



Reliance Weaving
Mills Limited
A Fatima Group Company

THE ART OF TEXTILE

1st Quarterly Accounts

September 30, 2024
(Un-audited)



1st Quarterly Accounts

FOR THE PERIOD SEPTEMBER 30, 2024

(UN-AUDITED)



CREDIT RATING RELIANCE WEAVING MILLS LIMITED

A A-2

CERTIFICATIONS



COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director

Mr. Faisal Ahmed (Chief Executive Officer)

Non-Executive Directors

Mr. Fawad Ahmed Mukhtar (Chairman)
Mr. Abbas Mukhtar
Mr. Muhammad Mukhtar Sheikh
Mr. Muhammad Fazeel Mukhtar
Mrs. Fatima Fazal

Independent Directors

Mr. Imran Bashir
Mr. Shoab Ahmad Khan

COMMITTEES OF THE BOARD

Audit Committee

Mr. Imran Bashir (Chairman)
Mr. Shoab Ahmad Khan (Member)
Mr. Muhammad Mukhtar Sheikh (Member)

HR & Remuneration Committee

Mr. Shoab Ahmad Khan (Chairman)
Mr. Imran Bashir (Member)
Mr. Muhammad Fazeel Mukhtar (Member)

Risk Management Committee

Mr. Faisal Ahmed (Chairman)
Mr. Imran Bashir (Member)
Mr. Shoab Ahmad Khan (Member)

Nomination Committee

Mr. Fawad Ahmed Mukhtar (Chairman)
Mr. Faisal Ahmed (Member)
Mr. Muhammad Fazeel Mukhtar (Member)

EXECUTIVE MANAGEMENT TEAM

Chief Financial Officer

Mr. Waheed Ahmad

Head of Human Resources

Mr. Asad A. Jan

Company Secretary

Mr. Kamran Ahmad Awan

Head of Internal Audit & Risk Assurance - OB

Mr. Muhammad Akbar Rana

Head of Treasury

Mr. Anjum Jameel Sheikh

Technical Director Weaving

Mr. Ikram Azeem

GM Marketing

Khawaja Sajid
Mr. Aqeel Saifi
Mr. Muhammad Nasir Iqbal
Mr. Salim Ahmed

GM Spinning (Multan)

Mr. Muhammad Shoaib Alam

GM Spinning (Rawat)

Mr. Salahudin Khattak

GM Supply Chain

Mr. Muhammad Javed Nazir

AUDITORS & SHARES REGISTRAR

External Auditors

M/s. ShineWing Hameed Chaudhri & Co.
Chartered Accountants
2526/F, Shadman Colony, Opposite High Court
Bahawalpur Road, Multan.
Tel: 061-4785211-12, 4511979
E-mail: mux@hccpk.com
Website: www.hccpk.com

Shares Registrar

M/s. CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi-74400
E-mail: info@cdc.pak.com &

BANKERS / FINANCIAL INSTITUTIONS

Allied Bank Limited
Habib Bank Limited
United Bank Limited
National Bank of Pakistan
National Bank – Aitemad Islamic Banking
Meezan Bank Limited
Soneri Bank Limited
The Bank of Khyber
Habib Metropolitan Bank Limited
Bank Al Habib Limited
Bank Al Habib Limited – Islamic Banking
Bank Alfalah Limited
Samba Bank Limited
Al-Baraka Bank Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
The Bank of Punjab – Taqwa Islamic Banking
Askari Bank Limited, Islamic Banking Services
Saudi Pak Industrial & Agricultural Investment Company Limited
Pak Brunei Investment Company Limited
Pak China Investment Company Limited
Pak Libya Holding Company (Pvt) Limited
Pakistan Kuwait Investment Company (Pvt) Limited
First Habib Modaraba
Bank Islami Pakistan Limited
Habib Bank Ltd – Islamic Banking
Muslim Commercial Bank Ltd.

