ANNUAL REPORT 2024

NISHAT
CHUNIAN
LTD.

BRIEF PROFILE

2022	New company for Real Estate development Nishat Chunian Properties (Private) Limited Autocoro Open-end production lines in 1 spinning unit
2021	New company in USA for E-Commerce retail of home textile products Sweave Inc.
2016	Diversification into Retail Business The Linen Company (TLC)
2015	Diversification into Cinema Business NC Entertainment Private Limited
2014	46 MW Coal Based Power Plant
2013	Established a subsidiary company in USA
2013	2 Spinning Mills acquired & a new Spinning Mill started
2010	IPP commercial operations
2006	Diversification into Home Textiles
2005	Acquisition of 2 Spinning Mills & 5th Spinning Mill started
2000	2nd Spinning Mill started production
1998	Diversification into Weaving
1991	1st Spinning Mill Setup

CONTENTS

COMPANY INFORMATION

Board of Directors:
Mr. Shahzad Saleem *(Chief Executive)*
Mr. Zain Shahzad
Mr. Muhammad Azam Siddiqi *(Chairman)*
Ms. Anoosh Nisar Zain
Mr. Ahmad Hasnain *(Independent)*
Ms. Mahnoor Adil
Ms. Nadia Bilal

Audit Committee:
Mr. Ahmad Hasnain *(Chairman)*
Ms. Anoosh Nisar Zain *(Member)*
Ms. Mahnoor Adil *(Member)*

HR & Remuneration Committee:
Mr. Ahmad Hasnain *(Chairman)*
Ms. Nadia Bilal *(Member)*
Mr. Muhammad Azam Siddiqi *(Member)*

CFO:
Ms. Faryal Riaz Chatha

Company Secretary:
Mr. Muhammad Umer Qureshi

Head of Internal Audit:
Mr. Ahmer Nazir

Mills:
Spinning 1, 4, 5, 7 & 8
49th Kilometre, Multan Road,
Bhai Pheru, Tehsil Pattoki,
District Kasur.

Dyeing & Printing
4th Kilometre, Manga Road,
Raiwind.

Spinning 2, 3, 6, Weaving & 46 MW
Coal Fired Power Generation Project
49th Kilometre, Multan Road, Bhai Pheru,
Tehsil Pattoki, District Kasur.

Bankers to the Company:
Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China (ICBC)
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Kuwait Investment Company (Private) Limited
Standard Chartered Bank Pakistan Limited
SAMBA Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited
MCB Islamic Bank Limited

Auditors:
Riaz Ahmad & Company
Chartered Accountants

Registered & Head Office:
31-Q, Gulberg-II,
Lahore, Pakistan.
Phone : 042-35761730-39
Fax : 042-35878696-97
Web : www.nishat.net

Share Registrar:
Hameed Majeed Associates (Pvt) Limited
1st Floor, H.M. House
7-Bank Square, Lahore
Ph: 042-37235081-2 Fax: 042-37358817

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Nishat (Chunian) Limited (the "Company") will be held on October 28, 2024 (Monday) at 11:00 A.M. at Registered Office, 31-Q, Gulberg – II, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting and Extraordinary General Meetings held on April 16, 2024 and August 17, 2024.

2. To receive, consider and adopt the Annual Audited Financial Statements (Separate and Consolidated) of the company for the year ended June 30, 2024 including the Director's Report, Auditors' Report, and Chairman's Review Report thereon.
   (To Access the Annual Report 2024 via QR code or weblink)

   https://www.nishat.net/images/pdf/NCG_Financials/NCL_Annual/annual2024.pdf

   Scan QR Code for Annual Report 2024

3. To appoint auditors and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M/s Riaz Ahmad & Company, Chartered Accountants, for reappointment as auditors of the Company.

SPECIAL BUSINESS:

4. To confirm and approve the transactions conducted by the Company with related parties, as disclosed in the Financial Statement for the year ending June 30, 2024, by adopting the following special resolution, with or without amendments:

   "RESOLVED THAT all transactions conducted with Related Parties, as disclosed in Note 39 of the unconsolidated financial statements for the year ended June 30, 2024, and detailed in the Statement of Material Information under Section 134(3), be and are hereby ratified, approved, and confirmed."

5. To empower the Board of Directors of the Company to approve transactions with related parties for the financial year ending on June 30, 2025, by adopting the following special resolution, with or without modifications:

   "RESOLVED THAT the Board of Directors of the Company is hereby authorized to approve transactions with Related Parties on a case-by-case basis for the financial year ending on June 30, 2025."

   "RESOLVED FURTHER THAT these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

Any Other Business

6. To Transact any other business with the permission of the Chair.

By order of the Board

Lahore
Dated: October 07, 2024

Muhammad Umer Qureshi
Company Secretary

NOTES:

1. Closure of Share Transfer Books

For attending AGM:

The Share Transfer Books of the Company will remain closed from 21-10-2024 to 28-10-2024 (both days inclusive). Transfers Physical / CDS received at the share registrar of the Company M/s Hameed Majeed Associates (Pvt) Ltd., H.M. House, 7-Bank Square, Lahore up to close of office timings on 20-10-2024 will be treated in time for the purpose of attending the meeting.

2. Participation in the Annual General Meeting

A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote on his/her behalf. The instrument appointing proxy must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the meeting.

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 account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original 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 holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

(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 Passport of the beneficial owners 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 the 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.

3. Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city other than Lahore, and collectively holding at least 10% of the total paid-up share capital may demand the Company to provide the facility of video-link for participating in the meeting. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least 7 days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website: www.nishat.net

In compliance with the guidelines issued by the Securities & Exchange Commission of Pakistan vide circulars No. 6 of 2021 issued on March 03, 2021, the company has arranged a video link facility for shareholders to participate in the meeting through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities. Shareholders interested in attending the meeting through the video link are requested to register by submitting their following particulars at the Company Secretary's email chairman@nishat.net not later than 48 hours before the time for holding the meeting. The link to participate in the meeting will be sent to the shareholders at the email address provided by them. Shareholders are requested to fill in the particulars as per the below table:

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	No. of Shares held	Cell No.	Email Address

The login facility will be opened at 10:55 a.m. on October 28, 2024, enabling the participants to join the proceedings.

4. Change of Address

Members are requested to notify any change in their addresses immediately. Shareholders are requested to provide above mentioned information/documents to (i) respective Central Depository System (CDS) Participants and (ii) in case of physical securities to the Share Registrar of the Company.

5. Conversion of physical shares into CDS

In compliance with the requirements of Section 72 of the Companies Act, every existing listed company shall be required to replace his/her physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017.

Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

6. The Company has placed the audited Separate and Consolidated Financial Statements for the year ended June 30, 2024 along with the Auditor's and Directors' Reports thereon, Chairman's Review and notice of meeting on its website: www.nishat.net

7. Procedure for voting on Special Business Resolutions

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 ("the Regulations") amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Nishat (Chunian) Limited (the "Company") will be allowed to exercise their right to vote through the electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on 28-10-2024, at 11.00 A.M., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

A. Procedure for E-Voting:

I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 20-10-2024.

II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

IV. E-Voting lines will start from 25-10-2024 and shall close on 27-10-2024 at 5:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

B. Procedure for Voting Through Postal Ballot:

The members shall ensure that duly filled and signed ballot paper, along with a copy of the Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through a post on the Company's registered address, Registered Office, 31-Q, Gulberg – II, Lahore or email at chairman@nishat.net, one day before the Annual General Meeting i.e. on October 27, 2024, up to 5 p.m.. The signature on the ballot paper shall match the signature on the CNIC. This postal Poll paper is also available for download from the website of the Company at www.nishat.net or use the same as attached to this Notice and published in newspapers. Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

E-voting Service Provider:
M/s CDC Share Registrar Services Limited

STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF SPECIAL BUSINESSES TO BE TRANSACTED AT THE FORTHCOMING ANNUAL GENERAL MEETING IS APPENDED BELOW:

Agenda Item No. 4 – Ratification and Approval of the Related Party Transactions.

Transactions conducted with the relevant parties have to be approved by the Board of Directors duly recommended by the Audited Committee on a quarterly basis pursuant to clause 15 of Listed Companies (Code of Corporate Governance) Regulation, 2019. However, during the year since majority of the Company's Directors were interested due to their common directorship, and therefore these transactions are being placed for the approval by shareholders in the Annual General Meeting.

All transactions with related parties to be ratified have been disclosed in note 39 to the unconsolidated financial statements for the year ended June 30, 2024. Party-wise details of such related parties' transactions are given below:-

	2024 Rupees	2023 Rupees
Nishat Chunian USA Inc. - wholly owned subsidiary company		
Sale of goods	-	86,772,291
Sweave Inc. - wholly owned subsidiary company of Nishat Chunian USA Inc. - wholly owned subsidiary company		
Sale of goods	77,199,764	67,968,471
Nishat Chunian Properties (Private) Limited - wholly owned subsidiary company		
Payment of expenses on behalf of subsidiary company	633,140	518,040
T L C Middle East Trading L.L.C - wholly owned subsidiary company		
Payment of expenses on behalf of subsidiary company	1,815,002	1,226,174
Sale of goods	1,198,766	7,062,069
Saleem Memorial Trust Hospital - associated company		
Donation made	52,000,000	994,000
Mian Muhammad Yahya Trust - related party		
Donation made	13,273,677	9,662,783
Pakistan Textile Council - associated company		
Annual membership fee	1,250,000	1,500,000
Nishat Chunian Power Limited - associated company		
Common facilities cost charged	9,900,000	19,800,000
Expenses incurred on behalf of the Company	251,016	-
Reimbursement of expenses	6,457,568	-
Income sharing	784,350	558,615
Directors		
Dividend paid	-	250,417,492
Adjustment of long term loan to ex - executive director	-	4,312,684
Interest income on long term loan	-	64,991
Employees' Provident Fund Trust - related party		
Contribution made	163,326,509	129,722,971

The nature of relationship with these related parties has been indicated above. Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in Note 38 to the unconsolidated financial statements for the year ended June 30, 2024. The Directors are interested in the resolution only to the extent of their shareholding and having their common directorships in such related parties.

Agenda Item No. 5 – Authorization for the Board of Directors to Approve Related Party Transactions for the Financial Year Ending June 30, 2025.

The Company shall be conducting transactions with its related parties during the year ending on June 30, 2025 in the normal course of business. The majority of Directors are interested due to their common directorship in the associated undertakings. In order to promote transparent business practices, the shareholders are required to authorize the Board of Directors to approve transactions with the related parties from time-to-time and on case-to-case basis for the year ending on June 30, 2025, which transactions shall be deemed to be approved by the Shareholders. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their shareholding and/or only their common directorships in such related parties.

CHAIRMAN'S REVIEW REPORT

It gives me immense pleasure to present before you, the key role of the Board of Directors (the "Board") of Nishat (Chunian) Limited alongside the economic and business outline, for the year ended June 30, 2024.

The sales of the Company have rallied up to an all-time high of PKR 88.8 billion (PKR 67.6 billion in 2023), registering an increase of 31% over last year, we have reported a net profit of PKR 691.7 million. Gross and net margins have improved, mainly due to stability in raw material prices.

Nishat (Chunian) Limited takes pride in its Board which lays out the company's strategic direction and is undoubtedly its core strength. The requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, along with the directives issued under the Companies Act, 2017 with respect to the Board, directors, and their committees have been complied with.

The Company has a seven-member Board which comprises of directors with diverse backgrounds, having the knowledge and experience relevant to the business of the Company. All the Directors, including Independent Directors, fully participated and contributed to the decision-making process of the Board.

The Board, comprising seven (7) members, completed its tenure in April 2024. Re-elections were held at the Extraordinary General Meeting on April 16, 2024, to elect seven Directors of the Company. Ms. Nadia Bilal was elected to replace Mr. Farrukh Ifzal, while all other Directors (Mr. Shahzad Saleem, Ms. Ayesha Shahzad, Mr. Zain Shahzad, Ms. Mahnoor Adil, Mr. Muhammad Azam Siddiqui, Mr. Ahmad Hasnain) were re-elected for the next term of three years, in accordance with the provisions of Section 159 of the Companies Act, 2017. Furthermore, I, Muhammad Azam Siddiqui, have been appointed as Chairman, and Mr. Shahzad Saleem has been reappointed as Chief Executive Officer of Nishat (Chunian) Limited, effective April 30, 2024.

An additional change in board composition after the reporting date of June 30, 2024, is the appointment of Ms. Anoosh Nisar Zain as a Director, effective September 26, 2024, replacing Ms. Ayesha Shahzad, who resigned as Director on August 6, 2024.

The performance of the Board, which is reviewed and assessed against a sophisticated criterion, depicted the utmost competence and diligence on their part. Key features of the Board's achievements are as follows:

- Clearly understanding the vision, mission, and values of the company while ensuring compliance with these at all levels;
- Devising strategic plans and making informed decisions that are aligned with the interests of the company and its stakeholders;
- Continuously reviewing business performance and affairs while taking into consideration, key findings of internal and external auditors as well as independent consultants (as and where applicable);
- Maintaining a diverse mix of executive and non-executive directors including independent directors, while ensuring commensurate engagement in key decision-making;
- Evaluation of material investment decisions;
- Upholding and maintaining an effective control environment and best corporate governance practices.

Furthermore, all major issues throughout the year were presented before the Board and its committees. The Audit Committee and HR & Remuneration Committee assisted the Board in a sublime fashion to strengthen the functions of the Board. Self-evaluation was carried out by the Board to identify potential areas for further improvement, in line with global best practices.

Finally, I would also like to express gratitude to our board of directors, employees, shareholders, customers, bankers, regulatory authorities, and other stakeholders for their continued support and confidence in this enterprise.

Muhammad Azam Siddiqui
Chairman

Date: September 26, 2024
Lahore

Growing Ingeniously


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DIRECTOR'S REPORT

The Directors of Nishat Chunian Limited are pleased to present the financial results of the Company which include both, separate and consolidated audited financial statements for the fiscal year ended June 30, 2024.

OVERVIEW

The financial year 2023-24 demonstrated a better performance, with revenue increasing from Rs. 67.6 billion in FY 2023 to Rs. 88.8 billion in FY 2024. The growth in sales was largely driven by the spinning and weaving divisions, which reported an increase of 33% each.

This growth successfully overturned the previous year's loss, resulting in a net profit of Rs. 692 million (0.78% of the total revenue as compared to 1.5 % net loss in last year).

This is a major turnaround considering the stringent macro-economic conditions in the form of higher borrowing costs, limited power subsidies etc. Borrowing cost has substantially increased by 43% from last year to Rs. 7.7 billion in FY 2024 due to historic high interest rates.

Furthermore, the gross profit margin has also improved from 9.74% in 2023 to 12.27% in current financial year. Management firmly believes that results can be further improved by committing to efficient cost management, better tax planning and making prudent financial strategies.

YEAR AT A GLANCE

Financial Highlights	For the Year Ended		Increase / (Decrease)
	2024	2023	
Sales (Rs.)	88,879,551,818	67,629,278,772	31%
Gross Profit (Rs.)	10,909,256,322	6,589,059,744	66%
Profit from Operations (Rs.)	8,997,839,256	5,331,902,056	69%
Profit / (Loss) After Taxation (Rs.)	691,671,497	(998,927,708)	169%
Gross Profit %	12.27%	9.74%	
Profit / (Loss) After Taxation %	0.78%	(1.48%)	
Earnings / (Loss) Per Share (Rs.)	2.88	(4.16)	

Appropriations

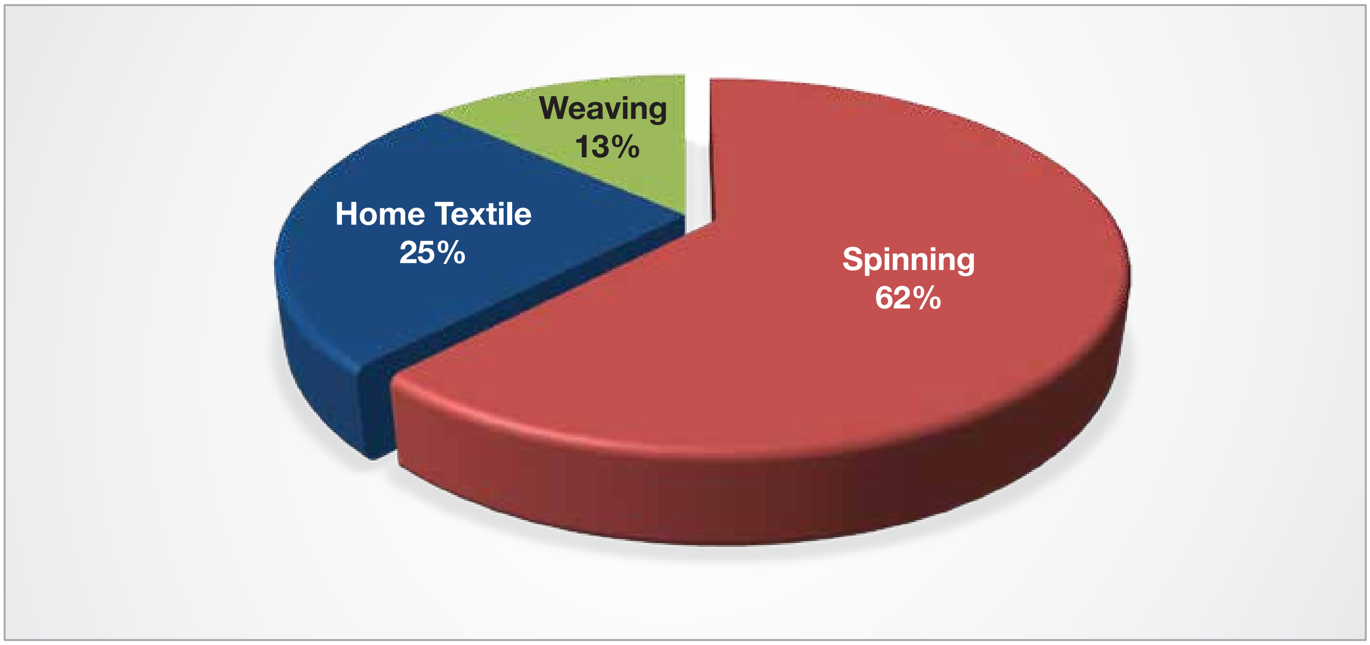
Considering the major capital expenditure in pipeline, the Board of Directors has recommended not to declare a dividend at this moment.

INVESTMENTS

Considerable investments were made during the year in different textile segments, mainly for improvements in operational efficiency. A summarized overview is given below:

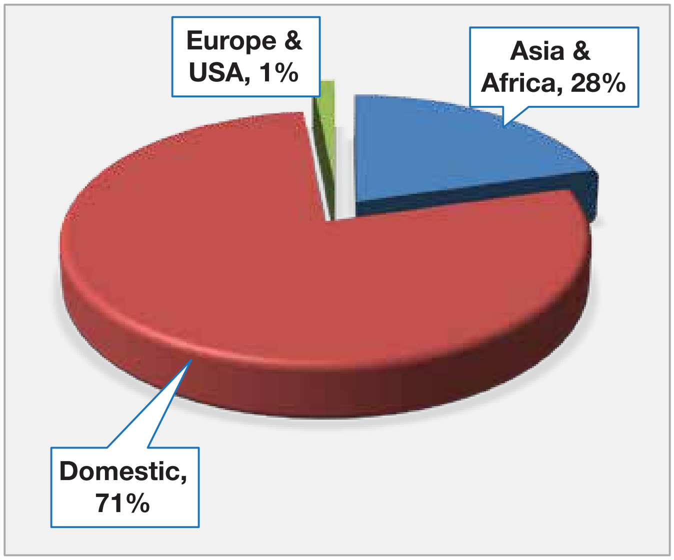
Business Segment	Machinery Added	Investment (PKR in million)
Spinning	3 Automatic Cone Winding Machines 1 Uster Jossi Vision Shield	86 33.6
Home Textiles	Waste Water Treatment Plant 3 Stage Caustic Recovery Plant	664 149

SEGMENT WISE REPORT



Share of Major Segments in Revenue

SPINNING



The spinning business witnessed some recovery in term of its performance from last year, however the business sentiments for yarn segment remained challenging throughout the year. The divisional sales clocked in to PKR 55.1 billion, this was an increase of 32.7% as compared to 2023.

The local sale upheld the major share as it contributed to 71% of the total revenue. This is attributed to strong domestic demand for yarn. In contrast, yarn exports experienced a declining trend owing to stable exchange rate and slower demand from our major export markets, China and Bangladesh. Due to extremely high costs of production in Pakistan; India China's local spinners and Vietnam captured our market share with much attractive prices forcing many Pakistani spinning mills to shut down.

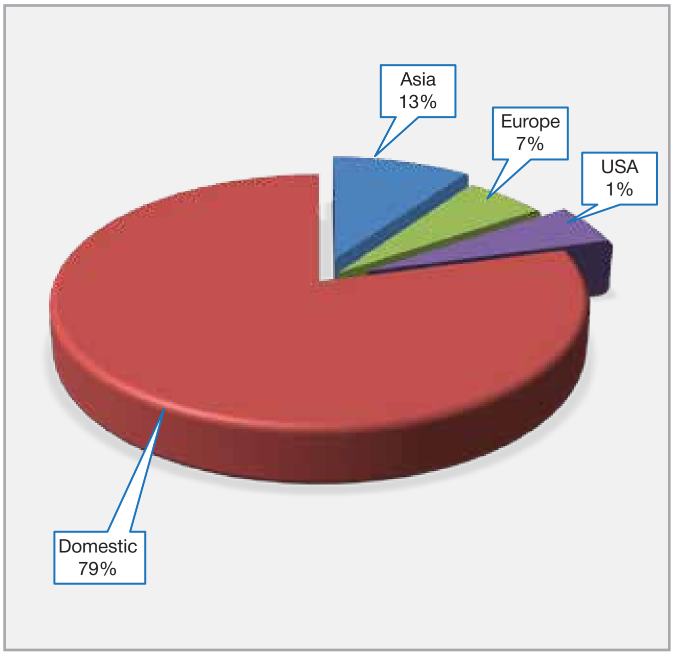
The country's annual cotton production experienced a major upturn. In the current year, cotton arrivals rose to 8.4 million bales (4.9 million bales in 2023). As last year there was a countrywide outbreak of floods during monsoon that hampered cotton crop production and agricultural land.

Yarn prices remained in tandem with cotton prices. The sale price variance has been favourable as compared to last year. However, this positive trend was not sufficient to cover the massive increase in production costs. The cotton prices crashed after the raw material was covered leading to inventory losses. Further fuel to fire was added to by the exorbitant interest costs resulting in divisional loss.

The company has successfully installed additional Automatic Winders from Murata and Uster Jossi Vision Shield in the spinning units. This latest machinery setup has further enhanced the product quality and productivity.

The resurgence of raw material costs, borrowing expenses, and energy prices has posed significant challenges. These financial burdens have adversely affected the company's profitability, especially in the spinning division. However, management is diligently working to address these multiple crises. The company is confident that improved sourcing strategies, efficient inventory management, cost control, and enhanced operational efficiency will positively impact the division's future performance.

WEAVING

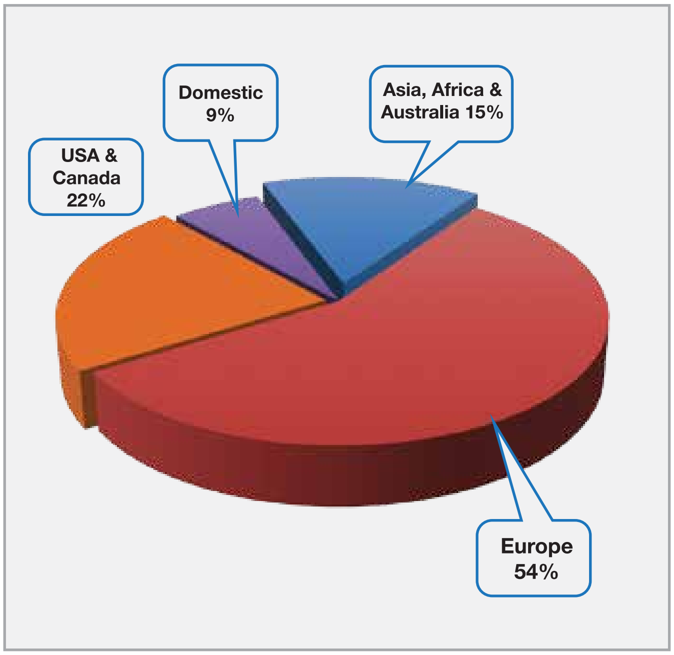


Weaving division's upward revenue spree continued throughout the year. Total sales clocked to a record high number of Rs. 11.45 billion this year, which is 33% higher than last year. A notable portion of the sale was in local markets as domestic sales increased by 69% in contrast to the FY 2023.

The global macroeconomics and the country's political scenarios are not supportive of the textile business. However, the management believes that better sourcing strategies paired with focused margin and operational optimization will provide the impetus for growth and profitability in this sector.

The company is continuing upgrading to a more modern sizing machine which leads to significantly enhance production efficiency and reduce waste. This upgradation will assist in improving the yields and the operational efficiency of the overall segment.

HOME TEXTILES



During the year under review, Home Textile's turnover clocked in at Rs. 22.3 billion. Pakistan's textile industry continues to grapple with a challenging macroeconomic environment. Persistent inflation, elevated fuel prices, have further increased the cost of imported raw materials. Additionally, the financial landscape remains difficult due to high interest rates, the removal of energy subsidies, all of which have further escalated the cost of doing business in the country. To be competitive in the current global market scenario, we have taken initiatives to reduce our utility cost. We have installed a solar power plant having a capacity of 1.6 MW to generate electricity for our stitching and dyeing unit. We have planned to switch from conventional fossil fuels to biomass for steam production, utilizing renewable resources. These changes will significantly lower our electricity generation and steam production costs. It will also enhance our sustainability efforts by reducing greenhouse gas emissions. Despite all the challenges, our proactive measures to reduce production cost will ensure consistent growth in sales in the year 2024-25.

The Linen Company (TLC) experienced a slight revenue decline of 1% compared to the previous year. This is primarily due to increased competition within the home textile market and the weak consumer purchasing power due to inflation. Despite these challenges, we remain committed to providing high-quality products and exceptional customer service. To address the market competitiveness and broaden our reach, we have strategically planned to increase our retail presence nationwide and provide greater accessibility to our customers. We believe that, this strategic expansion will not only help us overcome the current challenges but also position TLC for sustainable growth in the future.

Recognizing the growth potential of e-commerce, the company expanded its operations globally through its wholly-owned subsidiary, TLC Middle East LLC. This subsidiary has achieved a remarkable 309% annual revenue growth, primarily through the Amazon e-commerce platform. To further enhance customer reach, TLC Middle East is expanding its operations by establishing physical outlets in Sharjah.

POWER

We have a 46 MW coal-fired power plant to meet the needs of our spinning and weaving units and excess power generated is transmitted and sold to other Bulk Power Consumers operating in the vicinity of our power site. Due to the unprecedented hike in LESCO and SNGPL rates, our coal-fired power plant is the most cost-effective source of electricity giving a competitive advantage to our mills.

As a backup, we have stand-by gas generators with a capacity of 30 MW as well as an electricity supply from LESCO.

FUTURE OUTLOOK

The company's business outlook is closely tied to macroeconomic conditions and political stability. Currently, foreign markets, trade sanctions, political stability, a downward trend in borrowing costs, and declining inflation are fostering a positive market sentiment.

Spinning: Management remains optimistic about the recovery of the spinning business, supported by increased global demand for Pakistani yarn. To strengthen our competitive position, the company is strategically expanding its open-end yarn production capacity while enhancing overall product quality. Although there has been a slight reduction in the local cotton crop this season, favourable rates for imported cotton align well with our business strategies, helping us secure cost efficiencies.

Additionally, heightened social compliance efforts will further support the company in maintaining favourable export prospects, which is expected to have a positive impact on business performance. However, challenges such as fluctuating demand and market saturation persist, necessitating a refined marketing strategy for sustainable growth in the spinning division.

Weaving: In our weaving division, we are planning to enhance our production capabilities by adding repair looms to our existing setup. The inclusion of these looms enables the production of high GSM fabrics, as well as linen and hemp articles efficiently. These materials are becoming increasingly popular due to their eco-friendly properties and demand in both domestic and international markets.

Home Textile: The division plans to enhance its presence in the US market and provide a more immersive experience for our customers, we've inaugurated a showroom for our home textile products in New York. This showroom serves as a dynamic space where customers can personally explore our product samples. Looking ahead, we are also actively strategizing to expand our operations to include trading from this strategic location.

To further strengthen our global presence for our HTD products, we are actively seeking and highlighting opportunities in unconventional markets through our participation in exhibitions across Africa, South America, China, and Turkey.

SUBSIDIARY COMPANIES

The Company has also annexed its consolidated financial statements along with separate financial statements in accordance with the requirements of the International Financial Reporting Standards and the Companies Act, 2017. The group comprises of:

- Nishat (Chunian) Limited ("the Holding Company")
- Nishat Chunian USA Inc.
- Sweave Inc.
- Nishat Chunian Properties (Private) Limited
- T L C Middle East Trading L.L.C

Financial Highlights	**2024**	**2023**
	(Rupees in million)	
Turnover	89,045	70,949
Gross Profit	11,065	7,135
Profit before Taxation	1,264	159
Taxation	553	912
	(Rupees)	
Earnings / (Loss) per share (basic & diluted)	2.96	(3.63)

Following is a brief description of all the subsidiary companies:

Nishat Chunian USA Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. It is a wholly owned subsidiary incorporated with the principal objective of liaising with Nishat (Chunian) Limited's marketing department providing access, information, and other services relating to USA Market and importing and distributing home textile products to local retailers in the USA.

Sweave Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The principal business of Sweave Inc. is the sale of home textile products to its domestic customers through e-commerce channel. Sweave Inc. is a wholly owned subsidiary of Nishat Chunian USA Inc.

Nishat Chunian Properties (Private) Limited is a private limited company that was incorporated in Pakistan under the Companies Act, 2017 on 31 January

2022. The principal line of business of Nishat Chunian Properties (Private) Limited is marketing and development of all types of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multistoried building (for commercial or residential purposes), shopping centers, restaurants, hotels, recreational facilities, etc.

T L C Middle East Trading L.L.C is a limited liability company - Single Owner (LLC - SO), incorporated in pursuance to Federal Law and registered with the Department of Economic Development, Government of Dubai. The principal business of T L C Middle East Trading L.L.C is textile trading, blankets, towels, and linen trading. Nishat (Chunian) Limited owns 100% shares of T L C Middle East Trading L.L.C. However, Nishat (Chunian) Limited has not yet remitted funds into the bank account of T L C Middle East Trading L.L.C against the shares subscribed and expects to make the investment shortly.

Nishat Chunian USA Inc. and Sweave Inc. are incorporated under the Business Corporation Law of the State of New York. The governing law does not require audit of financial statements of the Subsidiary Company. Hence, we have used un-audited financial statements of the Subsidiary Companies to prepare Consolidated Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

Management strongly believes in social welfare and community service, and endeavors to make it an integral part of our company's culture. We add substantially to the national exchequer through the payment of various taxes, duties and levies, and our export earnings contribute considerably to stabilizing the country's foreign exchange position as the Company is counted among the top exporters of the country.

We are an equal opportunity employer and are unbiased to gender, class, ethnicity and religion as we believe in the culture of meritocracy. We provide our employees with a work environment that is healthy, safe and conducive to continuous learning.

Employee health and wellness is a core value at NCL and we strive to improve and support the health and fitness of our employees. A Health Screening Drive was conducted in partnership with Saleem Memorial Hospital where employees were provided with free-of-cost health screening tests followed by physician consultation for expert medical advice.

The Company has also invested in eco-friendly technologies by investing in plants for the treatment of waste water and to switch from conventional fossil fuel to biomass fuels for steam production at the home textile division.

Operating in an ecologically conscious global landscape, with a focus on safeguarding the environment, during the year, the company successfully commissioned an Effluent Treatment Plant (ETP) at our Dyeing site. This state-of-the-art plant, with a capacity of 1.5 cubic meters per hour screens water inflow, administers chemical and biological treatments with activated carbon filtration and sludge dewatering, ensuring efficient waste management and release of purified water. This advancement highlights the company's dedication to environmental responsibility, incorporating processes designed to minimize our ecological footprint.

Furthermore, the water used at spinning and weaving mills is provided to the local farmers free of cost. The coal power plant is also equipped with a state-of-the-art online emission monitoring system to ensure that the emissions comply with international and local standards. The coal power plant has also been equipped with an air quality monitoring system, which monitors pollution levels in the atmosphere.

As part of its philanthropic endeavors, the company donates to a school, operating under the Saleem Memorial Foundation (formerly Mian Muhammad Yahya Trust) which provides quality education to the underprivileged at a nominal fee.

The company along with other philanthropists has set up the state-of-the-art, not-for-profit, Saleem Memorial Hospital. This 350-bed hospital spans over a covered area of 500,000 sqft. and has modern facilities, operation theaters, clinics and the first, Level III trauma center in Lahore. It is run by a team of qualified doctors and expert staff. The hospital is based on a self-sustainable model which comprises of two revenue streams, regular fee and cross subsidy (surplus revenue, zakat and donations). As part of its philanthropic endeavors, Nishat (Chunian) Limited have generously donated in noble cause. A total of PKR 52 million was donated to Saleem Memorial Hospital by Nishat (Chunian) Limited in this financial year.

RISK MANAGEMENT

We understand that exposure to risk is inevitable to any business that seeks to grow and compete in the industry. The company is exposed to a variety of financial risks: market risk (including currency risk, interest rate risk), credit risk and liquidity risk. This necessitates the establishment of a rigorous system of risk management, which entails developing internal controls to identify, assess, monitor and manage risks related to the company's activities. We aim to continually improve our understanding of the risk/reward ratio in various situations and reduce the risks to acceptable levels.

We do this by promoting a culture of anticipating risk and its mitigation, across the organization. The company has implemented various standard operating procedures to manage risks. These are periodically reviewed by management to avoid obsolescence and are updated with evolving circumstances. The board oversees the compliance of said procedures. We believe in embedding risk management into the ethos of the business, with an awareness instilled in employees at all levels. The presence of risk management policies is balanced by our encouragement and facilitation of enterprise and innovation.

INTERNAL FINANCIAL CONTROLS

At NCL, we have a system of internal financial controls that is both; rigorous and dynamic. The risk management and internal control processes are designed to safeguard the company's assets, detect and prevent fraud, and to ensure compliance with all legal/statutory requirements. The internal controls are regularly reviewed and monitored by the Internal Audit function which carries out periodic audits and reports its findings to the management and highlighting possible areas of improvement. The internal audit function has a strong focus on the prevention of any loopholes in the internal control system. The Internal Audit function ensures that the internal controls address and/or mitigate emerging risks being faced by the company.

The Board is fully aware of its responsibilities regarding the establishment and management of an effective and efficient internal control system. The board directly oversees the periodic review and proper implementation of the suggestions put forth by the Internal Audit function. As a result of this, the implementation of internal controls is ensured and a high degree of reliance is placed on their functionality.

ENVIRONMENTAL IMPACTS

The company gives due consideration to the impact of our activities on the environment and aspires to contribute to the well-being of society.

Energy Conservation
To promote power generation from renewable energy sources, we have taken up the initiative to power up our head office entirely via a solar-powered energy system. We have installed a solar power plant having a capacity of 1.6 MW for electricity generation to run our stitching and dyeing unit. We are actively engaged in exploring ways to conserve energy and have transitioned to power-efficient LED lights at manufacturing units to save energy. Moreover, training sessions are conducted regularly for employees to promote energy conservation.

Environment Protection
We constantly review the proposals made by the government in respect of environmental protection and ensure their implementation. We operate a wastewater treatment plant to protect the environment from the hazardous impacts of our industrial processes. The Company also operates a caustic recovery plant to recover caustic from wastewater and also aims to use eco-friendly dyes & chemicals to lower the pollution load over our waste streams. The coal power plant is equipped with a state-of-the-art online emission monitoring system to ensure that the emissions comply with international and local standards. The coal power plant has also been equipped with an air quality monitoring system, which monitors pollution levels in the

atmosphere. Further, we regularly keep track of environmental monitoring reports to find out if we are compliant with all the regulatory standards.

Furthermore, to support renewable energy generation, we have taken the initiative to power our site's production process with a biomass energy system. Management of Nishat Chunian Limited (Coal power) is working on rapid pace on Bio Mass boilers. This project is not only cost efficient but also highly eco-friendly.

The Company has also invested in eco-friendly technologies by investing in plants for the treatment of waste water and to switch from conventional fossil fuel to biomass fuels for steam production at the home textile division.

Occupational Safety and Health

We implement comprehensive health and safety awareness initiatives and periodically organize complimentary medical camps. Furthermore, we conduct systematic fumigation across all manufacturing facilities, employing advanced fogging machines to mitigate the risks of diseases such as dengue and coronavirus.

The company ensures the availability of firefighting equipment and vehicles at each manufacturing site. Regular fire drills are conducted, and employees receive fundamental training to equip them for potential emergencies.

STATEMENT OF VALUE ADDITION & DISTRIBUTION

	Rs. In Millions
Wealth Generated	
Total revenue and other income	89,745
Bought in material and services	(73,522)
Depreciation & amortization	(1,840)
	14,383
Wealth Distribution	
To Government & Society	
Employee remuneration	5,256
Donation	65
Tax, WPPF & WWF	616
To providers of Finance	
Finance Cost	7,754
Dividend	-
	13,691

STATEMENT OF COMPLIANCE

The requirements of the Code of Corporate Governance have been adopted by the Company and have been duly complied with, a statement to this effect is annexed to the report.

CORPORATE GOVERNANCE

During the year our company remained compliant with the Code of Corporate Governance requirements except as mentioned in the annexed Statement of Compliance.

Composition of Board of Directors:

The diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of our Board. Our Board composition represents the interests of all categories of shareholders and it consists of:

Total number of Directors:

- Male 4
- Female 3

Composition

The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Muhammad Azam Siddiqui (Chairman) [Re-elected as director in Extraordinary General Meeting held on April 16,2024 and Appointed as Chairman on April 30, 2024] Mr. Ahmad Hasnain [Re-elected as director in Extraordinary General Meeting held on April 16,2024]
Non-Executive Directors	Ms. Ayesha Shahzad (Female Director) [Re-elected as director in Extraordinary General Meeting held on April 16, 2024] Ms. Anoosh Nisar (Female Director) [Appointed as Director with effect from September 26, 2024 in place of Ms. Ayesha Shahzad who resigned as Director on August, 06 2024] Ms. Mahnoor Adil (Female Director) [Re-elected as director in Extraordinary General Meeting held on April 16,2024]
Executive Directors	Mr. Shahzad Saleem (Chief Executive Officer) [Re-appointed as Chief Executive officer of Nishat Chunian Limited on April 30,2024] Mr. Zain Shahzad Ms. Nadia Bilal (Female Director) [Appointed as Director with effect from April 16, 2024 in place of Mr. Farrukh Ifzal who retired as Director in April 2024]

Board of Directors' Meetings:

Relevant to the year under review, five (5) meetings were held. Attendance by each director is as follows:

Name of Directors	No. of Meetings
Mr. Shahzad Saleem (Chief Executive Officer)	4
Ms. Ayesha Shahzad	1
Mr. Zain Shahzad	3
Mr. Farrukh Ifzal (Ex -Chairman)	3
Ms. Nadia Bilal	2
Mr. Muhammad Azam Siddiqui (Present Chairman)	5
Ms. Mahnoor Adil	3
Mr. Ahmad Hasnain	3

Director's Remuneration

The remuneration of Directors and fee for attending Board meeting is determined by an approved policy in accordance with Companies Act, 2017 & the Listed Companies (Code of Corporate Governance) Regulations, 2019. Refer to Note 38 to the financial statements for disclosure with respect to remuneration of the directors and chief executive.

Audit Committee

The audit committee is performing its duties in line with its terms of reference as determined by the Board of Directors. The composition of the Audit Committee is as follows:

Name	Designation held
Mr. Ahmad Hasnain	Chairman
Ms. Ayesha Shahzad	Member
Ms. Mahnoor Adil	Member

HR & Remuneration Committee

In compliance with the Code, the Board of Directors of your Company has established an HR & R Committee. The composition of the HR & R committee is as follows:

Name	Designation held
Mr. Ahmad Hasnain	Chairman
Ms. Nadia Bilal	Member
Mr. Muhammad Azam Siddiqui	Member

AUDITORS

Riaz Ahmad & Company, Chartered Accountants, current auditors will retire at the conclusion of the Annual General Meeting of the Company. Being eligible, they have offered themselves for reappointment for the year ending 30 June 2025. As suggested by the Audit Committee, the Board of Directors has recommended the reappointment of Riaz Ahmad & Company, Chartered Accountants for approval of shareholders in the forthcoming Annual General Meeting.

MATERIAL CHANGES

No material changes and commitments affecting the financial position of the Company occurred between 30 June 2024 and 26 September 2024.

PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 2024 is annexed to this report.

ACKNOWLEDGMENT

The board places on record its profound gratitude for its valued shareholders, banks, financial institutions and customers, whose cooperation, continued support and patronage have enabled the company to strive for constant improvement. During the period under review, relations between the management and employees remained cordial and we wish to place on record our appreciation for the dedication, perseverance and diligence of the staff and workers of the company.

