3	غیر ایگزیکٹو ڈائریکٹر	04

بورڈ کی تشکیل کوڈ آف کارپوریٹ گورننس کے ضوابط، 2019 کے تقاضوں کے مطابق ہے جو درج فہرست اداروں پر

30 جون 2024 کو ڈائریکٹرز کے نام درج ذیل ہیں

نمبر .S	نام	پوزیشن	ریمارکس
1	مسٹر نوید احمد	چیئرمین	-
2	میاں شہزاد احمد	چیف ایگزیکٹو	-
3	میاں عمران احمد	ڈائریکٹر	-
4	مسٹر عرفان احمد	ڈائریکٹر	-
5	مسٹر کاشف ریاض	ڈائریکٹر	-
6	مسٹر شیخ شفقت مسعود	ڈائریکٹر	-
7	مسٹر فیصل حنیف	ڈائریکٹر	-
8	مس عذرا یعقوب واوڈا	ڈائریکٹر	-
9	جناب عامر امین	ڈائریکٹر	نامزد این آئی ٹی
10	مسز فادیہ کاشف	ڈائریکٹر	-

بورڈ آف ڈائریکٹرز

سی ای او، ڈائریکٹرز، میاں بیوی اور نابالغ کی طرف سے کمپنی کے تحفے کے ذریعے حصص میں موصول ہونے والی جائزے کی مدت کے دوران:

لیا ہے، جس کے جلد ہی مکمل ہونے کی امید ہے۔ یہ معاہدہ دوسرے بین الاقوامی قرض دہندگان کے لیے اپنی مالی سہولیات میں توسیع یا رول اوور کرنے کی راہ ہموار کر سکتا ہے۔

اس سال ٹیکسٹائل سیکٹر کے لیے ایک بڑا چیلنج پاکستان کی کپاس کی فصل کو مسلسل مون سون بارشوں کی وجہ سے نقصان ہے، خاص طور پر کپاس پیدا کرنے والے اہم علاقوں میں۔ مسلسل بارش نے فصل کی کٹائی میں تاخیر کی ہے اور بیج کپاس کی آمد میں تیزی سے کمی کا باعث بنی ہے، جس سے بہت سی جننگ فیکٹریوں کو ناکافی سپلائی کی ،وجہ سے کام بند کرنا پڑا۔ اگست کے وسط تک، روئی کی آمد نمایاں طور پر کم ہو کر صرف 1.0 ملین گانٹھیں رہ گئی جو کہ گزشتہ سال کی اسی مدت کے دوران 2.1 ملین گانٹھوں کے مقابلے میں تھی۔ موسلا دھار بارش نے صورتحال کو مزید خراب کر دیا، فصل کو مزید نقصان پہنچا۔

فنانس بل میں متعارف کرائے گئے اقدامات سے اضافی چیلنجز پیدا ہوتے ہیں، جن میں ایکسپورٹ فیسلیٹیشن سکیم تحت مقامی سپلائیز پر زیرو ریٹنگ کی سہولت کا خاتمہ، خام مال کی درآمدات پر ڈیوٹی کا نفاذ، انفراسٹرکچر (EFS) میں اضافہ، اور ایک شفٹ شامل ہیں۔ ٹیکس کے نظام میں حتمی ٹیکس نظام سے نارمل ٹیکس نظام تک۔ یہ CESS تبدیلیاں کیش فلو کے انتظام پر دباؤ ڈال رہی ہیں اور پاکستان کے ٹیکسٹائل سیکٹر کو بین الاقوامی مارکیٹ میں کم مسابقتی بنا رہی ہے۔

سماجی ذمہ داری

انتظامیہ لوگوں کو بااختیار بنانے کے لیے کام کرتی ہے تاکہ وہ عالمی معیشت میں کامیابی کے لیے درکار مہارتوں کو تیار کر سکیں۔ کمپنی کمیونٹیز کو معلومات، ٹیکنالوجی اور صحت، تعلیم اور معاش کے بہتر نتائج حاصل کرنے کی صلاحیت سے آراستہ کرتی ہے۔

اس نقطہ نظر کی کلید کمپنی کے ملازمین ہیں جو کمیونٹیز کی خدمت کے لیے اپنا وقت، تجربہ اور ہنر دل کھول کر دیتے ہیں۔ کمپنی انہیں ایسا کرنے کے لیے حوصلہ افزائی اور سہولت فراہم کرتی ہے۔

بیلنس شیٹ بنانے کے بعدمعاملات

مالی سال کے اختتام جس سے یہ بیلنس شیٹ متعلقہ ہے اور ڈائریکٹر کی رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔

متعلقہ فریق کے لین دین

کمپنی نے تمام متعلقہ پارٹی ٹرانزیکشنز کو آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لیے پیش کیا ہے۔ ان ٹرانزیکشنز کی منظوری آڈٹ کمیٹی اور بورڈ نے اپنے اپنے اجلاسوں میں دی ہے۔ تمام متعلقہ فریق کے لین دین کی تفصیلات جون 30 2024 کو ختم ہونے والے سال کے لیے منسلک مالی بیانات کے نوٹ 42 میں فراہم کی گئی ہیں۔

کارپوریٹ گورننس، مالیاتی رپورٹنگ اور اندرونی کنٹرول کا نظام

کمپنی اچھی کارپوریٹ گورننس اور بہترین طریقوں کی تعمیل کے لیے پرعزم ہے۔ پاکستان سٹاک ایکسچینج کی طرف سے ان کی فہرست سازی کے ضابطوں میں کوڈ آف کارپوریٹ گورننس کے تقاضوں کی تعمیل کی گئی ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ:

- ،کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کے معاملات کی صورتحال، اس کے آپریشنز کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کا نتیجہ پیش کرتے ہیں۔
- کمپنی کے کھاتوں کی صحیح کتابیں رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور وہاں سے کسی بھی روانگی کا مناسب طور پر انکشاف اور وضاحت کی گئی ہے۔

شیئر ہولڈرز کو ڈائریکٹرز کی رپورٹ

انڈس ڈائنگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ کے ڈائریکٹرز کو کمپنی کے 67 سالانہ اجلاس سے پہلے 30 جون 2024 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرنے پر خوشی ہے۔

کمپنی کی مجموعی مالی جھلکیاں حسب ذیل ہیں

جون 30کو ختم ہونے والے سال کے لیے	2024	2023
	(روپے 000 میں)	
فروختگی	105,635,554	81,565,482
مجموعی منافع	8,069,054	8,924,777
دیگر آپریٹنگ آمدنی	935,473	699,726
مالیاتی لاگت	(5,017,318)	(3,564,483)
ٹیکس لگانے کا انتظام	(525,774)	(1,022,527)
ٹیکس کے بعد سال کا منافع	532,647	1,992,117
آمدنی فی حصص	9.82	36.74

منافع

بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے سال کے لیے ورکنگ کیپیٹل کی ضروریات اور لیکویڈیٹی پوزیشن کے حساب سے کسی ڈیویڈنڈ کا اعلان نہیں کیا ہے۔

فی حصص آمدنی

مجموعی آمدنی فی حصص روپے ہے۔ 9.82 روپے کے مقابلے میں پچھلے سال 36.74 فی حصص اکیلے بنیاد پر کمپنی کی فی حصص آمدنی روپے ہے۔ روپے کے مقابلے میں 1.35 فی شیئر پچھلے سال 13.06 فی شیئر۔

کاروبار کی نوعیت میں تبدیلی

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

کاروبار کا جائزہ

فروخت میں اضافے کے ساتھ کمپنی کی کارکردگی تسلی بخش ہے۔ زیر نظر سال کے دوران کمپنی کی گروپ سیلز میں گزشتہ سال کے مقابلے میں 29.5 فیصد اضافہ ہوا ہے .

گزشتہ سال کے 1,992.117 ملین روپے کے منافع کے مقابلے میں 532.647 ملین روپے کا بعد از ٹیکس منافع کمایا

مستقبل کا نقطہ نظر

عالمی معیشت میں معتدل رفتار سے نمو متوقع ہے، پاکستان کی جی ڈی پی صرف 4 فیصد سے کم رہنے کا امکان ہے۔ عالمی قیمتوں کے (SBP) آنے والے سال میں افراط زر کی شرح میں کمی کی توقع ہے، اور اسٹیٹ بینک آف پاکستان رجحانات کے جواب میں ڈسکاؤنٹ کی شرح کو مزید کم کر سکتا ہے۔ نئے سال کے آغاز کے ساتھ ملکی کرنسی نے استحکام کا مظاہرہ کیا ہے، اور اس رجحان کو برقرار رکھنے کے لیے پالیسی میں تسلسل ضروری ہے۔ حکومت نے IMF کے ساتھ 7 بلین امریکی ڈالر کی توسیع فنڈ سہولت(EFF) کے لیے عملے کی سطح کا ایک معادہ بھی حاصل کر

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 28th day of October, 2024 at 11:15 a.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)