SITE ADDRESSES

Unit # 1,2,4 & 5

Fazalpur Khanewal Road, Multan
Phone & Fax: 061-6740020-3 & 061-6740039

Unit # 3

Mukhtarabad, Chak Beli Khan Road, Rawat Rawalpindi.
Phone & Fax: 051-4611579-81 & 051-4611097

BUSINESS OFFICES

Registered Office

2nd Floor, Trust Plaza, LMQ Road, Multan
Tel: 061-4509700, 061-4509749
Fax: 061-4511677, 061-4584288
E-mail: info@fatima-group.com

Head Office

E-110, Khayaban-e-Jinnah, Lahore Cantt.
Tel: 042-35909449, 042-111-328-462
Fax: 042-36621389
Website: www.fatima-group.com

COMPANY PROFILE

Reliance Weaving Mills Limited was incorporated on April 07, 1990 with its Registered Office at 2nd Floor, Trust Plaza, L.M.Q. Road, Multan and is listed on Pakistan Stock Exchange. The Head Office of the Company is situated at E-110, Khayaban-e-Jinnah, Lahore-Cantt.

The Company is a fully integrated comprising of yarns and fabrics production facilities, which is located at two sites i.e. Fazalpur Khanewal Road, Multan (Multan Unit) and Mukhtarabad, Chak Beli Khan Road, Rawat, Rawalpindi (Rawat Unit). Multan Units and its surrounding comprises of 185.5 acres of land having 228 bachelors' quarters and 24 family quarters for workers and management employees.

The Spinning division at Multan comprises of two units, unit # 4 & 6. Unit # 4 comprises of 42 ring frames consisting of 47,520 spindles with total annual production capacity of 25,248 tons based on average count Ne 14. We have state of the art and modern technology, TOYOTA RX-240 and RX-300 E Draft capable of making wide range of counts. These machines can attain high speed of 21,000 RPM. Our ring machines are 2004, 2013 and 2014 model. Currently, we are producing yarn counts from 6/1 cdd to 21/1 cdd. The above unit produces Carded Yarn, Combed Yarn, Siro Yarn, Core Yarn, Dual Core Yarn, Slub Yarn, Dual Core+Slub Yarn and Core+Slub Yarns. We are specialized in making yarn for Denim. We have installed compact system on our existing frames gaining the ability of compact yarn manufacturing and have also installed Bobbin Transport System (BTS), which will cause the automation in the system and reducing workers handling. We have also installed Auto Doffer Auto-cone.

The Company has recently achieved a milestone in textile field in the form of launching new spinning unit # 6 comprises of 14 Ring frames (25,536 spindles each) with total annual production capacity of 5,794 tons based on fine count average Ne 35. We have state of the art and modern technology, RIETER K48 with E Draft capable of making wide range of fine counts. These machines can attain high speed of 25,000 RPM with Muratec Qpro Japanese Link coner and Marzoli Simplex with auto doffer and BTS system. Our machines are 2022 model. Currently, we are producing yarn counts from 30/1 cdd Cpt to 40/1 Cmb Cpt.

The Weaving unit comprises of 490 looms of high speed latest air jet machines of Tsudakoma (Japan) & Picanol (Belgium) with total grey cloth production of (91 Million Meters per year) (SGM's) is based on 60 picks. We cater for home textiles and apparels from various varieties of yarns blends such as Cotton/Polyester, Cotton/Viscose/Linen, Fancy Yarns, Stretch Yarns from different natural fibers & synthetic blends. The unit is equipped with latest warping and sizing machine, batchers, complete range fabric inspection and packing machinery installations, well equipped laboratory having complete range yarn and fabric testing facility, LDS system, air compressors, air conditioning / chiller system, boilers and self-gas engine power generation. The weaving facilities can produce plain (basket/mat weave, ribbed warp & weft), twill, satin, sateen weave, warp stripe, weft stripe satin, cellular weave, BFC, pique, broken twill, missing dent, 16 frame dobby designs, variation of basic weave such as creps, double cloth, gauze (leno), tappet, dobby, namely jacquard.