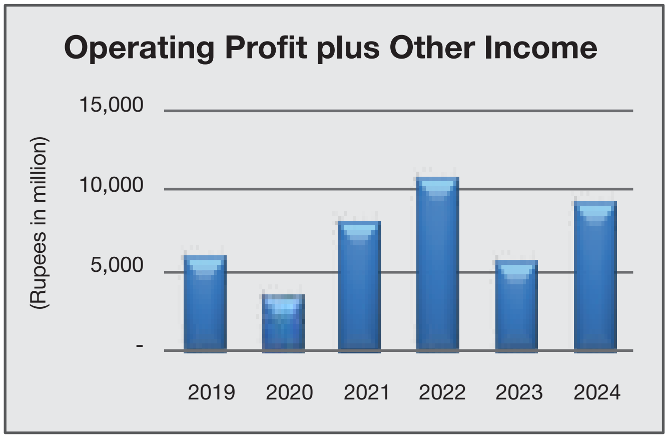
For and on behalf of the Board,

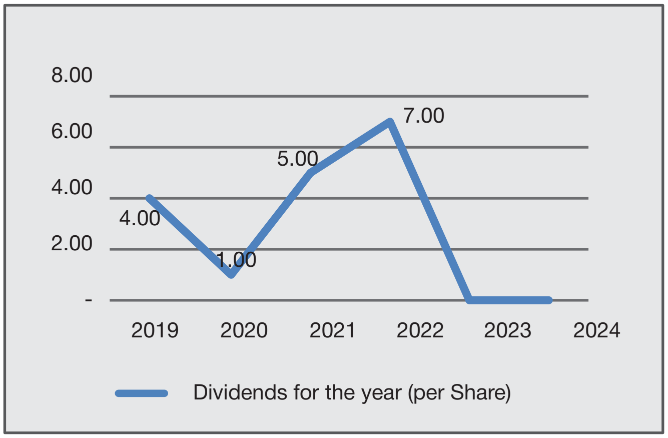
Chief Executive	Director

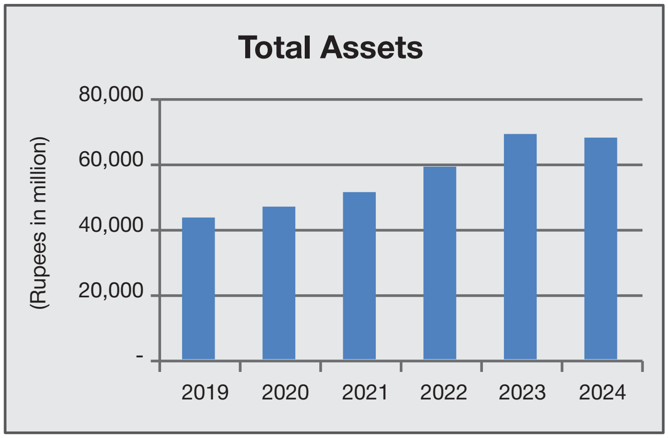
Date: September 26, 2024
Lahore

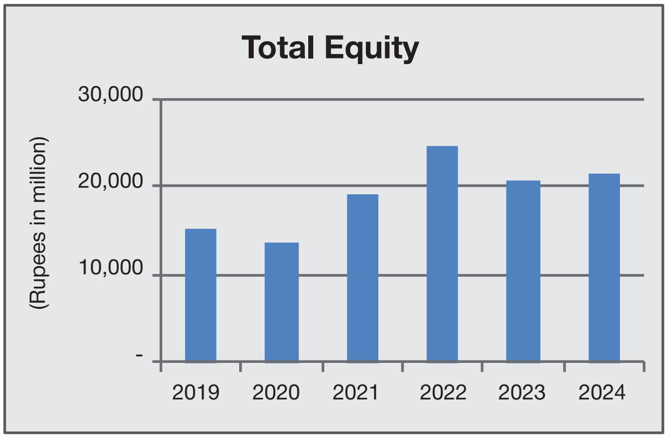
FINANCIAL HIGHLIGHTS

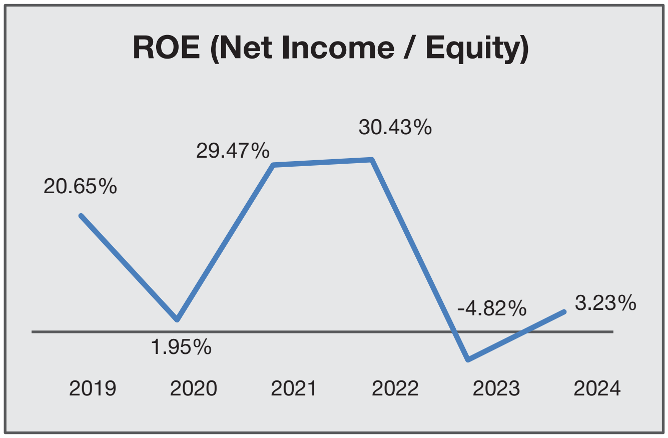
Year	2019	2020	2021	2022	2023	2024
			(Rupees in thousand)			
Net Sales	39,337,641	35,666,860	49,283,753	61,988,039	67,629,279	88,879,552
Gross Profit	4,887,513	4,204,387	8,969,147	12,974,171	6,589,060	10,909,256
Distribution, Admin and Other Expenses	1,496,010	1,288,344	1,812,963	3,166,480	2,194,442	2,777,144
Operating Profit plus Other Income	5,845,942	3,370,053	8,020,198	10,551,951	5,331,902	8,997,839
Finance Cost	2,177,576	2,660,856	1,747,035	2,204,096	5,418,815	7,753,984
Profit / (Loss) After Tax	3,167,592	265,369	5,598,857	7,468,202	(998,928)	691,671
Current Assets	29,043,475	29,157,860	32,502,032	36,201,977	45,502,506	44,253,560
Total Assets	43,507,943	47,750,604	51,770,042	59,435,634	69,845,761	68,803,346
Current Liabilities	24,512,069	28,036,168	26,105,172	20,562,842	35,853,316	36,459,616
Total Liabilities	28,169,505	34,113,205	32,773,906	34,892,249	49,137,638	47,403,551
Total Equity	15,338,438	13,637,398	18,996,136	24,543,385	20,708,123	21,399,795
Cash Flows:						
Net Cash generated from /(used in) Operating Activities	197,793	1,582,303	3,668,689	7,457,338	(9,911,615)	4,089,983
Net Cash generated from/(used in) Investing Activities	(597,348)	(2,717,247)	(1,906,725)	(6,803,460)	(2,703,060)	(1,908,377)
Net Cash generated from /(used in) Financing Activities	340,839	1,161,100	(1,536,797)	(717,507)	12,684,701	(2,399,689)
Earnings Per Share						
Basic	13.19	1.11	23.32	31.10	(4.16)	2.88
Diluted	13.19	1.11	23.32	31.10	(4.16)	2.88
Dividends for the year (per Share)	4.00	1.00	5.00	7.00	-	-
Dividend Payout Ratio (Dividend / Profit after Tax)	30%	90%	21%	23%	0%	0%
Financial Measures:						
ROE (Net Income / Equity)	20.65%	1.95%	29.47%	30.43%	-4.82%	3.23%
ROI (Net Income / Assets)	7.3%	0.6%	10.8%	12.6%	-1.4%	1.0%
Shareholders' Equity Ratio (Equity / Assets)	35%	29%	37%	41%	30%	31%
Net Debt Equity Ratio (% age)	162%	213%	146%	118%	206%	189%
Interest Coverage Ratio (times)	2.68	1.27	4.59	4.79	0.98	1.16
P/E ratio (Price per share / EPS)	2.66	29.37	2.16	1.44	(4.88)	9.10
Dividend Yield Ratio (Dividend / Market Value of Share)	11%	3%	10%	16%	0%	0%
Common Stock						
Number of shares outstanding at year end	240,221,556	240,119,029	240,119,029	240,119,029	240,119,029	240,119,029
Break up value of shares	63.85	56.79	79.11	102.21	86.24	89.12
Market Value of Share as on 30 June	35.02	32.45	50.29	44.79	20.30	26.21

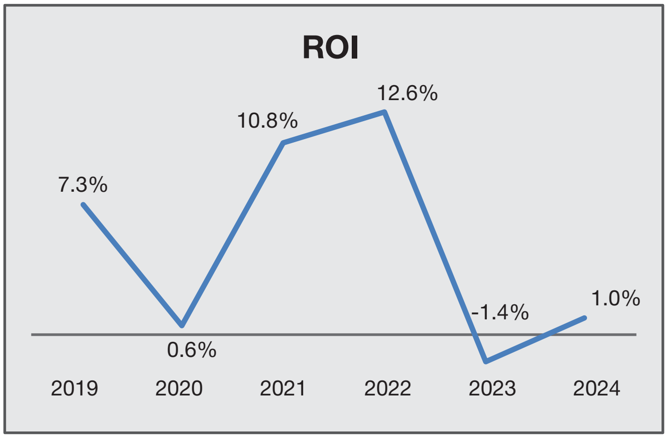

Operating Profit plus Other Income
(Rupees in million)
15,000
10,000
5,000
-
2019 2020 2021 2022 2023 2024

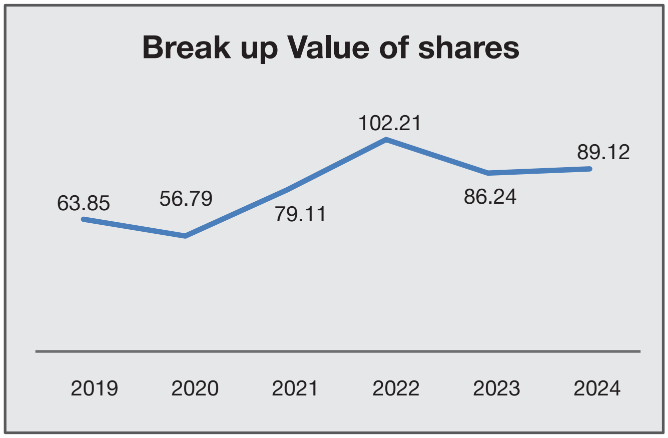

8.00
6.00
4.00
2.00
-
4.00
1.00
5.00
7.00
2019 2020 2021 2022 2023 2024
Dividends for the year (per Share)

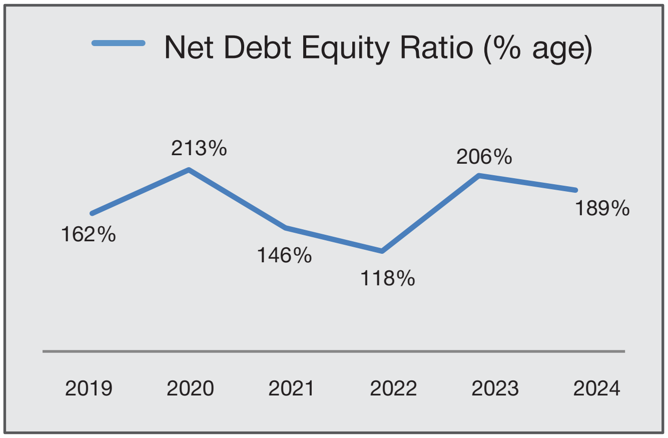

Total Assets
(Rupees in million)
80,000
60,000
40,000
20,000
-
2019 2020 2021 2022 2023 2024


Total Equity
(Rupees in million)
30,000
20,000
10,000
-
2019 2020 2021 2022 2023 2024


ROE (Net Income / Equity)
20.65%
1.95%
29.47%
30.43%
-4.82%
3.23%
2019 2020 2021 2022 2023 2024


ROI
7.3%
0.6%
10.8%
12.6%
-1.4%
1.0%
2019 2020 2021 2022 2023 2024


Break up Value of shares
63.85
56.79
79.11
102.21
86.24
89.12
2019 2020 2021 2022 2023 2024


Net Debt Equity Ratio (% age)
162%
213%
146%
118%
206%
189%
2019 2020 2021 2022 2023 2024

GENDER PAY GAP STATEMENT

The Board is committed to formulate a gender diversity policy for recruitment, promotion, gender pay gap analysis, retention and development of female employees.

We are committed to enhancing gender diversity by ensuring that our hiring, retention, and promotion processes prioritize education, skills, technical expertise, experience, and job performance, free from gender bias. This commitment has fostered a diverse workforce and significantly contributed to the sustained growth of our organization.

As required under the SECP circular no. 10 of 2024, the following is the Gender Pay Gap calculated for the year ended June 30,2024.

(i) Mean Gender pay gap: -82.2%
(ii) Median Gender Pay gap: -8.2%

STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Regulations”)

Name of Company: Nishat (Chunian) Limited
Year ending: June 30, 2024

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

1. The total number of Directors are seven (7) as per the following:

   a. Male: 4
   b. Female: 3

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Muhammad Azam Siddiqui Mr. Ahmad Hasnain
Non-Executive Directors	Ms. Anoosh Nisar (Female Director) [Appointed as Director with effect from 26 September 2024 in place of Ms. Ayesha Shahzad who resigned as Director on 06 August 2024] Ms. Mahnoor Adil (Female Director)
Executive Directors	Mr. Shahzad Saleem (Chief Executive Officer) Mr. Zain Shahzad Ms. Nadia Bilal (Female Director)

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

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

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

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;

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

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

9. Following Director has attained the directors training program certification:

Name of Director
Mr. Ahmad Hasnain

Following Director meets the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempted from Directors’ training program:

Name of Director
Mr. Shahzad Saleem

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. 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

Names	Designation held
Mr. Ahmad Hasnain	Chairman
Ms. Mahnoor Adil	Member
Ms. Anoosh Nisar (Female Director) [Appointed as Director with effect from 26 September 2024 in place of Ms. Ayesha Shahzad who resigned as Director on 06 August 2024]	Member

b) HR and Remuneration Committee

Names	Designation held
Mr. Ahmad Hasnain	Chairman
Mr. Muhammad Azam Siddiqui	Member
Ms. Nadia Bilal	Member

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 (quarterly / half yearly / yearly) of the committee were as per following:

    a) Audit Committee
    Four quarterly meetings were held during the financial year ended 30 June 2024.

    b) HR and Remuneration Committee
    One meeting of HR and Remuneration Committee were held during the financial year ended 30 June 2024.

15. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are 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 and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (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;

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

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee. The Board shall consider to constitute nomination committee when required.	29
2	**Risk Management Committee** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly. The Board shall consider to constitute risk management committee when required.	30
3	**Disclosure of significant policies on website** The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in near future.	35
4	**Directors' Training** Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from year July 2020.	The Company has planned to arrange Directors' Training Program certification for female executives over the next few years.	19(3)
5	**Directors' Training** It is encouraged that by 30 June 2022, all the directors on the Board should have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	2 out of 7 directors of the Company have either acquired Directors' Training Program certification or are exempt from Director's Training Program. The Company has planned to arrange Directors' Training Program certification for remaining five directors in future years.	19(1)
6	**Directors' Training** Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training Program from July 2022.	The Company has planned to arrange Directors' Training Program certification for head of department in next few years.	19(3)
7	**Significant policies** The Board is required to approve anti-harassment policy to safeguard the rights and well-being of employees.	During the year, Securities and Exchange Commission of Pakistan (SECP) amended regulation 10 of the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(4)(xvi)
8	**Role of the Board and its members to address Sustainability Risks and Opportunities** The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	During the year, SECP introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(A)
9	**Representation of Minority shareholders** The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	No one intended to contest election as director representing minority shareholders.	5
10	**Responsibilities of the Board and its members** The Board is responsible for adoption of corporate governance practices by the Company.	Non-mandatory provisions of the Regulations are partially complied. The Company is deliberating on full compliance with all the provisions of the Regulations.	10(1)

20. The two elected independent directors have requisite competencies, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.

21. Executive directors, including the chief executive officer on the Board are three out of total seven directors. One third of the Board i.e. 2.33 has been rounded up as 3 directors as the manufacturing units and operations of the Company are geographically spread and the Company needs executive directors for effective management of operations.

MUHAMMAD AZAM SIDDIQUI
Chairman

September 26, 2024
Lahore

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Nishat (Chunian) 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 Nishat (Chunian) Limited (the Company) for the year ended 30 June 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 30 June 2024.

RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: 27 September 2024

UDIN: CR202410132MxRJqhX8b

INDEPENDENT AUDITOR'S REPORT

To the members of Nishat (Chunian) Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Nishat (Chunian) Limited (the Company), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, 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 statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the 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 30 June 2024 and of the profit, 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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:

Sr. No.	Key audit matters	How the matters were addressed in our audit
1.	**Inventory existence and valuation** Inventory as at 30 June 2024 amounted to Rupees 26,501 million, break up of which is as follows: - Stores, spare parts and loose tools Rupees 1,976 million - Stock-in-trade Rupees 24,525 million Inventory is measured at the lower of cost and net realizable value. We identified existence and valuation of inventory as a key audit matter due to its size, representing 38.52% of the total assets of the Company as at 30 June 2024, and the judgment involved in valuation. For further information on inventory, refer to the following:	Our procedures over existence and valuation of inventory included, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last

Sr. No.	Key audit matters	How the matters were addressed in our audit
	- Material accounting policy information, Inventories note 2.13 to the financial statements. - Stores, spare parts and loose tools note 20 and stock-in-trade note 21 to the financial statements.	recorded invoice. • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any. • We assessed the percentage write down applied to older inventory with reference to historic inventory write downs and recoveries on slow moving inventory. • In the context of our testing of the calculation, we analysed individual cost components and traced them back to the corresponding underlying documents. We furthermore challenged changes in unit costs. • We also made inquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
2.	**Revenue recognition** The Company recognized net revenue of Rupees 88,880 million for the year ended 30 June 2024. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Material accounting policy information, Revenue recognition note 2.18 to the financial statements. - Revenue note 27 to the financial statements.	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the financial statements.
3.	**Contingencies** As disclosed in Note 14.1 to the accompanying financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:

Sr. No.	Key audit matters	How the matters were addressed in our audit
	Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards. Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered this as a key audit matter. For further information on contingencies, refer to the following: - Material accounting policy information, Contingent liabilities note 2.1(c) and note 2.22 to the financial statements. - Contingencies note 14.1 to the financial statements.	• Obtained and reviewed detail of the pending matters and discussed the same with the Company's management. • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved. • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.
4.	**Capital expenditures** The Company is investing significant amounts in its operations and there are a number of areas where management judgement impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among other the decision to capitalize or expense costs; and review of useful life of the assets including the impact of changes in the Company's strategy. We focused on this area since the amounts have a significant impact on the financial position of the Company and there is significant management judgment required that has significant impact on the reporting of the financial position for the Company. Therefore, considered as one of the key audit matters. For further information, refer to the following: - Material accounting policy information, Property, plant, equipment and depreciation note 2.4 to the financial statements. - Fixed assets note 15 to the financial statements.	Our procedures included, but were not limited to: • We tested operating effectiveness of controls in place over the property, plant and equipment cycle including the controls over whether costs incurred on activities is capital or operating in nature. • We evaluated the appropriateness of capitalization policies and depreciation rates. • We performed tests of details on costs capitalized. • We verified the accuracy of management's calculation used for the impairment testing.

Information Other than the 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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the 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 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 statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the 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) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: 27 September 2024

UDIN: AR202410132LI5TRKWgD

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	4	3,700,000,000	3,700,000,000
Issued, subscribed and paid-up share capital	4	2,401,190,290	2,401,190,290
Reserves	5	18,998,604,598	18,306,933,101
Total equity		21,399,794,888	20,708,123,391
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	6	10,365,601,631	12,538,265,074
Lease liabilities	7	49,833,019	68,666,567
Deferred liabilities	8	528,500,552	677,389,719
		10,943,935,202	13,284,321,360
CURRENT LIABILITIES			
Trade and other payables	9	5,076,245,184	4,222,922,732
Accrued mark-up / profit	10	1,337,211,195	1,397,309,345
Short term borrowings	11	27,055,611,782	27,881,717,844
Current portion of non-current liabilities	12	2,922,711,988	2,137,618,315
Taxation and levy - net	13	-	144,607,140
Unclaimed dividend		67,835,936	69,141,071
		36,459,616,085	35,853,316,447
Total liabilities		47,403,551,287	49,137,637,807
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		68,803,346,175	69,845,761,198

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

CHIEF EXECUTIVE

DIRECTOR

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	15	23,921,648,075	23,672,994,434
Right-of-use assets	16	71,198,322	113,172,896
Intangible assets	17	2,055,774	1,845,938
Long term investments	18	510,128,000	510,128,000
Long term loans to employees	19	10,896,710	11,154,911
Long term security deposits		33,859,024	33,959,024
		24,549,785,905	24,343,255,203
CURRENT ASSETS			
Stores, spare parts and loose tools	20	1,976,066,081	2,511,321,040
Stock-in-trade	21	24,524,834,646	23,554,034,198
Trade debts	22	11,141,999,102	11,409,750,014
Loans and advances	23	3,965,350,513	4,070,437,994
Short term prepayments		7,958,936	7,824,982
Other receivables	24	2,295,742,480	3,589,740,169
Taxation and levy - net	13	130,053,407	-
Short term investments	25	150,604,317	80,364,318
Cash and bank balances	26	60,950,788	279,033,280
		44,253,560,270	45,502,505,995
TOTAL ASSETS		68,803,346,175	69,845,761,198

CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
REVENUE	27	88,879,551,818	67,629,278,772
COST OF SALES	28	(77,970,295,496)	(61,040,219,028)
GROSS PROFIT		10,909,256,322	6,589,059,744
DISTRIBUTION COST	29	(2,102,273,553)	(1,617,713,504)
ADMINISTRATIVE EXPENSES	30	(535,261,657)	(497,372,207)
OTHER EXPENSES	31	(139,608,619)	(79,356,566)
		(2,777,143,829)	(2,194,442,277)
		8,132,112,493	4,394,617,467
OTHER INCOME	32	865,726,763	937,284,589
PROFIT FROM OPERATIONS		8,997,839,256	5,331,902,056
FINANCE COST	33	(7,753,984,192)	(5,418,814,780)
PROFIT / (LOSS) BEFORE LEVY AND TAXATION		1,243,855,064	(86,912,724)
LEVY	34	(515,303,102)	(902,409,349)
PROFIT / (LOSS) BEFORE TAXATION		728,551,962	(989,322,073)
TAXATION	35	(36,880,465)	(9,605,635)
PROFIT / (LOSS) AFTER TAXATION		691,671,497	(998,927,708)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED	36	2.88	(4.16)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
PROFIT / (LOSS) AFTER TAXATION	691,671,497	(998,927,708)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	691,671,497	(998,927,708)

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

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	37	12,726,957,005	(4,531,155,516)
Net decrease / (increase) in long term security deposits		100,000	(3,224,793)
Finance cost paid		(7,813,173,189)	(4,552,739,224)
Income tax and levy paid		(826,844,114)	(917,545,931)
Net decrease in long term loans to employees		2,943,736	15,308,859
Net cash generated from / (used in) operating activities		4,089,983,438	(9,989,356,605)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(2,123,510,652)	(2,797,872,040)
Proceeds from disposal of operating fixed assets	15.1.1	109,800,872	120,188,050
Capital expenditure on intangible assets	17	(1,085,004)	(1,733,750)
Dividend received		1,912,348	-
Short term investments made		(145,160,226)	(148,801,130)
Short term investments disposed of		96,160,226	118,801,130
Interest received		153,505,428	84,099,294
Net cash used in investing activities		(1,908,377,008)	(2,625,318,446)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing	37.2	17,502,940	375,543,759
Repayment of long term financing	37.2	(1,526,718,278)	(1,623,490,344)
Repayment of lease liabilities	37.2	(63,062,387)	(49,992,943)
Short term borrowings - net	37.2	(826,106,062)	14,937,707,947
Dividend paid	37.2	(1,305,135)	(955,067,136)
Net cash (used in) / from financing activities		(2,399,688,922)	12,684,701,283
Net (decrease) / increase in cash and cash equivalents		(218,082,492)	70,026,232
Cash and cash equivalents at the beginning of the year	26	279,033,280	209,007,048
Cash and cash equivalents at the end of the year	26	60,950,788	279,033,280

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

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	SHARE CAPITAL	RESERVES					TOTAL EQUITY
		CAPITAL RESERVE	REVENUE RESERVES			Total	
		Share premium	General reserve	Unappropriated profit	Sub Total		
	Rupees						
Balance as at 30 June 2022	2,401,190,290	600,553,890	1,629,221,278	19,912,419,957	21,541,641,235	22,142,195,125	24,543,385,415
Transactions with owners:							
Transfer of investment in Nishat Chunian Power Limited to the shareholders of Company	-	-	-	(1,875,858,200)	(1,875,858,200)	(1,875,858,200)	(1,875,858,200)
Final dividend for the year ended 30 June 2022 @ Rupees 4 per share	-	-	-	(960,476,116)	(960,476,116)	(960,476,116)	(960,476,116)
	-	-	-	(2,836,334,316)	(2,836,334,316)	(2,836,334,316)	(2,836,334,316)
Loss for the year	-	-	-	(998,927,708)	(998,927,708)	(998,927,708)	(998,927,708)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(998,927,708)	(998,927,708)	(998,927,708)	(998,927,708)
Balance as at 30 June 2023	2,401,190,290	600,553,890	1,629,221,278	16,077,157,933	17,706,379,211	18,306,933,101	20,708,123,391
Profit for the year	-	-	-	691,671,497	691,671,497	691,671,497	691,671,497
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	691,671,497	691,671,497	691,671,497	691,671,497
Balance as at 30 June 2024	2,401,190,290	600,553,890	1,629,221,278	16,768,829,430	18,398,050,708	18,998,604,598	21,399,794,888

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

1. THE COMPANY AND ITS OPERATIONS

1.1 Nishat (Chunian) Limited is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabrics and made-ups made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity and steam.

1.2 Geographical location and addresses of all business units are as follows:

Sr. No.	Business units and office	Address
	Manufacturing units:	
1	Spinning Units 1, 4, 5, 7 and 8.	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.
2	Spinning Units 2, 3, 6, Weaving and 46 MW and 8 TPH process steam coal fired power generation project.	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.
3	Dyeing, Printing and Stitching.	4th Kilometre, Manga Road, Raiwind.
4	**Office**	31-Q, 31-C-Q and 10-N, Gulberg-II, Lahore.
5	**Site for office**	Plot No. 54, Ataturk Avenue, Street No. 88, Sector G-6/3, Islamabad.
6	**Retail stores**	
7	The Linen Company (TLC) – I	Outlet No. 9-10, 2nd Floor Gulberg Galleria Mall, Lahore.
8	The Linen Company (TLC) – II	Shop No. 008, 2nd Floor, Packages Mall, Lahore.
9	The Linen Company (TLC) – III	Outlet No. 21-22, Lower Ground Floor, WTC Giga Mall, DHA Phase 2, Islamabad.
10	The Linen Company (TLC) – IV	Shop No. 45, 3rd Floor, Centaurus Mall, Islamabad.
11	The Linen Company (TLC) – V	Shop No. G-14, Ground Floor Ocean Mall, Clifton, Karachi.
12	The Linen Company (TLC) – VI	Plot No. HC-3, Block No. 4, KDA Scheme No. 5, Clifton Karachi.
13	The Linen Company (TLC) – VII	Shop 8, 1st Floor, Bosan Road, Multan.
14	The Linen Company (TLC) – VIII	Shop 14-B-1, Ground Floor, Mall of Lahore, Tufail Road, Lahore Cantt.
15	**Warehouse**	Room No. 1022, 10th Floor, 4-16 West 33rd Street, Manhattan, City of New York.

1.3 The Board of Directors of Nishat (Chunian) Limited in its meeting held on 09 May 2024 has approved the Scheme of Arrangement (under sections 279 to 282 of the Companies Act, 2017) (herein refer to as "Scheme") involving Nishat (Chunian) Limited and Nishat Chunian Power Limited and their respective shareholders. The principal objective of this Scheme is to provide for the re-arrangement and re-construction of Nishat (Chunian) Limited and Nishat Chunian Power Limited by way of exchanging shares amongst Nishat

Mills Limited and Mr. Shahzad Saleem, chief executive officer of Nishat (Chunian) Limited. Nishat Mills Limited's shareholding in Nishat (Chunian) Limited will be transferred to, and vested in, Mr. Shahzad Saleem. In return and as consideration, corresponding part of Mr. Shahzad Saleem's shareholding in Nishat Chunian Power Limited will be transferred to, and vested in, Nishat Mills Limited. Foregoing exchange of shares between Nishat Mills Limited and Mr. Shahzad Saleem has been calculated and determined on the basis of share swap ratio in relation to Nishat (Chunian) Limited and Nishat Chunian Power Limited.

This Scheme shall become effective on such date when certified copy of the order of Honourable Lahore High Court, Lahore (the Court) sanctioning this Scheme is filed with the Registrar of Companies, Securities and Exchange Commission of Pakistan. Upon the sanction of this Scheme by the Court and upon this Scheme becoming effective, the shares swap as outlined in this Scheme shall be deemed to have occurred on 00:00 hours on 01 March 2024 (Appointed Date) and become effective and operative on the Appointed Date. Upon sanction of this Scheme by the Court and upon this Scheme becoming effective, the effect of exchange of shares, pursuant to this Scheme, shall be accounted for in the next financial statements of the respective companies in compliance with the applicable Accounting Principles.

Nishat (Chunian) Limited and Nishat Chunian Power Limited have jointly submitted the Scheme to the Court for approval after completing all necessary legal and corporate formalities. On 03 July 2024, subsequent to the reporting period, the Court has directed to hold Extra-Ordinary General Meeting (EOGM) of the members / shareholders of both aforementioned companies to consider and, if thought fit, approve, adopt and agree to the sanctioning of the Scheme between the aforementioned companies and their respective shareholders. In compliance with the order of the Court, the aforementioned companies held its EOGMs on 17 August 2024 wherein the Scheme has been approved by the shareholders of the aforementioned Companies. The order of the Court is awaited.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) 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 IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Financial instruments – fair value

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on conditions existing at the reporting date.

Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

Accumulating compensated absences

The provision for accumulating compensated absences is made on the basis of accumulated leave balance on account of employees.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Allowance for expected credit losses

The allowance for Expected Credit Losses (ECLs) assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Impairment of investments in subsidiaries

In making an estimate of recoverable amount of the Company's investments in subsidiaries, the management considers future cash flows.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Deferred income tax

From the financial year ending on 30 June 2025 (tax year 2025), income of the Company including from export sales will be taxed under the normal tax regime, hence, as on 30 June 2024, deferred income tax on taxable temporary difference between the accounting and tax base of operating fixed assets is required to be calculated in totality (previously this was only relating to local sales percentage). This is the first time the Company is transitioning to this regime. Previously, the Company was neither required nor claimed tax depreciation against income subject to final tax regime, hence, percentage of export sales (taxed under the final tax regime till 30 June 2024) has now been used to calculate the tax base by applying this percentage to the accounting written-down value (WDV) of operating fixed assets. This critical accounting estimation, used by the management in the calculation of deferred income tax, is based on the advice of legal counsel, and it reflects the best available information for the calculation of deferred income tax.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company’s accounting periods beginning on or after 01 July 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 ‘Presentation of Financial Statements’ and IFRS Practice Statement 2 ‘Making Materiality Judgement’).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 ‘Income Taxes’).
- Change in definition of Accounting Estimate (Amendments to IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’).
- Amendments to IAS 12 ‘Income Taxes’ - International Tax Reform — Pillar Two Model Rules.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Company’s financial statements and are therefore not detailed in these financial statements.

f) Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company’s accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 01 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 01 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 01 January 2024.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standards and amendments are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Employee benefit

The main features of the schemes operated by the Company for its employees are as follows:

Provident fund

There is an approved contributory provident fund for employees of the Company. Equal monthly contributions are made both by the employees and the Company to the fund in accordance with the fund rules. The Company's contributions to the fund are charged to income currently.

Accumulating compensated absences

The Company provides for accumulating compensated absences, when the employees render service that increase their entitlement to future compensated absences.

2.3 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Except for the tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company, final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in the statement of profit or loss. Tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company is charged as current tax in the statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in the statement of profit or loss. Now, the Company has changed its accounting policy of taxation and levy in accordance with "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountants of Pakistan through Circular No. 7/2024. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and resulted in following reclassification of corresponding figures:

Reclassified from	Reclassified to	30 June 2023 Rupees
Statement of profit or loss:		
Taxation	Levy – final tax	668,604,503
Taxation	Levy – minimum tax differential	233,804,846

Reclassified from	Reclassified to	30 June 2023 Rupees
Statement of financial position:		
Advance income tax	Prepaid levy	628,705,669
Provision for taxation	Levy payable	902,409,349

Had there been no change in the above-referred accounting policy, amounts of levy – final taxes Rupees 626.427 million and levy – minimum tax differential Rupees 276.217 million, levy payable Rupees 515.303 million and prepaid levy Rupees 460.049 million would have been presented as taxation expense, provision for taxation and advance income tax respectively in these financial statements for the year ended 30 June 2024. This change in accounting policy has no impact of earnings per share of the Company. Furthermore, the Company has not presented the third statement of financial position as at the beginning of the preceding period as the retrospective application does not have an effect on the information in the statement of financial position at the beginning of the preceding period.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.4 Property, plant, equipment and depreciation

Property, plant and equipment except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and any identified impairment loss. Cost in relation to certain property, plant and equipment signifies historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable cost of bringing the asset to working condition. Freehold land and capital work-in-progress are stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

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

Depreciation

Depreciation on all operating fixed assets, other than standby generators and power generation equipment, is charged to income on the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 15.1. Depreciation on additions is charged from the month in which the assets are available for use upto the month prior to disposal. Depreciation on standby generators is charged on the basis of number of hours used. Depreciation on power generation equipment is charged to income on the straight-line method so as to write off the cost / depreciable amount of the power generation equipment over its estimated useful life at the rate given in Note 15.1. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

2.5 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

2.6 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.7 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

2.8 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

2.9 Financial liabilities – classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.10 Impairment of financial assets

The Company recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

2.11 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.12 Investment in subsidiaries

Investments in subsidiary companies are stated at cost less impairment loss, if any, in accordance with the provisions of IAS 27 ‘Separate Financial Statements'.

2.13 Inventories

Inventories, except for stock-in-transit and waste stock, are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items-in-transit are valued at cost comprising invoice value plus other charges paid thereon.

Stock-in-trade

Cost of raw materials is measured using the weighted average cost formula.

Cost of work-in-process and finished goods comprise cost of direct material, labour and appropriate manufacturing overheads. Cost of goods purchased for resale is based on first-in-first-out (FIFO) cost formula.

Materials-in-transit are stated at cost comprising invoice values plus other charges paid thereon. Waste stock is valued at net realizable value.

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

2.14 Trade debts and other receivables

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.15 Borrowings

Financing and borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.16 Borrowing cost

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of cost of that asset.

2.17 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.18 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Processing services

The Company provides processing services to local customers. These services are sold separately and the Company's contract with the customer for services constitute a single performance obligation.

Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Company's contracts with its customers.

Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Sale of electricity

Revenue from sale of electricity is recognized at the time of transmission.

2.19 Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

2.20 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made.

2.21 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.22 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.23 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted 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 impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.24 Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value on regular basis and at each reporting date as a minimum, with all their gains and losses, realized and unrealized, recognized in the statement of profit or loss.

2.25 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at book value which approximates their fair value. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts, other short term highly liquid instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has following reportable business segments. Spinning – Zone 1 (Unit No.1 and 5), Zone 2 (Unit No. 4, 7 and 8) and Zone 3 (Unit No. 2, 3 and 6) (Producing different quality of yarn using natural and artificial fibres), Weaving – Unit 1 and 2 (Producing different quality of greige fabric using yarn), Processing and Home Textile (Processing greige fabric for production of printed and dyed fabric and manufacturing of home textile articles) and Power Generation (Generating and distributing power).

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases are eliminated from the total.

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

2.28 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.29 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

3. SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. 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

3.2 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.3 Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

3.4 Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

3.5 Customer fulfilment costs

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

3.6 Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

3.7 Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

3.8 Ijarah transactions

Ujrah (lease) payments are recognized as expenses in statement of profit or loss on a straight-line basis over the Ijarah term unless another systematic basis is representative of the time pattern of the user's benefit even if the payments are not on that basis.

3.9 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

3.10 Dividend and other appropriations

Dividend distribution to the ordinary shareholders is recognized as a liability in the Company's financial statements in period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

4. SHARE CAPITAL

4.1 Authorized share capital

2024	2023		2024	2023
(Number of shares)			Rupees	Rupees
350,000,000	350,000,000	Ordinary shares of Rupees 10 each	3,500,000,000	3,500,000,000
20,000,000	20,000,000	Preference shares of Rupees 10 each	200,000,000	200,000,000
370,000,000	370,000,000		3,700,000,000	3,700,000,000

4.2 Issued, subscribed and paid-up share capital

2024	2023		2024	2023
(Number of shares)			Rupees	Rupees
134,655,321	134,655,321	Ordinary shares of Rupees 10 each fully paid in cash	1,346,553,210	1,346,553,210
104,239,443	104,239,443	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	1,042,394,430	1,042,394,430
1,224,265	1,224,265	Ordinary shares of Rupees 10 each issued as fully paid for consideration other than cash to members of Umer Fabrics Limited as per the Scheme of Arrangement as approved by the Honorable Lahore High Court, Lahore	12,242,650	12,242,650
240,119,029	240,119,029		2,401,190,290	2,401,190,290

4.3 The share capital of the Company consists only of fully paid ordinary shares with a nominal (par) value of Rupees 10 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

	2024 Rupees	2023 Rupees
5. RESERVES		
Composition of reserves is as follows:		
Capital reserve		
Share premium (Note 5.1)	600,553,890	600,553,890
Revenue reserves		
General reserve	1,629,221,278	1,629,221,278
Unappropriated profit	16,768,829,430	16,077,157,933
	18,398,050,708	17,706,379,211
	18,998,604,598	18,306,933,101

5.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

	2024 Rupees	2023 Rupees
6. LONG TERM FINANCING		
From banking companies / financial institutions - secured		
Long term loans (Note 6.1)	11,543,155,465	12,745,749,728
Long term musharaka (Note 6.2)	1,129,135,766	1,279,468,806
	12,672,291,231	14,025,218,534
Less: Current portion shown under current liabilities (Note 12)		
Long term loans	(2,139,836,819)	(1,321,160,103)
Long term musharaka	(166,852,781)	(165,793,357)
	(2,306,689,600)	(1,486,953,460)
	10,365,601,631	12,538,265,074

6.1 Long term loans

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
MCB Bank Limited	80,000,000	100,000,000	SBP rate for LTFF + 1.00%	Sixteen equal half yearly instalments commenced on 13 August 2019 and ending on 13 February 2028. (Note 6.5)	-	Quarterly
MCB Bank Limited	30,187,500	40,250,000	SBP rate for LTFF + 1.00%	Sixteen equal half yearly instalments commenced on 22 June 2019 and ending on 22 June 2027. (Note 6.5)	-	Quarterly
MCB Bank Limited	1,800,000,000	2,000,000,000	3-months KIBOR + 0.2%	Twenty equal quarterly instalments commenced on 11 February 2024 and ending on 11 November 2028.	Quarterly	Quarterly
Allied Bank Limited	102,812,500	132,187,500	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 24 February 2019 and ending on 24 November 2027. (Note 6.5)	-	Quarterly
Allied Bank Limited	61,734,375	78,196,875	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 18 April 2019 and ending on 18 January 2028. (Note 6.5)	-	Quarterly
Allied Bank Limited	183,281,250	232,156,250	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 19 April 2019 and ending on 19 January 2028. (Note 6.5)	-	Quarterly
Allied Bank Limited	44,812,500	56,762,500	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 21 May 2017 and ending on 21 February 2028. (Note 6.5)	-	Quarterly
Allied Bank Limited	58,900,000	73,625,000	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 03 July 2019 and ending on 03 April 2028. (Note 6.5)	-	Quarterly
Allied Bank Limited	48,157,809	55,863,061	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	81,790,625	94,877,125	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	14,670,546	17,017,834	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	25,003,908	29,004,532	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	11,696,092	13,567,468	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Habib Bank Limited	-	200,000,000	3-months KIBOR + 0.50%	Ten equal half yearly instalments commenced on 27 March 2018 and ended on 23 September 2023. (Note 6.5)	Quarterly	Quarterly
Allied Bank Limited	53,055,954	61,544,906	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	562,500,000	812,500,000	3-months KIBOR + 0.18%	Sixteen equal quarterly instalments commenced on 30 September 2022 and ending on 30 June 2026.	Quarterly	Quarterly
Allied Bank Limited	1,000,000,000	1,000,000,000	3-months KIBOR + 0.10%	Twenty four equal quarterly instalments commencing on 24 August 2024 and ending on 24 May 2030.	Quarterly	Quarterly
Askari Bank Limited	58,100,000	74,700,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 02 February 2017 and ending on 02 November 2027. (Note 6.5)	-	Quarterly
Askari Bank Limited	7,000,000	9,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 February 2017 and ending on 04 November 2027. (Note 6.5)	-	Quarterly
Askari Bank Limited	52,500,000	67,500,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 08 March 2017 and ending on 08 December 2027. (Note 6.5)	-	Quarterly
Askari Bank Limited	50,100,000	63,460,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 22 June 2017 and ending on 22 March 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	2,480,000	3,100,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 12 September 2017 and ending on 13 June 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	23,800,000	29,400,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 October 2017 and ending on 04 July 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	8,000,000	10,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	47,120,000	58,900,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 6.5)	-	Quarterly

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Askari Bank Limited	2,301,600	2,877,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	8,627,500	10,657,500	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 October 2017 and ending on 04 July 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	94,400,000	118,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 6.5)	-	Quarterly
Askari Bank Limited	210,243,000	246,807,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 18 May 2021 and ending on 12 February 2031. (Note 6.5)	-	Quarterly
Bank Alfalah Limited (Note 6.6)	1,243,379,137	1,221,919,577	SBP rate for TERF + 2.00%	Five hundred and forty five unequal instalments commenced on 26 August 2023 and ending on 22 April 2032.	-	Quarterly
Pak Kuwait Investment Company (Private) Limited	220,746,850	254,718,850	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 05 January 2023 and ending on 04 October 2030.	-	Quarterly
Pak Kuwait Investment Company (Private) Limited	11,711,950	13,515,950	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 05 January 2023 and ending on 04 October 2030.	-	Quarterly
Habib Bank Limited	1,811,443,696	1,828,426,117	3-months KIBOR + 0.45%	Eighty one unequal instalments commenced on 09 May 2024 and ending on 20 May 2032.	Quarterly	Quarterly
Habib Bank Limited	345,035,965	350,956,713	SBP rate for LTFF + 1.00%	One hundred and twenty eight unequal instalments commenced on 03 June 2024 and ending on 15 April 2032.	-	Quarterly
Habib Bank Limited	215,133,503	215,133,503	SBP rate for LTFF + 1.00%	Thirty two equal half yearly instalments commencing on 11 August 2024 and ending on 11 May 2032.	-	Quarterly
Habib Bank Limited	221,825,624	221,825,624	3-months KIBOR + 0.45%	Sixteen equal half yearly instalments commencing on 11 November 2024 and ending on 11 May 2032.	Quarterly	Quarterly
Soneri Bank Limited	140,390,625	177,828,125	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 14 June 2019 and ending on 14 March 2028. (Note 6.5)	-	Quarterly
Soneri Bank Limited	111,000,000	138,750,000	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 06 July 2019 and ending on 06 April 2028. (Note 6.5)	-	Quarterly
National Bank of Pakistan	21,210,673	21,210,673	SBP rate for LTFF + 1%	Forty equal quarterly instalments commencing on 08 December 2024 and ending on 08 September 2034.	-	Quarterly
National Bank of Pakistan	150,010,404	132,507,462	3-months KIBOR + 1%	One hundred and sixty one unequal quarterly instalments commencing on 08 February 2025 and ending on 13 June 2036.	Quarterly	Quarterly
United Bank Limited	1,833,333,333	2,000,000,000	1-month KIBOR + 0.25%	Twenty four equal quarterly instalments commenced on 31 March 2024 and ending on 31 December 2029.	Monthly	Quarterly
United Bank Limited (Note 6.6)	494,658,546	477,002,583	SBP rate for TERF + 1.25%	Ninety six unequal instalments commenced on 08 October 2023 and ending on 25 March 2032.	-	Quarterly
	11,543,155,465	12,745,749,728				

6.2 Long term musharaka

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Meezan Bank Limited	212,119,196	244,752,920	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 24 March 2023 and ending on 24 December 2030.	-	Quarterly
Meezan Bank Limited (Note 6.7)	339,252,398	381,669,745	SBP rate for ITERF + 2.75%	One hundred and twenty eight unequal instalments commenced on 30 March 2023 and ending on 28 May 2031.	-	Quarterly
Meezan Bank Limited	5,600,815	6,430,563	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	14,035,275	16,114,575	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	10,101,460	11,597,972	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	57,750,975	66,306,675	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	12,031,875	13,814,375	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	96,048,030	110,277,366	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	172,945,500	197,652,000	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 17 September 2023 and ending on 17 June 2031.	-	Quarterly
Meezan Bank Limited	46,373,600	52,998,400	SBP rate for LTFF + 1.50%	Thirty two equal quarterly instalments commenced on 17 September 2023 and ending on 17 June 2031.	-	Quarterly
MCB Islamic Bank Limited (Note 6.7)	162,876,642	177,854,215	SBP rate for ITERF + 1.50%	Ninety six unequal instalments commenced on 06 August 2023 and ending on 16 February 2032.	-	Quarterly
	1,129,135,766	1,279,468,806				

6.3 Long term loans are secured by first joint pari passu hypothecation and equitable mortgage on all present and future fixed assets of the Company to the extent of Rupees 21,484.022 million (2023: Rupees 21,484.022 million) and ranking charge on all present and future fixed assets of the Company to the extent of Rupees 133.330 million (2023: Rupees Nil).

6.4 Long term musharaka are secured by first joint pari passu hypothecation and equitable mortgage on all present and future fixed assets of the Company to the extent of Rupees 2,199.998 million (2023: Rupees 2,199.998 million).

6.5 Repayment period includes deferment of repayment of principal loan amount by one year in accordance with the State Bank of Pakistan BPRD Circular Letter No. 13 of 2020 dated 26 March 2020.

6.6 These loans are obtained by the Company under SBP Temporary Economic Refinance Facility (TERF). These are recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.23% to 14.27% per annum.

6.7 These loans are obtained by the Company under SBP Islamic Temporary Economic Refinance Facility (ITERF). These are recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.04% to 11.44% per annum.

		2024 Rupees	2023 Rupees
7.	**LEASE LIABILITIES**		
	Total lease liabilities	85,748,114	132,734,414
	Less: Current portion shown under current liabilities (Note 12)	(35,915,095)	(64,067,847)
		49,833,019	68,666,567
7.1	**Reconciliation of lease liabilities**		
	Opening balance	132,734,414	90,649,683
	Add: Additions during the year	17,106,282	98,087,096
	Add: Interest accrued on lease liabilities (Note 33)	15,406,799	13,591,883
	Less: Impact of lease termination	-	(9,579,843)
	Less: Payments made during the year	(78,469,186)	(63,584,826)
	(Less) / Add: Impact of exchange (loss) / gain	(1,030,195)	3,570,421
	Closing balance	85,748,114	132,734,414
7.2	**Maturity analysis of lease liabilities is as follows:**		
	Upto 6 months	32,791,645	39,346,353
	6-12 months	19,863,027	40,286,404
	1-2 years	36,582,898	43,484,847
	More than 2 years	10,523,258	37,229,387
		99,760,828	160,346,991
	Less: Future finance cost	(14,012,714)	(27,612,577)
	Present value of lease liabilities	85,748,114	132,734,414
7.3	**Amounts recognised in the statement of profit or loss**		
	Interest accrued during the year	15,406,799	13,591,883

7.4 Implicit rate against lease liabilities ranges from 7.97% to 21.41% (2023: 7.97% to 21.41%) per annum.

		2024 Rupees	2023 Rupees
8.	**DEFERRED LIABILITIES**		
	Gas Infrastructure Development Cess (GIDC) payable (Note 8.1)	-	-
	Deferred income - Government grant (Note 8.2)	528,500,552	677,389,719
		528,500,552	677,389,719
8.1	**Gas Infrastructure Development Cess (GIDC) Payable**		
	Opening balance	431,187,796	450,872,207
	Add: Adjustment due to impact of IFRS 9 (Note 33)	-	267,980
	Less: Adjustment during the year	-	(19,952,391)
	Closing balance	431,187,796	431,187,796
	Less: Current portion shown under current liabilities (Note 12)	(431,187,796)	(431,187,796)
		-	-

8.1.1 This represents Gas Infrastructure Development Cess (GIDC) that was levied through GIDC Act, 2015. During the year ended 30 June 2021, Honourable Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Company has filed a review petition in Honourable Sindh High Court, Karachi which is pending adjudication. GIDC payable has been recognized at amortized cost in accordance with IFRS 9.

	2024 Rupees	2023 Rupees
8.2 Deferred income - Government grant		
Opening balance	832,798,931	978,592,879
Less: Amortized during the year	(155,378,882)	(145,793,948)
Closing balance	677,420,049	832,798,931
Less: Current portion shown under current liabilities (Note 12)	(148,919,497)	(155,409,212)
	528,500,552	677,389,719

8.2.1 The State Bank of Pakistan (SBP), through its Circular No. 01 and 02 of 2020 dated 17 March 2020 and Circular No. 09 of 2020 dated 08 May 2020 introduced a Temporary Economic Refinance Facility (TERF) and Islamic Temporary Economic Refinance Facility (ITERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and / or expansion of projects / businesses. These refinances were available through Banks / DFIs. One of the key feature of these refinance facilities was that borrowers could obtain loan at mark-up rates that are below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance', the benefit of a Government loan at a below-market rate of interest is treated as a Government grant. The Company obtained these loans as disclosed in note 6 to the financial statements. In accordance with IFRS 9 'Financial Instruments', loans obtained under the refinance facilities were initially recognized at fair value which is the present value of loans proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in the statement of profit or loss, in line with the recognition of interest expense the grant is compensating. There are no unfulfilled conditions or contingencies attached to this grant.