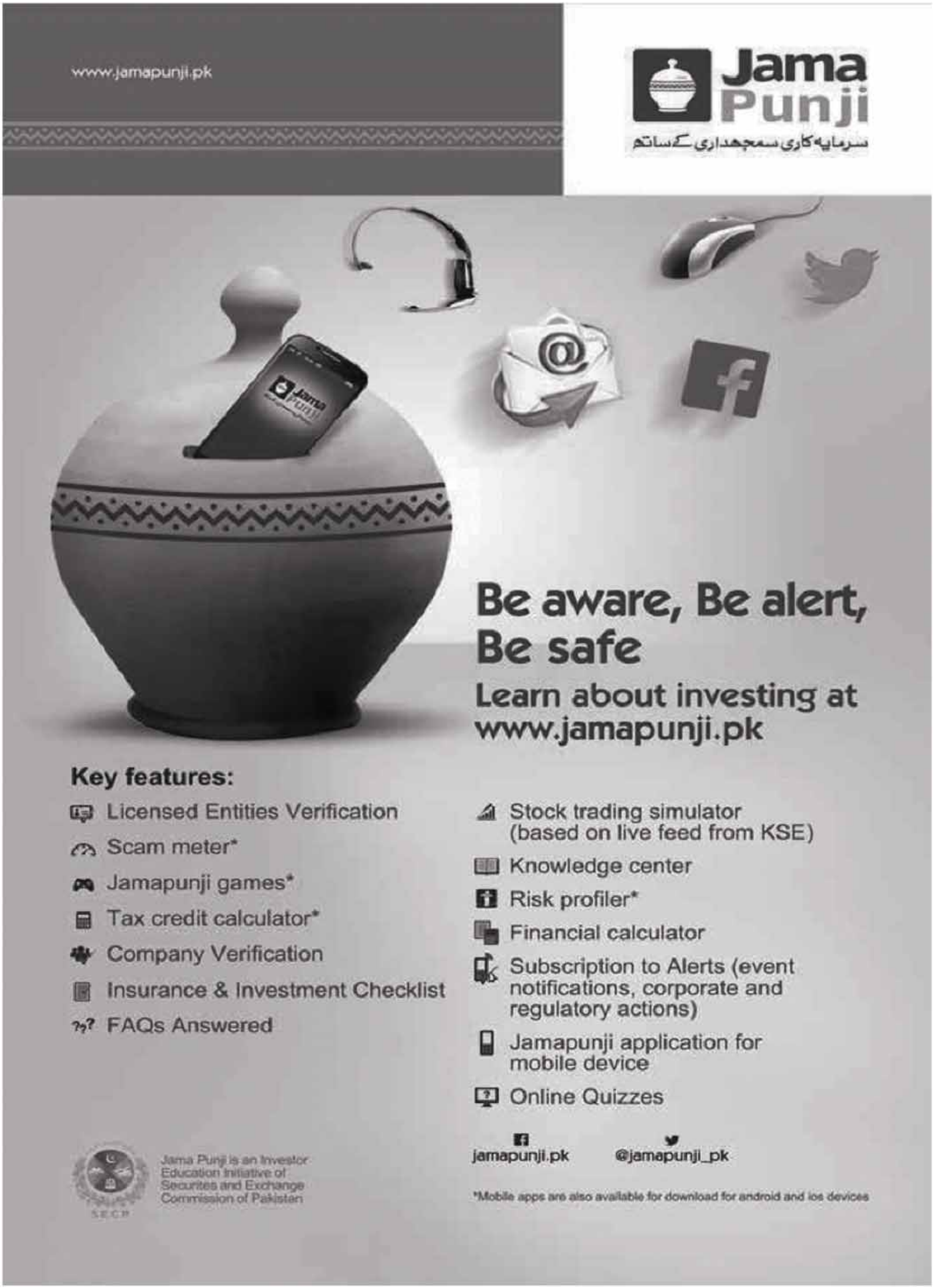
Notes:

(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


www.jamapunji.pk
Jama Punji
سرمایہ کاری سمجھداری کے ساتھ
Be aware, Be alert, Be safe
Learn about investing at www.jamapunji.pk
Key features:
Licensed Entities Verification
Scam meter*
Jamapunji games*
Tax credit calculator*
Company Verification
Insurance & Investment Checklist
FAQs Answered
Stock trading simulator (based on live feed from KSE)
Knowledge center
Risk profiler*
Financial calculator
Subscription to Alerts (event notifications, corporate and regulatory actions)
Jamapunji application for mobile device
Online Quizzes
jamapunji.pk
@jamapunji_pk
Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan
SECP
*Mobile apps are also available for download for android and ios devices

INDUS DYEING & MANUFACTURING COMPANY LIMITED

HEAD OFFICE :

Office # 508, 5th Floor, Beaumont Plaza,
Civil Lines Quarters,
Karachi-75563 (Pakistan)