The Rawat unit comprises of 34 acres of land having accommodation capacity for 500 workers and 90 rooms for bachelors. The unit consists of 38 Toyoda Japan (RY-5) spinning frame with total annual production capacity of 138,000 bags based on standard count of 20/1 cdd. The unit produces yarns namely Mélange, Marl, Slub, Injection Nappy and Fancy Draw Blend Yarns. We are producing almost all types of Fancy Yarns and Grey Fabrics and have state-of-the-art high speed machines with latest facilities coupled with highly skilled team of dedicated workers and engineers to meet the challenges of textile sector.

We are constantly working to upgrade our plant by replacing old machines with latest high speed machines to be abreast with modern trends in the local textile industry and abroad to have competitive edge over our competitors to bring our Company in the forefront of the textile sector of Pakistan.

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

On behalf of the Board of Directors, we are pleased to present three months financial statements of the Company for the period ended September 30, 2024.

FINANCIAL HIGHLIGHTS

The company has earned net profit of Rs. 11 million and secured revenue of Rs. 10.7 billion for the quarter ended September 30, 2024. Finance cost has been decreased by 28% as compared to previous period. Profit of the company is affected mainly due to inflationary effects of raw materials and energy costs.

The textile sector in Pakistan is encountering various national and international challenges such as diminished global demand, inflated cost of doing business and costly imports which renders textile industry uncompetitive. Management remains hopeful about achieving profitability by emphasizing cost transformations. However, it is expected that KIBOR rate will reduce further. The company has instigated energy project of 4 MW which is in installation process and 10 MW solar energy project is also in the process of finalization. These solar energy projects aim to generate green energy along-with reducing energy costs.

For and on behalf of the Board,



Mr. Imran Bashir

(Independent Director)



Mr. Faisal Ahmed

(Chief Executive)

Date: October 30, 2024

Place: Multan

ڈائریکٹرز جائزہ رپورٹ

معزز ممبران:


بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں 30 ستمبر 2024 کو ختم ہونے والی مدت کے لیے کمپنی کے تین ماہ کے مالیاتی گھنٹوں پر پیش کرتے ہوئے خوشی ہو رہی ہے۔

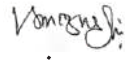
مالیاتی جھلکیاں:

کمپنی نے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے لیے خالص منافع 11 ملین روپے اور ریونیو 10.7 بلین روپے کمایا ہے۔ مالیاتی لاگت میں گزشتہ مدت کے مقابلے میں 28 فیصد کمی واقع ہوئی ہے۔ کمپنی کا منافع بنیادی طور پر خام مال اور توانائی کی قیمتوں کے افراط زر کے اثرات سے متاثر ہوتا ہے۔

پاکستان میں ٹیکسٹائل کا شعبہ مختلف قومی اور بین الاقوامی چیلنجوں کا سامنا کر رہا ہے جیسے کہ عالمی مانگ میں کمی، کاروبار کرنے کی مہنگی لاگت اور مہنگی درآمدات جو ٹیکسٹائل کی صنعت کو غیر مسابقتی بناتی ہیں۔ انتظامیہ لاگت کی تبدیلیوں پر زور دے کر منافع کے حصول کے بارے میں پر امید ہے۔ تاہم توقع ہے کہ KIBOR کی شرح مزید کم ہو جائے گی۔ کمپنی نے 4 میگا واٹ کا انرجی پروجیکٹ شروع کیا ہے جو انسٹالیشن کے عمل میں ہے اور 10 میگا واٹ کا سولر انرجی پروجیکٹ بھی حتمی شکل دینے کے مراحل میں ہے۔ شمسی توانائی کے ان منصوبوں کا مقصد توانائی کے اخراجات کو کم کرنے کے ساتھ ساتھ سبز توانائی پیدا کرنا ہے۔