	2024 Rupees	2023 Rupees
9. TRADE AND OTHER PAYABLES		
Creditors (Note 9.1)	1,740,049,890	1,310,347,550
Sindh infrastructure cess payable (Note 9.2)	1,321,296,004	1,101,364,137
Accrued liabilities (Note 9.3)	1,445,630,501	1,091,995,860
Contract liabilities - unsecured	317,036,077	488,834,712
Securities from contractors - interest free and repayable on completion of contracts (Note 9.4)	5,007,800	4,662,800
Retention money	29,282,595	24,173,129
Income tax deducted at source	56,828,342	103,792,500
Payable to employees' provident fund trust	18,958,719	8,300,503
Workers' profit participation fund (Note 9.5)	59,894,054	-
Workers' welfare fund (Note 9.6)	39,848,120	35,663,768
Others	42,413,082	53,787,773
	5,076,245,184	4,222,922,732

9.1 These include Rupees 14.792 million (2023: Rupees Nil) due to Sweave Inc. - subsidiary company of Nishat Chunian USA Inc. - subsidiary company. It is in ordinary course of business and interest free.

9.2 This represents provision for infrastructure cess imposed by the Province of Sindh through Sindh Finance Act, 1994 and its subsequent versions including the final version i.e. Sindh Development and Maintenance of Infrastructure Cess Act, 2017. The Company filed writ petition in Honourable Sindh High Court, Karachi whereby stay was granted and directions were given to provide bank guarantees in favour of Director Excise and Taxation, Karachi. The Honourable Sindh High Court, Karachi passed order dated 04 June 2021 against the Company and directed that bank guarantees should be encashed. Being aggrieved by the order, the Company along with others filed petitions for leave to appeal before Honourable Supreme Court of Pakistan against the Honourable Sindh High Court's judgment in relation to Sindh infrastructure development cess. On 01 September 2021, after hearing the petitioners, the Honourable Supreme Court dictated the order in open court granting leave to appeal to the petitioners and restraining the Sindh Government from encashing the bank guarantees furnished in pursuance of the interim orders passed by the Honourable Sindh High Court. The Honourable Supreme Court also direct the release of future consignments subject to furnishing of bank guarantees for the disputed amount.

9.3 Reversal of excess provisions in respect of previous years amounting to Rupees Nil (2023: Rupees 202.380 million).

9.4 These deposits were utilized for the purpose of business in accordance with the terms of written agreements with contractors and customers.

		2024 Rupees	2023 Rupees
9.5	**Workers' profit participation fund**		
	Opening balance	-	428,478,677
	Add: Interest for the year (Note 33)	-	1,408,698
	Add: Adjustment during the year	-	20,112,625
	Add: Provision for the year (Note 31)	59,894,054	-
		59,894,054	450,000,000
	Less: Payments during the year	-	(450,000,000)
	Closing balance	59,894,054	-

9.5.1 The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

		2024 Rupees	2023 Rupees
9.6	**Workers' welfare fund**		
	Opening balance	35,663,768	35,663,768
	Add: Provision for the year (Note 31)	4,184,352	-
	Closing balance	39,848,120	35,663,768
10.	**ACCRUED MARK-UP / PROFIT**		
	Long term financing	304,165,407	452,367,077
	Short term borrowings	1,033,045,788	944,942,268
		1,337,211,195	1,397,309,345
11.	**SHORT TERM BORROWINGS**		
	From banking companies / financial institutions - secured		
	Short term running finances (Notes 11.1 and 11.2)	8,011,276,217	13,058,819,675
	Export finances - Preshipment / SBP refinance (Notes 11.1 and 11.3)	10,449,335,565	7,422,898,169
	Other short term finances (Notes 11.1 and 11.4)	8,595,000,000	7,400,000,000
		27,055,611,782	27,881,717,844

11.1 These finances are obtained from banking companies under mark-up / profit arrangements and are secured by hypothecation of all present and future current assets of the Company to the extent of Rupees 65,325 million (2023: Rupees 46,660 million) and ranking charge on all present and future current assets of the Company to the extent of Rupees 5,333.333 million (2023: Rupees 16,001 million). These form part of total credit facilities of Rupees 50,215 million (2023: Rupees 42,315 million).

11.2 The effective rates of mark-up range from 21.51% to 23.90% (2023: 14.55% to 23.08%) per annum.

11.3 The effective rates of mark-up on Pak Rupee finances and US Dollar finances range from 13.00% to 19.00% (2023: 9.10% to 21.69%) per annum and 2.00% to 10.00% (2023: 1.00% to 11.06%) respectively.

11.4 The effective rates of mark-up range from 18.69% to 23.41% (2023: 10.93% to 17.50%) per annum.

	2024 Rupees	2023 Rupees
12. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Long term financing (Note 6)	2,306,689,600	1,486,953,460
Lease liabilities (Note 7)	35,915,095	64,067,847
Gas Infrastructure Development Cess (GIDC) Payable (Note 8.1)	431,187,796	431,187,796
Deferred income - Government grant (Note 8.2)	148,919,497	155,409,212
	2,922,711,988	2,137,618,315
13. TAXATION AND LEVY - NET		
Advance income tax - net		
Provision for taxation	36,880,465	9,605,635
Less: Advance income tax	(222,187,670)	(138,702,175)
	(185,307,205)	(129,096,540)
Levy - net		
Levy payable	515,303,102	902,409,349
Less: Prepaid levy	(460,049,304)	(628,705,669)
	55,253,798	273,703,680
	(130,053,407)	144,607,140

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

14.1.1 The Company preferred appeal against the Government of Punjab in the Honourable Lahore High Court, Lahore against imposition of electricity duty on internal generation and the writ petition has been accepted. However, Government of Punjab has moved to the Honourable Supreme Court of Pakistan against the order of Honourable Lahore High Court, Lahore. The Company has fully provided its liability in respect of electricity duty on internal generation. As at the reporting date, an amount of Rupees 78.896 million (2023: Rupees 78.582 million) is payable on this account but the management of the Company is confident that payment of electricity duty will not be required.

14.1.2 The Collectorate of Customs (Export) has issued show cause notices with the intention to reject the duty draw back claims aggregating to Rupees 9.482 million on blended grey fabrics exported under Duty and Tax

Remission Rules for Export (DTRE) scheme. The department is of the view that the Company has not submitted Appendix-1 as per Rule 297-A of the above referred scheme. The Company considers that since it has taken benefit of remission of sales tax only, it is entitled to full duty draw back and filed appeal before Appellate Tribunal Inland Revenue (ATIR), Karachi Bench which was decided against the Company. The Company also applied to Federal Board of Revenue (FBR) to constitute Alternate Dispute Resolution Committee (ADRC) in terms of section 195C of the Customs Act, 1969 to settle the dispute. ADRC vide its order dated 16 April 2008 has recommended the case in favour of the Company and forwarded the case to FBR. However, FBR has not accepted the recommendations of ADRC. The Company has filed appeal before the Honourable High Court of Sindh, Karachi on 07 December 2013 against the order of ATIR, where the case is pending adjudication. The Company is hopeful of a favourable outcome of the appeal based on the opinion of the tax advisor.

14.1.3 The Company impugned selection of its tax affairs for audit in terms of section 177 of the Income Tax Ordinance, 2001 for tax year 2009 in Honourable Lahore High Court, Lahore through writ petition. After dismissal of writ petition by the Honourable Lahore High Court, Lahore, the tax department has completed the audit of tax year 2009 of income tax affairs of the Company and Deputy Commissioner Inland Revenue (DCIR) has passed an order under sections 122(1)/122(5) of the Income Tax Ordinance, 2001 dated 28 July 2015 creating a tax demand of Rupees 6.773 million. The Company filed appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the decision of DCIR wherein the appeal has been decided partially in favour of the Company. Being aggrieved, the Company has filed an appeal before ATIR which is pending adjudication. No provision against this demand has been made in these financial statements as the Company is hopeful of a favourable outcome of appeal based on the opinion of the tax advisor.

14.1.4 As a result of withholding tax audit for the tax year 2006, DCIR has raised a demand of Rupees 41.849 million under sections 161 and 205 of the Income Tax Ordinance, 2001 via order dated 22 June 2010. The Company's appeal before ATIR was successful. The Commissioner Inland Revenue has filed appeal before Honourable Lahore High Court, Lahore against the order of ATIR, where the case is pending. No provision against this demand has been made in these financial statements as the Company is hopeful of a favourable outcome of appeal based on the opinion of the tax advisor.

14.1.5 The Deputy Collector (Refund – Gold) by order dated 16 May 2007 rejected the input tax claim of the Company, for the month of June 2005, amounting to Rupees 1.604 million incurred in zero rated local supplies of textile and articles thereof on the grounds that the input tax claim is in contravention of SRO 992(I)/2005 which states that no registered person engaged in the export of specified goods (including textile and articles thereof) shall, either through zero-rating or otherwise, be entitled to deduct or reclaim input tax paid in respect of stocks of such goods acquired up to 05 June 2005, if not used for the purpose of exports made up to 31 December 2005. The appeal of the Company before ATIR was successful and input tax claim of the Company is expected to be processed after necessary verification in this regard. Pending the outcome of verification, no provision for inadmissible input tax has been recognized in these financial statements.

14.1.6 The Company filed appeal before CIR(A) against the order of Additional Commissioner Inland Revenue (ACIR) dated 24 November 2014. ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2012 whereby a demand of Rupees 125.162 million has been raised. CIR(A) vide order dated 29 June 2016 has deleted some of the additions made by ACIR. Being aggrieved by the order of CIR(A), the Company as well as the tax department have preferred appeals before ATIR which are pending adjudication. No provision against this demand has been made in these financial statements as the Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

14.1.7 ACIR passed an order dated 07 June 2016 under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2010 whereby a demand of Rupees 142.956 million has been raised, against which the Company filed appeal before CIR(A). CIR(A) vide order dated 28 October 2016 has deleted some of the additions made by ACIR. Being aggrieved by the order of CIR(A), the Company as well as the tax department have preferred appeals before ATIR which culminated into an ex-parte appellate order by ATIR. Being aggrieved, the Company filed before ATIR to recall the ex-parte order. Therefore, the hearing of appeal is pending fixation. No provision against this demand has been made in these financial statements as the Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

14.1.8 Through show cause notice dated 26 November 2015, the Collector of Customs, Karachi raised demand of Rupees 23.585 million on the grounds that the Company was not entitled for exemption of sales tax and facility of reduced rate of income tax on 13 consignments of cotton imported during the period from April 2013 to April

2014. The vires of show cause notice were challenged in Honourable Sindh High Court, Karachi from where stay was granted with the direction to the Collector that he will not pass final order pursuant to the impugned show cause notice particularly in respect of advance income tax till next date of hearing. In spite of the categorical orders of the Honourable Sindh High Court, Karachi, the Collector passed order, creating the demand of the aforesaid amount. Appeal against the said order filed in ATIR, Karachi has been dismissed. Custom reference application has been filed in Honourable Sindh High Court, Karachi against the order of ATIR. There is sufficient case law on the subject and there is every likelihood that case will be decided in favour of the Company.

14.1.9 The Company is contesting demands of sales tax along with default surcharge and penalty under the Sales Tax Act, 1990 by taxation authorities amounting to Rupees 190.926 million (2023: Rupees 198.447 million) at various forums. These demands have been raised on account of various issues. No provision against the aforesaid demands has been made in these financial statements as the management is confident of favourable outcome of its appeals based on advice of the legal counsel.

14.1.10 ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 dated 29 April 2014 whereby a demand of Rupees 27.846 million has been raised. The appeal before CIR(A) has been decided and some matters have been decided in favour of the Company. Being aggrieved, the Company filed an appeal before ATIR against the order of CIR(A). ATIR has remanded back all the additions made by CIR(A) for passing the fresh order. However, while passing the said order, ATIR has confirmed the proration made by CIR(A) against which the Company has preferred the reference before the Honourbale Lahore High Court, Lahore. No provision against this demand has been made in these financial statements as the Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

14.1.11 DCIR issued a show cause notice dated 12 April 2019 under section 177(1) of the Income Tax Ordinance, 2001 for providing certain record and documents for tax year 2013. In response thereto, various replies were submitted with the DCIR. In response to submissions of the Company, DCIR issued an audit report under section 177(6) of the Income Tax Ordinance, 2001 and then passed an order under sections 122(4), 122(5) and 214C of the Income Tax Ordinance, 2001 creating a demand of Rupees 277.772 million. Being aggrieved with the order passed by DCIR, an appeal has been filed before CIR(A). CIR(A) vide order dated 07 November 2019 ordered remand back proceedings in the said proceedings. Subsequently, a notice under sections 124, 122(4), 122(5) and 214C of the Income Tax Ordinance, 2001 was issued dated 02 April 2020. However, the proceedings were adjourned indefinitely owing to the lockdown in the country amid the COVID-19 outbreak. The proceedings have not been re-initiated by the concerned DCIR. However, based on facts of the case, the aforesaid proceedings are likely to culminate in the favour of the Company.

14.1.12 DCIR issued a show cause notice dated 20 March 2019 under section 161(1A) of the Income Tax Ordinance, 2001 for tax year 2017, wherein, the Company was required to explain the taxes deducted against payments amounting to Rupees 133.361 million made on account of commission to selling agents. In response thereto, a reply dated 28 March 2019 was submitted with DCIR. DCIR without considering the arguments put forth by the Company passed an order dated 05 April 2019 raising a demand of Rupees 13.982 million. Being aggrieved with the order passed by DCIR, an appeal was filed before CIR(A) which culminated in an order dated 27 June 2019, wherein, the stance of DCIR was upheld. Being aggrieved with the order passed by CIR(A), an appeal was filed before ATIR, which was decided in favour of the Company on 19 February 2020. Appeal has been filed by the tax department before Honourable Lahore High Court, Lahore against the order of ATIR. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

14.1.13 DCIR issued a show cause notice dated 20 March 2019 under section 161(1A) of the Income Tax Ordinance, 2001 for tax year 2018, wherein, the Company was required to explain the taxes deducted against payments amounting to Rupees 213.382 million made on account of commission to selling agents. In response thereto, a reply was submitted with DCIR. DCIR without considering the arguments put forth by the taxpayer, passed an order dated 05 April 2019 raising a demand to the tune of Rupees 15.130 million. Being aggrieved with the order passed by DCIR, an appeal was filed before CIR(A) which culminated in an order dated 27 June 2019, wherein, the stance of DCIR was upheld. Being aggrieved with the order passed by CIR(A), an appeal was filed before ATIR, which was decided in favour of the Company on 19 February 2020. Appeal has been filed by the tax department before Honourable Lahore High Court, Lahore against the order of ATIR. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

14.1.14 The Company has challenged, before Honourable Lahore High Court, Lahore, the vires of first proviso to sub-clause (x) of clause (4) of SRO 491(1)/2016 dated 30 June 2016 issued under sections 3 and 4 read with sections 8 and 71 of the Sales Tax Act, 1990 whereby through amendment in the earlier SRO 1125(I)/2011 dated 31 December 2011 adjustment of input sales tax on packing material of all sorts has been disallowed. The learned single judge of Honourable Lahore High Court, Lahore has dismissed the writ petition of the Company, therefore intra court appeal has been filed. The Company has claimed input sales tax amounting to Rupees 86.417 million paid on packing material in its respective monthly sales tax returns. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

14.1.15 In case of NC Electric Company Limited [now Nishat (Chunian) Limited] proceedings were initiated by DCIR under section 235, 161 and 205 of the Income Tax Ordinance, 2001 for the tax year 2017, which eventually culminated in proceedings being remanded back to the concerned DCIR by CIR(A). Subsequently, a remand back notice under section 124, 161 and 205 of the Income Tax Ordinance, 2001 was issued by the concerned DCIR. In response to the aforesaid notice, a reply was submitted with concerned DCIR. DCIR in response to submissions, passed an order under sections 124, 235 and 161 of the Income Tax Ordinance, 2001 dated 29 June 2019 creating a demand to the tune of Rupees 5.699 million. Being aggrieved with the order passed by DCIR, an appeal has been filed before CIR(A). Furthermore, hearing of the same was duly conducted and CIR(A) once again passed an order of remand back proceedings. Being aggrieved with the order passed by the CIR(A) an appeal has been filed before ATIR which is pending adjudication. Subsequently, a notice dated 31 August 2020 reinitiating the proceedings was issued. The said notice was duly responded to. However, the order is yet to be passed. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

14.1.16 ACIR issued a notice dated 11 December 2019 under section 122(9) of the Income Tax Ordinance, 2001 directing the Company to submit clarifications, records and documents with respect to certain treatments meted out in the income tax return for the tax year 2014. In response to the aforementioned notice, various replies were submitted with the ACIR. The subject proceedings culminated in an order creating an income tax demand to the tune of Rupees 189.375 million. An appeal was filed before the CIR(A) who vide his order dated 24 January 2022 waived the tax demand created by CIR(A) and further granted partial relief by allowing a tax refund of Rupees 84.990 million. The Company being aggrieved with the decision, filed an appeal before ATIR which is pending adjudication. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Company.

14.1.17 Proceedings under sections 161 and 205 of the Income Tax Ordinance, 2001 were initiated by DCIR for tax year 2016, which eventually culminated in DCIR's order under sections 161 and 205 of the Income Tax Ordinance, 2001 dated 28 May 2021 raising a tax demand to the tune of Rupees 77.349 million. In response to the aforesaid order, appeal has been preferred before CIR(A), who vide his order dated 28 March 2022 passed an order against the Company. Being aggrieved, the Company filed an appeal before ATIR. ATIR through its order dated 03 June 2024 annulled both the orders and the underlying demand also stands annulled.

14.1.18 DCIR initiated post sales tax refunds audit proceedings for tax periods October 2015 to June 2017 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. In response to the notice issued by DCIR, various replies were submitted. The said proceedings culminated in the learned DCIR passing an order under section 11 of the Sales Tax Act, 1990 creating a sales tax demand to the tune of Rupees 89.828 million. In response to the order passed by the DCIR, an appeal was filed before the CIR(A), who vide his order dated 06 January 2022 passed an order against the Company. The Company being aggrieved with the decision, filed an appeal before ATIR which culminated in passing an order deleting tax demand amounting to Rupees 31.876 million, while tax demanded amounting to Rupees 15.298 million was upheld and tax demanded amounting to Rupees 40.342 million was remanded back. The Company has submitted an application for issuance of appeal effect order to assessing officer. The remand back proceedings are pending adjudication. Based on the facts of the case, it is likely that the proceedings will culminate in Company’s favour.

14.1.19 Proceedings under sections 161 and 205 of the Income Tax Ordinance, 2001 were initiated by DCIR for tax year 2015, which eventually culminated in the DCIR's order under sections 161 and 205 of the Income Tax Ordinance, 2001 dated 29 April 2021 raising a tax demand to the tune of Rupees 105.480 million. In response to the aforesaid order, appeal has been preferred before CIR(A), who upheld the demand amounting to Rupees 62.675 million while demand of Rupees 42.804 million was remanded back to the department for proceedings afresh. The Company, being aggrieved, filed an appeal before ATIR which has been heard for order and subsequent to the reporting period, the said assessment order has been annulled and accordingly, the underlying demand stands annulled.

14.1.20 ACIR issued a notice dated 11 December 2019 under section 122(9) of the Income Tax Ordinance, 2001 directing the Company to submit certain records and documents with respect to certain treatments meted out in the annual income tax return for the tax year 2015. In response thereof, various replies were submitted with ACIR. The subject proceedings culminated in the learned ACIR passing an order under section 122(5A) of the Income Tax Ordinance, 2001 creating a tax demand to the tune of Rupees 417.208 million. In response to the order passed by ACIR, an appeal was filed before CIR(A), who vide his order dated 03 June 2022 passed an order against the Company. The Company being aggrieved filed an appeal before ATIR wherein ATIR deleted majority of the heads and only three heads were remanded back to the department for proceedings afresh. In response to the order, an application for issuance of appeal effect order has been submitted before assessing officer. The remand back proceedings culminated against the Company. The Company being aggrieved filed an appeal before ATIR, which is pending adjudication. The Company based on the facts of the case believes there are reasonable arguments that the case will culminate in favour of the Company.

14.1.21 DCIR initiated post sales tax refunds audit proceedings for tax periods July 2017 to June 2019 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. In response to the notice issued by DCIR, various replies were submitted. The said proceedings culminated in the learned DCIR passing an order under section 38 of the Sales Tax Act, 1990 creating a sales tax demand to the tune of Rupees 914.309 million. In response to the order passed by DCIR, an appeal has been filed before CIR(A) which culminated, giving partial relief to the Company. Being aggrieved, an appeal has been filed before ATIR. Based on the facts of the case, it is likely that the proceedings will culminate in the Company's favour.

14.1.22 ACIR issued a show cause notice dated 09 May 2022 to submit certain records and documents with respect to certain treatments meted out in the annual tax return for tax year 2016 under section 122(9) of the Income Tax Ordinance 2001. In response thereof, ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 reducing income tax refundable from Rupees 347.124 million to Rupees 59.477 million. The Company being aggrieved by the order of ACIR, filed an appeal before CIR(A), which has been heard and no final order has yet been passed. Based on grounds and facts, the Company is hopeful for a favourable outcome of the appeal.

14.1.23 DCIR initiated post sales tax refunds audit proceedings for tax periods July 2015 to September 2015 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. The said proceedings culminated in the learned DCIR passing an order under section 11(2) of the Sales Tax Act, 1990 creating a sales tax demand of Rupees 3.352 million. In response to the order passed by DCIR, an appeal has been filed before CIR(A), which culminated in learned CIR(A) remanding back the proceedings. Subsequently, the learned DCIR passed an adverse order against the Company. The Company filed an appeal before CIR(A) which culminated in passing an order remanding back the proceedings. Subsequently, a notice by DCIR was issued re-initiating the second round proceedings, which culminated by adverse order against the Company. The Company being aggrieved filed an appeal before CIR(A) which culminated against the Company. Being aggrieved, the Company filed an appeal before ATIR. The concerned ATIR through its order dated 18 March 2024 declared both the order of the CIR(A) and DCIR in contravention with the law and thus demand stands annulled.

14.1.24 ACIR issued a notice dated 27 June 2023 under section 122(9) of the Income Tax Ordinance, 2001 for the tax year 2017 directing the Company to submit certain records and documents. In response to the aforementioned notice, a reply has been submitted with the learned ACIR who passed an order under section 122(5A) of the Income Tax Ordinance, 2001 whereby ACIR is demanding income tax of Rupees 682.589 million. In retort, an appeal has been filed before CIR(A), who vide his order dated 29 February 2024 passed an order in which certain amendments have been upheld. Being aggrieved, the Company filed an appeal before ATIR which is pending adjudication. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Company.

14.1.25 ACIR passed multiple orders dated 07 December 2021 under section 161 for the tax years 2019 and 2020 amounting to Rupees 402.492 million and Rupees 33.923 million respectively. The Company being aggrieved with the decision, filed appeal before CIR(A), who remanded back proceedings to ACIR. The remand back proceedings were concluded against the Company. The Company filed appeal against the orders with ATIR. ATIR set aside both orders of ACIR and through a consolidated order remanded back the case for fresh hearing after providing reasonable opportunity of being heard to the Company. Such remand back proceedings have not yet been initiated. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Company.

14.1.26 Guarantees of Rupees 2,328.595 million (2023: Rupees 2,110.704 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited against purchase of furnace oil, Lahore Electric Supply Company against electricity connections, Director Excise and Taxation, Karachi against infrastructure cess, Chairperson Punjab Revenue Authority, Lahore against infrastructure cess, Collector, Model Customs Collectorate, Karachi against import, Director Pakistan Central Cotton Committee against cotton cess and Nazir, Honourable Sindh High Court, Karachi against the notification in accordance with section 8 of OGRA Ordinance 2002 regarding system gas tariff on industrial and captive units.

14.1.27 Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 34,476.145 million (2023: Rupees 34,440.200 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable. Further, post dated cheques of Rupees 269.994 million (2023: Rupees 154.300 million) have been issued to Lahore Electric Supply Company Limited against disputed amount of tariff adjustments, post dated cheques of Rupees 266.932 million (2023: Rupees 156.532 million) have been issued to Sui Northern Gas Pipelines Limited against gas infrastructure development cess and captive vs industrial tariff case and post dated cheques of Rupees 189.375 million (2023: Rupees 189.375 million) have been issued to Commissioner Inland Revenue against the proceedings under section 122(5A) for tax year 2022.

14.1.28 On appeal of the Company, the Honorable Lahore High Court (LHC), Lahore vide order announced in open Court on 04 June 2024 held that super tax under section 4C of the Income Tax Ordinance, 2001 cannot be imposed on the Company for the tax year 2022. Further, the writ petition filed by the Company and other petitioners were finally allowed by the Islamabad High Court (IHC) vide its judgment dated 15 March 2024 passed in Writ Petition No. 2436 of 2023 titled "Pakistan Oilfields Limited and another versus Federation of Pakistan and others" by following its earlier decision rendered in Fauji Fertilizer Company Limited and Another Vs. Federation of Pakistan and others. IHC has struck down retrospective application of Section 4C to the tax year 2022 and held that super tax shall remain to be computed in accordance with the Fauji Fertilizer judgment (for tax year 2023 and onwards) which means that all classes of income mentioned in section 4C which are already final (under sections 4(4) and 8 of the Income tax Ordinance, 2001) shall be excluded when calculating income under section 4C and in computing the income for the purposes of section 4C, taxpayers will be allowed to deduct brought forward depreciation, bought forward business losses, and brought forward amortization allowances. As the judgment of learned single judge of IHC dated 15 March 2024 is still in field being not suspended by the learned Division Bench of IHC, therefore, super tax liability for the tax year 2023 and onwards has to be calculated in accordance thereof. The Company in consultation with its legal and tax advisor expects a positive outcome and has hence computed the provision of super tax on income under section 4C in accordance with the Fauji Fertilizer judgment for tax year 2023 and onwards. In the absence of aforesaid favorable judgments of LHC and IHC, the provision of super tax for tax years 2022, 2023 and 2024 would have been higher by Rupees 236.568 million, Rupees 181.043 million and Rupees 216.101 million respectively.

14.2 Commitments

14.2.1 Letters of credit for capital expenditure amounting to Rupees 27.859 million (2023: Rupees 9.497 million).

14.2.2 Commitments for capital expenditure as at reporting date are amounting to Rupees 152.051 million (2023: Rupees Nil).

14.2.3 Letters of credit other than for capital expenditure amounting to Rupees 2,777.222 million (2023: Rupees 652.880 million).

14.2.4 Outstanding foreign currency forward contracts of Rupees 5,774.195 million (2023: Rupees Nil).

	2024 Rupees	2023 Rupees
15. FIXED ASSETS		
Property, plant and equipment:		
Operating fixed assets (Note 15.1)	22,778,448,746	22,479,296,333
Capital work-in-progress (Note 15.2)	1,143,199,329	1,193,698,101
	23,921,648,075	23,672,994,434

15.1 Reconciliation of carrying amount of operating fixed assets at the beginning and at the end of the year is as follows:

Description	Operating fixed assets										
	Freehold land	Buildings on freehold land	Plant and machinery	Power generation equipment	Standby generators	Electric installations	Factory equipment	Furniture, fixture and equipment	Office equipment	Motor vehicles	Total
	Rupees										
At 30 June 2022											
Cost	991,111,570	5,005,351,512	18,632,576,893	4,290,495,924	1,056,694,667	827,179,930	374,574,997	237,583,814	140,622,827	278,080,646	31,834,272,780
Accumulated depreciation	-	(1,947,454,716)	(9,243,489,102)	(909,471,794)	(733,044,048)	(441,006,889)	(195,694,140)	(107,436,765)	(62,282,782)	(124,694,880)	(13,764,575,116)
Net book value	991,111,570	3,057,896,796	9,389,087,791	3,381,024,130	323,650,619	386,173,041	178,880,857	130,147,049	78,340,045	153,385,766	18,069,697,664
Year ended 30 June 2023											
Opening net book value	991,111,570	3,057,896,796	9,389,087,791	3,381,024,130	323,650,619	386,173,041	178,880,857	130,147,049	78,340,045	153,385,766	18,069,697,664
Additions	264,122,476	777,697,313	4,384,548,512	185,116,320	-	270,251,424	103,273,425	43,931,677	20,885,066	80,541,390	6,130,367,603
Disposals:											
Cost	-	-	(348,059,341)	-	-	-	(68,000)	(896,471)	(5,300,205)	(76,732,002)	(431,056,019)
Accumulated depreciation	-	-	291,959,625	-	-	-	65,894	86,419	2,072,060	34,129,179	328,313,177
	-	-	(56,099,716)	-	-	-	(2,106)	(810,052)	(3,228,145)	(42,602,823)	(102,742,842)
Assets written off:											
Cost	-	-	(17,400,106)	-	-	(11,582,719)	(4,647,294)	(10,729,474)	(4,621,448)	-	(48,981,041)
Accumulated depreciation	-	-	6,474,297	-	-	2,991,817	1,662,009	5,369,642	2,555,085	-	19,052,850
	-	-	(10,925,809)	-	-	(8,590,902)	(2,985,285)	(5,359,832)	(2,066,363)	-	(29,928,191)
Depreciation	-	(161,556,159)	(1,117,554,690)	(163,322,773)	(9,531,782)	(49,367,617)	(23,768,152)	(18,115,869)	(9,243,568)	(35,637,291)	(1,588,097,901)
Closing net book value	1,255,234,046	3,674,037,950	12,589,056,088	3,402,817,677	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,479,296,333
At 30 June 2023											
Cost	1,255,234,046	5,783,048,825	22,651,665,958	4,475,612,244	1,056,694,667	1,085,848,635	473,133,128	269,889,546	151,586,240	281,890,034	37,484,603,323
Accumulated depreciation	-	(2,109,010,875)	(10,062,609,870)	(1,072,794,567)	(742,575,830)	(487,382,689)	(217,734,389)	(120,096,573)	(66,899,205)	(126,202,992)	(15,005,306,990)
Net book value	1,255,234,046	3,674,037,950	12,589,056,088	3,402,817,677	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,479,296,333
Year ended 30 June 2024											
Opening net book value	1,255,234,046	3,674,037,950	12,589,056,088	3,402,817,677	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,479,296,333
Additions	243,613,634	664,556,772	987,121,792	2,189,571	-	28,878,558	30,924,302	28,392,058	22,192,971	166,139,766	2,174,009,424
Disposals:											
Cost	-	-	(170,385,978)	-	-	-	(225,000)	(67,716)	(4,311,029)	(87,166,960)	(262,156,683)
Accumulated depreciation	-	-	140,869,029	-	-	-	143,622	15,349	1,228,973	25,532,815	167,789,788
	-	-	(29,516,949)	-	-	-	(81,378)	(52,367)	(3,082,056)	(61,634,145)	(94,366,895)
Assets written off:											
Cost	-	-	(1,412,854)	-	-	-	-	-	-	-	(1,412,854)
Accumulated depreciation	-	-	1,072,652	-	-	-	-	-	-	-	1,072,652
	-	-	(340,202)	-	-	-	-	-	-	-	(340,202)
Depreciation	-	(203,611,073)	(1,248,920,606)	(168,976,775)	(2,050,072)	(61,942,793)	(26,349,546)	(19,588,739)	(9,964,396)	(38,745,914)	(1,780,149,914)
Closing net book value	1,498,847,680	4,134,983,649	12,297,400,123	3,236,030,473	312,068,765	565,401,711	259,892,117	158,543,925	93,833,554	221,446,749	22,778,448,746
At 30 June 2024											
Cost	1,498,847,680	6,447,605,597	23,466,988,918	4,477,801,815	1,056,694,667	1,114,727,193	503,832,430	298,213,888	169,468,182	360,862,840	39,395,043,210
Accumulated depreciation	-	(2,312,621,948)	(11,169,588,795)	(1,241,771,342)	(744,625,902)	(549,325,482)	(243,940,313)	(139,669,963)	(75,634,628)	(139,416,091)	(16,616,594,464)
Net book value	1,498,847,680	4,134,983,649	12,297,400,123	3,236,030,473	312,068,765	565,401,711	259,892,117	158,543,925	93,833,554	221,446,749	22,778,448,746
Annual rate of depreciation (%)		5	10	4	Number of hours used	10	10	10 - 20	10 - 20	20	

15.1.1 Detail of operating fixed assets, exceeding the book value of Rupees 500,000, disposed of / written off during the year is as follows:

Description	Qty	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
			Rupees					
Plant and machinery								
Savio Orion	2	19,553,488	16,316,770	3,236,718	2,203,390	(1,033,328)	Negotiation	Mubashar Brothers, Faislabad
Picanol Air Jet	10	35,107,910	30,209,451	4,898,459	8,000,000	3,101,541	Negotiation	Euroasia Textile Machinery, Karachi
Picanol Air Jet	18	64,365,951	55,434,488	8,931,463	14,400,000	5,468,537	Negotiation	Valitex (Private) Limited, Karachi
Picanol Loom	8	45,897,793	34,263,927	11,633,866	8,000,000	(3,633,866)	Negotiation	Valitex (Private) Limited, Karachi
Motor vehicles								
Suzuki Cultus VXR AAZ-439	1	1,745,000	830,201	914,799	1,745,000	830,201	Company Policy	Mr. Naveed Ahmed, Company's employee, Lahore
Mercedes-EQS 450 AMC-935	1	55,076,965	10,810,882	44,266,083	38,500,000	(5,766,083)	Negotiation	Mr. Muhammad Hassan, Lahore
Suzuki Wagon R VXL ACH-576	1	1,730,000	760,831	969,169	1,730,000	760,831	Company Policy	Mr. Raza Akbar, Company's employee, Lahore
Toyota Corolla GLI LEA-16A- 3535	1	2,850,000	355,735	2,494,265	2,850,000	355,735	Company Policy	Ms. Sheeza Tariq, Company's employee, Lahore
Honda BRV AAK-437	1	3,405,000	1,572,232	1,832,768	3,405,000	1,572,232	Company Policy	Mr. Muhammad Tahir, Company's employee, Lahore
Suzuki Cultus VXR AAZ-496	1	1,655,000	611,431	1,043,569	1,655,000	611,431	Company Policy	Mr. Muhammad Iqbal, Company's employee, Lahore
Toyota Hilux LES-17-1714	1	1,962,238	1,438,984	523,254	3,619,000	3,095,746	Negotiation	Mr. Hassan Gul, Karak
Honda City AHY-659	1	3,165,000	1,061,049	2,103,951	3,165,000	1,061,049	Company Policy	Mr. Waqas Malhi, Company's Employee, Lahore
Honda City AFX-233	1	2,794,734	1,090,650	1,704,084	2,794,734	1,090,650	Company Policy	Mr. Yasir Mehmood, Company's Employee, Lahore
Toyota Corolla LED-18-9682	1	5,200,000	1,020,933	4,179,067	5,200,000	1,020,933	Company Policy	Mr. Abdul Sattar, Company's employee, Lahore
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		19,060,458	13,084,876	5,975,582	12,533,748	6,558,166		
		263,569,537	168,862,440	94,707,097	109,800,872	15,093,775		

		2024 Rupees	2023 Rupees
15.1.2	The depreciation charge for the year has been allocated as follows:		
	Cost of sales (Note 28)	1,753,084,325	1,565,050,680
	Administrative expenses (Note 30)	27,065,589	23,047,221
		1,780,149,914	1,588,097,901

15.1.3 Particulars of immovable fixed assets are as follows:

Manufacturing units and office	Address	Area of land Acres
Manufacturing units:		
Spinning Units 1,4,5,7 and 8	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	77.26
Spinning Units 2,3,6 and Weaving	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	125.09
Coal fired electric power generation project	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	33.90
Dyeing, Printing and Stitching	4th Kilometre, Manga Road, Raiwind.	34.78
Office	31-Q, 31-C-Q, and 10-N, Gulberg-II, Lahore.	0.98
Site for office	Plot No. 54, Ataturk Avenue, Street No. 88, Sector G-6/3, Islamabad.	0.21
		272.22

		2024 Rupees	2023 Rupees
15.2	**Capital work-in-progress**		
	Civil works on freehold land	335,009,048	610,271,483
	Plant and machinery	455,528,173	482,815,006
	Electric installations	-	42,150
	Mobilization advances	66,821,308	94,424,840
	Advances for capital expenditures	285,840,800	6,144,622
		1,143,199,329	1,193,698,101

15.3 Movement in capital work in progress

	Civil works on freehold land	Plant and machinery	Electric installations	Mobilization advances
	Rupees			
As at 30 June 2022	697,098,519	2,252,901,072	-	136,712,623
Add: Additions during the year	676,461,706	2,466,730,111	157,923,108	-
Less: Adjusted during the year	-	(2,948,446)	-	(42,287,783)
Less: Transferred to operating fixed assets during the year	(763,288,742)	(4,233,867,731)	(157,880,958)	-
As at 30 June 2023	610,271,483	482,815,006	42,150	94,424,840
Add: Additions during the year	279,821,109	547,149,395	8,842,323	168,888,528
Less: Adjusted during the year	-	-	-	(196,492,060)
Less: Transferred to operating fixed assets during the year	(555,083,544)	(574,436,228)	(8,884,473)	-
As at 30 June 2024	335,009,048	455,528,173	-	66,821,308

	2024 Rupees	2023 Rupees
16. RIGHT-OF-USE ASSETS		
Opening balance	113,172,896	74,651,170
Add: Additions during the year	17,106,282	98,087,096
Less: Impact of lease termination	-	(9,041,566)
Less: Depreciation for the year (Note 29)	(59,080,856)	(50,523,804)
Closing balance	71,198,322	113,172,896

16.1 Lease of buildings

The Company obtained buildings on lease for its retail outlets and warehouse. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to six years.

16.2 There is no impairment of right-of-use assets.

	2024 Rupees	2023 Rupees
17. INTANGIBLE ASSET - computer software		
Opening balance	1,845,938	635,708
Additions during the year	1,085,004	1,733,750
Written off during the year:		
Cost	-	(66,000)
Accumulated amortization	-	21,450
	-	(44,550)
Less: Amortization during the year (Notes 17.2 and 30)	(875,168)	(478,970)
Closing balance	2,055,774	1,845,938

		2024 Rupees	2023 Rupees
17.1	Cost	25,417,181	24,332,177
	Accumulated amortization	(23,361,407)	(22,486,239)
	Net book value	2,055,774	1,845,938

17.2 Amortization on intangible assets amounting to Rupees 0.875 million (2023: Rupees 0.479 million) has been allocated to administrative expenses.

17.3 Intangible assets - computer softwares have been amortized at the rate of 30% per annum.

17.4 Intangible assets of Rupees 21.773 million (2023: Rupees 21.773 million) are fully amortized but still in the use of the Company.

		2024 Rupees	2023 Rupees
18.	**LONG TERM INVESTMENTS**		
	Equity instruments		
	Subsidiary companies - at cost		
	Nishat Chunian USA Inc. - unquoted 10 (2023: 10) fully paid shares with no par value per share Equity held 100% (2023: 100%)	10,823,000	10,823,000
	Nishat Chunian Properties (Private) Limited - unquoted (Note 18.1) 49,930,500 (2023: 49,930,500) fully paid ordinary shares of Rupees 10 each Equity held 100% (2023: 100%)	499,305,000	499,305,000
		510,128,000	510,128,000

18.1 Investment in Nishat Chunian Properties (Private) Limited includes 2 shares held in the name of nominees of the Company.

18.2 T L C Middle East Trading L.L.C is a limited liability company - Single Owner (LLC - SO) formed in pursuance to the Federal Law No. (2) of 2015 concerning commercial companies and registered with the Department of Economic Development, Government of Dubai. Date of incorporation of T L C Middle East Trading L.L.C is 14 October 2021. The principal business of T L C Middle East Trading L.L.C is textile trading, blankets, towels and linen trading. Commercial address of T L C Middle East Trading L.L.C is Office No. M13, Fatima Building, Al Suq Al Kabeer, Dubai, United Arab Emirates. The capital of T L C Middle East Trading L.L.C is AED 300,000 divided into 300 shares, the value of each share is AED 1,000. Nishat (Chunian) Limited shall own 100% shares of T L C Middle East Trading L.L.C. However, Nishat (Chunian) Limited has not yet remitted funds into the bank account of T L C Middle East Trading L.L.C against the shares subscribed and expects to make investment in shares of T L C Middle East Trading L.L.C shortly.

		2024 Rupees	2023 Rupees
19.	**LONG TERM LOANS TO EMPLOYEES**		
	Considered good:		
	Executives (Notes 19.1, 19.2 and 19.3)	5,448,350	4,022,917
	Other employees (Note 19.3)	9,170,725	13,539,894
		14,619,075	17,562,811
	Less: Current portion shown under current assets (Note 23)		
	Executives	(774,887)	(1,895,319)
	Other employees	(2,947,478)	(4,512,581)
		(3,722,365)	(6,407,900)
		10,896,710	11,154,911
19.1	**Reconciliation of carrying amount of loans to executives:**		
	Opening balance	4,022,917	14,140,267
	Add: Disbursements during the year	7,799,491	3,500,000
	Less: Repayments during the year	(6,374,058)	(13,617,350)
	Closing balance	5,448,350	4,022,917

19.2 Maximum aggregate balance due from executives at the end of any month during the year was Rupees 6.060 million (2023: Rupees 13.562 million).

19.3 These represent motor vehicle loans to executives and employees, payable in 28 to 60 monthly instalments. Interest on long term loans ranged from 0% to 23.97% (2023: 0% to 23.08%) per annum. Theses loans are secured against registration of cars in the name of the Company.

19.4 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

		2024 Rupees	2023 Rupees
20.	**STORES, SPARE PARTS AND LOOSE TOOLS**		
	Stores	1,017,071,795	1,898,074,177
	Spare parts	854,711,881	546,069,027
	Loose tools	118,564,393	77,019,194
		1,990,348,069	2,521,162,398
	Less: Provision for slow moving, damaged and obsolete store items (Note 20.1)	(14,281,988)	(9,841,358)
		1,976,066,081	2,511,321,040

		2024 Rupees	2023 Rupees
20.1	**Provision for slow moving, damaged and obsolete store items**		
	Opening balance	9,841,358	-
	Add: Provision recognised during the year (Note 31)	4,440,630	9,841,358
	Closing balance	14,281,988	9,841,358
21.	**STOCK-IN-TRADE**		
	Raw materials (Note 21.1)	16,977,297,905	14,275,579,609
	Work-in-process	2,623,294,710	2,557,921,137
	Finished goods (Notes 21.3 and 21.4)	4,777,618,934	6,038,586,320
	Waste	146,623,097	681,947,132
		24,524,834,646	23,554,034,198

21.1 These include stock in transit of Rupees 301.235 million (2023: Rupees 23.977 million).

21.2 Stock-in-trade of Rupees 168.342 million (2023: Rupees 761.707 million) is being carried at net realizable value.

21.3 This includes stock of Rupees 411.83 million (2023: Rupees 239.836 million) sent to outside parties for processing.

21.4 Finished goods include stock in transit of Rupees 741.461 million (2023: Rupees 1,547.333 million).

		2024 Rupees	2023 Rupees
22.	**TRADE DEBTS**		
	Considered good:		
	Secured:		
	- Others	6,809,238,422	8,793,011,537
	Unsecured:		
	- Related parties (Notes 22.3 and 22.4)	35,041,781	52,670,081
	- Others	4,310,649,002	2,658,254,643
		11,154,929,205	11,503,936,261
	Less: Allowance for expected credit losses (Note 22.7)	(12,930,103)	(94,186,247)
		11,141,999,102	11,409,750,014
22.1	**Types of counterparties**		
	Export		
	Corporate	5,500,617,376	7,736,114,653
	Other	-	-
		5,500,617,376	7,736,114,653
	Local		
	Corporate	5,416,352,953	3,693,267,385
	Other	237,958,876	74,554,223
		5,654,311,829	3,767,821,608
		11,154,929,205	11,503,936,261

		2024 Rupees	2023 Rupees
22.2	**Foreign jurisdictions of trade debts**		
	Europe	3,355,613,178	2,994,360,266
	Asia, Africa and Australia	1,767,473,554	4,399,220,432
	United States of America and Canada	377,530,644	342,533,955
		5,500,617,376	7,736,114,653
22.3	This represents amounts due from following related parties:		
	Sweave Inc. - subsidiary company of Nishat Chunian USA Inc. - subsidiary company	34,018,200	51,045,136
	T L C Middle East Trading L.L.C. - subsidiary company	1,023,581	1,624,945
		35,041,781	52,670,081

22.4 The maximum aggregate amount receivable from related parties at the end of any month during the year was as follows:

	2024 Rupees	2023 Rupees
Sweave Inc. - subsidiary company of Nishat Chunian USA Inc. - subsidiary company	47,603,831	59,620,312
T L C Middle East Trading L.L.C. - subsidiary company	1,520,558	5,972,327

22.5 Trade debts due from other than related parties of Rupees 7,858.657 million (2023: Rupees 1,486.234 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The age analysis of these trade debts is as follows:

	2024 Rupees	2023 Rupees
Upto 1 month	6,928,444,433	1,444,883,537
1 to 6 months	923,876,461	36,288,948
More than 6 months	6,336,524	5,061,983
	7,858,657,418	1,486,234,468

22.6 Trade debts due from related parties amounting to Rupees 35.041 million (2023: Rupees 52.670 million) were past due but not impaired. The age analysis of these trade debts is as follows:

	2024 Rupees	2023 Rupees
Upto 1 month	35,041,781	51,045,136
1 to 6 months	-	1,624,945
	35,041,781	52,670,081

	2024 Rupees	2023 Rupees
22.7 Allowance for expected credit losses		
Opening balance	94,186,247	84,822,783
(Less) / Add: (Reversal) / recognized during the year (Note 31 / Note 32)	(81,256,144)	9,363,464
Closing balance	12,930,103	94,186,247
23. LOANS AND ADVANCES		
Considered good:		
Employees - interest free:		
- Executives	22,390,535	7,029,541
- Other employees	15,176,840	52,383,987
Current portion of long term loans to employees (Note 19)	3,722,365	6,407,900
Advances to suppliers	3,869,502,659	3,983,056,293
Advances to contractors	5,489,954	6,643,341
Letters of credit	49,068,160	14,916,932
	3,965,350,513	4,070,437,994
Considered doubtful:		
Advances to suppliers	10,897,130	10,897,130
Less: Provision for doubtful advances to suppliers (Note 23.1)	(10,897,130)	(10,897,130)
	-	-
	3,965,350,513	4,070,437,994
23.1 Provision for doubtful advances to suppliers		
Opening balance	10,897,130	-
Add: Provision for the year (Note 31)	-	10,897,130
Closing balance	10,897,130	10,897,130
24. OTHER RECEIVABLES		
Considered good:		
Sales tax recoverable	1,825,896,384	3,319,118,504
Export rebate and claims	127,680,610	74,857,601
Duty drawback receivable	116,304,233	116,304,233
Derivative financial instruments (Note 24.1)	18,802,576	19,326,849
Insurance claim receivable	67,000	2,846,427
Fair value of forward exchange contracts	124,217,942	-
Receivable from related parties (Notes 24.2)	2,448,142	5,420,704
Miscellaneous	80,325,593	51,865,851
	2,295,742,480	3,589,740,169

24.1 This represents Pak Rupees denominated interest rate swap the Company entered into with two commercial banks. Under the terms of the Pak Rupees denominated interest rate swap arrangement, the

Company pays fixed interest to the arranging banks on the notional Pak Rupees amount for the purposes of the Pak Rupees denominated interest rate swap and receives three months KIBOR floating rate interest from the arranging banks on the Rupee amount. There has been no transfer of liability under the arrangement, only the nature of the interest payment has changed. The Pak Rupees denominated interest rate swap outstanding as at 30 June 2024 has been marked to market and the resulting gain or loss has been recognized in the statement of profit or loss.

	2024 Rupees	2023 Rupees
24.2 Receivable from related parties		
Receivabe against expenses (Notes 24.2.1 and 24.2.2)	7,868,846	5,420,704
Less: Allowance for expected credit losses (Note 24.2.3)	(5,420,704)	-
	2,448,142	5,420,704

24.2.1 This represents amounts due from following related parties and are past due more than 6 months:

	2024 Rupees	2023 Rupees
Nishat Chunian Properties (Private) Limited - subsidiary company	1,439,525	806,385
T L C Middle East Trading L.L.C - subsidiary company	6,429,321	4,614,319

24.2.2 The maximum aggregate amount receivable from related parties at the end of any month during the year was as follows:

	2024 Rupees	2023 Rupees
Nishat Chunian Properties (Private) Limited - subsidiary company	1,439,525	806,385
T L C Middle East Trading L.L.C - subsidiary company	6,429,321	4,614,319
24.2.3 Allowance for expected credit losses		
Opening balance	-	-
Recognized during the year (Note 31)	5,420,704	-
Closing balance	5,420,704	-
25. SHORT TERM INVESTMENTS		
Equity instrument (Note 25.1)	33,705,134	13,185,639
Debt instruments - term deposit receipts (Note 25.2)	116,899,183	67,178,679
	150,604,317	80,364,318

		2024 Rupees	2023 Rupees
25.1	**Equity instrument**		
	At fair value through profit or loss:		
	Adamjee Life Assurance Company Limited - quoted 956,174 (2023: 956,174) fully paid ordinary shares of Rupees 10 each Carrying value	13,185,639	21,810,329
	Add / (Less): Unrealized gain / (loss) for the year (Note 31 / Note 32)	20,519,495	(8,624,690)
	Fair value	33,705,134	13,185,639
25.2	**Debt instruments - term deposit receipts**		
	At amortized cost (Note 25.2.1)	115,160,226	66,160,226
	Add: Accrued interest	1,738,957	1,018,453
		116,899,183	67,178,679

25.2.1 These represent deposits under lien with the banks of the Company against bank guarantees of the same amount issued by the bank to Sui Northern Gas Pipelines Limited against gas connections and Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess. Interest on term deposit receipts ranges from 17% to 20.5% (2023: 9.00% to 20.00%) per annum. The maturity period of these term deposit receipts is 3 and 12 months (2023: 1 and 12 months).

		2024 Rupees	2023 Rupees
26.	**CASH AND BANK BALANCES**		
	Cash with banks:		
	On saving accounts (Note 26.1) Including US$ 34.27 (2023: US$ 11,820)	54,444	3,421,297
	On current accounts Including US$ 43,348 (2023: US$ 91,085)	54,227,840	265,560,483
		54,282,284	268,981,780
	Cash in hand	6,668,504	10,051,500
		60,950,788	279,033,280

26.1 Rate of profit on saving accounts during the year ranges from 0.10% to 20.50% (2023: 0.15% to 19.50%) per annum.

		2024 Rupees	2023 Rupees
27.	**REVENUE**		
	Revenue from contracts with customers:		
	- Export sales (Note 27.1)	62,126,996,182	49,018,598,898
	- Local sales (Note 27.2)	25,913,200,121	18,069,261,116
	- Processing income (Note 27.3)	729,303,109	444,953,305
		88,769,499,412	67,532,813,319
	Export rebate	110,052,406	96,465,453
		88,879,551,818	67,629,278,772

27.1 These include sales of Rupees 23,711.663 million (2023: Rupees 21,193.683 million) made to direct exporters against standard purchase orders (SPOs). Further, such sales are net of sales tax amounting to Rupees Nil (2023: Rupees 3,542.017 million).

		2024 Rupees	2023 Rupees
27.2	**Local sales**		
	Sales	30,570,095,822	21,088,244,668
	Less: Sales tax	(4,656,895,701)	(3,018,983,552)
		25,913,200,121	18,069,261,116

27.2.1 Local sales includes waste sales of Rupees 1,779.983 million (2023: Rupees 1,420.479 million).

27.3 Processing income is net of sales tax amounting to Rupees 131.909 million (2023: Rupees 79.450 million).

27.4 The amount of Rupees 433.630 million included in contract liabilities (Note 9) at 30 June 2023 has been recognized as revenue during the year ended 30 June 2024 (2023: Rupees 117.609 million).

27.5 Disaggregation of revenue from contracts with customers

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

Description	Spinning		Weaving		Processing and Home Textile		Power Generation		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees									
Region										
Europe	565,112,060	639,613,662	776,035,822	798,966,974	12,107,256,758	8,805,752,473	-	-	13,448,404,640	10,244,333,109
United States of America and Canada	-	18,902,563	140,887,515	308,579,025	4,837,567,739	3,663,317,656	-	-	4,978,455,254	3,990,799,244
Asia, Africa, Australia	15,251,256,864	8,557,881,506	1,433,068,176	1,526,901,177	3,304,148,223	3,505,000,528	-	-	19,988,473,263	13,589,783,211
Pakistan	39,295,500,124	32,325,604,349	8,944,026,412	5,822,905,227	1,353,956,337	1,114,434,874	31,380,273	-	49,624,863,146	39,262,944,450
Processing income	-	954,772	150,876,457	128,394,558	578,426,652	315,603,975	-	-	729,303,109	444,953,305
Export rebate	-	-	676,913	721,232	109,375,493	95,744,221	-	-	110,052,406	96,465,453
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,290,731,202	17,499,853,727	31,380,273	-	88,879,551,818	67,629,278,772
Timing of revenue recognition										
Products and services transferred at a point in time	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,290,731,202	17,499,853,727	31,380,273	-	88,879,551,818	67,629,278,772
Products and services transferred over time	-	-	-	-	-	-	-	-	-	-
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,290,731,202	17,499,853,727	31,380,273	-	88,879,551,818	67,629,278,772
Major products / service lines										
Yarn	53,550,437,757	40,293,622,640	50,438,838	8,770,847	2,816,817	2,195,042	-	-	53,603,693,412	40,304,588,529
Comber Noil	1,561,431,291	1,249,334,212	-	-	-	-	-	-	1,561,431,291	1,249,334,212
Grey Cloth	-	-	11,244,256,000	8,449,302,788	-	-	-	-	11,244,256,000	8,449,302,788
Process Cloth	-	-	150,876,457	128,394,558	21,554,938,082	4,422,058,654	-	-	21,705,814,539	4,550,453,212
Made Ups	-	-	-	-	732,976,303	13,075,600,031	-	-	732,976,303	13,075,600,031
Electricity	-	-	-	-	-	-	31,369,517	-	31,369,517	-
Fly ash	-	-	-	-	-	-	10,756	-	10,756	-
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,290,731,202	17,499,853,727	31,380,273	-	88,879,551,818	67,629,278,772

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

	2024 Rupees	2023 Rupees

28. COST OF SALES

	2024 Rupees	2023 Rupees
Raw materials consumed (Note 28.1)	56,481,999,545	46,600,689,487
Packing materials consumed	1,902,616,716	1,290,338,697
Stores, spare parts and loose tools consumed	1,411,394,450	1,143,086,060
Processing charges	27,816,851	22,506,926
Salaries, wages and other benefits (Note 28.2)	4,920,481,902	3,603,384,088
Fuel and power	8,133,121,827	7,125,692,031
Insurance	146,307,803	140,315,468
Postage and telephone	1,204,114	1,081,612
Travelling and conveyance	7,403,604	6,476,914
Vehicles' running and maintenance	77,698,000	56,352,534
Entertainment	28,143,971	19,327,906
Depreciation on operating fixed assets (Note 15.1.2)	1,753,084,325	1,565,050,680
Repair and maintenance	742,076,681	655,852,564
Other factory overheads	183,918,238	121,367,139
	75,817,268,027	62,351,522,106
Work-in-process:		
Add: Opening stock	2,557,921,137	2,378,018,568
Less: Closing stock	(2,623,294,710)	(2,557,921,137)
	(65,373,573)	(179,902,569)
Cost of goods manufactured	75,751,894,454	62,171,619,537
Finished goods and waste:		
Add: Opening stocks:		
-Finished goods	6,038,586,320	4,863,754,054
-Waste	681,947,132	420,199,392
Add: Finished goods purchased during the year	422,109,621	305,179,497
Less: Closing stocks:		
-Finished goods	(4,777,618,934)	(6,038,586,320)
-Waste	(146,623,097)	(681,947,132)
	2,218,401,042	(1,131,400,509)
	77,970,295,496	61,040,219,028

28.1 Raw materials consumed

	2024 Rupees	2023 Rupees
Opening stock	14,275,579,609	13,515,238,038
Add: Purchased during the year	59,183,717,841	47,361,031,058
	73,459,297,450	60,876,269,096
Less: Closing stock	(16,977,297,905)	(14,275,579,609)
	56,481,999,545	46,600,689,487

28.2 Salaries, wages and other benefits include Rupees 55.145 million (2023: Rupees 40.770 million) and Rupees 143.251 million (2023: Rupees 115.406 million) in respect of accumulating compensated absences and provident fund contribution by the Company respectively.

29. DISTRIBUTION COST

	2024 Rupees	2023 Rupees
Salaries and other benefits (Note 29.1)	225,212,537	182,398,236
Ocean freight	359,242,988	306,968,998
Freight and octroi	316,732,111	207,943,250
Local marketing expenses	39,748,707	31,053,329
Forwarding and other expenses	216,986,658	138,904,819
Export marketing expenses	334,239,767	252,646,493
Commission to selling agents	496,160,112	404,069,666
Rent, rates and taxes	15,269,113	13,889,359
Printing and stationery	179,248	121,479
Travelling and conveyance	4,334,933	1,237,333
Postage and telephone	8,373,834	8,248,421
Legal and professional	6,431,752	3,903,810
Repair and maintenance	871,043	1,696,411
Electricity and sui gas	9,729,803	7,345,857
Entertainment	1,647,156	1,571,779
Depreciation on right-of-use assets (Note 16)	59,080,856	50,523,804
Miscellaneous	8,032,935	5,190,460
	2,102,273,553	1,617,713,504

29.1 Salaries and other benefits include Rupees 5.032 million (2023: Rupees 4.253 million) and Rupees 9.611 million (2023: Rupees 7.459 million) in respect of accumulating compensated absences and provident fund contribution by the Company respectively.

30. ADMINISTRATIVE EXPENSES

	2024 Rupees	2023 Rupees
Salaries and other benefits - net (Note 30.1)	260,638,007	283,580,456
Printing and stationery	8,868,341	6,357,860
Vehicles' running and maintenance - net	15,484,318	13,332,802
Travelling and conveyance	112,048,022	63,457,826
Postage and telephone - net	8,279,976	6,646,390
Fee and subscription	10,028,697	15,265,809
Legal and professional	29,658,294	27,460,731
Auditor's remuneration (Note 30.2)	4,938,468	4,313,635
Electricity and sui gas - net	10,701,179	5,607,859
Insurance	6,972,732	5,255,775
Repair and maintenance - net	9,156,190	13,860,229
Entertainment	13,530,817	7,617,444
Depreciation on operating fixed assets (Note 15.1.2)	27,065,589	23,047,221
Amortization on intangible assets (Note 17)	875,168	478,970
Miscellaneous - net	17,015,859	21,089,200
	535,261,657	497,372,207

30.1 Salaries and other benefits include Rupees 3.120 million (2023: Rupees 3.411 million) and Rupees 10.464 million (2023: Rupees 6.858 million) in respect of accumulating compensated absences and provident fund contribution by the Company respectively.

	2024 Rupees	2023 Rupees
30.2 Auditor's remuneration		
Statutory audit fee	3,488,993	3,000,000
Half yearly review	856,500	778,635
Certification fees	285,984	250,000
Reimbursable expenses	306,991	285,000
	4,938,468	4,313,635

31. OTHER EXPENSES

	2024 Rupees	2023 Rupees
Workers' profit participation fund (Note 9.5)	59,894,054	-
Workers' welfare fund (Note 9.6)	4,184,352	-
Donations (Note 31.1)	65,328,677	10,657,183
Operating fixed assets written off	340,202	29,928,191
Intangible assets written off (Note 17)	-	44,550
Provision for doubtful advances to suppliers (Note 23.1)	-	10,897,130
Allowance for expected credit losses - trade debts (Note 22.7)	-	9,363,464
Allowance for expected credit losses - other receivables (Note 24.2.3)	5,420,704	-
Unrealised loss on re-measurement of investment at fair value through profit or loss (Note 25.1)	-	8,624,690
Provision for slow moving, damaged and obsolete store items (Note 20.1)	4,440,630	9,841,358
	139,608,619	79,356,566

31.1 The names of donees to whom donation amount exceeds Rupees 6.533 million (2023: Rupees 1.066 million) are as follows:

	2024 Rupees	2023 Rupees
Saleem Memorial Trust Hospital (Note 31.2)	52,000,000	994,000
Mian Muhammad Yahya Trust (Note 31.3)	13,273,677	9,662,783

31.2 Mr. Shahzad Saleem, Chief Executive and Mr. Zain Shahzad, Director of the Company are chairman and director of the Saleem Memorial Trust Hospital respectively.

31.3 Mr. Zain Shahzad, Director of the Company is chairman of Mian Muhammad Yahya Trust.

		2024 Rupees	2023 Rupees
32.	**OTHER INCOME**		
	Income from financial assets		
	Return on bank deposits	12,114	1,459,670
	Dividend income	1,912,348	-
	Return on term deposit receipts	8,349,408	5,304,433
	Net exchange gain	376,916,781	601,680,724
	Unrealised gain on re-measurement of investment at fair value through profit or loss (Note 25.1)	20,519,495	-
	Reversal of allowance for expected credit losses - trade debts (Note 22.7)	81,256,144	-
	Interest on derivative financial instruments	145,340,137	89,292,247
	Income from non-financial assets and others		
	Gain on disposal of operating fixed assets - net	15,433,977	17,445,208
	Scrap sales	211,627,520	190,173,258
	Gain on termination of leases	-	538,277
	Credit balances written back	-	19,545,699
	Miscellaneous	4,358,839	11,845,073
		865,726,763	937,284,589
33.	**FINANCE COST**		
	Mark-up / profit on:		
	- long term loans	1,891,087,335	1,638,782,661
	- long term musharaka	69,305,758	76,850,648
	- short term running finances	3,290,557,923	1,460,306,213
	- export finances - Preshipment / SBP refinances	1,216,818,850	397,729,206
	- short term finances - others	1,068,993,281	1,693,362,253
	Adjustment due to impact of IFRS 9 on GIDC (Note 8.1)	-	267,980
	Interest on provident fund payable	183,113	-
	Interest expense on lease liabilities (Note 7.1)	15,406,799	13,591,883
	Interest on workers' profit participation fund (Note 9.5)	-	1,408,698
	Bank charges and commission	201,631,133	136,515,238
		7,753,984,192	5,418,814,780
34.	**LEVY**		
	Final taxes	626,426,506	668,604,503
	Minimum tax differential	276,216,994	233,804,846
	Prior year adjustment	(387,340,398)	-
		515,303,102	902,409,349

34.1 The provision for levy represents final taxes levied under the Income Tax Ordinance, 2001 and minimum tax (excess over the amount designated as provision for current tax) on local sales under section 113 of the Income Tax Ordinance, 2001.

	2024 Rupees	2023 Rupees
35. TAXATION		
Current tax:		
For the year	67,150,585	9,605,635
Prior year adjustment	(30,270,120)	-
	36,880,465	9,605,635

	2024 Rupees	2023 Rupees
35.1 Reconciliation between tax expense and accounting profit		
Accounting profit / (loss) before taxation and levy	1,243,855,064	(86,912,724)
Applicable tax rate	29%	29%
Tax on accounting profit / (loss)	360,717,969	(25,204,690)
Effect of final tax regime income taxed at a lower rate	377,463,729	503,887,242
Effect of prior year adjustment	(417,610,518)	-
Effect of minimum tax	335,676,634	233,804,846
Effect of expenses and income that are not considered in determining taxable liability	(111,755,192)	18,484,899
Effect of super tax	7,690,945	181,042,687
Current tax liability and levy as per applicable tax laws	552,183,567	912,014,984
Levy (Note 34)	(515,303,102)	(902,409,349)
Taxation (Note 35)	(36,880,465)	(9,605,635)
	-	-

35.2 Deferred income tax asset

The asset for deferred income tax originated due to timing differences relating to:

	2024 Rupees	2023 Rupees
Taxable temporary differences		
Accelerated tax depreciation	961,454,932	988,350,265
Equity investment at fair value through profit or loss	1,559,759	-
Right-of-use assets	27,767,346	44,137,429
Intangible assets	104,118	146,447
	990,886,155	1,032,634,141
Deductible temporary differences		
Lease liabilities	(33,441,764)	(51,766,421)
Provision for slow moving, damaged and obsolete store items	(5,569,975)	(1,074,676)
Provision for doubtful advances to suppliers	(4,249,881)	(1,189,967)
Allowance for expected credit losses	(5,042,740)	(10,285,138)
Available tax losses	(500,929,878)	(528,598,162)
Minimum tax carry forward	(745,253,223)	(488,557,826)
	(1,294,487,461)	(1,081,472,190)
Deferred income tax asset	(303,601,306)	(48,838,049)
Deferred income tax asset not recognized in these financial statements	303,601,306	48,838,049
Deferred income tax asset recognized in these financial statements	-	-

35.2.1 Deferred income tax asset of Rupees 303.601 million (2023: Rupees 48.838 million) has not been recognized in these financial statements as the Company's management believes that sufficient taxable profits will not be probably available in foreseeable future, hence, the temporary differences may not reverse.

Tax losses related to un-absorbed tax depreciation	Accounting year to which the tax losses relates	Amount of unused tax losses	Accounting year in which tax losses will expire
		Rupees	
	2023	425,151,353	Unlimited
	2020	311,584,958	Unlimited
	2019	133,222,280	Unlimited
	2018	16,074,382	Unlimited
	2017	597,663,697	Unlimited
	2016	243,647,737	Unlimited
		1,727,344,407	

Minimum tax	Accounting year to which minimum tax carry forward relates	Amount of minimum Tax carry forward	Accounting year in which minimum tax carry forward will expire
		Rupees	
	2024	276,216,994	2027
	2023	217,842,148	2026
	2020	251,194,081	2025
		745,253,223	

	2024	2023
36. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED		
Profit / (loss) after taxation attributable to ordinary shareholders (Rupees)	691,671,497	(998,927,708)
Weighted average number of ordinary shares outstanding during the year (Number)	240,119,029	240,119,029
Basic earnings / (loss) per share (Rupees)	2.88	(4.16)

36.1 There is no dilutive effect on basic earnings per share for the year ended 30 June 2024 and year ended 30 June 2023 respectively as the Company has no potential ordinary shares as on 30 June 2024 and 30 June 2023.

	2024 Rupees	2023 Rupees

37. CASH GENERATED FROM / (USED IN) OPERATIONS

	2024 Rupees	2023 Rupees
Profit / (loss) before taxation and levy	1,243,855,064	(86,912,724)
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 15.1.2)	1,780,149,914	1,588,097,901
Amortization on intangible assets (Note 17)	875,168	478,970
Depreciation on right-of-use assets (Note 16)	59,080,856	50,523,804
Gain on disposal of operating fixed assets - net (Note 32)	(15,433,977)	(17,445,208)
Intangible assets written off (Note 17)	-	44,550
Provision for doubtful advances to suppliers (Note 31)	-	10,897,130
Provision for slow moving, damaged and obsolete store items (Note 31)	4,440,630	9,841,358
Operating fixed assets written off (Note 15.1)	340,202	29,928,191
Finance cost (Note 33)	7,753,984,192	5,418,814,780
Interest on derivative financial instruments (Note 32)	(145,340,137)	(89,292,247)
Return on term bank deposits (Note 32)	(12,114)	(1,459,670)
Return on term deposit receipts (Note 32)	(8,349,408)	(5,304,433)
Net exchange gain (Note 32)	(376,916,781)	(601,680,724)
Dividend income (Note 32)	(1,912,348)	-
(Reversal) / allowance for expected credit losses - trade debts (Note 22.7)	(81,256,144)	9,363,464
Gain on termination of leases (Note 32)	-	(538,277)
Allowance for expected credit losses - other receivables (Note 31)	5,420,704	-
Unrealised (gain) / loss on re-measurement of investment at fair value through profit or loss (Note 25.1)	(20,519,495)	8,624,690
Provision for workers' profit participation fund (Note 31)	59,894,054	-
Credit balances written back (Note 32)	-	(19,545,699)
Adjustment to GIDC payable (Note 8.1)	-	(19,952,391)
Provision for workers' welfare fund (Note 31)	4,184,352	-
Working capital changes (Note 37.1)	2,464,472,273	(10,815,638,981)
	12,726,957,005	(4,531,155,516)

37.1 Working capital changes

	2024 Rupees	2023 Rupees
Decrease / increase in current assets:		
Stores, spare parts and loose tools	530,814,329	(783,998,438)
Stock-in-trade	(970,800,448)	(2,376,824,146)
Trade debts	724,893,642	(3,072,856,466)
Loans and advances	102,401,946	(2,205,987,718)
Short term prepayments	(133,954)	4,417,073
Other receivables	1,288,052,712	(2,056,579,686)
	1,675,228,227	(10,491,829,381)
Increase / (decrease) in trade and other payables	789,244,046	(323,809,600)
	2,464,472,273	(10,815,638,981)

37.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2024			
	Liabilities from financing activities			
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend
	Rupees			
Opening balance	14,025,218,534	132,734,414	27,881,717,844	69,141,071
Financing obtained	17,502,940	-	-	-
Lease liabilities recognised during the year	-	17,106,282	-	-
Repayment of financing	(1,526,718,278)	-	-	-
Repayment of lease liabilities	-	(63,062,387)	-	-
Short term borrowings - net	-	-	(826,106,062)	-
Dividend paid	-	-	-	(1,305,135)
Other changes - non-cash movement	156,288,035	(1,030,195)	-	-
Closing balance	12,672,291,231	85,748,114	27,055,611,782	67,835,936

	2023			
	Liabilities from financing activities			
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend
	Rupees			
Opening balance	15,147,339,790	90,649,683	12,944,009,897	63,732,091
Financing obtained	375,543,759	-	-	-
Lease liabilities recognised during the year	-	98,087,096	-	-
Repayment of financing	(1,623,490,344)	-	-	-
Repayment of lease liabilities	-	(49,992,943)	-	-
Short term borrowings - net	-	-	14,937,707,947	-
Dividend declared	-	-	-	960,476,116
Dividend paid	-	-	-	(955,067,136)
Other changes - non-cash movement	125,825,329	(6,009,422)	-	-
Closing balance	14,025,218,534	132,734,414	27,881,717,844	69,141,071

	2024 Rupees	2023 Rupees
37.3 Non-cash financing activities		
Lease liabilities recognised during the year	17,106,282	98,087,096
Other changes - non-cash movement		
	155,257,840	119,815,907

38. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amount charged in the financial statements for the year for remuneration including certain benefits to the chief executive, directors and executives of the Company is as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	Rupees					
Managerial remuneration	29,430,768	29,184,616	9,200,000	2,817,022	230,391,093	160,639,200
Contribution to provident fund	-	-	766,360	209,039	19,191,578	13,381,245
House rent	11,772,307	11,673,846	3,680,000	1,126,809	92,156,437	64,255,680
Utilities	2,943,077	2,918,462	920,000	281,702	23,039,109	16,063,920
Others	-	-	331,507	115,339	9,664,240	6,798,820
	44,146,152	43,776,924	14,897,867	4,549,911	374,442,457	261,138,865
Number of persons	**1**	**1**	**2**	**2**	**99**	**76**

38.1 The Company provides to chief executive and certain executives with free use of Company maintained cars.

38.2 Aggregate amount charged in these financial statements for meeting fee to seven (2023: seven) directors was Rupees 480,000 (2023: Rupees 400,000).

38.3 No remuneration was paid to non-executive directors of the Company.

39. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise subsidiary companies, associated undertakings, other related companies, key management personnel and post employment benefit plan. The Company in the normal course of business carried out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2024 Rupees	2023 Rupees
Nishat Chunian USA Inc. - wholly owned subsidiary company		
Sale of goods	-	86,772,291
Sweave Inc. - wholly owned subsidiary company of Nishat Chunian USA Inc. - wholly owned subsidiary company		
Sale of goods	77,199,764	67,968,471
Nishat Chunian Properties (Private) Limited - wholly owned subsidiary company		
Payment of expenses on behalf of subsidiary company	633,140	518,040
T L C Middle East Trading L.L.C - wholly owned subsidiary company		
Payment of expenses on behalf of subsidiary company	1,815,002	1,226,174
Sale of goods	1,198,766	7,062,069
Saleem Memorial Trust Hospital - associated company		
Donation made	52,000,000	994,000
Mian Muhammad Yahya Trust - related party		
Donation made	13,273,677	9,662,783
Pakistan Textile Council - associated company		
Annual membership fee	1,250,000	1,500,000
Nishat Chunian Power Limited - associated company		
Common facilities cost charged	9,900,000	19,800,000
Expenses incurred on behalf of the Company	251,016	-
Reimbursement of expenses	6,457,568	-
Income sharing	784,350	558,615
Directors		
Dividend paid	-	250,417,492
Adjustment of long term loan to ex - executive director	-	4,312,684
Interest income on long term loan	-	64,991
Employees' Provident Fund Trust - related party		
Contribution made	163,326,509	129,722,971

39.1 Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in Note 38.

39.2 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of the related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year		Percentage of shareholding
		2024	2023	
Nishat Chunian Power Limited	Common management	Yes	Yes	None
Nishat Chunian USA Inc.	Wholly owned subsidiary company	No	Yes	100
Sweave Inc.	Wholly owned subsidiary of Nishat Chunian USA Inc.	Yes	Yes	100
Nishat Chunian Properties (Private) Limited	Wholly owned subsidiary company	Yes	Yes	100
T L C Middle East Trading L.L.C	Wholly owned subsidiary company	Yes	Yes	100
Saleem Memorial Trust Hospital	Common directorship	Yes	Yes	None
Mian Muhammad Yahya Trust	Director of the Company is member	Yes	Yes	None
Pakistan Textile Council	Common directorship	Yes	Yes	None
Nishat (Chunian) Limited - Employees Provident Fund	Post-employment benefit plan	Yes	Yes	None
Mr. Shahzad Saleem	Chief executive	Yes	Yes	None
Mr. Zain Shahzad	Director	Yes	Yes	None
Ms. Nadia Bilal	Director	Yes	Yes	None
Ms. Ayesha Shahzad	Director	Yes	Yes	None
Mr. Muhammad Azam Siddique	Director	Yes	Yes	None
Ms. Mahnoor Adil	Director	Yes	No	None
Mr. Ahmad Hasnain	Director	Yes	No	None

39.3 Particulars of company incorporated outside Pakistan with whom the Company had entered into transactions or had agreements and / or arrangements in place are as follows:

Name of company	Country of incorporation	Basis of association	Percentage of shareholding
Nishat Chunian USA Inc.	USA	Wholly owned subsidiary company	100
Sweave Inc.	USA	Wholly owned subsidiary of Nishat Chunian USA Inc.	100
T L C Middle East Trading L.L.C	UAE	Wholly owned subsidiary company	100

39.4 As on 30 June 2024, disclosures relating to investment and advance made in foreign companies are as follows:

Name of the company	Jurisdiction	Beneficial owner	Amount of investment / advance			Terms and conditions of investment / advance	Amount of returns received	Litigations against investee company	Default / breach relating to foreign company	Gain / (loss) on disposal of foreign investment
			Made during the year ended 30 June 2024	Rupees	Foreign currency					
Long term investments:										
Nishat Chunian USA Inc.	USA	Nishat (Chunian) Limited	2013	10,823,000	USD 110,000	Investment in shares of subsidiary company	None	None	None	Not applicable
Advance:										
T L C Middle East Trading L.L.C	UAE	Nishat (Chunian) Limited	2022, 2023 and 2024	6,429,321	AED 54,738 USD 10,839 PKR 95,000	Payment of expenses on behalf of subsidiary company	None	None	None	Not applicable

39.5 As on 30 June 2023, disclosures relating to investment made in foreign company are as follows:

Name of the company	Jurisdiction	Beneficial owner	Amount of investment			Terms and conditions of investment / advance	Amount of returns received	Litigations against investee company	Default / breach relating to foreign company	Gain / (loss) on disposal of foreign investment
			Made during the year ended 30 June 2023	Rupees	Foreign currency					
Long term investments:										
Nishat Chunian USA Inc.	USA	Nishat (Chunian) Limited	2013	10,823,000	USD 110,000	Investment in shares of subsidiary company	None	None	None	Not applicable
Advance:										
T L C Middle East Trading L.L.C	UAE	Nishat (Chunian) Limited	2022 and 2023	4,614,319	AED 54,188 USD 5,643	Payment of expenses on behalf of subsidiary company	None	None	None	Not applicable

40. NUMBER OF EMPLOYEES

	2024	2023
Number of employees as on 30 June	7,331	7,101
Average number of employees during the year	7,209	7,112

41. SEGMENT INFORMATION

	Spinning						Weaving				Processing and Home Textile		Power Generation		Elimination of inter-segment transactions		Total - Company	
	Zone - 1 (Unit No.1 and 5)		Zone - 2 (Unit No. 4, 7 and 8)		Zone - 3 (Unit No. 2, 3 and 6)		Unit - 1		Unit - 2									
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees																	
Sale																		
External:																		
- Export	15,046,451,336	11,451,797,932	9,917,666,543	9,010,020,092	14,030,874,328	9,089,878,500	-	858,384,541	2,883,031,255	2,634,447,176	20,248,972,720	15,974,070,657	-	-	-	-	62,126,996,182	49,018,598,898
- Local	5,267,614,164	436,292,935	4,649,025,331	6,217,580,181	6,200,237,346	5,336,432,440	3,550,812,302	3,499,848,186	4,860,174,369	1,464,672,500	1,353,956,336	1,114,434,874	31,380,273	-	-	-	25,913,200,121	18,069,261,116
- Export rebate	-	-	-	-	-	-	-	-	676,913	721,232	109,375,493	95,744,221	-	-	-	-	110,052,406	96,465,453
- Others	-	-	-	954,772	-	-	150,876,456	128,394,558	-	-	578,426,653	315,603,975	-	-	-	-	729,303,109	444,953,305
	20,314,065,500	11,888,090,867	14,566,691,874	15,228,555,045	20,231,111,674	14,426,310,940	3,701,688,758	4,486,627,285	7,743,882,537	4,099,840,908	22,290,731,202	17,499,853,727	31,380,273	-	-	-	88,879,551,818	67,629,278,772
Inter-segment	1,512,134,473	2,850,069,051	3,226,185,848	1,373,375,478	3,219,377,344	1,977,299,729	7,674,893,783	1,398,356,040	-	5,601,247,379	-	-	13,943,693,941	8,391,073,391	(29,576,285,389)	(21,591,421,068)	-	-
	21,826,199,973	14,738,159,918	17,792,877,722	16,601,930,523	23,450,489,018	16,403,610,669	11,376,582,541	5,884,983,325	7,743,882,537	9,701,088,287	22,290,731,202	17,499,853,727	13,975,074,214	8,391,073,391	(29,576,285,389)	(21,591,421,068)	88,879,551,818	67,629,278,772
Cost of sales	(20,047,007,705)	(14,466,663,660)	(16,420,029,599)	(15,864,402,094)	(21,341,884,023)	(15,539,094,503)	(10,286,347,339)	(5,320,297,078)	(7,005,856,236)	(9,347,660,464)	(18,743,572,814)	(13,657,611,923)	(13,701,883,169)	(8,435,910,374)	29,576,285,389	21,591,421,068	(77,970,295,496)	(61,040,219,028)
Gross profit / (loss)	1,779,192,268	271,496,258	1,372,848,123	737,528,429	2,108,604,995	864,516,166	1,090,235,202	564,686,247	738,026,301	353,427,823	3,547,158,388	3,842,241,804	273,191,045	(44,836,983)	-	-	10,909,256,322	6,589,059,744
Distribution cost	(346,374,024)	(238,717,616)	(121,627,742)	(117,181,746)	(295,273,633)	(165,393,234)	(91,182,149)	(110,482,876)	(62,066,428)	(69,149,413)	(1,185,749,577)	(916,788,619)	-	-	-	-	(2,102,273,553)	(1,617,713,504)
Administrative expenses	(79,608,612)	(63,769,298)	(61,824,408)	(65,861,807)	(92,939,266)	(76,942,168)	(47,716,494)	(45,519,692)	(33,700,021)	(28,490,025)	(207,917,974)	(190,501,155)	(11,554,882)	(26,288,062)	-	-	(535,261,657)	(497,372,207)
	(425,982,636)	(302,486,914)	(183,452,150)	(183,043,553)	(388,212,899)	(242,335,402)	(138,898,643)	(156,002,568)	(95,766,449)	(97,639,438)	(1,393,667,551)	(1,107,289,774)	(11,554,882)	(26,288,062)	-	-	(2,637,535,210)	(2,115,085,711)
Profit / (loss) before taxation and unallocated income and expenses	1,353,209,632	(30,990,656)	1,189,395,973	554,484,876	1,720,392,096	622,180,764	951,336,559	408,683,679	642,259,852	255,788,385	2,153,490,837	2,734,952,030	261,636,163	(71,125,045)	-	-	8,271,721,112	4,473,974,033
Unallocated income and expenses																		
Other expenses																	(139,608,619)	(79,356,566)
Other income																	865,726,763	937,284,589
Finance cost																	(7,753,984,192)	(5,418,814,780)
Levy																	(515,303,102)	(902,409,349)
Taxation																	(36,880,465)	(9,605,635)
Profit / (loss) after taxation																	691,671,497	(998,927,708)

41.1 Reconciliation of reportable segment assets and liabilities

	Spinning						Weaving				Processing and Home Textile		Power Generation		Total - Company	
	Zone - 1 (Unit No.1 and 5)		Zone - 2 (Unit No. 4, 7 and 8)		Zone - 3 (Unit No. 2, 3 and 6)		Unit - 1		Unit - 2							
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees															
Total assets for reportable segments	8,966,616,800	10,251,734,362	10,959,198,311	12,529,897,554	13,283,876,741	15,187,754,611	3,394,615,415	2,674,907,016	4,646,379,849	3,661,278,978	17,367,188,311	13,351,204,440	5,472,932,987	6,351,922,991	64,090,808,414	64,008,699,952
Unallocated assets:																
Long term investments															510,128,000	510,128,000
Other receivables															2,295,742,480	3,589,740,169
Taxation and levy - net															130,053,407	-
Short term investments															150,604,317	80,364,318
Cash and bank balances															60,950,788	279,033,280
Other corporate assets															1,565,058,769	1,377,795,479
Total assets as per statement of financial position															68,803,346,175	69,845,761,198
Total liabilities for reportable segments	523,439,409	376,440,347	639,759,278	460,093,757	775,465,791	558,154,455	141,696,471	141,076,503	193,947,044	193,098,464	1,034,649,824	740,376,864	675,297,272	673,448,970	3,984,255,089	3,142,689,360
Unallocated liabilities:																
Long term financing															12,672,291,231	14,025,218,534
Accrued mark-up															1,337,211,195	1,397,309,345
Short term borrowings															27,055,611,782	27,881,717,845
Taxation and levy - net															-	144,607,140
Other corporate liabilities															2,354,181,990	2,546,095,583
Total liabilities as per statement of financial position															47,403,551,287	49,137,637,807

41.2 Geographical information

The Company's revenue from external customers by geographical location is detailed below:

	2024 Rupees	2023 Rupees
Europe	13,448,404,640	10,244,333,109
United States of America, Canada and South America	4,978,455,254	3,990,799,244
Asia, Africa and Australia	19,988,473,263	13,589,783,211
Export rebate	110,052,406	96,465,453
Pakistan	50,354,166,255	39,707,897,755
	88,879,551,818	67,629,278,772

41.3 All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

41.4 Revenue from major customers

The Company's revenue is earned from a large mix of customers.

41.5 Based on the judgment made by the management printing, dyeing and home textile operating segments of the Company have been aggregated into a single operating segment namely 'Processing and Home Textile' as these segments have similar economic characteristics in respect of nature of the products, nature of production process, type of customers, method of distribution and nature of regulatory environment.

42. PLANT CAPACITY AND ACTUAL PRODUCTION

	2024	2023
Spinning		
Number of spindles installed	223,428	223,428
Number of spindles worked	211,484	200,850
Number of rooters installed	2,880	2,880
Number of rooters worked	2,839	2,566
Capacity after conversion into 20/1 count (Kgs.)	84,532,715	81,049,638
Actual production of yarn after conversion into 20/1 count (Kgs.)	83,283,463	79,851,861

Under utilization of available capacity was due to normal maintenance and time lost in shifting of coarser counts to finer counts and vice versa.

	2024	2023
Weaving		
Number of looms installed	379	379
Number of looms worked	379	365
Capacity after conversion into 50 picks - square yards	345,597,351	345,597,351
Actual production after conversion into 50 picks - square yards	248,379,368	216,850,138

Under utilization of available capacity was due to the following reasons:
- change of articles required
- higher count and cover factor
- due to normal maintenance

	2024	2023
Power plant		
Number of engines installed	19	19
Number of engines worked	19	19
Generation capacity (KWh)	334,953,000	334,953,000
Actual generation (KWh)	30,673,247	95,832,050

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Process steam and coal fired power generation plant (46 MW)		
Installed	1	1
Worked	1	1
Number of shifts per day	3	3
Generation capacity (KWh)	404,064,000	404,064,000
Actual generation (KWh)	294,980,000	70,772,000
Solar power plant		
Installed	1	1
Worked	1	1
Generation capacity (KWh)	2,349,999	976,333
Actual generation (KWh)	1,877,620	918,173
Dyeing		
Number of thermosol dyeing machines	1	1
Number of stenters machines	5	5
Capacity in meters	43,200,000	43,200,000
Actual processing of fabrics - meters	34,427,566	26,205,932

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Printing		
Number of printing machines	1	1
Capacity in meters	10,800,000	10,800,000
Actual processing of fabrics - meters	9,799,340	6,249,256

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Digital printing		
Number of printing machines	5	5
Capacity in meters	9,125,000	9,125,000
Actual processing of fabrics - meters	3,612,403	2,239,073

Stitching

The plant capacity of this division is indeterminable due to multi product plant involving varying run length of order lots.

43. FINANCIAL RISK MANAGEMENT

43.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

(a) Market risk

(i) Currency risk

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 from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Euro and Chinese Yuan (CNY). Currently, the Company's foreign exchange risk exposure is restricted to bank balances, short term borrowings, lease liability and the amounts receivable / payable from / to the foreign entities. The Company uses forward exchange contracts to hedge its foreign currency risk, when considered appropriate. The Company's exposure to currency risk was as follows:

	2024	2023
Cash at banks - USD	43,383	102,905
Trade debts - USD	20,808,207	25,194,754
Trade debts - EURO	1,787,841	1,615,755
Trade debts - CNY	1,503,374	-
Trade and other payables - USD	602,018	(359,438)
Trade and other payables - EURO	(8,498)	(110,545)
Trade and other payables - CNY	(65,573)	-
Short term borrowings - USD	(6,500,000)	(1,382,154)
Lease liability - USD	(117,935)	(141,728)
Accrued mark-up - USD	(38,722)	(64,566)
Net exposure - USD	14,796,951	23,349,773
Net exposure - EURO	1,779,343	1,505,210
Net exposure - YUAN	1,437,801	-

The following significant exchange rates were applied during the year:

	2024	2023
Rupees per US Dollar		
Average rate	283.17	251.98
Reporting date rate	278.15	286.18
Rupees per Yuan		
Average rate	39.25	39.68
Reporting date rate	38.30	39.91
Rupees per EURO		
Average rate	306.17	265.46
Reporting date rate	297.46	312.85

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, Euro and Yuan with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 220.065 million respectively higher / lower (2023: loss after taxation for the year would have been Rupees 353.799 million lower / higher), mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risks.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Company's profit for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instrument moved according to the historical correlation with the index:

Index	Impact on profit	Impact on loss
	2024	2023
	Rupees	Rupees
PSX Index (5% increase)	1,685,257	(659,282)
PSX Index (5% decrease)	(1,685,257)	659,282

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises mainly from long term financing, short term borrowings and investments at amortized cost. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk. Borrowings obtained at fixed rate expose the Company to fair value interest rate risk.