بورڈ کے لئے اور اس کی طرف سے،


فیصل احمد
چیف ایگزیکٹو


عمران بشیر
خود مختار ڈائریکٹر

مقام: ملتان

تاریخ: 30 اکتوبر 2024





CONDENSED INTERIM FINANCIAL INFORMATION

FIRST QUARTER ENDED SEPTEMBER 30, 2024

(UN-AUDITED)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

As at September 30, 2024

		(Un-audited) September 30 2024	(Audited) June 30 2024
	Note	Rupees in thousand	
ASSETS			
Non-current assets			
Property, plant and equipment	5	16,598,006	16,514,096
Long term investments	6	1,373,670	1,373,670
Long term deposits		29,719	29,719
Deferred tax asset		851,641	849,455
		18,853,036	18,766,940
Current assets			
Stores, spares and loose tools		697,759	492,614
Stock-in-trade		8,730,724	7,652,563
Trade debts		6,472,390	5,693,899
Loans and advances	7	718,941	673,259
Prepayments and other receivables		102,150	23,887
Short term investments	8	424,681	403,863
Tax refunds due from the Government		513,962	533,154
Cash and bank balances		551,181	624,010
		18,211,788	16,097,249
TOTAL ASSETS		37,064,824	34,864,189
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		700,000	700,000
Issued, subscribed and paid-up share capital		308,109	308,109
Reserves		6,823,681	6,792,237
Revaluation surplus on freehold land - Capital Reserve		2,984,467	2,984,467
		10,116,257	10,084,813
Liabilities			
Non-current liabilities			
Long term finances	9	4,539,429	4,677,685
Lease liabilities		52,044	61,810
Staff retirement benefits - gratuity		472,792	441,708
		5,064,265	5,181,203
Current liabilities			
Trade and other payables		6,475,727	4,306,979
Directors' loan		231,000	-
Unclaimed dividend		13,200	13,200
Accrued mark-up		702,090	870,063
Short term borrowings		12,529,461	12,210,681
Current portion of non-current liabilities		1,174,980	1,470,821
Taxation		757,844	726,429
		21,884,302	19,598,173
Total liabilities		26,948,567	24,779,376
Contingencies and commitments	10		
TOTAL EQUITY AND LIABILITIES		37,064,824	34,864,189

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

For the three months period ended September 30, 2024

	Note	Three months period ended	
		September 30 2024	September 30 2023
Rupees in thousand			
Sales - net	11	10,722,929	11,142,286
Cost of sales		(9,643,132)	(9,635,869)
Gross profit		1,079,797	1,506,417
Distribution and marketing expenses		(134,133)	(107,072)
Administrative expenses		(135,796)	(101,167)
Other expenses		(9,317)	(20,492)
Other income		34,491	82,899
		(244,755)	(145,832)
Profit from operations		835,042	1,360,585
Finance cost		(795,185)	(1,110,595)
Profit before taxation and levies		39,857	249,990
Minimum and final tax levies		(31,415)	(147,513)
Profit before tax		8,442	102,477
Taxation		2,185	-
Profit after taxation and levies		10,627	102,477
Earnings per share		0.34	3.33

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months period ended September 30, 2024

	Three months period ended	
	September 30 2024	September 30 2023
	Rupees in thousand	
Profit after taxation and levies	10,627	102,477
Items that will not be reclassified subsequently to statement of profit or loss:		
- Unrealised gain / (loss) on remeasurement of short term investments at fair value through other comprehensive income	20,818	(2,389)
Total comprehensive income for the period	31,445	100,088

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the three months period ended September 30, 2024

	Capital Reserve				Reserves		Total
	Share capital	Share premium	Revaluation surplus on freehold land	Fair value (loss) / gain on short term investments	General reserve	Unappropriated profit	
(Rupees in thousand)							
Balance as at July 01, 2024 (audited)	308,109	41,081	2,984,467	(201,507)	74,172	6,878,490	10,084,812
Total comprehensive income for the period ended September 30, 2024							
- profit for the period	-	-	-	-	-	10,627	10,627
- other comprehensive income	-	-	-	20,818	-	-	20,818
	-	-	-	20,818	-	10,627	31,445
Balance as at September 30, 2024 (Un-audited)	308,109	41,081	2,984,467	(180,689)	74,172	6,889,117	10,116,257
Balance as at July 01, 2023 (audited)	308,109	41,081	2,984,467	(29,136)	74,172	6,733,891	10,112,584
Total comprehensive income for the period ended September 30, 2023							
- profit for the period	-	-	-	-	-	102,477	102,477
- other comprehensive (loss)	-	-	-	(2,389)	-	-	(2,389)
	-	-	-	(2,389)	-	102,477	100,088
Balance as at September 30, 2023 (Un-audited)	308,109	41,081	2,984,467	(31,525)	74,172	6,836,368	10,212,672