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	2024 Rupees	2023 Rupees
Fixed rate instruments		
Financial liabilities		
Long term financing	5,293,178,174	5,829,959,331
Short term borrowings	10,449,335,565	7,027,349,773
	15,742,513,739	12,857,309,104
Financial assets		
Long term loans to employees	7,750	14,218,909
Short term investments	115,160,226	66,160,226
	115,167,976	80,379,135
Net exposure	(15,627,345,763)	(12,776,929,969)
Floating rate instruments		
Financial assets		
Long term loans to employees	14,611,325	3,343,902
Bank balances - saving accounts	54,444	3,421,297
	14,665,769	6,765,199
Financial liabilities		
Long term financing	7,379,113,057	8,195,259,203
Short term borrowings	16,606,276,217	20,854,368,071
	23,985,389,274	29,049,627,274
Net exposure	(23,970,723,505)	(29,042,862,075)

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 profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 227.722 million lower / higher (2023: loss after taxation for the year would have been Rupees 290.429 million higher / lower), mainly as a result of higher / lower interest expense on floating rate borrowings. This analysis is prepared assuming the amounts of assets and liabilities outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024 Rupees	2023 Rupees
Long term security deposits	33,859,024	33,959,024
Trade debts	11,141,999,102	11,409,750,014
Loans and advances (including long term loans to employees)	52,186,450	76,976,339
Other receivables	225,861,253	79,459,831
Short term investments	150,604,317	80,364,318
Bank balances	54,282,284	268,981,780
	11,658,792,430	11,949,491,306

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

	Rating			2024	2023
	Short Term	Long term	Agency	Rupees	Rupees
Banks					
Al Baraka Bank (Pakistan) Limited	A-1	A+	VIS	1,659,069	1,659,070
Bank Alfalah Limited	A1+	AAA	PACRA	10,569	6,895,999
Bank AL Habib Limited	A1+	AAA	PACRA	19,043	21,898
Dubai Islamic Bank (Pakistan) Limited	A-1+	AA	VIS	645,548	805,476
Faysal Bank Limited	A1+	AA	PACRA	22,934	2,710
Habib Bank Limited	A-1+	AAA	VIS	17,474,893	20,253,671
Industrial and Commercial Bank of China Limited	P-1	A1	Moody’s	66,389	351,374
JS Bank Limited	A1+	AA	PACRA	11,400	25,320
MCB Bank Limited	A1+	AAA	PACRA	31,520,105	218,856,541
MCB Islamic Bank Limited	A1	A+	PACRA	25,092	2,111
Meezan Bank Limited	A-1+	AAA	VIS	1,234,232	5,357,909
National Bank of Pakistan	A1+	AAA	PACRA	318,050	407,010
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	678,436	-
The Bank of Punjab	A1+	AA+	PACRA	545,450	338,558
United Bank Limited	A-1+	AAA	VIS	-	4,954,094
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	-	8,250,282
Samba Bank Limited	A1	AA	PACRA	21,968	-
BankIslami Pakistan Limited	A1	AA-	PACRA	29,106	799,757
				54,282,284	268,981,780
Investments					
BankIslami Pakistan Limited	A1	AA-	PACRA	100,655,608	20,711,898
Dubai Islamic Bank (Pakistan) Limited	A-1+	AA	VIS	16,243,575	16,105,137
The Bank of Punjab	A1+	AA+	PACRA	-	30,361,644
Adamjee Life Assurance Company Limited	A++	A++	PACRA	33,705,134	13,185,639
				150,604,317	80,364,318
				204,886,601	349,346,098

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

Trade debts

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained, if any, from these customers to calculate the net exposure towards these customers. The Company has concluded that the expected loss rates for trade debts against local sales are different from the expected loss rates for trade debts against export sales.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product, Unemployment, Interest, and the inflation Index to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 30 June 2024 and 30 June 2023 was determined as follows:

At 30 June 2024	Local sales			Export sales		
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance
	%	(Rupees)		%	(Rupees)	
Not past due	0.00%	1,276,070,320	-	0.00%	-	-
Up to 30 days	0.20%	2,574,504,749	5,140,636	0.23%	456,789,088	1,071,095
31 to 60 days	0.28%	153,120	431	0.33%	30,177,270	99,490
61 to 90 days	17.10%	247,374	42,313	17.37%	-	-
91 to 180 days	62.94%	1,452,400	914,125	63.34%	-	-
181 to 360 days	77.35%	2,800,959	2,166,510	77.60%	-	-
Above 360 days	100.00%	3,495,503	3,495,503	100.00%	-	-
		3,858,724,425	11,759,518		486,966,358	1,170,585
Trade debts which are not subject to risk of default		1,795,587,404	-		5,013,651,018	-
Total		5,654,311,829	11,759,518		5,500,617,376	1,170,585

At 30 June 2023

	Local sales			Export sales		
	Expected loss rate	Trade debts	Loss allowance	Expected loss rate	Trade debts	Loss allowance
	%	(Rupees)		%	(Rupees)	
Not past due	0.00%	1,172,020,175	-	0.00%	-	-
Up to 30 days	7.01%	1,223,039,442	85,760,253	0.11%	272,889,231	293,369
31 to 60 days	7.68%	34,830,367	2,674,102	0.15%	1,624,944	2,382
61 to 90 days	40.76%	718,989	293,047	17.16%	-	-
91 to 180 days	74.30%	739,593	549,521	46.53%	-	-
181 to 360 days	85.19%	3,027,881	2,579,471	67.21%	-	-
Above 360 days	100.00%	2,034,102	2,034,102	100.00%	-	-
		2,436,410,549	93,890,496		274,514,175	295,751
Trade debts which are not subject to risk of default		1,331,411,059	-		7,461,600,478	-
Total		3,767,821,608	93,890,496		7,736,114,653	295,751

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2024, the Company had Rupees 23,755.054 million (2023: Rupees 19,818.773 million) available borrowing limits from financial institutions and Rupees 60.951 million (2023: Rupees 279.033 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	Rupees					
Non-derivative financial liabilities:						
Long term financing	12,672,291,231	18,594,537,004	2,214,431,289	1,938,390,429	3,631,802,116	10,809,913,170
Lease liabilities	85,748,114	99,760,828	32,791,645	19,863,027	36,582,898	10,523,258
Trade and other payables	3,262,383,868	3,262,383,868	3,262,383,868	-	-	-
Accrued mark-up / profit	1,337,211,195	1,337,211,195	1,337,211,195	-	-	-
Short term borrowings	27,055,611,782	27,516,658,446	27,516,658,446	-	-	-
Unclaimed dividend	67,835,936	67,835,936	67,835,936	-	-	-
	44,481,082,126	50,878,387,277	34,431,312,379	1,958,253,456	3,668,385,014	10,820,436,428

Contractual maturities of financial liabilities as at 30 June 2023:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	Rupees					
Non-derivative financial liabilities:						
Long term financing	14,025,218,534	21,879,557,508	1,195,112,708	1,450,664,894	3,157,702,763	16,076,077,143
Lease liabilities	132,734,414	160,346,991	39,346,353	40,286,404	43,484,847	37,229,387
Trade and other payables	2,484,967,112	2,484,967,112	2,484,967,112	-	-	-
Accrued mark-up / profit	1,397,309,345	1,397,309,345	1,397,309,345	-	-	-
Short term borrowings	27,881,717,844	28,919,544,150	28,919,544,150	-	-	-
Unclaimed dividend	69,141,071	69,141,071	69,141,071	-	-	-
	45,991,088,320	54,910,866,177	34,105,420,739	1,490,951,298	3,201,187,610	16,113,306,530

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at reporting date. The rates of interest / mark up have been disclosed in note 6, note 7 and note 11 to these financial statements.

43.2 Financial instruments by categories

Assets as per statement of financial position

	2024		2023	
	At amortized cost	FVTPL	At amortized cost	FVTPL
	Rupees	Rupees	Rupees	Rupees
Long term security deposits	33,859,024	-	33,959,024	-
Trade debts	11,141,999,102	-	11,409,750,014	-
Loans and advances (including long term loans to employees)	52,186,450	-	76,976,339	-
Other receivables	82,840,735	143,020,518	60,132,982	19,326,849
Short term investments	116,899,183	33,705,134	67,178,679	13,185,639
Cash and bank balances	60,950,788	-	279,033,280	-
	11,488,735,282	176,725,652	11,927,030,318	32,512,488

	2024	2023
	At amortized cost	At amortized cost
	Rupees	Rupees
Liabilities as per statement of financial position		
Long term financing	12,672,291,231	14,025,218,534
Lease liabilities	85,748,114	132,734,414
Trade and other payables	3,262,383,868	2,484,967,112
Accrued mark-up / profit	1,337,211,195	1,397,309,345
Short term borrowings	27,055,611,782	27,881,717,844
Unclaimed dividend	67,835,936	69,141,071
	44,481,082,126	45,991,088,320

43.3 Reconciliation to the line items presented in the statement of financial position is as follows:

	2024		
	Financial assets	Non-financial assets	Assets as per statement of financial position
	Rupees	Rupees	Rupees
Assets			
Long term security deposits	33,859,024	-	33,859,024
Trade debts	11,141,999,102	-	11,141,999,102
Loans and advances (including long term loans to employees)	52,186,450	3,924,060,773	3,976,247,223
Other receivables	225,861,253	2,069,881,227	2,295,742,480
Short term investments	150,604,317	-	150,604,317
Cash and bank balances	60,950,788	-	60,950,788
	11,665,460,934	5,993,942,000	17,659,402,934

	2024		
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	Rupees	Rupees	Rupees
Liabilities			
Long term financing	12,672,291,231	-	12,672,291,231
Lease liabilities	85,748,114	-	85,748,114
Trade and other payables	3,262,383,868	1,813,861,316	5,076,245,184
Accrued mark-up	1,337,211,195	-	1,337,211,195
Short term borrowings	27,055,611,782	-	27,055,611,782
Unclaimed dividend	67,835,936	-	67,835,936
	44,481,082,126	1,813,861,316	46,294,943,442

	2023		
	Financial assets	Non-financial assets	Assets as per statement of financial position
	Rupees	Rupees	Rupees
Assets			
Long term security deposits	33,959,024	-	33,959,024
Trade debts	11,409,750,014	-	11,409,750,014
Loans and advances (including long term loans to employees)	76,976,339	4,004,616,566	4,081,592,905
Other receivables	79,459,831	3,510,280,338	3,589,740,169
Short term investments	80,364,318	-	80,364,318
Cash and bank balances	279,033,280	-	279,033,280
	11,959,542,806	7,514,896,904	19,474,439,710

	2023		
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	Rupees	Rupees	Rupees
Liabilities			
Long term financing	14,025,218,534	-	14,025,218,534
Lease liabilities	132,734,414	-	132,734,414
Trade and other payables	2,484,967,112	1,737,955,620	4,222,922,732
Accrued mark-up	1,397,309,345	-	1,397,309,345
Short term borrowings	27,881,717,844	-	27,881,717,844
Unclaimed dividend	69,141,071	-	69,141,071
	45,991,088,320	1,737,955,620	47,729,043,940

43.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

44. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company as referred to in note 6 and note 11 respectively. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy was to maintain a gearing ratio of 65% debt and 35% equity (2023: 65% debt and 35% equity).

		2024	2023
Borrowings	Rupees	40,405,323,062	42,739,735,309
Total equity	Rupees	21,399,794,888	20,708,123,391
Total capital employed	Rupees	61,805,117,950	63,447,858,700
Gearing ratio	Percentage	65.38	67.36

45. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

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

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets				
Investment in quoted shares - FVTPL	33,705,134	-	-	33,705,134
Derivative financial assets	-	143,020,518	-	143,020,518
Total financial assets	33,705,134	143,020,518	-	176,725,652

Recurring fair value measurements At 30 June 2023	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets				
Investment in quoted shares - FVTPL	13,185,639	-	-	13,185,639
Derivative financial assets	-	19,326,849	-	19,326,849
Total financial assets	13,185,639	19,326,849	-	32,512,488

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

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

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

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

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

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

(ii) Valuation techniques used to determine fair values

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

46. UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2024	2023	2024	2023
	Rupees			
Total facilities	17,230,500,000	16,330,500,000	64,160,376,868	62,558,508,000
Utilized at the end of the year	6,799,069,325	3,527,148,786	40,405,323,062	42,739,735,309
Unutilized at the end of the year	10,431,430,675	12,803,351,214	23,755,053,806	19,818,772,691

47. PROVIDENT FUND

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

48. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 26, 2024 by the Board of Directors of the Company.

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, except for reclassification as dislcosed in note 2.3 to these financial statements, there are no other significant rearrangements / reclassifications have been made.

50. GENERAL

Figures have been rounded off to nearest of Rupee.

CHIEF EXECUTIVE	DIRECTOR	CHIEF FINANCIAL OFFICER

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

Number of Shareholders	Shareholding		Total Number of Shares Held	Percentage of Total Capital
	From	To		
2826	1	100	65,239	0.03
1369	101	500	420,502	0.18
940	501	1000	769,397	0.32
1506	1001	5000	4,129,973	1.72
436	5001	10000	3,406,709	1.42
158	10001	15000	1,997,576	0.83
86	15001	20000	1,584,531	0.66
71	20001	25000	1,666,650	0.69
46	25001	30000	1,307,318	0.54
30	30001	35000	994,703	0.41
31	35001	40000	1,173,186	0.49
17	40001	45000	733,216	0.31
32	45001	50000	1,573,111	0.66
16	50001	55000	842,461	0.35
13	55001	60000	766,700	0.32
10	60001	65000	623,374	0.26
13	65001	70000	888,406	0.37
9	70001	75000	664,398	0.28
9	75001	80000	701,402	0.29
5	80001	85000	410,521	0.17
5	85001	90000	442,166	0.18
5	90001	95000	466,532	0.19
12	95001	100000	1,199,960	0.50
4	100001	105000	403,621	0.17
1	105001	110000	108,047	0.04
1	110001	115000	115,000	0.05
1	115001	120000	117,500	0.05
8	120001	125000	988,357	0.41
4	125001	130000	520,000	0.22
2	140001	145000	282,900	0.12
6	145001	150000	897,500	0.37
3	150001	155000	455,207	0.19
2	165001	170000	335,502	0.14
1	175001	180000	180,000	0.07
1	180001	185000	184,875	0.08
1	185001	190000	189,632	0.08
6	195001	200000	1,196,955	0.50
2	200001	205000	404,194	0.17
3	205001	210000	624,192	0.26

Number of Shareholders	Shareholding		Total Number of Shares Held	Percentage of Total Capital
	From	To		
2	210001	215000	425,060	0.18
2	215001	220000	440,000	0.18
3	220001	225000	671,000	0.28
1	225001	230000	226,000	0.09
1	230001	235000	233,500	0.10
4	245001	250000	991,602	0.41
1	255001	260000	260,000	0.11
2	260001	265000	526,770	0.22
1	270001	275000	275,000	0.11
2	280001	285000	563,060	0.23
3	295001	300000	897,306	0.37
2	300001	305000	605,241	0.25
2	310001	315000	620,692	0.26
1	320001	325000	323,500	0.13
1	340001	345000	341,094	0.14
1	345001	350000	350,000	0.15
1	350001	355000	350,600	0.15
1	375001	380000	379,222	0.16
3	395001	400000	1,200,000	0.50
1	425001	430000	428,651	0.18
1	430001	435000	433,958	0.18
1	435001	440000	437,150	0.18
1	465001	470000	465,418	0.19
1	475001	480000	475,169	0.20
1	485001	490000	485,395	0.20
1	495001	500000	500,000	0.21
1	505001	510000	510,000	0.21
1	535001	540000	538,015	0.22
1	550001	555000	550,155	0.23
2	560001	565000	1,128,636	0.47
1	600001	605000	601,428	0.25
1	640001	645000	640,603	0.27
1	700001	705000	700,275	0.29
1	710001	715000	715,000	0.30
1	910001	915000	910,419	0.38
1	980001	985000	981,500	0.41
1	985001	990000	985,450	0.41
3	995001	1000000	3,000,000	1.25
1	1045001	1050000	1,050,000	0.44
1	1055001	1060000	1,057,921	0.44
1	1195001	1200000	1,200,000	0.50
1	1335001	1340000	1,338,955	0.56
1	1415001	1420000	1,416,375	0.59

Number of Shareholders	Shareholding		Total Number of Shares Held	Percentage of Total Capital
	From	To		
1	1430001	1435000	1,432,741	0.60
1	1435001	1440000	1,438,000	0.60
1	1535001	1540000	1,536,758	0.64
1	1620001	1625000	1,624,292	0.68
1	1695001	1700000	1,700,000	0.71
1	1995001	2000000	2,000,000	0.83
1	2065001	2070000	2,070,000	0.86
1	2250001	2255000	2,253,219	0.94
1	2330001	2335000	2,333,179	0.97
1	2400001	2405000	2,401,242	1.00
1	2445001	2450000	2,446,275	1.02
1	4100001	4105000	4,104,368	1.71
1	4495001	4500000	4,500,000	1.87
1	4630001	4635000	4,631,628	1.93
1	5750001	5755000	5,753,979	2.40
1	5805001	5810000	5,807,791	2.42
1	7270001	7275000	7,274,602	3.03
1	8365001	8370000	8,368,697	3.49
1	8735001	8740000	8,735,900	3.64
1	8810001	8815000	8,810,125	3.67
1	9030001	9035000	9,034,630	3.76
1	11820001	11825000	11,822,562	4.92
1	20865001	20870000	20,866,776	8.69
1	55110001	55115000	55,110,632	22.95
7,776	**<------Total------>**		**240,119,029**	**100.00**

CATEGORIES OF SHAREHOLDERS

AS AT JUNE 30, 2024

NISHAT (CHUNIAN) LIMITED
CATEGORIES OF SHAREHOLDERS
AS ON JUNE 30, 2024

	CATEGORIES OF SHAREHOLDERS	NO. OF SHAREHOLDERS	TOTAL SHARES HELD	PERCENTAGE
A)	Directors/Chief Executive Officer and their spouse and minor Children			
	Mr. Shahzad Saleem	1	55,110,632	22.95
	Mrs. Farhat Saleem	2	5,915,838	2.46
	Mr. Zain Shahzad	1	1,338,955	0.56
	MRS. NADIA BILAL	1	5,000	0.00
	MRS. MAHNOOR ADIL	1	1,000	0.00
	MR. MUHAMMAD AZAM SIDDIQUI	1	100	0.00
	MR. AHMAD HASNAIN	1	501	0.00
	Spouse:			
	Mrs. Ayesha Shahzad w/o Mr. Shahzad Saleem	2	238,448	0.10
	TOTAL: -	10	62,610,474	26.07
B)	Executives			
	N/A	-	-	0.00
C)	Associated Companies, Undertakings and related parties	3	39,963,940	16.64
D)	Public Sectors Companies & Corporations	-	-	
E)	NIT and IDBP (ICP UNIT)	4	4,109,970	1.71
F)	Banks, Development Financial Institutions & Non-Banking Financial Institutions	18	9,958,708	4.15
H)	Insurance Companies	5	12,545,900	5.22
I)	Modarabas & Mutual Funds	16	11,025,346	4.59
J)	*Shareholding 5% or more	2	87,799,970	36.57
K)	Joint Stock Companies	89	8,654,086	3.60
L)	Others	45	6,852,976	2.85
M)	General Public	7,589	84,397,629	35.15
	TOTAL: -	7,779	240,119,029	100.00

*** Shareholders having 5% or above shares exist in other categories therefore not included in total.**

Shareholding Detail of 5% or more

Name of Shareholder	Shares held	%
MR. SHAHZAD SALEEM	55,110,632	22.95
NISHAT MILLS LIMITED	32,689,338	13.61
TOTAL :-	**87,799,970**	**36.57**

NISHAT (CHUNIAN) LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION

30 June 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Nishat (Chunian) Limited

Qualified Opinion

We have audited the annexed consolidated financial statements of Nishat (Chunian) Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 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 material accounting policy information and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2024, and 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 Qualified Opinion

The financial statements of Nishat Chunian USA Inc. - Subsidiary Company, T L C Middle East Trading L.L.C - Subsidiary Company and Sweave Inc. - Sub-Subsidiary Company for the year ended 30 June 2024 were un-audited. Hence, total assets of Rupees 122,581,803 as at 30 June 2024 and total turnover and net profit of Rupees 244,464,277 and Rupees 13,337,379 respectively for the year ended 30 June 2024 pertaining to the aforesaid Companies have been incorporated in these consolidated financial statements by the management using un-audited financial statements.

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 qualified opinion.

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. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Following are the Key audit matters:

Sr. No.	Key audit matters	How the matters were addressed in our audit
1.	**Inventory existence and valuation** Inventory of the textile business of the Group represented a material position in the consolidated statement of financial position. Inventory is measured at the lower of cost and net realizable value. We identified existence and valuation of inventory as a key audit matter due to its size and the judgment involved in valuation. For further information on inventory, refer to the following: - Summary of material accounting policiy, Inventories note 2.14 to the consolidated financial statements. - Stores, spare parts and loose tools note 20 and stock-in-trade note 21 to the consolidated financial statements.	Our procedures over existence and valuation of inventory included, but were not limited to: • To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management. • For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets. • We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice. • On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any. • We assessed the percentage write down applied to older inventory with reference to historic inventory write downs and recoveries on slow moving inventory. • In the context of our testing of the calculation, we analysed individual cost components and traced them back to the corresponding underlying documents. We furthermore challenged changes in unit costs. • We also made inquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
2.	**Revenue recognition** We identified recognition of revenue of textile business of the Group as a key audit matter because revenue is one of the key performance indicators	Our procedures included, but were not limited to: • We obtained an understanding of the process

Sr. No.	Key audit matters	How the matters were addressed in our audit
	and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Summary of significant accounting policies, Revenue recognition note 2.21 to the consolidated financial statements. - Revenue note 27 to the consolidated financial statements.	relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. • We also considered the appropriateness of disclosures in the consolidated financial statements.
3.	**Contingencies** As disclosed in Note 15.1 to the accompanying consolidated financial statements, the Group has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Group for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards. Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained and reviewed detail of the pending matters and discussed the same with the Group's management. • Reviewed the correspondence of the Group with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved. • Obtained and reviewed confirmations from the Group's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies.

Sr. No.	Key audit matters	How the matters were addressed in our audit
	financial impacts, we considered this as a key audit matter. For further information on contingencies, refer to the following: - Summary of material accounting policy, Contingent liabilities note 2.27 and note 2.1(c) to the consolidated financial statements. - Contingencies note 15.1 to the consolidated financial statements.	• Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.
4.	**Capital expenditures** The textile business of the Group is investing significant amounts in its operations and there are a number of areas where management judgement impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among other the decision to capitalize or expense costs; and review of useful life of the assets including the impact of changes in the Group's strategy. We focused on this area since the amounts have a significant impact on the financial position of the Group and there is significant management judgment required that has significant impact on the reporting of the financial position for the Group. Therefore, considered as one of the key audit matters. For further information, refer to the following: - Summary of material accounting policy, Fixed assets - property, plant, equipment and deprecation note 2.5 to the consolidated financial statements. - Fixed assets note 16 to the consolidated financial statements.	Our procedures included, but were not limited to: • We tested operating effectiveness of controls in place over the property, plant and equipment cycle including the controls over whether costs incurred on activities is capital or operating in nature. • We evaluated the appropriateness of capitalization policies and depreciation rates. • We performed tests of details on costs capitalized. • We verified the accuracy of management's calculation used for the impairment testing.

Information Other than the 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 consolidated financial statements and our auditor’s report 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.

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. As described in the Basis for Qualified Opinion section above, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and the 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.

Auditor’s Responsibilities for the Audit of the Consolidated 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 auditor's report is Atif Anjum.

RIAZ AHMAD & COMPANY
Chartered Accountants

LAHORE

Date: 27 September 2024

UDIN: AR202410132dcwYQjVxy

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	4	3,700,000,000	3,700,000,000
Issued, subscribed and paid-up share capital	5	2,401,190,290	2,401,190,290
Reserves	6	18,880,718,331	18,171,158,417
Total equity		21,281,908,621	20,572,348,707
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	7	10,365,601,631	12,538,265,074
Lease liabilities	8	49,833,019	68,666,567
Deferred liabilities	9	528,500,552	677,389,719
		10,943,935,202	13,284,321,360
CURRENT LIABILITIES			
Trade and other payables	10	5,088,354,343	4,256,686,796
Accrued mark-up / profit	11	1,337,211,195	1,397,309,345
Short term borrowings	12	27,055,611,782	27,881,717,844
Current portion of non-current liabilities	13	2,922,711,988	2,137,618,315
Taxation and levy - net	14	-	144,605,460
Unclaimed dividend		67,835,924	69,141,059
		36,471,725,232	35,887,078,819
Total liabilities		47,415,660,434	49,171,400,179
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		68,697,569,055	69,743,748,886

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

CHIEF EXECUTIVE

DIRECTOR

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	16	24,272,708,785	24,024,055,144
Right-of-use assets	17	71,198,322	113,172,896
Intangible assets	18	2,055,774	1,845,938
Long term loans to employees	19	10,896,710	11,154,911
Long term security deposits		33,859,024	33,959,024
		24,390,718,615	24,184,187,913
CURRENT ASSETS			
Stores, spare parts and loose tools	20	1,976,066,081	2,511,321,040
Stock-in-trade	21	24,575,598,921	23,625,236,042
Trade debts	22	11,126,892,226	11,362,604,208
Loans and advances	23	3,965,350,513	4,070,437,994
Short term prepayments	24	7,958,935	9,255,894
Other receivables	25	2,292,469,315	3,616,758,129
Taxation and levy - net	14	130,058,584	-
Short term investments	26	150,604,317	80,364,318
Cash and bank balances	27	81,851,548	283,583,348
		44,306,850,440	45,559,560,973
TOTAL ASSETS		68,697,569,055	69,743,748,886

CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
REVENUE	28	89,045,617,565	70,949,361,113
COST OF SALES	29	(77,980,476,498)	(63,814,404,149)
GROSS PROFIT		11,065,141,067	7,134,956,964
DISTRIBUTION COST	30	(2,220,873,112)	(1,711,532,156)
ADMINISTRATIVE EXPENSES	31	(557,139,862)	(522,630,079)
OTHER EXPENSES	32	(134,303,698)	(193,309,017)
		(2,912,316,672)	(2,427,471,252)
		8,152,824,395	4,707,485,712
OTHER INCOME	33	865,332,375	948,007,203
PROFIT FROM OPERATIONS		9,018,156,770	5,655,492,915
FINANCE COST	34	(7,753,984,192)	(5,496,070,172)
PROFIT BEFORE LEVY AND TAXATION		1,264,172,578	159,422,743
LEVY	35	(515,303,102)	(902,409,349)
PROFIT / (LOSS) BEFORE TAXATION		748,869,476	(742,986,606)
TAXATION	36	(38,169,814)	(9,641,615)
PROFIT / (LOSS) AFTER TAXATION		710,699,662	(752,628,221)
PROFIT / (LOSS) ATTRIBUTABLE TO:			
EQUITY HOLDERS OF THE HOLDING COMPANY		710,699,662	(871,909,855)
NON-CONTROLLING INTEREST		-	119,281,634
		710,699,662	(752,628,221)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED	37	2.96	(3.63)

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

CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	2024 Rupees	2023 Rupees
PROFIT / (LOSS) AFTER TAXATION	710,699,662	(752,628,221)
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of foreign operations	(1,139,748)	7,176,761
Other comprehensive (loss) / income for the year	(1,139,748)	7,176,761
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	709,559,914	(745,451,460)
TOTAL COMPREHENSIVE INCOME / (LOSS) ATTRIBUTABLE TO:		
EQUITY HOLDERS OF THE HOLDING COMPANY	709,559,914	(864,733,094)
NON-CONTROLLING INTEREST	-	119,281,634
	709,559,914	(745,451,460)

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

CHIEF EXECUTIVE   DIRECTOR   CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	38	12,747,640,985	(6,517,571,178)
Net decrease / (increase) in long term security deposits		100,000	(3,224,793)
Finance cost paid		(7,813,173,189)	(4,756,925,773)
Income tax and levy paid		(828,136,960)	(853,359,702)
Net decrease in long term loans to employees		2,943,736	15,355,127
Net cash generated from / (used in) operating activities		4,109,374,572	(12,115,726,319)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(2,123,510,652)	(2,795,636,433)
Proceeds from disposal of operating fixed assets	16.1.1	109,800,872	120,402,239
Capital expenditure on intangible assets		(1,085,004)	(1,733,750)
Short term investments made		(145,160,226)	(148,801,130)
Investments disposed of		96,160,226	8,337,734,678
Interest received		153,517,082	112,224,214
Net cash (used in) / from investing activities		(1,910,277,702)	5,624,189,818
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing	38.2	17,502,940	375,543,759
Repayment of long term financing	38.2	(1,526,718,278)	(1,632,167,201)
Repayment of lease liabilities	38.2	(63,062,387)	(49,992,943)
Short term borrowings - net	38.2	(826,106,062)	8,827,733,390
Dividend paid	38.2	(1,305,135)	(955,067,148)
Net cash (used in) / from financing activities		(2,399,688,922)	6,566,049,857
Net decrease / (increase) in cash and cash equivalents		(200,592,052)	74,513,356
Impact of (loss) / gain on exchange translation		(1,139,748)	7,176,761
Cash and cash equivalents of Nishat Chunian Power Limited - former subsidiary company and now associated company		-	(46,896,996)
Cash and cash equivalents at the beginning of the year		283,583,348	248,790,227
Cash and cash equivalents at the end of the year		81,851,548	283,583,348

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

CHIEF EXECUTIVE | DIRECTOR | CHIEF FINANCIAL OFFICER

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY								
		CAPITAL RESERVES		REVENUE RESERVES					
	SHARE CAPITAL	Exchange translation reserve	Share premium	General reserve	Un-appropriated profit	TOTAL RESERVES	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTEREST	TOTAL EQUITY
	Rupees								
Balance as at 30 June 2022	2,401,190,29	23,438,937	600,553,890	1,629,221,278	30,404,170,463	32,657,384,568	35,058,574,858	11,738,807,602	46,797,382,460
Transactions with owners:									
Final dividend for the year ended 30 June 2022 @ Rupees 4 per share	-	-	-	-	(960,476,116)	(960,476,116)	(960,476,116)	-	(960,476,116)
Adjustment due to transfer of investment of Holding Company in Nishat Chunian Power Limited - former subsidary and now associated company	-	-	-	-	(12,661,016,941)	(12,661,016,941)	(12,661,016,941)	(11,858,089,236)	(24,519,106,177)
	-	-	-	-	(13,621,493,057)	(13,621,493,057)	(13,621,493,057)	(11,858,089,236)	(25,479,582,293)
Loss for the year	-	-	-	-	(871,909,855)	(871,909,855)	(871,909,855)	119,281,634	(752,628,221)
Other comprehensive income for the year	-	7,176,761	-	-	-	7,176,761	7,176,761	-	7,176,761
Total comprehensive loss for the year	-	7,176,761	-	-	(871,909,855)	(864,733,094)	(864,733,094)	119,281,634	(745,451,460)
Balance as at 30 June 2023	2,401,190,290	30,615,698	600,553,890	1,629,221,278	15,910,767,551	18,171,158,417	20,572,348,707	-	20,572,348,707
Profit for the year	-	-	-	-	710,699,662	710,699,662	710,699,662	-	710,699,662
Other comprehensive loss for the year	-	(1,139,748)	-	-	-	(1,139,748)	(1,139,748)	-	(1,139,748)
Total comprehensive income for the year	-	(1,139,748)	-	-	710,699,662	709,559,914	709,559,914	-	709,559,914
Balance as at 30 June 2024	2,401,190,290	29,475,950	600,553,890	1,629,221,278	16,621,467,213	18,880,718,331	21,281,908,621	-	21,281,908,621

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

1. THE GROUP AND ITS OPERATIONS

1.1 The Group consists of:

Holding Company

- Nishat (Chunian) Limited

Subsidiary Companies

- Nishat Chunian Properties (Private) Limited
- Nishat Chunian USA Inc.
- Sweave Inc.
- T L C Middle East Trading L.L.C

(a) Nishat (Chunian) Limited

Nishat (Chunian) Limited (the Holding Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Holding Company is engaged in business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabrics and made-ups made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

(b) Nishat Chunian Properties (Private) Limited

Nishat Chunian Properties (Private) Limited is a private limited company incorporated in Pakistan under the Companies Act, 2017 on 31 January 2022. The registered office of Nishat Chunian Properties (Private) Limited is situated at 31-Q, Gulberg II, Lahore. The principal activities of the Company are marketing and development of all types of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multi-storied buildings (for commercial or residential purposes), shopping centres, restaurants, hotels, recreational facilities, etc. Nishat Chunian Properties (Private) Limited is a wholly-owned subsidiary of Nishat (Chunian) Limited.

(c) Nishat Chunian USA Inc.

Nishat Chunian USA Inc., a wholly owned subsidiary of Nishat (Chunian) Limited, is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat Chunian USA Inc. is situated at 230 Fifth Avenue, Suite 1406, New York, NY 10001, USA. The principal business of the Nishat Chunian USA Inc. is to import home textile products and distribute to local retailers

(d) Sweave Inc.

Sweave Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Sweave Inc. is situated at 2728 Railroad Grade Road, Fleetwood, NC 28262, USA. The principal business of the Sweave Inc. is e-commerce retail of home textile products to its domestic customers. Sweave Inc. is a wholly owned subsidiary of Nishat Chunian USA Inc.

(e) T L C Middle East Trading L.L.C

T L C Middle East Trading L.L.C is a limited liability company - Single Owner (LLC - SO) formed in pursuance to the Federal Law No. (2) of 2015 concerning commercial companies and registered with the Department of Economic Development, Government of Dubai. Date of incorporation of T L C Middle East Trading L.L.C is 14 October 2021. The principal business of T L C Middle East Trading L.L.C is textile trading, blankets, towels and linen trading. Commercial address of T L C Middle East Trading L.L.C is Office No. M13, Fatima Building, Al Suq Al Kabeer, Dubai, United Arab Emirates. The capital of T L C Middle East Trading L.L.C is AED 300,000 divided into 300 shares, the value of each share is AED 1,000. Nishat (Chunian) Limited shall own 100% shares of T L C Middle East Trading L.L.C. However, Nishat (Chunian) Limited has not yet remitted funds into the bank account of T L C Middle East Trading L.L.C against the shares subscribed and expects to make investment in shares of T L C Middle East Trading L.L.C shortly.

1.2 Nishat Chunian Power Limited - former subsidiary company

Nishat Chunian Power Limited was a subsidiary of Nishat (Chunian) Limited (NCL) that held 51.07% shares of Nishat Chunian Power Limited. The Board of Directors of Nishat (Chunian) Limited (NCL) in its meeting held on 21 February 2022 approved a Scheme of Compromises, Arrangement and Reconstruction (Under Sections 279 to 283 and 285 of the Companies Act, 2017) amongst NCL and its members and Nishat Chunian Properties (Private) Limited (subsidiary of NCL) and its members. One of the principal objects of the Scheme was to make NCL and Nishat Chunian Power Limited totally independent of each other by the transfer amongst the members of NCL of 187,585,820 ordinary shares of Nishat Chunian Power Limited owned by NCL. On 29 June 2022, the Honourable Lahore High Court, Lahore approved the aforesaid Scheme. The Effective Date of the Scheme for this purpose was the commencement date of book closure i.e. 10 August 2022 as announced by NCL in accordance with Pakistan Stock Exchange Limited Regulations. After the completion of necessary corporate and legal formalities in this regard, Nishat Chunian Power Limited ceased to be the subsidiary of NCL with effect from 10 August 2022.

1.3 Geographical location and addresses of all business units are as follows:

Business units and office	**Address**
Manufacturing units:	
Spinning Units 1, 4, 5, 7 and 8	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.
Spinning Units 2, 3, 6 and Weaving and 46 MW and 8 TPH process steam coal fired power generation project.	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.
Dyeing, Printing and Stitching.	4th Kilometre, Manga Road, Raiwind.
Office – Pakistan	31-Q, 31-C-Q and 10-N, Gulberg-II, Lahore.
Office - USA	230 Fifth Avenue, Suite 1406, New York, NY 10001.
Office - USA	2728 Railroad Grade Road, Fleetwood, North Carolina, NC 28262.
Office - UAE	Office No. M13, Fatima Building, Al Suq Al Kabeer, Dubai, United Arab Emirates.
Retail stores	
The Linen Company (TLC) – I	Outlet No. 9-10, 2nd Floor Gulberg Galleria Mall, Lahore.
The Linen Company (TLC) – II	Shop No. 008, 2nd Floor, Packages Mall, Lahore.
The Linen Company (TLC) – III	Outlet No. 21-22, Lower Ground Floor, WTC Giga Mall, DHA Phase 2, Islamabad.

Business units and office	Address
The Linen Company (TLC) – IV	Shop No. 45, 3rd Floor, Centaurus Mall, Islamabad.
The Linen Company (TLC) – V	Shop No. G-14, Ground Floor Ocean Mall, Clifton, Karachi.
The Linen Company (TLC) – VI	Plot No. HC-3, Block No. 4, KDA Scheme No. 5, Clifton Karachi.
The Linen Company (TLC) – VII	Shop 8, 1st Floor, Bosan Road, Multan.
The Linen Company (TLC) – VIII	Shop 14-B-1, Ground Floor, Mall of Lahore, Tufail Road, Lahore Cantt.
Warehouse	Room No. 1022, 10th Floor, 4-16 West 33rd Street, Manhattan, City of New York.

1.4 Significant restrictions

Cash and bank balances held in foreign countries are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from these countries, other than through normal dividends. The carrying amount of these assets included within the consolidated financial statements to which these restrictions apply is Rupees 20.788 million (2023: Rupees 4.446 million).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) 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 IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation 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 judgments were exercised in application of accounting policies are as follows:

Financial instruments – fair value

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on conditions existing at the reporting date.

Useful lives, patterns of economic benefits and impairments

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the analysis of the management. Further, the Group reviews the values of assets for possible impairments on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

Accumulating compensated absences

The provision for accumulating compensated absences is made by the Holding Company on the basis of accumulated leave balance on account of employees.

Income tax and levy

In making the estimates for income tax and levy currently payable, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

Allowance for expected credit losses

The allowance for Expected Credit Losses (ECLs) assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the consolidated statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Deferred income tax

From the financial year ending on 30 June 2025 (tax year 2025), income of the holding Company including from export sales will be taxed under the normal tax regime, hence, as on 30 June 2024, deferred income tax on taxable temporary difference between the accounting and tax base of operating fixed assets is required to be calculated in totality (previously this was only relating to local sales percentage). This is the first time the Holding Company is transitioning to this regime. Previously, the Holding Company was neither required nor claimed tax depreciation against income subject to final tax regime, hence, percentage of export sales (taxed under the final tax regime till 30 June 2024) has now been used to calculate the tax base by applying this percentage to the accounting written-down value (WDV) of operating fixed assets. This critical accounting estimation, used by the management in the calculation of deferred income tax, is based on the advice of legal counsel, and it reflects the best available information for the calculation of deferred income tax.

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the consolidated statement of financial position date.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Group

Following amendments to published approved accounting standards are mandatory for the Group’s accounting periods beginning on or after 01 July 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement').

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income Taxes').

- Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors').

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

The above-mentioned amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Group

There are amendments to published standards that are mandatory for accounting period beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

f) Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Group

Following standards and amendments to existing standards have been published and are mandatory for the Group’s accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 ‘Presentation of Financial Statements’) effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity’s right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7and IFRS 7)' to add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 1 January 2024.

Amendments to IFRS 10 ‘Consolidated Financial Statements’ and IAS 28 ‘Investments in Associates and Joint Ventures’ (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor’s financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 ‘Business Combinations’); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors’ interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Lack of Exchangeability (Amendments to IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity’s assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, but it might change what an entity reports as its ‘operating profit or loss’.

The above standards and amendments are likely to have no significant impact on the consolidated financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Group

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

2.2 Consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of the subsidiary companies have been consolidated on a line by line basis and the carrying value of investments held by the Holding Company is eliminated against the Holding Company's share in paid up capital of the subsidiary companies. Intra group balances and transactions have been eliminated.

Non-controlling interest is that part of net results of the operations and of net assets of the subsidiary companies attributable to interest which is not owned by the Holding Company. Non-controlling interest is presented as a separate item in the consolidated financial statements.

b) Translation of the financial statements of foreign subsidiary

The financial statements of foreign subsidiary of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated in functional currency of the Group. Statement of financial position items are translated at the exchange rate at the reporting date and statement of profit or loss items are converted at the average rate for the period. Any resulting translation differences are recognized under exchange translation reserve in consolidated reserves.

2.3 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Except for the tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Holding Company, final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in the consolidated statement of profit or loss. Tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Holding Company is charged as current tax in the consolidated statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in the consolidated statement of profit or loss. Now, the Group has changed its accounting policy of taxation and levy in accordance with "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountants of Pakistan through Circular No. 7/2024. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and resulted in following reclassification of corresponding figures:

Reclassified from	Reclassified to	30 June 2023
		Rupees
Consolidated statement of profit or loss:		
Taxation	Levy – final tax	668,604,503
Taxation	Levy – minimum tax differential	233,804,846

Reclassified from	Reclassified to	30 June 2023
		Rupees
Consolidated statement of financial position:		
Advance income tax	Prepaid levy	628,705,669
Provision for taxation	Levy payable	902,409,349

Had there been no change in the above-referred accounting policy, amounts of levy – final taxes Rupees 626.427 million and levy – minimum tax differential Rupees 276.217 million, levy payable Rupees 515.303 million and prepaid levy Rupees 460.049 million would have been presented as taxation expense, provision for taxation and advance income tax respectively in these consolidated financial statements for the year ended 30 June 2024. This change in accounting policy has no impact of earnings per share of the Group. Furthermore, the Group has not presented the third consolidated statement of financial position as at the beginning of the preceding period as the retrospective application does not have an effect on the information in the consolidated statement of financial position at the beginning of the preceding period.

Provision for income tax on the income of foreign subsidiaries – Nishat Chunian USA Inc., T L C Middle East Trading L.L.C and Sweave Inc. are computed in accordance with the tax legislation in force in the country where the income is taxable.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.4 Employee benefits

The main features of the schemes operated are as follows:

Provident fund

The Holding Company operate funded provident fund schemes covering all permanent employees. Equal monthly contributions are made both by the employees and the employers' to funds in accordance with the funds' rules. The employers' contributions to the funds are charged to income currently.

Accumulating compensated absences

The Holding Company provides for accumulating compensated absences, when the employees render service that increase their entitlement to future compensated absences.

2.5 Fixed assets

Property, plant, equipment and depreciation

Property, plant and equipment except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and any identified impairment loss. Cost in relation to certain property, plant and equipment signifies historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable cost of bringing the asset to working condition. Freehold land and capital work-in-progress are stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

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 cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Depreciation

Depreciation on all operating fixed assets, other than standby generators and power generation equipment of the Holding Company, is charged to income on the reducing balance method, except in case of Nishat Chunian USA Inc. – Subsidiary Company, where this accounting estimate is based on straight line method, so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 16.1. Depreciation on standby generators of the Holding Company is charged on the basis of number of hours used. Depreciation on power generation equipment of the Holding Company is charged to income on the straight-line method so as to write off the cost / depreciable amount of the power generation equipment over its estimated useful life at the rate given in Note 16.1. Depreciation on additions is charged from the month in which the assets are available for use upto the month prior to disposal. The assets' residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognized.

2.6 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month when these assets are available for use, using the straight-line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Group. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

2.7 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain. Goodwill is not amortised but is reviewed for impairment at least annually.

2.8 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

2.9 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to consolidated statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.10 Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the consolidated statement of profit or loss.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the consolidated statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the

Group's right to receive payments is established.

2.11 Financial liabilities – Classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.12 Impairment of financial assets

The Group recognizes loss allowances for ECLs on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a matrix that is based on the Group 's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

2.13 De-recognition of financial assets and financial liabilities

a) Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

b) Financial liabilities

The Group derecognizes a financial liability (or a part of financial liability) from its consolidated statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.14 Inventories

Inventories, except for stock-in-transit and waste stock, are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spares parts, loose tools are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items-in-transit are valued at cost comprising invoice value plus other charges paid thereon.

Stock-in-trade

Cost of raw materials is measured using the weighted average cost formula.

Cost of work-in-process and finished goods comprise cost of direct material, labour and appropriate manufacturing overheads. Cost of goods purchased for resale is based on first-in-first-out (FIFO) cost formula.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon. Waste stock is valued at net realizable value.

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

2.15 Foreign currencies

These consolidated financial statements are presented in Pak Rupees, which is the Group's functional currency. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the reporting date, while the transactions in foreign currencies (except the results of foreign operation which are translated to Pak Rupees at the average rate of exchange for the year) during the year are initially recorded in functional currency at the rates of exchange prevailing at the transaction date. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined. Exchange gains and losses are recorded in the consolidated statement of profit or loss.

2.16 Borrowings

Borrowings are recognized initially at fair value and are subsequently stated at amortized cost; any difference between the proceeds and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest rate method.

2.17 Trade debts and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.18 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.19 Borrowing cost

Borrowing costs are recognized as expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of cost of that asset.

2.20 Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Processing services

The Group provides processing services to local customers. These services are sold separately and the Group's contract with the customer for services constitute a single performance obligation.

Revenue from services is recognized at the point in time, generally at the time of dispatch. There are no terms giving rise to variable consideration under the Group's contracts with its customers.

Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

2.21 Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

2.22 Share capital

Ordinary shares and irredeemable preference shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

2.23 Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated statement of financial position at book value which approximates their fair value. For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts, other short term highly liquid instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.24 Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the consolidated statement of profit or loss as incurred. They are subsequently remeasured at fair value on regular basis and at each reporting date as a minimum, with all their gains and losses, realized and unrealized, recognized in the consolidated statement of profit or loss.

2.25 Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made.

2.26 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each consolidated statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted 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 impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the consolidated statement of profit or loss.

2.27 Contingent liabilities

Contingent liability is disclosed when the Group has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

2.28 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Group’s chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief operating decision makers include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Group has following reportable business segments. Spinning – Zone 1 (Unit No.1 and 5), Zone 2 (Unit No. 4, 7 and 8) and Zone 3 (Unit No. 2, 3 and 6) (Producing different quality of yarn using natural and artificial fibers), Weaving – Unit 1 and 2 (Producing different quality of greige fabric using yarn), Processing and Home Textile (Processing greige fabric for production of printed and dyed fabric and manufacturing of home textile articles) and Power Generation (Generating, transmitting and distributing power).

Transaction among the business segments are recorded at arm’s length prices using admissible valuation methods. Inter-segment sales and purchases are eliminated from the total.

2.29 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

3. SUMMARY OF OTHER ACCOUNTING POLICY INFORMATION

3.1 Dividend to ordinary shareholders and other appropriations

Dividend distribution to the ordinary shareholders is recognized as a liability in the Group’s consolidated financial statements in period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3.2 Earnings per share

Earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year.

3.3 Ijarah transactions

Ujrah (lease) payments are recognized as expenses in consolidated statement of profit or loss on a straight-line basis over the Ijarah term unless another systematic basis is representative of the time pattern of the user’s benefit even if the payments are not on that basis.

3.4 Contingent assets

Contingent assets are disclosed when the Group has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized until their realization becomes certain.

3.5 Refund liabilities

Refund liabilities are recognised where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

3.6 Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

3.7 Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

3.8 Customer fulfilment costs

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Group that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

3.9 Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

3.10 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the consolidated financial statements when there is a legal enforceable right to set off and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4. AUTHORIZED SHARE CAPITAL

2024	2023		2024	2023
(Number of shares)			Rupees	Rupees
350,000,000	350,000,000	Ordinary shares of Rupees 10 each	3,500,000,000	3,500,000,000
20,000,000	20,000,000	Preference shares of Rupees 10 each	200,000,000	200,000,000
370,000,000	370,000,000		3,700,000,000	3,700,000,000

5. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024	2023		2024	2023
(Number of shares)			Rupees	Rupees
134,655,321	134,655,321	Ordinary shares of Rupees 10 each fully paid in cash	1,346,553,210	1,346,553,210
104,239,443	104,239,443	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	1,042,394,430	1,042,394,430
1,224,265	1,224,265	Ordinary shares of Rupees 10 each issued as fully paid for consideration other than cash to members of Umer Fabrics Limited as per the Scheme of Arrangement as approved by the Honourable Lahore High Court, Lahore	12,242,650	12,242,650
240,119,029	240,119,029		2,401,190,290	2,401,190,290

6. RESERVES

	2024 Rupees	2023 Rupees
Composition of reserves is as follows:		
Capital reserves		
Exchange translation reserve [Note 2.2(b)]	29,475,950	30,615,698
Share premium (Note 6.1)	600,553,890	600,553,890
	630,029,840	631,169,588
Revenue reserves		
General reserve	1,629,221,278	1,629,221,278
Unappropriated profit	16,621,467,213	15,910,767,551
	18,250,688,491	17,539,988,829
	18,880,718,331	18,171,158,417

6.1 This reserve can be utilized only for the purposes specified in section 81 of the Companies Act, 2017.

7. LONG TERM FINANCING

	2024 Rupees	2023 Rupees
From banking companies / financial institutions - secured		
Long term loans (Note 7.1)	11,543,155,465	12,745,749,728
Long term musharaka (Note 7.2)	1,129,135,766	1,279,468,806
	12,672,291,231	14,025,218,534
Less: Current portion shown under current liabilities (Note 13)		
Long term loans	(2,139,836,819)	(1,321,160,103)
Long term musharaka	(166,852,781)	(165,793,357)
	(2,306,689,600)	(1,486,953,460)
	10,365,601,631	12,538,265,074

7.1 Long term loans

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Nishat (Chunian) Limited - Holding Company (Note 7.3)						
MCB Bank Limited	80,000,000	100,000,000	SBP rate for LTFF + 1.00%	Sixteen equal half yearly instalments commenced on 13 August 2019 and ending on 13 February 2028. (Note 7.5)	-	Quarterly
MCB Bank Limited	30,187,500	40,250,000	SBP rate for LTFF + 1.00%	Sixteen equal half yearly instalments commenced on 22 June 2019 and ending on 22 June 2027. (Note 7.5)	-	Quarterly
MCB Bank Limited	1,800,000,000	2,000,000,000	3-months KIBOR + 0.2%	Twenty equal quarterly instalments commenced on 11 February 2024 and ending on 11 November 2028.	Quarterly	Quarterly
Allied Bank Limited	102,812,500	132,187,500	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 24 February 2019 and ending on 24 November 2027. (Note 7.5)	-	Quarterly
Allied Bank Limited	61,734,375	78,196,875	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 18 April 2019 and ending on 18 January 2028. (Note 7.5)	-	Quarterly
Allied Bank Limited	183,281,250	232,156,250	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 19 April 2019 and ending on 19 January 2028. (Note 7.5)	-	Quarterly
Allied Bank Limited	44,812,500	56,762,500	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 21 May 2017 and ending on 21 February 2028. (Note 7.5)	-	Quarterly
Allied Bank Limited	58,900,000	73,625,000	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 03 July 2019 and ending on 03 April 2028. (Note 7.5)	-	Quarterly
Allied Bank Limited	48,157,809	55,863,061	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	81,790,625	94,877,125	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	14,670,546	17,017,834	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	25,003,908	29,004,532	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	11,696,092	13,567,468	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Habib Bank Limited	-	200,000,000	3-months KIBOR + 0.50%	Ten equal half yearly instalments commenced on 27 March 2018 and ended on 23 September 2023. (Note 7.5)	Quarterly	Quarterly
Allied Bank Limited	53,055,954	61,544,906	SBP rate for LTFF+ 1.00%	Thirty two equal quarterly instalments commenced on 01 December 2022 and ending on 01 September 2030.	-	Quarterly
Allied Bank Limited	562,500,000	812,500,000	3-months KIBOR + 0.18%	Sixteen equal quarterly instalments commenced on 30 September 2022 and ending on 30 June 2026.	Quarterly	Quarterly
Allied Bank Limited	1,000,000,000	1,000,000,000	3-months KIBOR + 0.10%	Twenty four equal quarterly instalments commencing on 24 August 2024 and ending on 24 May 2030.	Quarterly	Quarterly

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Askari Bank Limited	58,100,000	74,700,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 02 February 2017 and ending on 02 November 2027. (Note 7.5)	-	Quarterly
Askari Bank Limited	7,000,000	9,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 February 2017 and ending on 04 November 2027. (Note 7.5)	-	Quarterly
Askari Bank Limited	52,500,000	67,500,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 08 March 2017 and ending on 08 December 2027. (Note 7.5)	-	Quarterly
Askari Bank Limited	50,100,000	63,460,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 22 June 2017 and ending on 22 March 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	2,480,000	3,100,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 12 September 2017 and ending on 13 June 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	23,800,000	29,400,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 October 2017 and ending on 04 July 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	8,000,000	10,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	47,120,000	58,900,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	2,301,600	2,877,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	8,627,500	10,657,500	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 04 October 2017 and ending on 04 July 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	94,400,000	118,000,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 26 August 2017 and ending on 26 May 2028. (Note 7.5)	-	Quarterly
Askari Bank Limited	210,243,000	246,807,000	SBP rate for LTFF + 1.00%	Forty equal quarterly instalments commenced on 18 May 2021 and ending on 12 February 2031. (Note 7.5)	-	Quarterly
Bank Alfalah Limited (Note 7.6)	1,243,379,137	1,221,919,577	SBP rate for TERF + 2.00%	Five hundred and forty five unequal instalments commenced on 26 August 2023 and ending on 22 April 2032.	-	Quarterly
Pak Kuwait Investment Company (Private) Limited	220,746,850	254,718,850	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 05 January 2023 and ending on 04 October 2030.	-	Quarterly
Pak Kuwait Investment Company (Private) Limited	11,711,950	13,515,950	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 05 January 2023 and ending on 04 October 2030.	-	Quarterly
Habib Bank Limited	1,811,443,696	1,828,426,117	3-months KIBOR + 0.45%	Eighty one unequal instalments commenced on 09 May 2024 and ending on 20 May 2032.	Quarterly	Quarterly
Habib Bank Limited	345,035,965	350,956,713	SBP rate for LTFF + 1.00%	One hundred and twenty eight unequal instalments commenced on 03 June 2024 and ending on 15 April 2032.	-	Quarterly
Habib Bank Limited	215,133,503	215,133,503	SBP rate for LTFF + 1.00%	Thirty two equal half yearly instalments commencing on 11 August 2024 and ending on 11 May 2032.	-	Quarterly

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Habib Bank Limited	221,825,624	221,825,624	3-months KIBOR + 0.45%	Sixteen equal half yearly instalments commencing on 11 November 2024 and ending on 11 May 2032.	Quarterly	Quarterly
Soneri Bank Limited	140,390,625	177,828,125	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 14 June 2019 and ending on 14 March 2028. (Note 7.5)	-	Quarterly
Soneri Bank Limited	111,000,000	138,750,000	SBP rate for LTFF + 1.00%	Thirty two equal quarterly instalments commenced on 06 July 2019 and ending on 06 April 2028. (Note 7.5)	-	Quarterly
National Bank of Pakistan	21,210,673	21,210,673	SBP rate for LTFF + 1%	Forty equal quarterly instalments commencing on 08 December 2024 and ending on 08 September 2034.	-	Quarterly
National Bank of Pakistan	150,010,404	132,507,462	3-months KIBOR + 1%	One hundred and sixty one unequal quarterly instalments commencing on 08 February 2025 and ending on 13 June 2036.	Quarterly	Quarterly
United Bank Limited	1,833,333,333	2,000,000,000	1-month KIBOR + 0.25%	Twenty four equal quarterly instalments commenced on 31 March 2024 and ending on 31 December 2029.	Monthly	Quarterly
United Bank Limited (Note 7.6)	494,658,546	477,002,583	SBP rate for TERF + 1.25%	Ninety six unequal instalments commenced on 08 October 2023 and ending on 25 March 2032.	-	Quarterly
	11,543,155,465	12,745,749,728				

7.2 Long term musharaka

LENDER	2024	2023	RATE OF INTEREST PER ANNUM	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE
	Rupees	Rupees				
Nishat (Chunian) Limited - Holding Company (Note 7.4)						
Meezan Bank Limited	212,119,196	244,752,920	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 24 March 2023 and ending on 24 December 2030.	-	Quarterly
Meezan Bank Limited (Note 7.7)	339,252,398	381,669,745	SBP rate for ITERF + 2.75%	One hundred and twenty eight unequal instalments commenced on 30 March 2023 and ending on 28 May 2031.	-	Quarterly
Meezan Bank Limited	5,600,815	6,430,563	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	14,035,275	16,114,575	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	10,101,460	11,597,972	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	57,750,975	66,306,675	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	12,031,875	13,814,375	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	96,048,030	110,277,366	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 30 March 2023 and ending on 30 December 2030.	-	Quarterly
Meezan Bank Limited	172,945,500	197,652,000	SBP rate for LTFF + 2.00%	Thirty two equal quarterly instalments commenced on 17 September 2023 and ending on 17 June 2031.	-	Quarterly
Meezan Bank Limited	46,373,600	52,998,400	SBP rate for LTFF + 1.50%	Thirty two equal quarterly instalments commenced on 17 September 2023 and ending on 17 June 2031.	-	Quarterly
MCB Islamic Bank Limited (Note 7.7)	162,876,642	177,854,215	SBP rate for ITERF + 1.50%	Ninety six unequal instalments commenced on 06 August 2023 and ending on 16 February 2032.	-	Quarterly
	1,129,135,766	1,279,468,806				

7.3 Long term loans are secured by first joint pari passu hypothecation and equitable mortgage on all present and future fixed assets of the Holding Company to the extent of Rupees 21,484.022 million (2023: Rupees 21,484.022 million) and ranking charge on all present and future fixed assets of the Holding Company to the extent of Rupees 133.330 million (2023: Rupees Nil).

7.4 Long term musharaka are secured by first joint pari passu hypothecation and equitable mortgage on all present and future fixed assets of the Holding Company to the extent of Rupees 2,199.998 million (2023: Rupees 2,199.998 million).

7.5 Repayment period includes deferment of repayment of principal loan amount by one year in accordance with the State Bank of Pakistan BPRD Circular Letter No. 13 of 2020 dated 26 March 2020.

7.6 These loans are obtained by the Holding Company under SBP Temporary Economic Refinance Facility (TERF). These are recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.23% to 14.27% per annum.

7.7 These loans are obtained by the Holding Company under SBP Islamic Temporary Economic Refinance Facility (ITERF). These are recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.04% to 11.44% per annum.

		2024 Rupees	2023 Rupees
8.	**LEASE LIABILITIES**		
	Total lease liabilities	85,748,114	132,734,414
	Less: Current portion shown under current liabilities (Note 13)	(35,915,095)	(64,067,847)
		49,833,019	68,666,567
8.1	**Reconciliation of lease liabilities**		
	Opening balance	132,734,414	90,649,683
	Add: Additions during the year	17,106,282	98,087,096
	Add: Interest accrued on lease liabilities (Note 34)	15,406,799	13,591,883
	Less: Impact of lease termination	-	(9,579,843)
	Less: Payments during the year	(78,469,186)	(63,584,826)
	(Less) / Add: Impact of exchange (loss) / gain	(1,030,195)	3,570,421
	Closing balance	85,748,114	132,734,414
8.2	**Maturity analysis of lease liabilities is as follows:**		
	Upto 6 months	32,791,645	39,346,353
	6-12 months	19,863,027	40,286,404
	1-2 years	36,582,898	43,484,847
	More than 2 years	10,523,258	37,229,387
		99,760,828	160,346,991
	Less: Future finance cost	(14,012,714)	(27,612,577)
	Present value of lease liabilities	85,748,114	132,734,414

		2024 Rupees	2023 Rupees
8.3	**Amounts recognised in the consolidated statement of profit or loss**		
	Interest accrued during the year	15,406,799	13,591,883

8.4 Implicit rate against lease liabilities ranges from 7.97% to 21.41% (2023: 7.97% to 21.41%) per annum.

		2024 Rupees	2023 Rupees
9.	**DEFERRED LIABILITIES**		
	Gas Infrastructure Development Cess (GIDC) payable (Note 9.1)	-	-
	Deferred income - Government grant (Note 9.2)	528,500,552	677,389,719
		528,500,552	677,389,719
9.1	**Gas Infrastructure Development Cess (GIDC) Payable**		
	Gas Infrastructure Development Cess payable at amortized cost	431,187,796	450,872,207
	Add: Adjustment due to impact of IFRS 9 (Note 34)	-	267,980
	Less: Adjustment during the year	-	(19,952,391)
	Closing balance	431,187,796	431,187,796
	Less: Current portion shown under current liabilities (Note 13)	(431,187,796)	(431,187,796)
		-	-

9.1.1 This represents Gas Infrastructure Development Cess (GIDC) that was levied through GIDC Act, 2015. During the year ended 30 June 2021, Honourable Supreme Court of Pakistan upheld the GIDC Act, 2015 to be constitutional and intra vires. The Holding Company has filed a review petition in Honourable Sindh High Court, Karachi which is pending adjudication. GIDC payable has been recognized at amortized cost in accordance with IFRS 9.

		2024 Rupees	2023 Rupees
9.2	**Deferred income - Government grant**		
	Opening balance	832,798,931	978,773,879
	Less: Deferred income derecognized relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	-	(99,833)
	Less: Amortized during the year	(155,378,882)	(145,875,115)
		677,420,049	832,798,931
	Less: Current portion shown under current liabilities (Note 13)	(148,919,497)	(155,409,212)
		528,500,552	677,389,719

9.2.1 The State Bank of Pakistan (SBP), through its Circular No. 01 and 02 of 2020 dated 17 March 2020 and Circular No. 09 of 2020 dated 08 May 2020 introduced a Temporary Economic Refinance Facility (TERF) and Islamic Temporary Economic Refinance Facility (ITERF) for setting of new industrial units and for undertaking Balancing, Modernization and Replacement and / or expansion of projects / businesses. These refinances were available through Banks / DFIs. One of the key feature of these refinance facilities was that borrowers could obtain loan at mark-up rates that were below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance', the benefit of a Government loan at a below-market rate of interest is treated as a Government grant. The Group obtained these loans as disclosed in note 7 to these consolidated financial statements. In accordance with IFRS 9 'Financial Instruments', loans obtained under the refinance facilities were initially recognized at fair value which is the present value of loans proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in consolidated statement of profit or loss, in line with the recognition of interest expense the grant is compensating. There are no unfulfilled conditions or contingencies attached to this grant.

	2024 Rupees	2023 Rupees
10. TRADE AND OTHER PAYABLES		
Creditors	1,737,662,521	1,313,319,045
Sindh infrastructure cess payable (Note 10.1)	1,321,296,003	1,101,364,137
Accrued liabilities	1,449,919,675	1,094,749,599
Contract liabilities - unsecured	317,036,076	488,834,712
Securities from contractors - interest free and repayable on completion of contracts (Note 10.2)	5,007,799	4,662,800
Retention money	29,282,594	24,173,129
Income tax deducted at source	57,116,083	104,088,556
Payable to employees' provident fund trust	18,958,718	8,300,503
Workers' profit participation fund (Note 10.3)	59,894,054	-
Workers' welfare fund (Note 10.4)	39,848,121	35,663,769
Others	52,332,699	81,530,546
	5,088,354,343	4,256,686,796

10.1 This represents provision for infrastructure cess imposed by the Province of Sindh through Sindh Finance Act, 1994 and its subsequent versions including the final version i.e. Sindh Development and Maintenance of Infrastructure Cess Act, 2017. The Holding Company filed writ petition in Honourable Sindh High Court, Karachi whereby stay was granted and directions were given to provide bank guarantees in favour of Director Excise and Taxation, Karachi. The Honourable Sindh High Court, Karachi passed order dated 04 June 2021 against the Holding Company and directed that bank guarantees should be encashed. Being aggrieved by the order, the Holding Company along with others filed petitions for leave to appeal before Honourable Supreme Court of Pakistan against the Sindh High Court’s judgment in relation to Sindh infrastructure development cess. On 01 September 2021, after hearing the petitioners, the Honourable Supreme Court dictated the order in open court granting leave to appeal to the petitioners and restraining the Sindh Government from encashing the bank guarantees furnished in pursuance of the interim orders passed by the Honourable Sindh High Court, Karachi. The Honourable Supreme Court also direct the release of future consignments subject to furnishing of bank guarantees for the disputed amount.

10.2 These deposits were utilized for the purpose of business in accordance with the terms of written agreements with contractors and customers.

	2024 Rupees	2023 Rupees
10.3 Workers' profit participation fund		
Opening balance	-	1,080,319,677
Less: Derecognition of liability relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	-	(651,841,000)
Add: Interest for the year (Note 34)	-	1,408,698
Add: Adjustment during the year	-	20,112,625
Add: Provision for the year (Note 32)	59,894,054	-
	59,894,054	450,000,000
Less: Payments during the year	-	(450,000,000)
Closing balance	59,894,054	-

10.3.1 The Holding Company retains workers' profit participation funds for their business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profits (Workers Participation) Act, 1968 on funds utilized by the Holding Company till the date of allocation to workers.

	2024 Rupees	2023 Rupees
10.4 Workers' welfare fund		
Opening balance	35,663,769	228,058,769
Less: Derecognition of liability relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	-	(192,395,000)
Add: Provision for the year (Note 32)	4,184,352	-
Closing balance	39,848,121	35,663,769
11. ACCRUED MARK-UP / PROFIT		
Long term financing	304,165,407	452,367,077
Short term borrowings	1,033,045,788	944,942,268
	1,337,211,195	1,397,309,345
12. SHORT TERM BORROWINGS		
From banking companies - secured		
Nishat (Chunian) Limited - Holding Company		
Short term running finances (Notes 12.1 and 12.2)	8,011,276,217	13,058,819,675
Export finances - Preshipment / SBP refinance (Notes 12.1 and 12.3)	10,449,335,565	7,422,898,169
Other short term finances (Notes 12.1 and 12.4)	8,595,000,000	7,400,000,000
	27,055,611,782	27,881,717,844

12.1 These finances are obtained from banking companies under mark-up / profit arrangements and are secured by hypothecation of all present and future current assets of the Holding Company to the extent of Rupees 65,325 million (2023: Rupees 46,660 million) and ranking charge on all present and future current assets of the Holding Company to the extent of Rupees 5,333.333 million (2023: Rupees 16,001 million). These form part of total credit facilities of Rupees 50,215 million (2023: Rupees 42,315 million).

12.2 The effective rates of mark-up range from 21.51% to 23.90% (2023: 14.55% to 23.08%) per annum.

12.3 The effective rates of mark-up on Pak Rupee finances and US Dollar finances range from 13.00% to 19.00% (2023: 9.10% to 21.69%) per annum and 2.00% to 10.00% (2023: 1.00% to 11.06%) respectively.

12.4 The effective rates of mark-up range from 18.69% to 23.41% (2023: 10.93% to 17.50%) per annum.

	2024 Rupees	2023 Rupees
13. CURRENT PORTION OF NON-CURRENT LIABILITIES		
Long term financing (Note 7)	2,306,689,600	1,486,953,460
Lease liabilities (Note 8)	35,915,095	64,067,847
Gas Infrastructure Development Cess (GIDC) payable (Note 9.1)	431,187,796	431,187,796
Deferred income - Government grant (Note 9.2)	148,919,497	155,409,212
	2,922,711,988	2,137,618,315
14. TAXATION AND LEVY - NET		
Advance income tax - net		
Provision for taxation	36,880,465	9,603,955
Less: Advance income tax	(222,192,847)	(138,702,175)
	(185,312,382)	(129,098,220)
Levy - net		
Levy payable	515,303,102	902,409,349
Less: Prepaid levy	(460,049,304)	(628,705,669)
	55,253,798	273,703,680
	(130,058,584)	144,605,460

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 The Holding Company preferred appeal against the Government of Punjab in the Honourable Lahore High Court, Lahore against imposition of electricity duty on internal generation and the writ petition has been accepted. However, Government of Punjab has moved to the Honourable Supreme Court of Pakistan against the order of Honourable Lahore High Court, Lahore. The Holding Company has fully provided its liability in respect of electricity duty on internal generation. As at the reporting date, an amount of Rupees 78.896 million (2023: Rupees 78.582 million) is payable on this account but the management of the Holding Company is confident that payment of electricity duty will not be required.

15.1.2 The Collectorate of Customs (Export) has issued show cause notices with the intention to reject the duty draw back claims aggregating to Rupees 9.482 million on blended grey fabrics exported under Duty and Tax Remission Rules for Export (DTRE) scheme. The department is of the view that the Holding Company has not submitted Appendix-1 as per Rule 297-A of the above referred scheme. The Holding Company considers that since it has taken benefit of remission of sales tax only, it is entitled to full duty draw back and filed appeal before Appellate Tribunal Inland Revenue (ATIR), Karachi Bench which was decided against the Holding Company. The Holding Company also applied to Federal Board of Revenue (FBR) to constitute Alternate Dispute Resolution Committee (ADRC) in terms of section 195C of the Customs Act, 1969 to settle the dispute. ADRC vide its order dated 16 April 2008 has recommended the case in favour of the Holding Company and forwarded the case to FBR. However, FBR has not accepted the recommendations of ADRC. The Holding Company has filed appeal before the Honourable High Court of Sindh, Karachi on 07 December 2013 against the order of ATIR, where the case is pending adjudication. The Holding Company is hopeful of a favourable outcome of the appeal based on the opinion of the tax advisor.

15.1.3 The Holding Company impugned selection of its tax affairs for audit in terms of section 177 of the Income Tax Ordinance, 2001 for tax year 2009 in Honourable Lahore High Court, Lahore through writ petition. After dismissal of writ petition by the Honourable Lahore High Court, Lahore, the tax department has completed the audit of tax year 2009 of income tax affairs of the Holding Company and Deputy Commissioner Inland Revenue (DCIR) has passed an order under sections 122(1)/122(5) of the Income Tax Ordinance, 2001 dated 28 July 2015 creating a tax demand of Rupees 6.773 million. The Holding Company filed appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the decision of DCIR wherein the appeal has been decided partially in favour of the Company. Being aggrieved, the Holding Company has filed an appeal before ATIR which is pending adjudication. No provision against this demand has been made in these consolidated financial statements as the Holding Company is hopeful of a favourable outcome of appeal based on the opinion of the tax advisor.

15.1.4 As a result of withholding tax audit for the tax year 2006, DCIR has raised a demand of Rupees 41.849 million under sections 161 and 205 of the Income Tax Ordinance, 2001 via order dated 22 June 2010. The Holding Company's appeal before ATIR was successful. The Commissioner Inland Revenue has filed appeal before Honourable Lahore High Court, Lahore against the order of ATIR, where the case is pending. No provision against this demand has been made in these consolidated financial statements as the Holding Company is hopeful of a favourable outcome of appeal based on the opinion of the tax advisor.

15.1.5 The Deputy Collector (Refund – Gold) by order dated 16 May 2007 rejected the input tax claim of the Holding Company, for the month of June 2005, amounting to Rupees 1.604 million incurred in zero rated local supplies of textile and articles thereof on the grounds that the input tax claim is in contravention of SRO 992(I)/2005 which states that no registered person engaged in the export of specified goods (including textile and articles thereof) shall, either through zero-rating or otherwise, be entitled to deduct or reclaim input tax paid in respect of stocks of such goods acquired up to 05 June 2005, if not used for the purpose of exports made up to 31 December 2005. The appeal of the Holding Company before ATIR was successful and input tax claim of the Holding Company is expected to be processed after necessary verification in this regard. Pending the outcome of verification, no provision for inadmissible input tax has been recognized in these consolidated financial statements.

15.1.6 The Holding Company filed appeal before CIR(A) against the order of Additional Commissioner Inland Revenue (ACIR) dated 24 November 2014. ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2012 whereby a demand of Rupees 125.162 million has been raised. CIR(A) vide order dated 29 June 2016 has deleted some of the additions made by ACIR. Being aggrieved by the order of CIR(A), the Holding Company as well as the tax department have preferred appeals before ATIR which are pending adjudication. No provision against this demand has been made in these consolidated financial statements as the Holding Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

15.1.7 ACIR passed an order dated 07 June 2016 under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2010 whereby a demand of Rupees 142.956 million has been raised, against which the Holding Company filed appeal before CIR(A). CIR(A) vide order dated 28 October 2016 has deleted some of the additions made by ACIR. Being aggrieved by the order of CIR(A), the Holding Company as well as the tax department have preferred appeals before ATIR which culminated into an ex-parte appellate order by ATIR. Being aggrieved, the Holding Company filed before ATIR to recall the ex-parte order. Therefore, the hearing of appeal is pending fixation. No provision against this demand has been made in these consolidated financial statements as the Holding Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

15.1.8 Through show cause notice dated 26 November 2015, the Collector of Customs, Karachi raised demand of Rupees 23.585 million on the grounds that the Holding Company was not entitled for exemption of sales tax and facility of reduced rate of income tax on 13 consignments of cotton imported during the period from April 2013 to April 2014. The vires of show cause notice were challenged in Honourable Sindh High Court, Karachi from where stay was granted with the direction to the Collector that he will not pass final order pursuant to the impugned show cause notice particularly in respect of advance income tax till next date of hearing. In spite of the categorical orders of the Honourable Sindh High Court, Karachi, the Collector passed order, creating the demand of the aforesaid amount. Appeal against the said order filed in ATIR, Karachi has been dismissed. Custom reference application has been filed in Honourable Sindh High Court, Karachi against the order of ATIR. There is sufficient case law on the subject and there is every likelihood that case will be decided in favour of the Holding Company.

15.1.9 The Holding Company is contesting demands of sales tax along with default surcharge and penalty under the Sales Tax Act, 1990 by taxation authorities amounting to Rupees 195.174 million (2023: Rupees 198.447 million) at various forums. These demands have been raised on account of various issues. No provision against the aforesaid demands has been made in these consolidated financial statements as the management is confident of favourable outcome of its appeals based on advice of the legal counsel.

15.1.10 ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 dated 29 April 2014 whereby a demand of Rupees 27.846 million has been raised. The appeal before CIR(A) has been decided and some matters have been decided in favour of the Holding Company. Being aggrieved, the Holding Company filed an appeal before ATIR against the order of CIR(A). ATIR has remanded back all the additions made by CIR(A) for passing the fresh order. However, while passing the said order, ATIR has confirmed the proration made by CIR(A) against which the Holding Company has preferred the reference before the Honourbale Lahore High Court, Lahore. No provision against this demand has been made in these consolidated financial statements as the Holding Company is hopeful for a favourable outcome of appeal based on the opinion of the tax advisor.

15.1.11 DCIR issued a show cause notice dated 12 April 2019 under section 177(1) of the Income Tax Ordinance, 2001 for providing certain record and documents for tax year 2013. In response thereto, various replies were submitted with the DCIR. In response to submissions of the Holding Company, DCIR issued an audit report under section 177(6) of the Income Tax Ordinance, 2001 and then passed an order under sections 122(4), 122(5) and 214C of the Income Tax Ordinance, 2001 creating a demand of Rupees 277.772 million. Being aggrieved with the order passed by DCIR, an appeal has been filed before CIR(A). CIR(A) vide order dated 07 November 2019 ordered remand back proceedings in the said proceedings. Subsequently, a notice under sections 124, 122(4), 122(5) and 214C of the Income Tax Ordinance, 2001 was issued dated 02 April 2020. However, the proceedings were adjourned indefinitely owing to the lockdown in the country amid the COVID-19 outbreak. The proceedings have not been re-initiated by the concerned DCIR. However, based on facts of the case, the aforesaid proceedings are likely to culminate in the favour of the Holding Company.

15.1.12 DCIR issued a show cause notice dated 20 March 2019 under section 161(1A) of the Income Tax Ordinance, 2001 for tax year 2017, wherein, the Holding Company was required to explain the taxes deducted against payments amounting to Rupees 133.361 million made on account of commission to selling agents. In response thereto, a reply dated 28 March 2019 was submitted with DCIR. DCIR without considering the arguments put forth by the Holding Company passed an order dated 05 April 2019 raising a demand of Rupees 13.982 million. Being aggrieved with the order passed by DCIR, an appeal was filed before CIR(A) which culminated in an order dated 27 June 2019, wherein, the stance of DCIR was upheld. Being aggrieved with the order passed by CIR(A), an appeal was filed before ATIR, which was decided in favour of the Holding Company on 19 February 2020. Appeal has been filed by the tax department before Honourable Lahore High Court, Lahore against the order of ATIR. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

15.1.13 DCIR issued a show cause notice dated 20 March 2019 under section 161(1A) of the Income Tax Ordinance, 2001 for tax year 2018, wherein, the Holding Company was required to explain the taxes deducted against payments amounting to Rupees 213.382 million made on account of commission to selling agents. In response thereto, a reply was submitted with DCIR. DCIR without considering the arguments put forth by the taxpayer, passed an order dated 05 April 2019 raising a demand to the tune of Rupees 15.130 million. Being aggrieved with the order passed by DCIR, an appeal was filed before CIR(A) which culminated in an order dated 27 June 2019, wherein, the stance of DCIR was upheld. Being aggrieved with the order passed by CIR(A), an appeal was filed before ATIR, which was decided in favour of the Holding Company on 19 February 2020. Appeal has been filed by the tax department before Honourable Lahore High Court, Lahore against the order of ATIR. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

15.1.14 The Holding Company has challenged, before Honourable Lahore High Court, Lahore, the vires of first proviso to sub-clause (x) of clause (4) of SRO 491(1)/2016 dated 30 June 2016 issued under sections 3 and 4 read with sections 8 and 71 of the Sales Tax Act, 1990 whereby through amendment in the earlier SRO 1125(I)/2011 dated 31 December 2011 adjustment of input sales tax on packing material of all sorts has been disallowed. The learned single judge of Honourable Lahore High Court, Lahore has dismissed the writ petition of the Holding Company, therefore intra court appeal has been filed. The Holding Company has claimed input sales tax amounting to Rupees 86.417 million paid on packing material in its respective monthly sales tax returns. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

15.1.15 In case of NC Electric Company Limited [now Nishat (Chunian) Limited - Holding Company] proceedings were initiated by DCIR under section 235, 161 and 205 of the Income Tax Ordinance, 2001 for the tax year 2017, which eventually culminated in proceedings being remanded back to the concerned DCIR by CIR(A). Subsequently, a remand back notice under section 124, 161 and 205 of the Income Tax Ordinance, 2001 was issued by the concerned DCIR. In response to the aforesaid notice, a reply was submitted with concerned DCIR. DCIR in response to submissions, passed an order under sections 124, 235 and 161 of the Income Tax Ordinance, 2001 dated 29 June 2019 creating a demand to the tune of Rupees 5.699 million. Being aggrieved with the order passed by DCIR, an appeal has been filed before CIR(A). Furthermore, hearing of the same was duly conducted and CIR(A) once again passed an order of remand back proceedings. Being aggrieved with the order passed by the CIR(A) an appeal has been filed before ATIR which is pending adjudication. Subsequently, a notice dated 31 August 2020 reinitiating the proceedings was issued. The said notice was duly responded to. However, the order is yet to be passed. The management, based on advice of the legal counsel, is confident of favourable outcome of its appeal.

15.1.16 ACIR issued a notice dated 11 December 2019 under section 122(9) of the Income Tax Ordinance, 2001 directing the Holding Company to submit clarifications, records and documents with respect to certain treatments meted out in the income tax return for the tax year 2014. In response to the aforementioned notice, various replies were submitted with the ACIR. The subject proceedings culminated in an order creating an income tax demand to the tune of Rupees 189.375 million. An appeal was filed before the CIR(A) who vide his order dated 24 January 2022 waived the tax demand created by CIR(A) and further granted partial relief by allowing a tax refund of Rupees 84.990 million. The Holding Company being aggrieved with the decision, filed an appeal before ATIR which is pending adjudication. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Holding Company.

15.1.17 Proceedings under sections 161 and 205 of the Income Tax Ordinance, 2001 were initiated by DCIR for tax year 2016, which eventually culminated in DCIR's order under sections 161 and 205 of the Income Tax Ordinance, 2001 dated 28 May 2021 raising a tax demand to the tune of Rupees 77.349 million. In response to the aforesaid order, appeal has been preferred before CIR(A), who vide his order dated 28 March 2022 passed an order against the Holding Company. Being aggrieved, the Holding Company filed an appeal before ATIR. ATIR through its order dated 03 June 2024 annulled both the orders and the underlying demand also stands annulled.

15.1.18 DCIR initiated post sales tax refunds audit proceedings for tax periods October 2015 to June 2017 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. In response to the notice issued by DCIR, various replies were submitted. The said proceedings culminated in the learned DCIR passing an order under section 11 of the Sales Tax Act, 1990 creating a sales tax demand to the tune of Rupees 89.828 million. In response to the order passed by the DCIR, an appeal was filed before the CIR(A), who vide his order dated 06 January 2022 passed an order against the Holding Company. The Holding Company being aggrieved with the decision, filed an appeal before ATIR which culminated in passing an order deleting tax demand amounting to Rupees 31.876 million, while tax demanded amounting to Rupees 15.298 million was upheld and tax demanded amounting to Rupees 40.342 million was remanded back. The Holding Company has submitted an application for issuance of appeal effect order to assessing officer. The remand back proceedings are pending adjudication. Based on the facts of the case, it is likely that the proceedings will culminate in Holding Company's favour.

15.1.19 Proceedings under sections 161 and 205 of the Income Tax Ordinance, 2001 were initiated by DCIR for tax year 2015, which eventually culminated in the DCIR's order under sections 161 and 205 of the Income Tax Ordinance, 2001 dated 29 April 2021 raising a tax demand to the tune of Rupees 105.480 million. In response to the aforesaid order, appeal has been preferred before CIR(A), who upheld the demand amounting to Rupees 62.675 million while demand of Rupees 42.804 million was remanded back to the department for proceedings afresh. The Holding Company, being aggrieved, filed an appeal before ATIR which has been heard for order and subsequent to the reporting period, the said assessment order has been annulled and accordingly, the underlying demand stands annulled.

15.1.20 ACIR issued a notice dated 11 December 2019 under section 122(9) of the Income Tax Ordinance, 2001 directing the Company to submit certain records and documents with respect to certain treatments meted out in the annual income tax return for the tax year 2015. In response thereof, various replies were submitted with ACIR. The subject proceedings culminated in the learned ACIR passing an order under section 122(5A) of the Income Tax Ordinance, 2001 creating a tax demand to the tune of Rupees 417.208 million. In response to the order passed by ACIR, an appeal was filed before CIR(A), who vide his order dated 03 June 2022 passed an order against the Holding Company. The Holding Company being aggrieved filed an appeal before ATIR wherein ATIR deleted majority of the heads and only three heads were remanded back to the department for proceedings afresh. In response to the order, an application for issuance of appeal effect order has been submitted before assessing officer. The remand back proceedings culminated against the Holding Company. The Holding Company being aggrieved filed an appeal before ATIR, which is pending adjudication. The Holding Company based on the facts of the case believes there are reasonable arguments that the case will culminate in favour of the Holding Company.

15.1.21 DCIR initiated post sales tax refunds audit proceedings for tax periods July 2017 to June 2019 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. In response to the notice issued by DCIR, various replies were submitted. The said proceedings culminated in the learned DCIR passing an order under section 38 of the Sales Tax Act, 1990 creating a sales tax demand to the tune of Rupees 914.309 million. In response to the order passed by DCIR, an appeal has been filed before CIR(A) which culminated, giving partial relief to the Holding Company. Being aggrieved, an appeal has been filed before ATIR. Based on the facts of the case, it is likely that the proceedings will culminate in the Holding Company's favour.

15.1.22 ACIR issued a show cause notice dated 09 May 2022 to submit certain records and documents with respect to certain treatments meted out in the annual tax return for tax year 2016 under section 122(9) of the Income Tax Ordinance 2001. In response thereof, ACIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 reducing income tax refundable from Rupees 347.124 million to Rupees 59.477 million. The Holding Company being aggrieved by the order of ACIR, filed an appeal before CIR(A), which has been heard and no final order has yet been passed. Based on grounds and facts, the Holding Company is hopeful for a favourable outcome of the appeal.

15.1.23 DCIR initiated post sales tax refunds audit proceedings for tax periods July 2015 to September 2015 under Rule 36 of the Sales Tax Rules, 2006 read with section 38 of the Sales Tax Act, 1990. The said proceedings culminated in the learned DCIR passing an order under section 11(2) of the Sales Tax Act, 1990 creating a sales tax demand of Rupees 3.352 million. In response to the order passed by DCIR, an appeal has been filed before CIR(A), which culminated in learned CIR(A) remanding back the proceedings. Subsequently, the learned DCIR passed an adverse order against the Holding Company. The Holding Company filed an appeal before CIR(A) which culminated in passing an order remanding back the proceedings. Subsequently, a notice by DCIR was issued re-initiating the second round proceedings, which culminated by adverse order against the Holding Company. The Holding Company being aggrieved filed an appeal before CIR(A) which culminated against the Holding Company. Being aggrieved, the Holding Company filed an appeal before ATIR. The concerned ATIR through its order dated 18 March 2024 declared both the order of the CIR(A) and DCIR in contravention with the law and thus demand stands annulled.

15.1.24 ACIR issued a notice dated 27 June 2023 under section 122(9) of the Income Tax Ordinance, 2001 for the tax year 2017 directing the Holding Company to submit certain records and documents. In response to the aforementioned notice, a reply has been submitted with the learned ACIR who passed an order under section 122(5A) of the Income Tax Ordinance, 2001 whereby ACIR is demanding income tax of Rupees 682.589 million. In retort, an appeal has been filed before CIR(A), who vide his order dated 29 February 2024 passed an order in which certain amendments have been upheld. Being aggrieved, the Holding Company filed an appeal before ATIR which is pending adjudication. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Holding Company.

15.1.25 ACIR passed multiple orders dated 07 December 2021 under section 161 for the tax years 2019 and 2020 amounting to Rupees 402.492 million and Rupees 33.923 million respectively. The Holding Company being aggrieved with the decision, filed appeal before CIR(A), who remanded back proceedings to ACIR. The remand back proceedings were concluded against the Holding Company. The Holding Company filed appeal against the orders with ATIR. ATIR set aside both orders of ACIR and through a consolidated order remanded back the case for fresh hearing after providing reasonable opportunity of being heard to the Holding Company. Such remand back proceedings have not yet been initiated. Based on the facts of the case, the proceedings are likely to be culminated in favour of the Holding Company.

15.1.26 On appeal of the Holding Company, the Honorable Lahore High Court (LHC), Lahore vide order announced in open Court on 04 June 2024 held that super tax under section 4C of the Income Tax Ordinance, 2001 cannot be imposed on the Holding Company for the tax year 2022. Further, the writ petition filed by the Holding Company and other petitioners were finally allowed by the Islamabad High Court (IHC) vide its judgment dated 15 March 2024 passed in Writ Petition No. 2436 of 2023 titled "Pakistan Oilfields Limited and another versus Federation of Pakistan and others" by following its earlier decision rendered in Fauji Fertilizer Company Limited and Another Vs. Federation of Pakistan and others. IHC has struck down retrospective application of Section 4C to the tax year 2022 and held that super tax shall remain to be computed in accordance with the Fauji Fertilizer judgment (for tax year 2023 and onwards) which means that all classes of income mentioned in section 4C which are already final (under sections 4(4) and 8 of the Income tax Ordinance, 2001) shall be excluded when calculating income under section 4C and in computing the income for the purposes of section 4C, taxpayers will be allowed to deduct brought forward depreciation, bought forward business losses, and brought forward amortization allowances. As the judgment of learned single judge of IHC dated 15 March 2024 is still in field being not suspended by the learned Division Bench of IHC, therefore, super tax liability for the tax year 2023 and onwards has to be calculated in accordance thereof. The Holding Company in consultation with its legal and tax advisor expects a positive outcome and has hence computed the provision of super tax on income under section 4C in accordance with the Fauji Fertilizer judgment for tax year 2023 and onwards. In the absence of aforesaid favorable judgments of LHC and IHC, the provision of super tax for tax years 2022, 2023 and 2024 would have been higher by Rupees 236.568 million, Rupees 181.043 million and Rupees 216.101 million respectively.

15.1.27 Guarantees of Rupees 2,328.595 million (2023: Rupees 2,110.704 million) are given by the banks of the Holding Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited against purchase of furnace oil, Lahore Electric Supply Company against electricity connections, Director Excise and Taxation, Karachi against infrastructure cess, Chairperson Punjab Revenue Authority, Lahore against infrastructure cess, Collector, Model Customs Collectorate, Karachi against import, Director Pakistan Central Cotton Committee against cotton cess and Nazir, Honourable Sindh High Court, Karachi against the notification in accordance with section 8 of OGRA Ordinance 2002 regarding system gas tariff on industrial and captive units.

15.1.28 Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 34,476.145 million (2023: Rupees 34,440.200 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable. Further, post dated cheques of Rupees 269.994 million (2023: Rupees 154.300 million) have been issued to Lahore Electric Supply Company Limited against disputed amount of tariff adjustments, post dated cheques of Rupees 266.932 million (2023: Rupees

156.532 million) have been issued to Sui Northern Gas Pipelines Limited against gas infrastructure development cess and captive vs industrial tariff case and post dated cheques of Rupees 189.375 million (2023: Rupees 189.375 million) have been issued to Commissioner Inland Revenue against the proceedings under section 122(5A) for tax year 2022.

15.2 Commitments

15.2.1 Letters of credit for capital expenditure amounting to Rupees 27.859 million (2023: Rupees 9.497 million).

15.2.2 Commitments for capital expenditure as at reporting date are amounting to Rupees 152.051 million (2023: Rupees Nil).

15.2.3 Letters of credit other than for capital expenditure amounting to Rupees 2,777.222 million (2023: Rupees 652.880 million).