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director

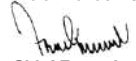

Chief Financial Officer

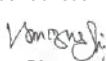
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the three months period ended September 30, 2024

	Three months period ended	
	September 30 2024	September 30 2023
	Rupees in thousand	
Cash flows from operating activities		
Profit for the period - before taxation	39,857	249,990
Adjustments for non cash charges and other items:		
Depreciation	180,505	185,309
Staff retirement benefits - gratuity	40,582	35,160
Gain on disposal of operating fixed assets - net	-	(690)
Finance cost	795,185	1,110,595
Profit before working capital changes	1,056,129	1,580,364
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(205,145)	(101,944)
Stock-in-trade	(1,078,161)	(844,806)
Trade debts	(778,491)	(693,181)
Loans and advances	(45,682)	(197,173)
Prepayments and other receivables	(78,263)	(148,622)
Tax refunds due from the Government (excluding income tax)	135,017	397,311
Increase / (Decrease) in trade and other payables	1,977,247	(1,524,421)
	(73,478)	(3,112,836)
Cash generated from / (used in) operations	982,651	(1,532,472)
Staff retirement benefits paid	(9,498)	(13,346)
Taxes and levies paid - net	(115,825)	(95,769)
Net cash generated from / (used in) operating activities	857,328	(1,641,587)
Cash flows from investing activities		
Fixed capital expenditures	(264,414)	(246,354)
Sale proceeds of operating fixed assets	-	1,206
Net cash used in investing activities	(264,414)	(245,148)
Cash flows from financing activities		
Long term finances - net	(239,948)	(136,641)
Directors' loan	231,000	-
Lease liabilities - net	(12,417)	(9,055)
Short term borrowings - net	318,780	2,974,089
Finance cost paid	(963,158)	(857,862)
Dividend paid	-	(3)
Net cash (used in) / generated from financing activities	(665,743)	1,970,528
Net (decrease) / increase in cash and cash equivalents	(72,829)	83,793
Cash and cash equivalents at beginning of the period	624,010	557,668
Cash and cash equivalents at end of the period	551,181	641,461

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three months period ended September 30, 2024

1 LEGAL STATUS AND OPERATIONS

Reliance Weaving Mills Limited (the Company) was incorporated in Pakistan as a public limited company on April 07, 1990 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The Company commenced its operations on May 14, 1990 and is principally engaged in manufacturing and sale of yarn and fabric.

Locations:

The registered office of the Company is situated at second Floor, Trust Plaza, L.M.Q. Road, Multan and its mills are located at Fazalpur Khanewal Road, Multan and Mukhtarabad, Chak Beli Khan Road, Rawat, Rawalpindi.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, "Interim financial reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 Accounting policies

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2024.

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

	Note	Un-audited September 30 2024	Audited June 30 2024
5 PROPERTY, PLANT AND EQUIPMENT			
Rupees in thousand			
Operating fixed assets	5.1	16,212,541	16,338,167
Capital work-in-progress		248,704	32,238
Right-of-use assets	5.2	136,761	143,691
		16,598,006	16,514,096

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three months period ended September 30, 2024

	Un-audited September 30 2024	Audited June 30 2024
	Rupees in thousand	
5.1 Operating fixed assets		
Opening book value	16,338,167	10,292,879
Additions during the period / year:		
- freehold land	5,725	71,812
- buildings on freehold land	2,998	1,480,666
- plant and machinery	27,942	4,935,377
- electric installations	-	75,249
- factory equipment	4,081	150,422
- office equipment	3,463	20,076
- electric appliances	1,862	9,847
- furniture and fixtures	3	1,098
- vehicles	1,874	8,690
	47,948	6,753,237
Book value of operating fixed assets disposed-off	-	(643)
Depreciation charge for the period / year	(173,574)	(707,306)
Book value as at period / year end	16,212,541	16,338,167
5.2 Right-of-use assets		
Opening balance	143,691	148,782
Additions during the period / year	-	31,327
Assets disposed-off	-	(516)
Depreciation for the period / year	(6,930)	(35,902)
	136,761	143,691