15.2.4 Outstanding foreign currency forward contracts of Rupees 5,774.195 million (2023: Rupees Nil).

	2024 Rupees	2023 Rupees
16. FIXED ASSETS		
Property, plant and equipment:		
Operating fixed assets (Note 16.1)	23,129,509,456	22,830,357,043
Capital work-in-progress (Note 16.2)	1,143,199,329	1,193,698,101
	24,272,708,785	24,024,055,144

16.1 Reconciliation of carrying amount of operating fixed assets at the beginning and at the end of the year are as follows:

Description	Freehold land	Buildings on freehold land	Plant and machinery	Standby generators	Electric installations	Factory equipment	Furniture, fixture and equipment	Office equipment	Motor vehicles	Total
	Operating fixed assets									
	Rupees									
At 30 June 2022										
Cost	1,567,355,919	5,218,079,429	41,426,576,123	1,056,694,667	837,899,819	371,655,997	242,424,167	206,582,858	331,550,645	51,258,819,624
Accumulated depreciation	-	(2,038,666,613)	(19,554,128,511)	(733,044,048)	(449,206,505)	(194,883,140)	(112,224,558)	(123,940,221)	(145,859,026)	(23,351,952,622)
Net book value	1,567,355,919	3,179,412,816	21,872,447,612	323,650,619	388,693,314	176,772,857	130,199,609	82,642,637	185,691,619	27,906,867,002
Year ended 30 June 2023										
Opening net book value	1,567,355,919	3,179,412,816	21,872,447,612	323,650,619	388,693,314	176,772,857	130,199,609	82,642,637	185,691,619	27,906,867,002
Additions	264,122,476	777,697,313	4,393,972,324	-	455,662,617	103,273,425	43,931,677	20,997,774	80,541,390	6,140,198,996
Disposals:										
Cost	-	-	(348,325,879)	-	-	(68,000)	(896,471)	(5,300,205)	(76,732,002)	(431,322,557)
Accumulated depreciation	-	-	292,011,974	-	-	65,894	86,419	2,072,060	34,129,179	328,365,526
	-	-	(56,313,905)	-	-	(2,106)	(810,052)	(3,228,145)	(42,602,823)	(102,957,031)
Adjustments to operating fixed assets relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	(225,183,639)	(109,341,699)	(9,005,536,657)	166,098,438	(227,049,018)	31,427,640	1,312,590	(3,718,736)	(29,620,348)	(9,401,611,429)
Assets written off:										
Cost	-	-	(17,400,106)	-	(11,582,719)	(4,647,294)	(10,729,474)	(4,621,448)	-	(48,981,041)
Accumulated depreciation	-	-	6,474,297	-	2,991,817	1,662,009	5,369,642	2,555,085	-	19,052,850
	-	-	(10,925,809)	-	(8,590,902)	(2,985,285)	(5,359,832)	(2,066,363)	-	(29,928,191)
Depreciation charge	-	(173,730,480)	(1,201,769,800)	(175,630,220)	(10,250,065)	(53,087,792)	(19,481,019)	(9,940,132)	(38,322,796)	(1,682,212,304)
Closing net book value	1,606,294,756	3,674,037,950	15,991,873,765	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,830,357,043
At 30 June 2023										
Cost	1,606,294,756	5,783,048,825	27,127,278,202	1,056,694,667	1,085,848,635	473,133,128	269,889,546	151,586,240	281,890,034	37,835,664,033
Accumulated depreciation	-	(2,109,010,875)	(11,135,404,437)	(742,575,830)	(487,382,689)	(217,734,389)	(120,096,573)	(66,899,205)	(126,202,992)	(15,005,306,990)
Net book value	1,606,294,756	3,674,037,950	15,991,873,765	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,830,357,043
Year ended 30 June 2024										
Opening net book value	1,606,294,756	3,674,037,950	15,991,873,765	314,118,837	598,465,946	255,398,739	149,792,973	84,687,035	155,687,042	22,830,357,043
Additions	243,613,634	664,556,772	989,311,363	-	28,878,558	30,924,302	28,392,058	22,192,971	166,139,766	2,174,009,424
Disposals:										
Cost	-	-	(170,385,978)	-	-	(225,000)	(67,716)	(4,311,029)	(87,166,960)	(262,156,683)
Accumulated depreciation	-	-	140,869,029	-	-	143,622	15,349	1,228,973	25,532,815	167,789,788
	-	-	(29,516,949)	-	-	(81,378)	(52,367)	(3,082,056)	(61,634,145)	(94,366,895)
Assets written off:										
Cost	-	-	(1,412,854)	-	-	-	-	-	-	(1,412,854)
Accumulated depreciation	-	-	1,072,652	-	-	-	-	-	-	1,072,652
	-	-	340,202)	-	-	-	-	-	-	(340,202)
Depreciation charge	-	(203,611,073)	(1,417,897,381)	(2,050,072)	(61,942,793)	(26,349,546)	(19,588,739)	(9,964,396)	(38,745,914)	(1,780,149,914)
Closing net book value	1,849,908,390	4,134,983,649	15,533,430,596	312,068,765	565,401,711	259,892,117	158,543,925	93,833,554	221,446,749	23,129,509,456
At 30 June 2024										
Cost	1,849,908,390	6,447,605,597	27,944,790,733	1,056,694,667	1,114,727,193	503,832,430	298,213,888	169,468,182	360,862,840	39,746,103,920
Accumulated depreciation	-	(2,312,621,948)	(12,411,360,137)	(744,625,902)	(549,325,482)	(243,940,313)	(139,669,963)	(75,634,628)	(139,416,091)	(16,616,594,464)
Net book value	1,849,908,390	4,134,983,649	15,533,430,596	312,068,765	565,401,711	259,892,117	158,543,925	93,833,554	221,446,749	23,129,509,456
Annual rate of depreciation (%)		5	4 - 10	Number of hours used	10	10	10 - 20	10 - 20	20	

16.1.1 Detail of operating fixed assets, exceeding the book value of Rupees 500,000, disposed of / written off during the year is as follows:

Description	Qty	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
			Rupees					
Plant and machinery								
Savio Orion	2	19,553,488	16,316,770	3,236,718	2,203,390	(1,033,328)	Negotiation	Mubashar Brothers, Faislabad
Picanol Air Jet	10	35,107,910	30,209,451	4,898,459	8,000,000	3,101,541	Negotiation	Euroasia Textile Machinery, Karachi
Picanol Air Jet	18	64,365,951	55,434,488	8,931,463	14,400,000	5,468,537	Negotiation	Valitex (Private) Limited, Karachi
Picanol Loom	8	45,897,793	34,263,927	11,633,866	8,000,000	(3,633,866)	Negotiation	Valitex (Private) Limited, Karachi
Motor vehicles								
Suzuki Cultus VXR AAZ-439	1	1,745,000	830,201	914,799	1,745,000	830,201	Company Policy	Mr. Naveed Ahmed, Holding Company's employee, Lahore
Mercedes-EQS 450 AMC-935	1	55,076,965	10,810,882	44,266,083	38,500,000	(5,766,083)	Negotiation	Mr. Muhammad Hassan, Lahore
Suzuki Wagon R VXL ACH-576	1	1,730,000	760,831	969,169	1,730,000	760,831	Company Policy	Mr. Raza Akbar, Holding Company's employee, Lahore
Toyota Corolla GLI LEA-16A- 3535	1	2,850,000	355,735	2,494,265	2,850,000	355,735	Company Policy	Ms. Sheeza Tariq, Holding Company's employee, Lahore
Honda BRV AAK-437	1	3,405,000	1,572,232	1,832,768	3,405,000	1,572,232	Company Policy	Mr. Muhammad Tahir, Holding Company's employee, Lahore
Suzuki Cultus VXR AAZ-496	1	1,655,000	611,431	1,043,569	1,655,000	611,431	Company Policy	Mr. Muhammad Iqbal, Holding Company's employee, Lahore
Toyota Hilux LES-17-1714	1	1,962,238	1,438,984	523,254	3,619,000	3,095,746	Negotiation	Mr. Hassan Gul, Karak
Honda City AHY-659	1	3,165,000	1,061,049	2,103,951	3,165,000	1,061,049	Company Policy	Mr. Waqas Malhi, Holding Company's Employee, Lahore
Honda City AFX-233	1	2,794,734	1,090,650	1,704,084	2,794,734	1,090,650	Company Policy	Mr. Yasir Mehmood, Holding Company's Employee, Lahore
Toyota Corolla LED-18-9682	1	5,200,000	1,020,933	4,179,067	5,200,000	1,020,933	Company Policy	Mr. Abdul Sattar, Holding Company's employee, Lahore
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		19,060,458	13,084,876	5,975,582	12,533,748	6,558,166		
		263,569,537	168,862,440	94,707,097	109,800,872	15,093,775		

	2024 Rupees	2023 Rupees
16.1.2 The depreciation charge for the year has been allocated as follows:		
Cost of sales (Note 29)	1,753,084,325	1,658,254,176
Administrative expenses (Note 31)	27,065,589	23,958,128
	1,780,149,914	1,682,212,304

16.1.3 Particulars of immovable fixed assets are as follows:

Manufacturing units and office	Address	Area of land Acres
Nishat (Chunian) Limited - Holding Company		
Manufacturing units:		
Spinning Units 1, 4, 5, 7 and 8	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	77.26
Spinning Units 2, 3, 6 and Weaving	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	125.09
Coal fired electric power generation project	49th Kilometre, Multan Road, Bhai Pheru, Tehsil Pattoki, District Kasur.	33.90
Dyeing, Printing and Stitching	4th Kilometre, Manga Road, Raiwind.	34.78
Office	31-Q, 31-C-Q, and 10-N, Gulberg-II, Lahore.	0.98
Site for office	Plot No. 54, Ataturk Avenue, Street No. 88, Sector G-6/3, Islamabad.	0.21
Nishat Chunian Properties (Private) Limited - subsidiary company		
Site	Plot No. 35 & 36, Block-K, Gulberg-II, Lahore	1.05
		273.27

	2024 Rupees	2023 Rupees
16.2 Capital work-in-progress		
Civil works on freehold land	335,009,048	610,271,483
Plant and machinery	455,528,173	482,815,006
Electric installations	-	42,150
Mobilization advances	66,821,308	94,424,840
Advances for capital expenditures	285,840,800	6,144,622
	1,143,199,329	1,193,698,101

16.3 Movement in capital work in progress

	Civil works on freehold land	Plant and machinery	Electric installations	Mobilization advances
	Rupees			
As at 30 June 2022	697,098,519	2,254,968,072	-	136,712,623
Add: Additions during the year	676,461,706	2,466,730,111	157,923,108	-
Less: Adjusted during the year	-	(2,948,446)	-	(42,287,783)
Less: Transferred to operating fixed assets during the year	(763,288,742)	(4,235,934,731)	(157,880,958)	-
As at 30 June 2023	610,271,483	482,815,006	42,150	94,424,840
Add: Additions during the year	279,821,109	547,149,395	8,842,323	168,888,528
Less: Adjusted during the year	-	-	-	(196,492,060)
Less: Transferred to operating fixed assets during the year	(555,083,544)	(574,436,228)	(8,884,473)	-
As at 30 June 2024	335,009,048	455,528,173	-	66,821,308

	2024 Rupees	2023 Rupees
17. RIGHT-OF-USE ASSETS		
Opening balance	113,172,896	74,651,170
Add: Additions during the year	17,106,282	98,087,096
Less: Impact of lease termination	-	(9,041,566)
Less: Depreciation for the year (Note 30)	(59,080,856)	(50,523,804)
Closing balance	71,198,322	113,172,896

17.1 Lease of buildings

The Holding Company obtained buildings on lease for its retail outlets and warehouse. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to six years.

17.2 There is no impairment of right-of-use assets.

	2024 Rupees	2023 Rupees
18. INTANGIBLE ASSET - computer software		
Opening net book value	1,845,938	635,708
Additions during the year	1,085,004	1,733,750
Written off during the year:		
Cost	-	(66,000)
Accumulated amortization	-	21,450
	-	(44,550)
Amortization during the year (Notes 18.1 and 31)	(875,168)	(478,970)
Closing net book value	2,055,774	1,845,938
Cost	25,417,181	24,332,177
Accumulated amortization	(23,361,407)	(22,486,239)
Net book value	2,055,774	1,845,938

18.1 Amortization on intangible assets amounting to Rupees 0.875 million (2023: Rupees 0.479 million) has been allocated to administrative expenses.

18.2 Intangible assets - computer softwares have been amortized at the rate of 30% per annum.

18.3 Intangible assets of Rupees 21.773 million (2023: Rupees 21.773 million) are fully amortized but still in the use of the Holding Company.

		2024 Rupees	2023 Rupees
19.	**LONG TERM LOANS TO EMPLOYEES**		
	Considered good:		
	Executives (Notes 19.1,19.2 and 19.3)	5,448,350	4,022,917
	Other employees (Note 19.3)	9,170,725	13,539,894
		14,619,075	17,562,811
	Less: Current portion shown under current assets (Note 23)		
	Executives	(774,887)	(1,895,319)
	Other employees	(2,947,478)	(4,512,581)
		(3,722,365)	(6,407,900)
		10,896,710	11,154,911
19.1	**Reconciliation of carrying amount of loans to executives:**		
	Opening balance	4,022,917	15,814,267
	Less: Derecognition of loans relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	-	(1,627,732)
	Add: Disbursements during the year	7,799,491	3,453,732
	Less: Repayments during the year	(6,374,058)	(13,617,350)
	Closing balance	5,448,350	4,022,917

19.2 Maximum aggregate balance due from executives at the end of any month during the year was Rupees 6.060 million (2023: Rupees 13.562 million).

19.3 These represent motor vehicle loans to executives and employees, payable in 28 to 60 monthly instalments. Interest on long term loans ranged from 0% to 23.97% (2023: 0% to 23.08%) per annum. Theses loans are secured against registration of cars in the name of the Holding Company.

19.4 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of staff loans is not considered material and hence not recognized.

	2024 Rupees	2023 Rupees

20. STORES, SPARE PARTS AND LOOSE TOOLS

	2024 Rupees	2023 Rupees
Stores	1,017,071,795	1,898,074,177
Spare parts	854,711,881	546,069,027
Loose tools	118,564,393	77,019,194
	1,990,348,069	2,521,162,398
Provision for slow moving, damaged and obsolete store items (Note 20.1)	(14,281,988)	(9,841,358)
	1,976,066,081	2,511,321,040

20.1 Provision for slow moving, damaged and obsolete store items

	2024 Rupees	2023 Rupees
Opening balance	9,841,358	-
Add: Provision recognised during the year (Note 32)	4,440,630	9,841,358
Closing balance	14,281,988	9,841,358

21. STOCK-IN-TRADE

	2024 Rupees	2023 Rupees
Raw materials (Note 21.1)	16,977,297,905	14,275,579,609
Work-in-process	2,623,294,710	2,557,921,137
Finished goods (Notes 21.2, 21.3 and 21.4)	4,828,383,209	6,109,788,164
Waste	146,623,097	681,947,132
	24,575,598,921	23,625,236,042

21.1 These include stock in transit of Rupees 301.235 million (2023: Rupees 23.977 million).

21.2 Stock-in-trade of Rupees 168.342 million (2023: Rupees 761.707 million) is being carried at net realizable value.

21.3 This includes stock of Rupees 411.83 million (2023: Rupees 239.836 million) sent to outside parties for processing.

21.4 Finished goods include stock in transit of Rupees 741.461 million (2023: Rupees 1,547.333 million).

22. TRADE DEBTS

	2024 Rupees	2023 Rupees
Considered good:		
Secured		
- Others	6,809,238,422	8,793,011,537
Unsecured		
- Others	4,330,583,907	2,663,778,918
	11,139,822,329	11,456,790,455
Less: Allowance for expected credit losses (Note 22.4)	(12,930,103)	(94,186,247)
	11,126,892,226	11,362,604,208

	2024 Rupees	2023 Rupees
22.1 Foreign jurisdictions of trade debts		
Europe	3,354,589,597	2,994,360,266
Asia, Africa and Australia	1,733,455,354	4,454,520,963
United States of America and Canada	377,530,644	234,563,343
	5,465,575,595	7,683,444,572

	2024 Rupees	2023 Rupees
22.2 Types of counterparties		
Export		
Corporate	5,465,575,595	7,683,444,572
Other	-	-
	5,465,575,595	7,683,444,572
Local		
Corporate	5,436,287,858	3,698,791,660
Other	237,958,876	74,554,223
	5,674,246,734	3,773,345,883
	11,139,822,329	11,456,790,455

22.3 As at 30 June 2023, trade debts of Rupees 7,858.657 million (Rupees 1,486.234 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The age analysis of these trade debts is as follows:

	2024 Rupees	2023 Rupees
Upto 1 month	6,928,444,433	1,444,883,537
1 to 6 months	923,876,461	36,288,948
More than 6 months	6,336,524	5,061,983
	7,858,657,418	1,486,234,468

	2024 Rupees	2023 Rupees
22.4 Allowance for expected credit losses		
Opening balance	94,186,247	84,822,783
(Less) / Add: (Reversal) / recognized during the year (Note 32 / Note 33)	(81,256,144)	9,363,464
Closing balance	12,930,103	94,186,247

23. LOANS AND ADVANCES

	2024 Rupees	2023 Rupees
Considered good:		
Employees - interest free:		
- Executives	22,390,535	7,029,541
- Other employees	15,176,840	52,383,987
Current portion of long term loans to employees (Note 19)	3,722,365	6,407,900
Advances to suppliers	3,869,502,659	3,983,056,293
Advances to contractors	5,489,954	6,643,341
Letters of credit	49,068,160	14,916,932
	3,965,350,513	4,070,437,994
Considered doubtful:		
Advances to suppliers	10,897,130	10,897,130
Less: Provision for doubtful advances to suppliers (Note 23.1)	(10,897,130)	(10,897,130)
	-	-
	3,965,350,513	4,070,437,994

		2024 Rupees	2023 Rupees
23.1	**Provision for doubtful advances to suppliers**		
	Opening balance	10,897,130	-
	Add: Provision for the year (Note 32)	-	10,897,130
	Closing balance	10,897,130	10,897,130
24.	**SHORT TERM PREPAYMENTS**		
	Prepayments	7,958,935	9,255,894
25.	**OTHER RECEIVABLES**		
	Considered good:		
	Sales tax recoverable	1,825,896,384	3,318,728,543
	Export rebate and claims	127,680,610	74,857,601
	Duty drawback receivable	116,304,233	116,304,233
	Derivative financial instruments (Note 25.1)	18,802,576	19,326,849
	Fair value of forward exchange contracts	124,217,942	-
	Insurance claim receivable	67,000	2,846,427
	Miscellaneous	79,500,570	84,694,476
		2,292,469,315	3,616,758,129

25.1 This represents Pak Rupees denominated interest rate swap the Holding Company entered into with two commercial banks. Under the terms of the Pak Rupees denominated interest rate swap arrangement, the Holding Company pays fixed interest to the arranging banks on the notional Pak Rupees amount for the purposes of the Pak Rupees denominated interest rate swap and receives three months KIBOR floating rate interest from the arranging banks on the Rupee amount. There has been no transfer of liability under the arrangement, only the nature of the interest payment has changed. The Pak Rupees denominated interest rate swap outstanding as at 30 June 2024 has been marked to market and the resulting gain or loss has been recognized in consolidated statement of profit or loss.

		2024 Rupees	2023 Rupees
26.	**SHORT TERM INVESTMENTS**		
	Equity instrument (Note 26.1)	33,705,134	13,185,639
	Debt instruments (Note 26.2)	116,899,183	67,178,679
		150,604,317	80,364,318

	2024 Rupees	2023 Rupees
26.1 Equity instrument		
At fair value through profit or loss:		
Adamjee Life Assurance Company Limited - quoted		
956,174 (2023: 956,174) fully paid ordinary shares of Rupees 10 each		
Carrying value	13,185,639	21,810,329
Add / (Less): Unrealized gain / (loss) for the year (Note 32 / Note 33)	20,519,495	(8,624,690)
Fair value	33,705,134	13,185,639
26.2 Debt instruments - term deposit receipts		
Term deposit receipts (Note 26.2.1)	115,160,226	66,160,226
Add: Accrued interest	1,738,957	1,018,453
	116,899,183	67,178,679

26.2.1 These represent deposits under lien with the banks of the Holding Company against bank guarantees of the same amount issued by the banks to Sui Northern Gas Pipelines Limited against gas connections and Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess. Interest on term deposit receipts ranges from 17% to 20.5% (2023: 9.00% to 20.00%) per annum. The maturity period of these term deposit receipts is 3 and 12 months (2023: 1 and 12 months).

	2024 Rupees	2023 Rupees
27. CASH AND BANK BALANCES		
Cash with banks:		
On saving accounts (Note 27.1)		
Including US$ 34.27 (2023: US$ 11,820)	166,967	3,525,662
On current accounts		
Including US$ 97,501 and AED 73,912 (2023: US$ 102,789 and AED 14,068)	75,016,077	270,006,186
	75,183,044	273,531,848
Cash in hand	6,668,504	10,051,500
	81,851,548	283,583,348

27.1 Rate of profit on saving accounts during the year ranges from 0.10% to 20.50% (2023: 0.15% to 19.50%) per annum.

	2024 Rupees	2023 Rupees
28. REVENUE		
Revenue from contracts with customers:		
- Export sales (Note 28.1)	62,048,597,652	48,856,796,067
- Local sales (Note 28.2)	26,157,664,398	21,551,146,288
- Processing income (Note 28.3)	729,303,109	444,953,305
	88,935,565,159	70,852,895,660
Export rebate	110,052,406	96,465,453
	89,045,617,565	70,949,361,113

28.1 These include sales of Rupees 23,711.663 million (2023: Rupees 21,193.683 million) made to direct exporters against standard purchase orders (SPOs). Further, such sales are net of sales tax amounting to Rupees Nil (2023: Rupees 3,542.017 million).

	2024 Rupees	2023 Rupees
28.2 Local sales		
Sales	30,820,472,336	24,574,165,123
Less: Sales tax	(4,656,895,701)	(3,018,983,552)
Less: Discount	(5,912,237)	(4,035,283)
	26,157,664,398	21,551,146,288

28.2.1 Local sales includes waste sales of Rupees 1,779.983 million (2023: Rupees 1,420.479 million).

28.3 Processing income is net of sales tax amounting to Rupees 131.909 million (2023: Rupees 79.450 million).

28.4 The amount of Rupees 433.630 million included in contract liabilities (Note 10) at 30 June 2023 has been recognized as revenue during the year ended 30 June 2024 (2023: Rupees 117.609 million).

28.5 Disaggregation of revenue from contracts with customers

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

Description	Spinning		Weaving		Processing and Home Textile		Power Generation		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees									
Region										
Europe	565,112,060	639,613,662	776,035,822	798,966,974	12,107,256,758	8,805,752,473	-	-	13,448,404,640	10,244,333,109
United States of America and Canada	-	18,902,563	140,887,515	308,579,025	4,975,649,533	3,799,898,681	-	-	5,116,537,048	4,127,380,269
Asia, Africa, Australia	15,251,256,864	8,557,881,506	1,433,068,176	1,526,901,177	3,332,120,912	3,505,000,528	-	-	20,016,445,952	13,589,783,211
Pakistan	39,295,500,124	32,325,604,349	8,944,026,412	5,822,905,227	1,353,967,601	1,114,434,874	31,380,273	3,183,501,316	49,624,874,410	42,446,445,766
Processing Income	-	954,772	150,876,457	128,394,558	578,426,652	315,603,975	-	-	729,303,109	444,953,305
Export Rebate	-	-	676,913	721,232	109,375,493	95,744,221	-	-	110,052,406	96,465,453
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,456,796,949	17,636,434,752	31,380,273	3,183,501,316	89,045,617,565	70,949,361,113
Timing of revenue recognition										
Products and services transferred at a point in time	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,456,796,949	17,636,434,752	31,380,273	2,867,993,992	89,045,617,565	70,633,853,789
Products and services transferred over time	-	-	-	-	-	-	-	315,507,324	-	315,507,324
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,456,796,949	17,636,434,752	31,380,273	3,183,501,316	89,045,617,565	70,949,361,113
Major products / service lines										
Yarn	53,550,437,757	40,293,622,640	50,438,838	8,770,847	2,816,817	2,195,042	-	-	53,603,693,412	40,304,588,529
Comber noil	1,561,431,291	1,249,334,212	-	-	-	-	-	-	1,561,431,291	1,249,334,212
Grey cloth	-	-	11,244,256,000	8,449,302,788	-	-	-	-	11,244,256,000	8,449,302,788
Process cloth	-	-	150,876,457	128,394,558	21,721,003,829	4,720,442,510	-	-	21,871,880,286	4,848,837,068
Made ups	-	-	-	-	732,976,303	12,913,797,200	-	-	732,976,303	12,913,797,200
Electricity	-	-	-	-	-	-	31,369,517	3,183,501,316	31,369,517	3,183,501,316
Fly ash	-	-	-	-	-	-	10,756	-	10,756	-
	55,111,869,048	41,542,956,852	11,445,571,295	8,586,468,193	22,456,796,949	17,636,434,752	31,380,273	3,183,501,316	89,045,617,565	70,949,361,113

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

	2024 Rupees	2023 Rupees
29. COST OF SALES		
Raw materials consumed	56,481,999,545	49,158,616,898
Packing materials consumed	1,902,616,716	1,290,338,697
Stores, spare parts and loose tools consumed	1,411,394,450	1,170,570,756
Processing charges	27,816,851	22,506,926
Salaries, wages and other benefits (Note 29.1)	4,920,481,902	3,619,966,495
Fuel and power	8,133,121,827	7,125,692,031
Fee and subscription	-	4,896,978
Insurance	146,307,803	173,115,106
Postage and telephone	1,204,114	1,588,593
Travelling and conveyance	7,403,604	10,240,998
Vehicles' running and maintenance	77,698,000	56,352,534
Entertainment	28,143,971	19,327,906
Electricity consumed in-house	-	2,682,783
Depreciation on operating fixed assets (Note 16.1.2)	1,753,084,325	1,658,254,176
Repair and maintenance	742,076,681	657,643,210
Other factory overheads	183,918,238	123,872,927
	75,817,268,027	65,095,667,014
Work-in-process		
Add: Opening stock	2,557,921,137	2,378,018,568
Less: Closing stock	(2,623,294,710)	(2,557,921,137)
	(65,373,573)	(179,902,569)
Cost of goods manufactured	75,751,894,454	64,915,764,445
Add: Opening stocks:		
-Finished goods	6,109,788,164	4,908,924,263
-Waste	681,947,132	420,199,392
Finished good purchased during the year	411,853,054	361,251,345
Less: Closing stocks:		
-Finished goods	(4,828,383,209)	(6,109,788,164)
-Waste	(146,623,097)	(681,947,132)
	2,228,582,044	(1,101,360,296)
	77,980,476,498	63,814,404,149

29.1 Salaries, wages and other benefits include Rupees 55.145 million (2023: Rupees 40.770 million) and Rupees 143.251 million (2023: Rupees 116.320 million) in respect of accumulating compensated absences and provident fund contribution by the Holding Company respectively.

		2024 Rupees	2023 Rupees
30.	**DISTRIBUTION COST**		
	Salaries and other benefits (Note 30.1)	225,212,537	182,398,236
	Ocean freight	359,242,988	306,968,998
	Freight and octroi	316,732,111	207,943,250
	Forwarding and other expenses	216,986,658	138,904,819
	Local marketing expenses	158,348,265	124,871,981
	Export marketing expenses	334,239,768	252,646,493
	Commission to selling agents	496,160,112	404,069,666
	Rent, rates and taxes	15,269,113	13,889,359
	Printing and stationery	179,248	121,479
	Travelling and conveyance	4,334,933	1,237,333
	Postage and telephone	8,373,834	8,248,421
	Legal and professional	6,431,752	3,903,810
	Repair and maintenance	871,043	1,696,411
	Electricity and sui gas	9,729,803	7,345,857
	Entertainment	1,647,156	1,571,779
	Depreciation on right-of-use assets (Note 17)	59,080,856	50,523,804
	Miscellaneous	8,032,935	5,190,460
		2,220,873,112	1,711,532,156

30.1 Salaries and other benefits include Rupees 5.032 million (2023: Rupees 4.253 million) and Rupees 9.611 million (2023: Rupees 7.459 million) in respect of accumulating compensated absences and provident fund contribution by the Holding Company respectively.

		2024 Rupees	2023 Rupees
31.	**ADMINISTRATIVE EXPENSES**		
	Salaries and other benefits (Note 31.1)	277,608,493	288,759,423
	Printing and stationery	8,868,341	6,572,094
	Vehicles' running and maintenance	15,484,318	13,447,566
	Travelling and conveyance	112,048,022	63,968,426
	Postage and telephone	8,279,976	6,724,573
	Fee and subscription	10,043,272	15,312,146
	Legal and professional (Note 31.2)	39,081,341	47,008,776
	Electricity and sui gas	10,704,091	5,625,681
	Insurance	6,972,732	5,324,003
	Repair and maintenance	9,157,590	13,908,759
	Entertainment	13,530,817	7,873,785
	Advertisement	-	40,645
	Depreciation on operating fixed assets (Note 16.1.2)	27,065,589	23,958,128
	Amortization on intangible assets (Note 18.1)	875,168	478,970
	Miscellaneous	17,420,112	23,627,104
		557,139,862	522,630,079

31.1 Salaries and other benefits include Rupees 3.120 million (2023: Rupees 3.411 million) and Rupees 10.464 million (2023: Rupees 6.858 million) in respect of accumulating compensated absences and provident fund contribution by the Holding Company respectively.

31.2 Legal and professional charges include the following in respect of auditor's remuneration:

	2024 Rupees	2023 Rupees
Audit fee	3,648,993	3,170,000
Half yearly review	856,500	778,635
Certification fees	285,984	250,000
Reimbursable expenses	316,991	285,000
	5,108,468	4,483,635

32. OTHER EXPENSES

	2024 Rupees	2023 Rupees
Workers' profit participation fund (Note 10.3)	59,894,054	-
Workers' welfare fund (Note 10.4)	4,184,352	-
Donations (Note 32.1)	65,328,677	83,157,183
Operating fixed assets written off	340,202	29,928,191
Loss on disposal of Pakistan Investment Bonds and Government Ijara Sukuks	-	41,446,427
Intangible asset written off (Note 18)	-	44,550
Provision for doubtful advances to suppliers (Note 23.1)	-	10,897,130
Allowance for expected credit losses (Note 22.4)	-	9,363,464
Provision for slow moving, damaged and obsolete store items (Note 20.1)	4,440,630	9,841,358
Unrealized loss on re-measurement of investment at fair value through profit or loss (Note 26.1)	-	8,624,690
Miscellaneous	115,783	6,024
	134,303,698	193,309,017

32.1 The names of donees to whom donation amount exceeds Rupees 6.533 million (2023: Rupees 8.316 million) are as follows:

	2024 Rupees	2023 Rupees
Saleem Memorial Trust Hospital (Note 32.2)	52,000,000	72,500,000
Mian Muhammad Yahya Trust (Note 32.3)	13,273,677	9,662,783

32.2 Mr. Shahzad Saleem, Chief Executive and Mr. Zain Shahzad, Director of the Holding Company are chairman and director of the Saleem Memorial Trust Hospital respectively.

32.3 Mr. Zain Shahzad, Director of the Company is chairman of Mian Muhammad Yahya Trust.

		2024 Rupees	2023 Rupees
33.	**OTHER INCOME**		
	Income from financial assets		
	Return on bank deposits	23,768	2,663,676
	Dividend income	1,912,348	-
	Return on term deposit receipts	8,349,408	11,611,827
	Unrealised gain on re-measurement of investment at fair value through profit or loss (Note 26.1)	20,519,495	-
	Reversal of allowance for expected credit losses (Note 22.4)	81,256,144	-
	Interest on derivative financial instruments	145,340,137	89,292,247
	Net exchange gain	376,916,781	597,631,632
	Income from non-financial assets		
	Gain on sale of operating fixed assets	15,433,977	17,445,208
	Sale of scrap	211,627,520	197,341,366
	Gain on termination of leases	-	538,277
	Credit balances written back	-	19,545,699
	Miscellaneous	3,952,797	11,937,271
		865,332,375	948,007,203
34.	**FINANCE COST**		
	Mark-up on:		
	- long term loans	1,891,087,335	1,638,809,365
	- long term musharaka	69,305,758	76,850,648
	- short term running finances	3,290,557,923	1,537,319,109
	- export finances - Preshipment / SBP refinances	1,216,818,850	397,729,206
	- short term finances	1,068,993,281	1,693,362,253
	Interest on provident fund payable	183,113	-
	Adjustment due to impact of IFRS 9 on GIDC (Note 9.1)	-	267,980
	Interest expense on lease liabilities (Note 8.1)	15,406,799	13,591,883
	Interest on workers' profit participation fund (Note 10.3)	-	1,408,698
	Bank charges and commission	201,631,133	136,731,030
		7,753,984,192	5,496,070,172
35.	**LEVY**		
	Final taxes	626,426,506	668,604,503
	Minimum tax differential	276,216,994	233,804,846
	Prior year adjustment	(387,340,398)	-
		515,303,102	902,409,349

35.1 The provision for levy represents final taxes levied under the Income Tax Ordinance, 2001 and minimum tax (excess over the amount designated as provision for current tax) on local sales under section 113.

	2024 Rupees	2023 Rupees

36. TAXATION

	2024 Rupees	2023 Rupees
Current tax:		
For the year	68,439,934	9,641,615
Prior year adjustment	(30,270,120)	-
	38,169,814	9,641,615

36.1 Deferred income tax asset

The asset for deferred income tax originated due to timing differences relating to:

	2024 Rupees	2023 Rupees
Taxable temporary differences		
Accelerated tax depreciation	961,454,932	988,350,265
Equity investment at fair value through profit or loss	1,559,759	-
Right-of-use assets	27,767,346	44,137,429
Intangible assets	104,118	146,447
	990,886,155	1,032,634,141
Deductible temporary differences		
Lease liabilities	(33,441,764)	(51,766,421)
Provision for slow moving, damaged and obsolete store items	(5,569,975)	(1,074,676)
Provision for doubtful advances to suppliers	(4,249,881)	(1,189,967)
Allowance for expected credit losses	(5,042,740)	(10,285,138)
Available tax losses	(500,929,878)	(528,598,162)
Minimum tax carry forward	(745,253,223)	(488,557,826)
	(1,294,487,461)	(1,081,472,190)
Deferred income tax asset	(303,601,306)	(48,838,049)
Deferred income tax asset not recognized in these consolidated financial statements	303,601,306	48,838,049
Deferred income tax asset recognized in these consolidated financial statements	-	-

36.1.1 Deferred income tax asset of Rupees 303.601 million (2023: Rupees 48.838 million) has not been recognized in these consolidated financial statements as the Company's management believes that sufficient taxable profits will not be probably available in foreseeable future, hence, the temporary differences may not reverse.

Tax losses related to un-absorbed tax depreciation	Accounting year to which the tax loss relates	Amount of unused tax loss	Accounting year in which tax loss will expire
		Rupees	
	2023	425,151,353	Unlimited
	2020	311,584,958	Unlimited
	2019	133,222,280	Unlimited
	2018	16,074,382	Unlimited
	2017	597,663,697	Unlimited
	2016	243,647,737	Unlimited
		1,727,344,407	

Minimum tax	Accounting year to which minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
		Rupees	
	2024	276,216,994	2027
	2023	217,842,148	2026
	2020	251,194,081	2025
		745,253,223	

37. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

	2024	2023
Profit / (loss) after taxation attributable to shareholders of the Holding Company (Rupees)	710,699,662	(871,909,855)
Weighted average number of ordinary shares outstanding during the year (Number)	240,119,029	240,119,029
Basic earnings / (loss) per share (Rupees)	2.96	(3.63)

37.1 There is no dilutive effect on basic earnings / (loss) per share for the year ended 30 June 2024 and 30 June 2023 as the Holding Company has no potential ordinary shares as on 30 June 2024 and 30 June 2023.

	2024 Rupees	2023 Rupees

38. CASH GENERATED FROM / (USED IN) OPERATIONS

	2024 Rupees	2023 Rupees
Profit before levy and taxation	1,264,172,578	159,422,743
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 16.1.2)	1,780,149,914	1,682,212,304
Depreciation on right-of-use assets (Note 17)	59,080,856	50,523,804
Amortization on intangible assets (Note 18.1)	875,168	478,970
Gain on sale of property, plant and equipment (Note 33)	(15,433,977)	(17,445,208)
Operating fixed assets written off (Note 32)	340,202	29,928,191
Finance cost (Note 34)	7,753,984,192	5,496,070,172
Intangible asset written off (Note 32)	-	44,550
Return on bank deposits (Note 33)	(23,768)	(2,663,676)
Return on term deposit receipts (Note 33)	(8,349,408)	(11,611,827)
Interest on derivative financial instruments (Note 33)	(145,340,137)	(89,292,247)
Provision for doubtful advances to suppliers (Note 23.1)	-	10,897,130
Provision for slow moving, damaged and obsolete store items (Note 20.1)	4,440,630	9,841,358
Adjustment to GIDC payable (Note 9.1)	-	(19,952,391)
Exchange gain - net (Note 33)	(376,916,781)	(597,631,632)
(Reversal of) / allowance for expected credit loss - trade debts (Note 22.4)	(81,256,144)	9,363,464
Credit balances written back (Note 33)	-	(19,545,699)
Loss on disposal of Pakistan Investment Bonds and Government Ijara Sukuks (Note 32)	-	41,446,427
Unrealized gain / (loss) on re-measurement of investment at fair value through profit or loss (Note 26.1)	(20,519,495)	8,624,690
Gain on termination of leases (Note 33)	-	(538,277)
Provision for workers' profit participation fund	59,894,054	-
Provision for workers' welfare fund	4,184,352	-
Working capital changes (Note 38.1)	2,468,358,749	(13,257,744,024)
	12,747,640,985	(6,517,571,178)

38.1 Working capital changes

	2024 Rupees	2023 Rupees
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	530,814,329	(865,132,440)
Stock-in-trade	(950,362,879)	(2,094,739,217)
Trade debts	692,854,712	(6,088,109,748)
Loans and advances	102,401,946	(2,861,972,507)
Short term prepayments	1,296,959	(5,951,693)
Other receivables	1,323,764,541	(1,309,930,404)
	1,700,769,608	(13,225,836,009)
Increase / (decrease) in trade and other payables	767,589,141	(31,908,015)
	2,468,358,749	(13,257,744,024)

38.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2024			
	Liabilities from financing activities			
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend
	Rupees			
Opening balance	14,025,218,534	132,734,414	27,881,717,844	69,141,059
Financing obtained	17,502,940	-	-	-
Lease liabilities recognized during the year	-	17,106,282	-	-
Repayment of financing	(1,526,718,278)	-	-	-
Repayment of lease liabilities	-	(63,062,387)	-	-
Short term borrowings - net	-	-	(826,106,062)	-
Dividend paid	-	-	-	(1,305,135)
Other changes - non-cash movement	156,288,035	(1,030,195)	-	-
Closing balance	12,672,291,231	85,748,114	27,055,611,782	67,835,924

	2023			
	Liabilities from financing activities			
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend
	Rupees			
Opening balance	15,164,449,790	90,649,683	23,795,735,897	80,295,091
Derecognition of liabilities relating to Nishat Chunian Power Limited - former subsidiary company and now associated company	(8,514,310)	-	(4,741,751,443)	(16,563,000)
Financing obtained	375,543,759	-	-	-
Lease liabilities recognized during the year	-	98,087,096	-	-
Repayment of financing	(1,632,167,201)	-	-	-
Repayment of lease liabilities	-	(49,992,943)	-	-
Short term borrowings - net	-	-	8,827,733,390	-
Dividend declared	-	-	-	960,476,116
Dividend paid	-	-	-	(955,067,148)
Other changes - non-cash movement	125,906,496	(6,009,422)	-	-
Closing balance	14,025,218,534	132,734,414	27,881,717,844	69,141,059

38.3 **Non-cash financing activities**

	2024 Rupees	2023 Rupees
Lease liabilities recognised during the year	17,106,282	98,087,096
Other changes - non-cash movement	155,257,840	119,897,074

39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amount charged in these consolidated financial statements for the year for remuneration including certain benefits to the chief executive, directors and executives of the Holding Company is as follows:

	Chief Executive		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	Rupees					
Managerial remuneration	29,430,768	29,184,616	9,200,000	2,817,022	230,391,093	160,639,200
Contribution to provident fund	-	-	766,360	209,039	19,191,578	13,381,245
House rent	11,772,307	11,673,846	3,680,000	1,126,809	92,156,437	64,255,680
Utilities	2,943,077	2,918,462	920,000	281,702	23,039,109	16,063,920
Others	-	-	331,507	115,339	9,664,240	6,798,820
	44,146,152	43,776,924	14,897,867	4,549,911	374,442,457	261,138,865
Number of persons	**1**	**1**	**2**	**2**	**99**	**76**

39.1 The Holding Company provides to chief executive, directors and certain executives with free use of Holding Company maintained cars.

39.2 Aggregate amount charged in these consolidated financial statements for meeting fee to seven (2023: seven) directors was Rupees 480,000 (2023: Rupees 400,000).

39.3 No remuneration was paid to non-executive directors of the Holding Company.

40. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated undertakings, other related companies, key management personnel and post employment benefit plan. The Group in the normal course of business carried out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	2024 Rupees	2023 Rupees
Nishat Chunian Power Limited - associated company		
Common facilities cost charged	9,900,000	17,671,000
Expenses incurred on behalf of the Company	251,016	-
Reimbursement of expenses	6,457,568	-
Income sharing	784,350	497,397
Saleem Memorial Trust Hospital - associated company		
Donation made	52,000,000	72,500,000
Mian Muhammad Yahya Trust - related party		
Donation made	13,273,677	9,662,783
Directors of the Holding Company		
Dividend paid	-	250,417,492
Adjustment of long term loan to executive to ex - director	-	4,312,684
Interest income on long term loan	-	64,991
Consultancy charges	-	4,492,609
Pakistan Textile Council		
Annual membership fee	1,250,000	1,500,000
Employees' Provident Fund Trusts - related party		
Group's contribution to employees' provident fund trusts	163,326,509	130,637,249

40.1 Detail of compensation to key management personnel comprising of chief executive officer, directors and executives is disclosed in Note 39.

40.2 Following are the related parties with whom the Group had entered into transactions or have arrangements / agreements in place:

Name of the related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the year		Percentage of shareholding
		2024	2023	
Saleem Memorial Trust Hospital	Common directorship	Yes	Yes	None
Nishat Chunian Power Limited - associated company	Common management	Yes	Yes	None
Mian Muhammad Yahya Trust	Director of the Holding Company is member	Yes	Yes	None
Pakistan Textile Council	Common directorship	Yes	Yes	None
Saleem Memorial Trust Hospital	Common directorship	Yes	Yes	None
Nishat (Chunian) Limited - Employees Provident Fund	Post-employment benefit plan	Yes	Yes	None
Mr. Shahzad Saleem	Chief executive	Yes	Yes	None
Mr. Zain Shahzad	Director	Yes	Yes	None
Ms. Nadia Bilal	Director	Yes	Yes	None
Ms. Ayesha Shahzad	Director	Yes	Yes	None
Mr. Muhammad Azam Siddique	Director	Yes	Yes	None
Ms. Mahnoor Adil	Director	Yes	Yes	None
Mr. Ahmad Hasnain	Director	Yes	Yes	None

41. PROVIDENT FUND

Nishat (Chunian) Limited - Holding Company

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

42. NUMBER OF EMPLOYEES

	2024	2023
Number of employees as on 30 June	7,331	7,101
Average number of employees during the year	7,209	7,189

43. SEGMENT INFORMATION

	Spinning						Weaving				Processing and Home Textile		Power Generation		Elimination of inter-segment transactions		Total - Group	
	Zone - 1 (Unit No. 1 and 5)		Zone - 2 (Unit No. 4, 7 and 8)		Zone - 3 (Unit No. 2, 3 and 6)		Unit - 1		Unit - 2									
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees																	
Sales																		
External:																		
- Export	15,046,451,336	11,451,797,932	9,917,666,543	9,010,020,092	14,030,874,328	9,089,878,500	-	858,384,541	2,883,031,255	2,634,447,176	20,170,574,190	15,812,267,826	-	-	-	-	62,048,597,652	48,856,796,067
- Local	5,267,614,164	436,292,935	4,649,025,331	6,217,580,181	6,200,237,346	5,336,432,440	3,550,812,302	3,499,848,186	4,860,174,369	1,464,672,500	1,598,420,613	1,412,818,730	31,380,273	3,183,501,316	-	-	26,157,664,398	21,551,146,288
- Export rebate	-	-	-	-	-	-	-	-	676,913	721,232	109,375,493	95,744,221	-	-	-	-	110,052,406	96,465,453
- Others	-	-	-	954,772	-	-	150,876,456	128,394,558	-	-	578,426,653	315,603,975	-	-	-	-	729,303,109	444,953,305
	20,314,065,500	11,888,090,867	14,566,691,874	15,228,555,045	20,231,111,674	14,426,310,940	3,701,688,758	4,486,627,285	7,743,882,537	4,099,840,908	22,456,796,949	17,636,434,752	31,380,273	3,183,501,316	-	-	89,045,617,565	70,949,361,113
Inter-segment	1,512,134,473	2,850,069,051	3,226,185,848	1,373,375,478	3,219,377,344	1,977,299,729	7,674,893,783	1,398,356,040	-	5,601,247,379	-	-	13,943,693,941	8,391,073,390	(29,576,285,389)	(21,591,421,067)	-	-
	21,826,199,973	14,738,159,918	17,792,877,722	16,601,930,523	23,450,489,018	16,403,610,669	11,376,582,541	5,884,983,325	7,743,882,537	9,701,088,287	22,456,796,949	17,636,434,752	13,975,074,214	11,574,574,706	(29,576,285,389)	(21,591,421,067)	89,045,617,565	70,949,361,113
Cost of sales	(20,047,007,705)	(14,466,663,660)	(16,420,029,599)	(15,864,402,094)	(21,341,884,023)	(15,539,094,503)	(10,286,347,339)	(5,320,297,078)	(7,005,856,236)	(9,347,660,464)	(18,753,753,816)	(13,687,652,135)	(13,701,883,169)	(11,180,055,282)	29,576,285,389	21,591,421,067	(77,980,476,498)	(63,814,404,149)
Gross profit	1,779,192,268	271,496,258	1,372,848,123	737,528,429	2,108,604,995	864,516,166	1,090,235,202	564,686,247	738,026,301	353,427,823	3,703,043,133	3,948,782,617	273,191,045	394,519,424	-	-	11,065,141,067	7,134,956,964
Distribution cost	(346,374,024)	(238,717,616)	(121,627,742)	(117,181,746)	(295,273,633)	(165,393,234)	(91,182,149)	(110,482,876)	(62,066,428)	(69,149,413)	(1,304,349,136)	(1,010,607,271)	-	-	-	-	(2,220,873,112)	(1,711,532,156)
Administrative expenses	(79,608,612)	(63,769,298)	(61,824,408)	(65,861,807)	(92,939,266)	(76,942,168)	(47,716,494)	(45,519,692)	(33,700,021)	(28,490,025)	(229,796,179)	(200,762,778)	(11,554,882)	(41,284,311)	-	-	(557,139,862)	(522,630,079)
	(425,982,636)	(302,486,914)	(183,452,150)	(183,043,553)	(388,212,899)	(242,335,402)	(138,898,643)	(156,002,568)	(95,766,449)	(97,639,438)	(1,534,145,315)	(1,211,370,049)	(11,554,882)	(41,284,311)	-	-	(2,778,012,974)	(2,234,162,235)
(Loss) / profit before taxation and unallocated income and expenses	1,353,209,632	(30,990,656)	1,189,395,973	554,484,876	1,720,392,096	622,180,764	951,336,559	408,683,679	642,259,852	255,788,385	2,168,897,818	2,737,412,568	261,636,163	353,235,113	-	-	8,287,128,093	4,900,794,729
Unallocated income and expenses																		
Other expenses																	(134,303,698)	(193,309,017)
Other income																	865,332,375	948,007,203
Finance cost																	(7,753,984,192)	(5,496,070,172)
Levy																	(515,303,102)	(902,409,349)
Taxation																	(38,169,814)	(9,641,615)
Profit / (loss) after taxation																	710,699,662	(752,628,221)

43.1 Reconciliation of reportable segment assets and liabilities

	Spinning						Weaving				Processing and Home Textile		Power Generation		Total - Group	
	Zone - 1 (Unit No. 1 and 5)		Zone - 2 (Unit No. 4, 7 and 8)		Zone - 3 (Unit No. 2, 3 and 6)		Unit - 1		Unit - 2							
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees															
Total assets for reportable segments	8,966,616,800	10,251,734,362	10,959,198,311	12,529,897,554	13,283,876,741	15,187,754,611	3,394,615,415	2,674,907,016	4,646,379,849	3,661,278,978	17,367,188,311	13,351,204,440	5,472,932,987	6,351,922,991	64,090,808,414	64,008,699,952
Unallocated assets:																
Other receivables															2,292,469,315	3,616,758,129
Taxation and levy - net															130,058,584	-
Short term investments															150,604,317	80,364,318
Cash and bank balances															81,851,548	283,583,348
Other corporate assets															1,951,776,877	1,754,343,139
Total assets as per consolidated statement of financial position															68,697,569,055	69,743,748,886
Total liabilities for reportable segments	3 523,439,409	376,440,347	639,759,278	460,093,757	775,465,791	558,154,455	141,696,471	141,076,503	193,947,044	193,098,464	1,034,649,824	740,376,864	675,297,272	673,448,970	3,984,255,089	3,142,689,360
Unallocated liabilities:																
Long term financing															12,672,291,231	13,880,613,074
Accrued mark-up															1,337,211,195	1,397,309,345
Short term borrowings															27,055,611,782	27,881,717,844
Taxation and levy - net															-	144,605,460
Other corporate liabilities															2,366,291,137	2,724,465,096
Total liabilities as per consolidated statement of financial position															47,415,660,434	49,171,400,179

43.2 Geographical information

The Group's revenue from external customers by geographical location is detailed below:

	2024 Rupees	2023 Rupees
Europe	13,448,404,640	10,244,333,109
United States of America, Canada and South America	5,116,537,048	4,127,380,269
Asia, Africa and Australia	20,016,445,952	13,589,783,211
Export rebate	110,052,406	96,465,453
Pakistan	50,354,177,519	42,891,399,071
	89,045,617,565	70,949,361,113

43.3 Almost all non-current assets of the Group as at reporting dates are located and operating in Pakistan.

43.4 Revenue from major customers

The Holding Company earns revenue from a large mix of customers.

43.5 Based on the judgment made by the management printing, dyeing and home textile operating segments of the Group have been aggregated into a single operating segment namely 'Processing and Home Textile' as these segments have similar economic characteristics in respect of nature of the products, nature of production process, type of customers, method of distribution and nature of regulatory environment.