	Un-audited September 30 2024	Audited June 30 2024
	Rupees in thousand	
6 LONG TERM INVESTMENTS		
Fatima Energy Limited		
(At fair value through other comprehensive income)		
Investment in Ordinary Shares		
Total shares held at period / year end - 90,195,083		
- Equity held at period / year end - 15.82%	646,699	646,699
Investment in Preference Shares		
Total shares held at period / year end - 76,377,897	670,235	670,235
	1,316,934	1,316,934
Associated Company		
Fatima Transmission Company Limited		
Investment in Ordinary Shares (under equity method)		
7,187,500 ordinary shares of Rs.10 each - cost	71,875	71,875
Equity held: 31.25%		
Share of post acquisition loss and other		
comprehensive loss -net	(71,875)	(71,875)
	-	-
Investment in preference shares		
(At fair value through other comprehensive income)		
Total shares held at period / year end - 7,339,768	56,736	56,736
	1,373,670	1,373,670
7 LOANS AND ADVANCES		
Advances - considered good		
- To employees	383,744	378,945
- To suppliers	275,342	227,652
Due from related parties	28,227	28,227
Letters of credit - margins, deposits etc.	31,628	38,435
	718,941	673,259

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three months period ended September 30, 2024

		Un-audited September 30 2024	Audited June 30 2024
	Note	Rupees in thousand	
8 SHORT TERM INVESTMENTS			
(At fair value through other comprehensive income)			
Quoted			
Fatima Fertilizer Company Limited			
Opening fair value of 2,625,167 fully paid ordinary shares of Rs. 10 each		135,511	78,256
Fair value adjustment		20,818	57,255
Fair value at the end of the period / year		156,329	135,511
Others - Un-quoted			
Multan Real Estate Company (Private) Limited		268,352	268,352
		424,681	403,863

9 LONG TERM FINANCES

From financial institutions - secured	9.1	5,672,323	5,912,271
Less: current portion		(1,132,894)	(1,234,586)
		4,539,429	4,677,685

9.1 The movement of long term finance during the period / year ended is as follows:

Opening balance		5,912,271	6,533,035
Add: obtained during the period / year		-	200,000
		5,912,271	6,733,035
Less: repaid during the period / year		(239,948)	(820,764)
Closing balance		5,672,323	5,912,271

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no significant change in the status of contingent liabilities since the annual published audited financial statements as at June 30, 2024, except the following;

Foreign and local bills discounted outstanding as at September 30, 2024 are Rs. 837.35 million (June 30, 2024: Rs. 856.906 million).

		Un-audited September 30 2024	Audited June 30 2024
	Note	Rupees in thousand	
10.2 Commitments			
10.2.1 Letters of credit for:			
-Capital expenditures		664,370	145,572
-Other than capital expenditures		1,390,180	958,543
		2,054,550	1,104,115

		-----Un-audited-----	
		Three months period ended September 30,	
		2024	2023
		Rupees in thousand	
11 SALES - net			
Export	11.1	6,324,205	7,101,979
Local		4,239,065	3,994,394
Waste		271,649	162,124
Yarn doubling		-	3,742
		10,834,919	11,262,239
Less: Commission		(111,990)	(119,953)
		10,722,929	11,142,286

11.1 Export sales includes indirect export of fabric and yarn amounting to Rs.3,008 million (Sep 2023: Rs. 2,512 million).

12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, undertakings and key management personnel. The Company in the normal course of business carries-out transactions with various related parties. Other significant transactions with related parties are as follows:

Nature of transaction

Associated undertakings

- sale of goods	18,910	-
- purchase of goods	993,546	531,352
- mark-up income	98	109
- mark-up expense	-	18,843
- payments received	25,940	300,000
- payments made	371,142	416,984
- other expenses shared	1,091	2,111

Key management personnel

- remuneration and other benefits	47,614	31,234
- loan received from director	231,000	-

Others

Donations to Mian Mukhtar A. Sheikh Trust	4,600	6,800
---	-------	-------

13 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

14 CAPITAL MANAGEMENT

The Company's capital management objective and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2024.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three months period ended September 30, 2024

SEGMENT REPORTING

15.1 Reportable segments

The Company's reportable segments are as follows:

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

Information regarding the Company's reportable segments is presented below:

15.2 Segment revenue and results

Following is an analysis of the Company's revenue and results by reportable segments

	Spinning		Weaving		(Elimination of inter-segment transactions)		Total	
	Sep. 30 2024	Sep. 30 2023	Sep. 30 2024	Sep. 30 2023	Sep. 30 2024	Sep. 30 2023	Sep. 30 2024	Sep. 30 2023
Sales - net	6,115,008	6,656,885	7,526,689	6,605,270	(2,918,768)	(2,119,869)	10,722,929	11,142,286
Cost of sales	(5,603,163)	(5,778,504)	(6,958,737)	(5,977,234)	2,918,768	2,119,869	(9,643,132)	(9,635,869)
Gross profit	511,845	878,381	567,952	628,036	-	-	1,079,797	1,506,417
Distribution and marketing expenses	(28,774)	(31,819)	(105,359)	(75,253)	-	-	(134,133)	(107,072)
Administrative expenses	(60,872)	(46,598)	(74,924)	(54,569)	-	-	(135,796)	(101,167)
Other expenses	(4,176)	(11,562)	(5,141)	(8,930)	-	-	(9,317)	(20,492)
Other income	4,323	19,758	30,168	63,141	-	-	34,491	82,899
	(89,499)	(70,221)	(155,256)	(75,611)	-	-	(244,755)	(145,832)
Profit from operations	422,346	808,160	412,696	552,425	-	-	835,042	1,360,585
Finance cost	(483,573)	(659,027)	(311,612)	(451,568)	-	-	(795,185)	(1,110,595)
Profit before taxation	(61,227)	149,133	101,084	100,857	-	-	39,857	249,990
Taxation and levies	(8,713)	(87,647)	(20,517)	(59,866)	-	-	(29,230)	(147,513)
Profit / (loss) for the period	(69,940)	61,486	80,567	40,991	-	-	10,627	102,477

15.2.1 The accounting policies of the reportable segments are the same as the Company's accounting policies described in the annual financial statements for the year ended June 30, 2024.

15.3 Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	Spinning		Weaving		Total
	Un-audited Sep. 30 2024	Audited June 30, 2024	Un-audited Sep. 30 2024	Audited June 30, 2024	Un-audited Sep. 30 2024
					Audited June 30, 2024
Rupees in thousand					
Segment assets for reportable segment					
Operating fixed assets	9,242,774	9,316,474	5,913,609	5,977,813	15,156,383
Stores, spares and loose tools	434,972	363,254	262,787	129,360	492,614
Stock-in-trade	4,353,781	3,083,142	4,376,943	4,569,421	7,652,563
	14,031,527	12,762,870	10,553,339	10,676,594	23,439,464
Unallocated corporate assets					12,479,958
Total assets as per statement of financial position					37,064,824
Segment liabilities for reportable segments	10,377,154	8,809,024	7,814,271	7,196,492	18,191,425
Unallocated corporate liabilities					8,757,142
Total liabilities as per statement of financial position					26,948,567

15.4

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three months period ended September 30, 2024

16 CORRESPONDING FIGURES

16.1 In order to comply with the requirements of IAS 34 "Interim financial reporting", the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

16.2 Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to these condensed interim financial statements.

17 DATE OF AUTHORIZATION

These condensed interim financial information are authorized for issue on 30th October 2024 by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest thousand rupees except as stated otherwise.


Chief Executive


Director


Chief Financial Officer



- 📍 2nd Floor, Trust Plaza, LMQ Road, Multan
- 📞 Ph: +92 61 450 9700, 450 9749
- 📠 Fax: +92 61 458 4288, 451 1267
- ✉ Email: waheed.mushtaq@fatima-group.com