44. PLANT CAPACITY AND ACTUAL PRODUCTION

	2024	2023
Spinning		
Number of spindles installed	223,428	223,428
Number of spindles worked	211,484	200,850
Number of rooters installed	2,880	2,880
Number of rooters worked	2,839	2,566
Capacity after conversion into 20/1 count (Kgs.)	84,532,715	81,049,638
Actual production of yarn after conversion into 20/1 count (Kgs.)	83,283,463	79,851,861

Under utilization of available capacity was due to normal maintenance and time lost in shifting of coarser counts to finer counts and vice versa.

	2024	2023
Weaving		
Number of looms installed	379	379
Number of looms worked	379	365
Capacity after conversion into 50 picks - square yards	345,597,351	345,597,351
Actual production after conversion into 50 picks - square yards	248,379,368	216,850,138

Under utilization of available capacity was due to the following reasons:
- change of articles required
- higher count and cover factor
- due to normal maintenance

	2024	2023
Power plant		
Number of engines installed	19	19
Number of engines worked	19	19
Generation capacity (KWh)	334,953,000	334,953,000
Actual generation (KWh)	30,673,247	95,832,050

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Process steam and coal fired power generation plant (46 MW)		
Installed	1	1
Worked	1	1
Number of shifts per day	3	3
Generation capacity (KWh)	404,064,000	404,064,000
Actual generation (KWh)	294,980,000	70,772,000
Solar power plant		
Installed	1	1
Worked	1	1
Generation capacity (KWh)	2,349,999	976,333
Actual generation (KWh)	1,877,620	918,173
Dyeing		
Number of thermosol dyeing machines	1	1
Number of stenters machines	5	5
Capacity in meters	43,200,000	43,200,000
Actual processing of fabrics - meters	34,427,566	26,205,932

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Printing		
Number of printing machines	1	1
Capacity in meters	10,800,000	10,800,000
Actual processing of fabrics - meters	9,799,340	6,249,256

Under utilization of available capacity was due to normal maintenance and demand.

	2024	2023
Digital printing		
Number of printing machines	5	5
Capacity in meters	9,125,000	9,125,000
Actual processing of fabrics - meters	3,612,403	2,239,073

Stitching
The plant capacity of this division is indeterminable due to multi product plant involving varying run length of order lots.

45. FINANCIAL RISK MANAGEMENT

45.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the finance departments of the Group Companies under policies approved by the respective Board of Directors. The finance departments evaluate and hedges financial risks. The Board of each Group Company provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments and non derivative financial instruments and investment of excess liquidity.

(a) Market risk

(i) Currency risk

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 from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Group is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), Chinese Yuan (CNY) and United Arab Emirates Dirham (AED). Currently, the Group's foreign exchange risk exposure is restricted to bank balances, short term borrowings, lease liability and the amounts receivable / payable from / to the foreign entities. The Group uses forward exchange contracts to hedge its foreign currency risk, when considered appropriate. The Group's exposure to currency risk was as follows:

	2024	2023
Cash at banks - USD	97,440	114,609
Cash at banks - AED	74,009	14,068
Trade debts - USD	20,913,320	25,194,754
Trade debts - EURO	1,787,841	1,615,755
Trade debts - CNY	1,503,374	-
Trade debts - AED	52,643	-
Trade and other payables - USD	(795,948)	(359,438)
Trade and other payables - EURO	-	(110,545)
Trade and other payables - CNY	(65,573)	-
Trade and other payables - AED	(48,789)	-
Short term borrowings - USD	(6,500,000)	(1,382,154)
Lease liability - USD	(117,935)	(141,728)
Accrued mark-up - USD	(38,722)	(64,566)
Net exposure - USD	13,558,154	23,361,477
Net exposure - EURO	1,787,841	1,505,210
Net exposure - CNY	1,437,801	-
Net exposure - AED	77,863	14,068

The following significant exchange rates were applied during the year:

	2024	2023
Rupees per US Dollar		
Average rate	283.17	251.98
Reporting date rate	278.15	286.18
Rupees per EURO		
Average rate	306.64	265.46
Reporting date rate	297.92	312.85
Rupees per AED		
Average rate	77.25	68.65
Reporting date rate	75.84	77.92
Rupees per Yuan		
Average rate	39.30	39.68
Reporting date rate	38.35	39.91

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD, Euro, GBP and AED with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 204.125 million higher / lower (2023: loss after taxation for the year would have been Rupees 230.331 million lower / higher), mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Group is not exposed to commodity price risks.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Group's profit / (loss) for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on profit	Impact on loss
	2024	2023
	Rupees	Rupees
PSX Index (5% increase)	1,685,257	(659,282)
PSX Index (5% decrease)	(1,685,257)	659,282

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk mainly arises from long term financing and short term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rate expose the Group to fair value interest rate risk.

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	2024 Rupees	2023 Rupees
Fixed rate instruments		
Financial liabilities		
Long term financing	5,293,178,174	5,829,959,331
Short term borrowings	10,449,335,565	7,027,349,773
	15,742,513,739	12,857,309,104
Financial assets		
Long term loans to employees	7,750	14,218,909
Short term investments	115,160,226	66,160,226
	115,167,976	80,379,135
Net exposure	(15,627,345,763)	(12,776,929,969)
Floating rate instruments		
Financial assets		
Long term loans to employees	14,611,325	3,343,902
Bank balances - saving accounts	166,967	3,525,662
	14,778,292	6,869,564
Financial liabilities		
Long term financing	7,379,113,057	8,195,259,203
Short term borrowings	16,606,276,217	20,854,368,071
	3,985,389,274	29,049,627,274
Net exposure	(23,970,610,982)	(29,042,757,710)

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 profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 239.706 million lower / higher (2023: loss after taxation for the year would have been Rupees 290.428 million higher / lower), mainly as a result of higher / lower interest expense on floating rate borrowings. This analysis is prepared assuming the amounts of liabilities outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2024 Rupees	2023 Rupees
Long term security deposits	33,859,024	33,959,024
Trade debts	11,126,892,226	11,362,604,208
Loans and advances (including long term loans to employees)	52,186,450	76,976,339
Other receivables	222,588,088	106,867,752
Short term investments	150,604,317	80,364,318
Bank balances	75,183,044	273,531,848
	11,661,313,149	11,934,303,489

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

	Rating			2024	2023
	Short Term	Long term	Agency	Rupees	Rupees
Banks					
Al Baraka Bank (Pakistan) Limited	A-1	A+	VIS	1,659,070	1,659,070
Bank Alfalah Limited	A1+	AAA-	PACRA	10,569	6,895,999
Bank AL Habib Limited	A1+	AAA	PACRA	19,043	21,898
BankIslami Pakistan Limited	A1	AA-	PACRA	29,106	799,757
Dubai Islamic Bank (Pakistan) Limited	A-1+	AA	VIS	645,548	805,476
Faysal Bank Limited	A1+	AA	PACRA	22,934	2,710
Habib Bank Limited	A-1+	AAA	VIS	17,474,893	20,253,671
Industrial and Commercial Bank of China Limited	P-1	A1	Moody’s	66,389	351,374
JS Bank Limited	A1+	AA	PACRA	11,400	25,320
MCB Bank Limited	A1+	AAA	PACRA	31,520,105	218,856,541
MCB Islamic Bank Limited	A1	A+	PACRA	25,092	2,111
Meezan Bank Limited	A-1+	AAA	VIS	1,346,754	5,462,274
National Bank of Pakistan	A1+	AAA	PACRA	318,050	407,010
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	678,436	-
The Bank of Punjab	A1+	AA+	PACRA	545,450	338,558
United Bank Limited	A-1+	AAA	VIS	-	4,954,094
Habib Metropolitan Bank Limited	A1+	AA+	PARCA	-	8,250,282
Samba Bank Limited	A1	AA	PACRA	21,968	-
Standard Chartered Bank Limited		Not available		5,752,545	1,382,340
Wells Fargo Bank		Not available		15,035,692	2,001,847
Habib American Bank		Not available		-	1,010,797
JP Morgan Chase Bank		Not available		-	50,719
				75,183,044	273,531,848
Short term investments					
Bank Islami Pakistan Limited	A1	AA-	PACRA	100,655,608	20,711,898
Dubai Islamic Bank (Pakistan) Limited	A-1+	AA	VIS	16,243,575	16,105,137
The Bank of Punjab	A1+	AA+	PACRA	-	30,361,644
Adamjee Life Assurance Company Limited		A++	PACRA	33,705,134	13,185,639
				150,604,317	80,364,318
				225,787,361	353,896,166

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Group. Accordingly the credit risk is minimal.

Trade debts

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts other than those due from Government of Pakistan.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2024, the Group had Rupees 23,755.054 million (2023: Rupees 19,818.773 million) available borrowing limits from financial institutions and Rupees 81.852 million (2023: Rupees 283.583 million) cash and bank balances. The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	Rupees					
Non-derivative financial liabilities:						
Long term financing	12,672,291,231	18,594,537,004	2,214,431,289	1,938,390,429	3,631,802,116	10,809,913,170
Lease liabilities	85,748,114	99,760,828	32,791,645	19,863,027	36,582,898	10,523,258
Trade and other payables	3,274,205,288	3,274,205,288	3,274,205,288	-	-	-
Short term borrowings	27,055,611,782	28,919,544,150	28,919,544,150	-	-	-
Accrued mark-up / profit	1,337,211,195	1,337,211,195	1,337,211,195	-	-	-
Unclaimed dividend	67,835,924	67,835,924	67,835,924	-	-	-
	44,492,903,534	52,293,094,389	35,846,019,491	1,958,253,456	3,668,385,014	10,820,436,428

Contractual maturities of financial liabilities as at 30 June 2023:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
	Rupees					
Non-derivative financial liabilities:						
Long term financing	14,025,218,534	21,879,557,508	1,195,112,708	1,450,664,894	3,157,702,763	16,076,077,143
Lease liabilities	132,734,414	160,346,991	39,346,353	40,286,404	43,484,847	37,229,387
Trade and other payables	2,518,435,119	2,518,435,119	2,518,435,119	-	-	-
Short term borrowings	27,881,717,844	28,919,544,150	28,919,544,150	-	-	-
Accrued mark-up / profit	1,397,309,345	1,397,309,345	1,397,309,345	-	-	-
Unclaimed dividend	69,141,059	69,141,059	69,141,059	-	-	-
	46,024,556,315	54,944,334,172	34,138,888,734	1,490,951,298	3,201,187,610	16,113,306,530

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at reporting date. The rates of interest / mark up have been disclosed in note 7, note 8 and note 12 to these consolidated financial statements.

45.2 Financial instruments by categories

Assets as per consolidated statement of financial position

	2024		2023	
	At amortized cost	At FVTPL	At amortized cost	At FVTPL
	Rupees	Rupees	Rupees	Rupees
Long term security deposits	33,859,024	-	33,959,024	-
Trade debts	11,126,892,226	-	11,362,604,208	-
Loans and advances (including long term loans to employees)	52,186,450	-	76,976,339	-
Other receivables	79,567,570	143,020,518	87,540,903	19,326,849
Short term investments	116,899,183	33,705,134	67,178,679	13,185,639
Cash and bank balances	81,851,548	-	283,583,348	-
	11,491,256,001	176,725,652	11,911,842,501	32,512,488

Liabilities as per consolidated statement of financial position

	2024	2023
	At amortized cost	
	Rupees	Rupees
Long term financing	12,672,291,231	14,025,218,534
Lease liabilities	85,748,114	132,734,414
Trade and other payables	3,274,205,288	2,518,435,119
Accrued mark-up / profit	1,337,211,195	1,397,309,345
Short term borrowings	27,055,611,782	27,881,717,844
Unclaimed dividend	67,835,924	69,141,059
	44,492,903,534	46,024,556,315

45.3 Reconciliation to the line items presented in consolidated statement of financial position is as follows:

	2024		
	Financial assets	Non-financial assets	Assets as per consolidated statement of financial position
	Rupees	Rupees	Rupees
Assets			
Long term security deposits	33,859,024	-	33,859,024
Trade debts	11,126,892,226	-	11,126,892,226
Loans and advances (including long term loans to employees)	52,186,450	3,924,060,773	3,976,247,223
Other receivables	222,588,088	2,069,881,227	2,292,469,315
Short term investments	150,604,317	-	150,604,317
Cash and bank balances	81,851,548	-	81,851,548
	11,667,981,653	5,993,942,000	17,661,923,653

	2024		
	Financial liabilities	Non-financial liabilities	Liabilities as per consolidated statement of financial position
	Rupees	Rupees	Rupees
Liabilities			
Long term financing	12,672,291,231	-	12,672,291,231
Lease liabilities	85,748,114	-	85,748,114
Trade and other payables	3,274,205,288	1,814,149,055	5,088,354,343
Accrued mark-up / profit	1,337,211,195	-	1,337,211,195
Short term borrowings	27,055,611,782	-	27,055,611,782
Unclaimed dividend	67,835,924	-	67,835,924
	44,492,903,534	1,814,149,055	46,307,052,589

	2023		
	Financial assets	Non-financial assets	Assets as per consolidated statement of financial position
	Rupees	Rupees	Rupees
Assets			
Long term security deposits	33,959,024	-	33,959,024
Trade debts	11,362,604,208	-	11,362,604,208
Loans and advances (including long term loans to employees)	76,976,339	4,004,616,566	4,081,592,905
Other receivables	106,867,752	3,509,890,377	3,616,758,129
Short term investments	80,364,318	-	80,364,318
Cash and bank balances	283,583,348	-	283,583,348
	11,944,354,989	7,514,506,943	19,458,861,932

	2023		
	Financial liabilities	Non-financial liabilities	Liabilities as per consolidated statement of financial position
	Rupees	Rupees	Rupees
Liabilities			
Long term financing	14,025,218,534	-	14,025,218,534
Lease liabilities	132,734,414	-	132,734,414
Trade and other payables	2,518,435,119	1,738,251,677	4,256,686,796
Accrued mark-up / profit	1,397,309,345	-	1,397,309,345
Short term borrowings	27,881,717,844	-	27,881,717,844
Unclaimed dividend	69,141,059	-	69,141,059
	46,024,556,315	1,738,251,677	47,762,807,992

45.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

46. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

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

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
	-----	Rupees	-----	
Financial assets				
Investment in quoted shares - FVTPL	33,705,134	-	-	33,705,134
Derivative financial assets	-	143,020,518	-	143,020,518
Total financial assets	33,705,134	143,020,518	-	176,725,652

Recurring fair value measurements At 30 June 2023	Level 1	Level 2	Level 3	Total
	-----	Rupees	-----	
Financial assets				
Investment in quoted shares - FVTPL	13,185,639	-	-	13,185,639
Derivative financial assets	-	19,326,849	-	19,326,849
Total financial assets	13,185,639	19,326,849	-	32,512,488

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

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

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

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

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

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

(ii) Valuation techniques used to determine fair values

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

47. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Group as referred to in note 7 and note 12 respectively. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2024	2023
Borrowings	Rupees	40,405,323,062	42,739,735,309
Total equity	Rupees	21,281,908,621	20,572,348,707
Total capital employed	Rupees	61,687,231,683	63,312,084,016
Gearing ratio	Percentage	65.50	67.51

48. UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2024	2023	2024	2023
	Rupees			
Total facilities	17,230,500,000	16,330,500,000	64,160,376,868	62,558,508,000
Utilized at the end of the year	6,799,069,325	3,527,148,786	40,405,323,062	42,739,735,309
Unutilized at the end of the year	10,431,430,675	12,803,351,214	23,755,053,806	19,818,772,691

49. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on September 26, 2024 by the Board of Directors of the Holding Company.

50. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, except for reclassification as dislcosed in note 2.3 to these consolidated financial statements, there are no other significant rearrangements / reclassifications have been made.

51. GENERAL

Figures have been rounded off to nearest of Rupee.

CHIEF EXECUTIVE	DIRECTOR	CHIEF FINANCIAL OFFICER

PROXY FORM

I/We ____

of ____

holding Computerized National Identity Card (CNIC)/Passport No. ______________________

and being a member of Nishat (Chunian) Limited, hereby appoint ______________________

of ____

a member of Nishat (Chunian) Limited, ______________________

holding CNIC/Passport No. ______________________

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2024 (Monday) at 11:00 A.M. at 31-Q, Gulberg-II, Lahore and at any adjournment thereof.

as witness my/our hand/seal this ________ day of __________ ,2024

Signed by the said member ______________________

In presence of ______________________

Please affix
revenue stamp Rs.50/-

Signature of witness ....

Name ....

....

CNIC# ....

Signature of witness ....

Name ....

....

CNIC# ....

Please quote:

Folio#	Shared held	CDC A/C No.

Notes:

- This instrument appointing a proxy, duly completed, must be received at the share registrar office of the Company, i.e., Nishat (Chunian) Limited; 31-Q, Gulberg-II, Lahore not later than 48 hours before the time of holding the annual general meeting.
- The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC/Passport numbers shall be mentioned on the form.
- Attested copies of CNIC/Passport(s) of the appointer and the proxy-holder shall be furnished with the Proxy Form.
- The proxy-holder shall produce his/her original CNIC at the time of the meeting.
- In case of corporate entity, the Proxy Form shall be signed by the authorized representative authorized through a valid Board Resolution. The Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted along with Proxy Form.

BALLOT PAPER FOR VOTING THROUGH POST

BALLOT PAPER FOR VOTING THROUGH POST

For voting through post for the Special Business at the Annual General Meeting of NISHAT (CHUNIAN) LIMITED to be held on (Monday 28th October 2024 at 11:00 AM (PST) at 31-Q, Gulberg-II, Lahore.

Designated email address at which the duly filled in ballot paper may be sent: chairman@nishat.net

Name of shareholder/joint shareholder(s):	
Registered Address:	
Folio No. / CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC, NICOP/Passport No. (In case of foreigner) *(Copy to be attached)*	
Additional Information and enclosures (In case of representative of body corporates, corporations and Federal Government)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - *(Copy to be attached)*	

I/we hereby exercise my/our vote in respect of the following special resolutions through postal ballot by giving my/our assent or dissent to the following resolutions by placing tick (√) mark in the appropriate box below:

Special Resolutions
Agenda Item 4 To confirm and approve the transactions conducted by the Company with related parties, as disclosed in the Financial Statement for the year ending June 30, 2024, by adopting the following special resolution, with or without amendments: **"RESOLVED THAT** all transactions conducted with Related Parties, as disclosed in Note 39 of the unconsolidated financial statements for the year ended June 30, 2024, and detailed in the Statement of Material Information under Section 134(3), be and are hereby ratified, approved, and confirmed." **Agenda Item – 5** To empower the Board of Directors of the Company to approve transactions with related parties for the financial year ending on June 30, 2025, by adopting the following special resolution, with or without modifications: **"RESOLVED THAT** the Board of Directors of the Company is hereby authorized to approve transactions with Related Parties on a case-by-case basis for the financial year ending on June 30, 2025." **"RESOLVED FURTHER THAT** these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval."

I/we hereby exercise my/our vote in respect of above-mentioned special resolutions through postal ballot by conveying my/our assent or dissent to the said resolutions by placing tick (√) mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	**Special Resolution as per the Agenda Item - 4**		
2.	**Special Resolution as per the Agenda Item - 5**		

____

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _________________

Date: _________________

NOTES:

1. Duly filled postal ballots should be sent at31-Q, Gulberg-II, Lahore or through email at: chairman@nishat.net
2. Copy of CNIC, NICOP/Passport (In case of foreigner) should be enclosed with the postal ballot form.
3. Postal Ballot form should reach at the Meeting on or before 27-10-2024 up to 5:00 p.m. Any Postal Ballot received after this time/date, will not be considered for voting.
4. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Consul General of Pakistan having jurisdiction over the member.
5. Signature on postal ballot should match with signature on CNIC, NICOP/Passport (In case of foreigner).
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore

Subject: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

Dear Sirs,

I/we, being the shareholder(s) of NISHAT (CHUNIAN) LIMITED ("Company"), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

Name of Shareholder(s):	
Fathers / Husband Name:	
CNIC:	
NTN:	
Fathers / Husband Name:	
E-mail address:	
Telephone:	
Mailing Address:	

Date: ____________________

Signature: (In case of corporate shareholders, the authorized signatory must sign)

STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of Member: ______________________________

2. CNIC/Passport Number: ______________________________

3. Participant ID / Folio No/Sub A/C: ______________________________

8. Registered Address: ______________________________

____

I/We hereby request you to provide me/us a hard copy of the Annual Report of NISHAT (CHUNIAN) LIMITED for the year ended June 30, 2024 at my above-mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

NISHAT (CHUNIAN) LIMITED
31-Q, Gulberg II, Lahore
Email:umerqureshi@nishat.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore.

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

E-DIVIDEND FORM (DIVIDEND PAYMENT THROUGH ELECTRONIC MODE)

The Company Secretary/Share Registrar,

I/We,______________________________, holding CNIC No.__________________________ ,being the registered shareholder of the company under folio no.________________________, state that pursuant the relevant provisions of Section 242 of the Companies Act, 2017 pertaining to dividend payments by listed companies, the below mentioned information relating to my Bank Account for receipt of current and future cash dividends through electronic mode directly into my bank account are true and correct and I will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur through revised E-Dividend Form.

Title of Bank Account	
Bank Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Sharehold	

In case of CDC shareholding, I hereby also undertake that I shall update the above information of my bank account in the Central Depository System through respective participant

Date:______________ Member's Signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary

NISHAT (CHUNIAN) LIMITED
31-Q, Gulberg II, Lahore
Email: umerqureshi@nishat.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore

FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary/Share Registrar,

I/we, ______________________, of ______________________ , being the registered shareholder(s) of the company under Folio No(s). ______________________ / CDC Participant ID No. and ________ Sub Account No. ____________ CDC Investor Account ID No., and holder of Ordinary Shares, hereby request for video conference facility at ______________________ for the Annual General Meeting of the Company to be held 28th October, 2024.

Date: ______________________

Member's Signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,

NISHAT (CHUNIAN) LIMITED
31-Q, Gulberg II, Lahore
Email: umerqureshi@nishat.net

Chief Executive,

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore

HR&R معاوضہ کمیٹی

ضابطہ کی تعمیل میں، کمپنی کے بورڈ آف ڈائریکٹرز نے ایک HR & R کمیٹی قائم کی ہے۔ HR & R کمیٹی کی تشکیل درج ذیل ہے:

نام	عہدہ
جناب احمد حسنین	چیئرمین
محترمہ نادیہ بلال	ممبر
جناب محمد اعظم صدیقی	ممبر

آڈیٹرز

موجودہ آڈیٹرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کمپنی کے سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے۔ اہل ہونے کی بناء پر انہوں نے 30 جون 2025 کو ختم ہونے والے سال کے لئے خود کو دوبارہ تقرری کے لئے پیش کیا ہے۔ آڈٹ کمیٹی کی تجویز کے مطابق بورڈ آف ڈائریکٹرز نے آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری کے لیے ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔

اہم تبدیلیاں

30 جون 2024 اور 26 ستمبر 2024 کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلی اور وعدے نہیں ہوئے۔

نمونہ حصص داری

30 جون 2024ء کے مطابق نمونہ حصہ داری منسلک ہے۔

اظہار تشکر

بورڈ اپنے قابل قدر حصص دار، بینکوں، مالیاتی ادارے اور کسٹمرز کا شکر گزار ہے، جن کے تعاون، مسلسل حمایت اور تحفظ نے کمپنی کو مسلسل بہتری کی طرف گامزن کیا ہے۔ زیرِ جائزہ مدت کے دوران، مینجمنٹ اور ملازمین کے درمیان تعلقات ہموار رہے ہیں اور ہم کمپنی کے ملازمین اور کارکنوں کی لگن اور سخت محنت کا بھی شکریہ ادا کرنا چاہتے ہیں۔

منجانب بورڈ

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چیف ایگزیکٹو ڈائریکٹر

لاہور: 26 ستمبر 2024ء

بورڈ آف ڈائریکٹرز کے اجلاس:

زیر جائزہ سال کے دوران پانچ (5) اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے:

نام ڈائریکٹرز	تعداد حاضری
جناب شہزاد سلیم (چیف ایگزیکٹو)	4
محترمہ عائشہ شہزاد	1
جناب زین شہزاد	3
جناب فرخ افضال (سابقہ چیئرمین)	3
محترمہ نادیہ بلال	2
جناب محمد اعظم صدیقی (صدر چیئرمین)	5
محترمہ ماہنور عادل	3
جناب احمد حسنین	3

ڈائریکٹرز کا مشاہرہ

ڈائریکٹرز کا مشاہرہ اور بورڈ کے اجلاس کی فیس کا تعین کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق منظور شدہ پالیسی کے ذریعے کیا گیا ہے۔ ڈائریکٹرز اور چیف ایگزیکٹو کے مشاہرہ کی بابت مالی گوشواروں کا نوٹ 38 ملاحظہ فرمائیں۔

آڈٹ کمیٹی

آڈٹ کمیٹی، بورڈ آف ڈائریکٹرز کی طرف سے مقررہ ریفرنس کی شرائط کے مطابق اپنے فرائض انجام دے رہی ہے۔ آڈٹ کمیٹی کی تشکیل درج ذیل ہے:

نام	عہدہ
جناب احمد حسنین	چیئرمین
محترمہ عائشہ شہزاد	ممبر
محترمہ ماہنور عادل	ممبر

کارپوریٹ گورننس

سال کے دوران آپ کی کمپنی کارپوریٹ گورننس کے ضابطہءاخلاق کی ضروریات پرعمل پیرارہی،ماسوائے جو تعمیل کے بیان میں مذکورہ ہیں۔

بورڈ آف ڈائریکٹرز کی تشکیل:

ارکان کی صنف،علم،مہارت اورمہارت کے متنوع مرکب ہمارے بورڈ کی مؤثریت میں اضافہ کرتی ہے۔ہمارے بورڈ کی تشکیل حصص داران کے تمام اقسام کے مفادات کی نمائندگی کرتی ہے اور یہ مشتمل ہے:

ڈائریکٹرز کی کل تعداد

مرد	4
خاتون	3

ترتیب

بورڈ کی ترتیب مندرجہ ذیل ہے:

کیٹگری	نام
آزاد ڈائریکٹرز	جناب محمد اعظم صدیقی (چیئرمین)[16اپریل،2024 کومنعقدہ غیرمعمولی اجلاس عام میں بطورڈائریکٹردوبارہ منتخب ہوئے اور 30اپریل،2024 کو چیئرمین مقرر ہوئے] جناب احمد حسنین[16اپریل،2024 کومنعقدہ غیرمعمولی اجلاس عام میں بطورڈائریکٹردوبارہ منتخب ہوئے]
نان ایگزیکٹوڈائریکٹرز	محترمہ عائشہ شہزاد(خاتون ڈائریکٹر)[16اپریل،2024 کومنعقدہ غیرمعمولی اجلاس عام میں بطورڈائریکٹردوبارہ منتخب ہوئے] محترمہ انوش نثار(خاتون ڈائریکٹر)[محترمہ عائشہ شہزاد کی جگہ 26 ستمبر 2024 سے بطورڈائریکٹرمقرر کیا گیا جنہوں نے 06اگست 2024 کوڈائریکٹر کے عہدے سے استعفیٰ دے دیا] محترمہ ماہنور عادل(خاتون ڈائریکٹر)[16اپریل،2024 کومنعقدہ غیرمعمولی اجلاس عام میں بطورڈائریکٹردوبارہ منتخب ہوئے]
ایگزیکٹوڈائریکٹرز	جناب شہزاد سلیم(چیف ایگزیکٹوآفیسر)[نشاط چونیاں لمیٹڈ کے چیف ایگزیکٹوآفیسر کےطورپر 30اپریل 2024 کودوبارہ تعینات ہوئے] جناب زین شہزاد محترمہ نادیہ بلال(خاتون ڈائریکٹر)[جناب فرخ افضال کی جگہ 16 اپریل،2024 سے بطورڈائریکٹرمقرر کیا گیا جواپریل 2024 کوڈائریکٹر کے عہدے سے سبکدوش ہوئے]

پیشہ ورانہ حفاظت اور صحت

ہم صحت اور حفاظت سے متعلق آگاہی کے جامع اقدامات پر عمل درآمد کرتے ہیں اور وقتاً فوقتاً تعریفی طبی کیمپوں کا اہتمام کرتے ہیں۔ مزید برآں، ہم ڈینگی اور کورونا وائرس جیسی بیماریوں کے خطرات کو کم کرنے کے لئے جدید فوگنگ مشینوں کا استعمال کرتے ہوئے تمام مینوفیکچرنگ تنصیبات میں منظّم طریقے سے فیومیگیشن کرتے ہیں۔

کمپنی ہر مینوفیکچرنگ سائٹ پر آگ بجھانے کے آلات اور گاڑیوں کی دستیابی کو یقینی بناتی ہے۔ باقاعدگی سے آگ بجھانے کی مشقیں کی جاتی ہیں، اور ملازمین کو ممکنہ ہنگامی حالات کے لئے لیس کرنے کے لئے بنیادی تربیت حاصل ہوتی ہے۔

ویلیو ایڈیشن اور تقسیم کا بیان

	روپے ملین میں
پیدا کردہ دولت	
کل وصولی اور دیگر آمدنی	89,745
مال اور خدمات میں خرید	(73,522)
قدر میں کمی اور تخفیف	(1,840)
	14,383
دولت کی تقسیم	
حکومت اور معاشرہ کو	
ملازمین کی تنخواہ	5,256
عطیہ	65
ٹیکس WPPF & WWF	616
سرمایہ فراہم کنندگان کو	
مالی لاگت	7,754
منافع منقسمہ	-
	13,691

تعمیل کا بیان

کمپنی نے کوڈ آف کارپوریٹ گورننس کے تقاضوں کی تعمیل کی ہے اور ان پر مناسب طور پر عمل کیا گیا ہے، اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

بنا تا ہے کہ اندرونی کنٹرول کمپنی کو درپیش ابھرتے ہوئے خطرات کو حل اور/ یا کم کرے۔

بورڈ ایک مؤثر اور مؤثر داخلی کنٹرول سسٹم کے قیام اور انتظام کے حوالے سے اپنی ذمہ داریوں سے پوری طرح آگاہ ہے۔ بورڈ براہ راست انٹرنل آڈٹ فنکشن کے ذریعہ پیش کردہ تجاویز کے وقتاً فوقتاً جائزے اور مناسب نفاذ کی نگرانی کرتا ہے۔اس کے نتیجے میں، اندرونی کنٹرول کے نفاذ کو یقینی اور ان کی فعالیت پر اعلیٰ درجہ کا انحصار رکھا جاتا ہے۔

ماحولیاتی اثرات

کمپنی ماحولیات پر ہماری سرگرمیوں کے اثرات پر مناسب غور وفکر کرتی ہے اور معاشرے کی فلاح و بہبود میں حصہ ڈالنے کی خواہش مند ہے۔

توانائی کا تحفظ

قابل تجدید توانائی کے ذرائع سے بجلی کی پیداوار کو فروغ دینے کے لئے، ہم نے اپنے ہیڈ آفس کو مکمل طور پر شمسی توانائی سے چلنے والے توانائی کے نظام کے ذریعے بجلی فراہم کرنے کا اقدام کیا ہے۔ہم نے اپنے سلائی اور ڈائینگ یونٹ کو چلانے کے لئے بجلی پیدا کرنے کے لئے 1.6 میگاواٹ کی صلاحیت والا شمسی توانائی پلانٹ نصب کیا ہے۔ہم توانائی کے تحفظ کے طریقوں کی تلاش میں فعال طور پر مصروف عمل ہیں اور توانائی کی بچت کے لئے مینوفیکچرنگ یونٹوں میں بجلی کی بچت کرنے والی ایل ای ڈی لائٹس پر منتقل ہو گئے ہیں۔ مزید برآں، توانائی کے تحفظ کو فروغ دینے کے لئے ملازمین کے لئے باقاعدگی سے تربیتی سیشن منعقد کیے جاتے ہیں۔

ماحولیات کا تحفظ

ہم ماحولیاتی تحفظ کے سلسلے میں حکومت کی طرف سے پیش کردہ تجاویز کا مسلسل جائزہ لیتے اور ان پر عمل درآمد کو یقینی بناتے ہیں۔ ہم اپنے صنعتی عمل کے خطرناک اثرات سے ماحول کو بچانے کے لئے گندے پانی کے ٹریٹمنٹ پلانٹ چلاتے ہیں۔کمپنی گندے پانی سے کاسٹک ریکوری پلانٹ بھی چلاتی ہے اور اس کا مقصد ہمارے فضلے کے چشموں پر آلودگی کے بوجھ کو کم کرنے کے لئے ماحول دوست رنگوں اور کیمیکلز کا استعمال بھی کیا جاتا ہے۔کوئلہ پر مبنی پاور پلانٹ ایک جدید ترین آن لائن اخراج کی نگرانی کے نظام سے لیس ہے تاکہ اس بات کو یقینی بنایا جا سکے کہ اخراج بین الاقوامی اور مقامی معیارات کے مطابق ہے۔ کوئلہ پر مبنی پاور پلانٹ کو ہوا کے معیار کی نگرانی کے نظام سے بھی لیس کیا گیا ہے، جو فضا میں آلودگی کی سطح کی نگرانی کرتا ہے۔ مزید برآں، ہم باقاعدگی سے ماحولیاتی نگرانی کی رپورٹس پر نظر رکھتے ہیں تاکہ یہ معلوم کیا جا سکے کہ آیا ہم تمام ریگولیٹری معیارات کے مطابق ہیں یا نہیں۔

مزید برآں، قابل تجدید توانائی کی پیداوار کی حمایت کرنے کے لئے، ہم نے بائیوماس توانائی کے نظام کے ساتھ اپنی سائٹ کے پیداواری عمل کو توانائی دینے کے لئے پہل کی ہے۔نشاط چونیاں لمیٹڈ (کوئلہ پاور) کی انتظامیہ بائیوماس بوائلر زیر تیز رفتاری سے کام کر رہی ہے۔ یہ منصوبہ نہ صرف لاگت موثر ہے بلکہ انتہائی ماحول دوست بھی ہے۔

کمپنی نے گندے پانی کے ٹریٹمنٹ کے لئے پلانٹس میں سرمایہ کاری کر کے ماحول دوست ٹیکنالوجیز میں بھی سرمایہ کاری کی ہے اور ہوم ٹیکسٹائل ڈویژن میں بھاپ کی پیداوار کے لئے روایتی فوسل فیول سے بائیوماس ایندھن پر منتقل کیا ہے۔

ماحولیاتی طور پر باشعور عالمی منظر نامہ میں کام کرتے ہوئے، ماحول کے تحفظ پر توجہ مرکوز کرتے ہوئے، سال کے دوران، کمپنی نے کامیابی کے ساتھ ہماری ڈائینگ سائٹ پر ایک ایفلوئنٹ ٹریٹمنٹ پلانٹ (ای ٹی پی) شروع کیا ہے۔ 1.5 مکعب میٹر فی گھنٹہ کی گنجائش کا حامل یہ جدید ترین پلانٹ پانی کے بہاؤ کو کنٹرول کرتا ہے، فعال کاربن فلٹریشن اور سلج ڈی واٹرنگ کے ساتھ کیمیائی اور حیاتیاتی ٹرٹمنٹ کا انتظام کرتا ہے، جس سے فضلے کے مؤثر انتظام اور صاف پانی کے اخراج کو یقینی بنایا جاتا ہے۔ یہ پیش رفت ماحولیاتی ذمہ داری کے لئے کمپنی کی لگن کو اُجاگر کرتی ہے، جس میں ہمارے ماحولیاتی اثرات کو کم سے کم کرنے کے لئے ڈیزائن کردہ عوامل شامل ہیں۔

مزید برآں، اسپننگ اور ویونگ ملوں میں استعمال ہونے والا پانی مقامی کسانوں کو مفت فراہم کیا جاتا ہے۔ کوئلہ پر چلنے والے پاور پلانٹ ایک جدید ترین آن لائن اخراج مانیٹرنگ سسٹم سے بھی لیس ہے تاکہ اس بات کو یقینی بنایا جا سکے کہ اخراج بین الاقوامی اور مقامی معیارات کے مطابق ہے۔ کوئلہ پاور پلانٹ کو ہوا کے معیار کی نگرانی کے نظام سے بھی لیس کیا گیا ہے، جو فضا میں آلودگی کی سطح کی نگرانی کرتا ہے۔

اپنی رفاہی کوششوں کے ایک حصہ کے طور پر، کمپنی سلیم میموریل فاؤنڈیشن (سابقہ میاں محمد یحییٰ ٹرسٹ) کے تحت چلنے والے ایک اسکول کو عطیہ کرتی ہے جو معمولی فیس پر غریبوں کو معیاری تعلیم فراہم کرتا ہے۔ کمپنی نے دیگر مخیّر حضرات کے ساتھ مل کر ایک جدید، غیر منافع بخش سلیم میموریل ہسپتال قائم کیا ہے۔ 350 بستروں پر مشتمل یہ ہسپتال 500,000 مربع فٹ کے احاطہ میں پھیلا ہوا ہے اور لاہور میں جدید سہولیات، آپریشن تھیٹر، کلینک اور پہلا لیول تھری ٹراما سینٹر ہے۔ اسے قابل ڈاکٹروں اور ماہر عملے کی ایک ٹیم چلاتی ہے۔ یہ ہسپتال ایک خود کفیل ماڈل پر مبنی ہے جس میں آمدنی کے دو ذرائع، باقاعدہ فیس اور کراس سبسڈی (اضافی آمدنی، زکوٰۃ اور عطیات) شامل ہیں۔ نشاط (چونیاں) لمیٹڈ نے اپنی فلاحی کاوشوں کے ایک حصہ کے طور پر اس نیک کام میں دل کھول کر عطیات دیئے ہیں۔ نشاط چونیاں لمیٹڈ کی جانب سے رواں مالی سال میں سلیم میموریل ہسپتال کو مجموعی طور پر 52 ملین روپے کا عطیہ دیا گیا۔

رسک مینجمنٹ

ہم سمجھتے ہیں کہ کسی بھی کاروبار کے لئے خطرہ کا ایکسپوژر ناگزیر ہے جو صنعت میں نمو اور مقابلہ کرنا چاہتا ہے۔ کمپنی کو مختلف قسم کے مالی خطرات کا سامنا ہے: مارکیٹ کا خطرہ (بشمول کرنسی کا خطرہ، سود کی شرح کا خطرہ)، کریڈٹ رسک اور لیکویڈیٹی رسک۔ اس کے لئے خطرے کے انتظام کے ایک سخت نظام کا قیام ضروری ہے، جس میں کمپنی کی سرگرمیوں سے متعلق خطرات کی شناخت، تشخیص، نگرانی اور انتظام کرنے کے لئے داخلی کنٹرول تیار کرنا شامل ہے۔ ہم مختلف حالات میں خطرہ/انعام کے تناسب کے بارے میں اپنی تفہیم کو مسلسل بہتر بنانا چاہتے ہیں اور خطرات کو قابل قبول سطح تک کم کرنا چاہتے ہیں۔

ہم پوری تنظیم میں خطرے کی پیش گوئی اور اس کے خاتمے کی ثقافت کو فروغ دیتے ہیں۔ کمپنی نے خطرات کا انتظام کرنے کے لئے مختلف معیاری آپریٹنگ طریقہ کار نافذ کیا ہے۔ انتظامیہ کی جانب سے وقتاً فوقتاً ان کا جائزہ لیا جاتا ہے تاکہ بے ترتیبی سے بچا جا سکے اور بدلتے ہوئے حالات کے ساتھ ان کو اپ ڈیٹ کیا جاتا ہے۔ بورڈ مذکورہ طریقہ کار کی تعمیل کی نگرانی کرتا ہے۔ ہم ہر سطح پر ملازمین میں آگاہی پیدا کرنے کے ساتھ، رسک مینجمنٹ کو کاروبار کی اقدار میں شامل کرنے پر یقین رکھتے ہیں. رسک مینجمنٹ پالیسیوں کی موجودگی انٹرپرائز اور جدت طرازی کی ہماری حوصلہ افزائی اور سہولت سے متوازن ہے۔

داخلی مالیاتی کنٹرول

این سی ایل میں، ہمارے پاس داخلی مالیاتی کنٹرول کا ایک مضبوط نظام جو سخت اور متحرک ہے۔ رسک مینجمنٹ اور اندرونی کنٹرول کے عمل کو کمپنی کے اثاثوں کی حفاظت، دھوکہ دہی کا پتہ لگانے اور روکنے، اور تمام قانونی/قانونی تقاضوں کی تعمیل کو یقینی بنانے کے لئے ڈیزائن کیا گیا ہے۔ انٹرنل کنٹرولز کا باقاعدگی سے جائزہ لیا جاتا ہے اور انٹرنل آڈٹ فنکشن کے ذریعہ نگرانی کی جاتی ہے جو وقتاً فوقتاً آڈٹ کرتا ہے اور انتظامیہ کو اپنے نتائج سے مطلع اور بہتری کے ممکنہ شعبوں کو اُجاگر کرتا ہے۔ انٹرنل آڈٹ فنکشن میں داخلی کنٹرول سسٹم میں کسی بھی خامی کی روک تھام پر گہری توجہ ہے۔ انٹرنل آڈٹ فنکشن اس بات کو یقینی

سویوا انکارا نکار پوریٹڈ۔ ریاست نیو یارک کے بزنس کارپوریشن قوانین کے تحت قائم کیا گیا ایک غیر ملکی ماتحت ادارہ ہے۔سویوا انکارپوریٹڈ کا بنیادی کاروبار ای کامرس چینل کے ذریعے اپنے مقامی صارفین کو ہوم ٹیکسٹائل مصنوعات کی فروخت ہے۔سویوا انکارپوریٹڈ نشاط چونیاں یوایس اے انکارپوریٹڈ کی مکمل ملکیتی ماتحت کمپنی ہے۔

نشاط چونیاں پراپرٹیز (پرائیویٹ) لمیٹڈ ایک پرائیویٹ لمیٹڈ کمپنی ہے جسے 31 جنوری 2022 کمپنیز ایکٹ 2017 کے تحت پاکستان میں قائم کیا گیا تھا۔نشاط چونیاں پراپرٹیز (پرائیویٹ) لمیٹڈ کے کاروبار کی بنیادی لائن ہر قسم کی رئیل اسٹیٹ کی مارکیٹنگ اور نمو ہے جس میں ترقی یافتہ یا غیر ترقی یافتہ زمین، ہاؤسنگ یا تجارتی منصوبے بشمول کمرشل مارکیٹیں یا کثیر منزلہ عمارت (تجارتی یا رہائشی مقاصد کے لئے)، شاپنگ سینٹرز، ریسٹوراں، ہوٹل، تفریحی سہولیات وغیرہ شامل ہیں۔

ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی ایک لمیٹڈ ذمہ داری والی- واحد اونر (ایل ایل سی- ایس او) کمپنی ہے جو وفاقی قانون کے مطابق قائم اور حکومت دبئی کے محکمہ اقتصادی ترقی کے ساتھ رجسٹرڈ ہے۔ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی کا بنیادی کاروبار ٹیکسٹائل ٹریڈنگ، کمبل، تولیہ اور لینن ٹریڈنگ ہے۔نشاط (چونیاں) لمیٹڈ ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی کے 100 فیصد حصص کی مالک ہے۔تاہم نشاط (چونیاں) لمیٹڈ نے ابھی تک ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی کے بینک اکاؤنٹ میں سبسکرائب کیے گئے حصص کے مقابلے میں رقم نہیں بھیجی ہے اور توقع ہے کہ جلد ہی سرمایہ کاری کی جائے گی۔

نشاط چونیاں یوایس اے انکارپوریٹڈ اور سویوا انکارپوریٹڈ ریاست نیو یارک کے بزنس کارپوریشن قانون کے تحت قائم ہیں۔گورننگ قانون میں ماتحت کمپنی کے مالی گوشواروں کے آڈٹ کی ضرورت نہیں ہے۔لہذا، ہم نے مربوط مالیاتی گوشوارے تیار کرنے کے لئے ذیلی کمپنیوں کے غیر آڈٹ شدہ مالی گوشواروں کا استعمال کیا ہے۔

کارپوریٹ سماجی ذمہ داری

انتظامیہ سماجی بہبود اور کمیونٹی سروس پر پختہ یقین رکھتی ہے، اور اسے ہماری کمپنی کی ثقافت کا لازمی حصہ بنانے کی کوشش کرتی ہے۔ہم مختلف ٹیکسز، ڈیوٹیز اور لیویز کی ادائیگی کے ذریعے قومی خزانے میں نہ صرف قابل ذکر اضافہ کرتے ہیں بلکہ ہماری برآمدات کی آمدنی ملک کی غیر ملکی زرمبادلہ کی پوزیشن کو مستحکم کرنے میں کافی اہم کردار ادا کرتی ہے۔

ہم ملازمت کے مساوی مواقع فراہم کرتے ہیں اور صنف، طبقہ، نسل اور مذہب کے حوالے سے غیر جانبدار ہیں کیونکہ ہم میرٹوکریسی کی ثقافت پر یقین رکھتے ہیں۔ہم اپنے ملازمین کو کام کا ایسا ماحول فراہم کرتے ہیں جو صحت مند، محفوظ اور مسلسل سیکھنے کے لئے سازگار ہے۔

این سی ایل میں ملازمین کی صحت اور تندرستی ایک بنیادی قدر ہے اور ہم اپنے ملازمین کی صحت اور فٹنس کو بہتر بنانے اور اس کی حمایت کرنے کی کوشش کرتے ہیں۔سلیم میموریل ہسپتال کے اشتراک سے ہیلتھ سکریننگ مہم چلائی گئی جس میں ملازمین کو مفت ہیلتھ سکریننگ ٹیسٹ فراہم کیے گئے جس کے بعد ماہرین کے طبی مشورے کے لئے معالجین سے بھی مشاورت کی گئی۔

کمپنی نے گندے پانی کے ٹریٹمنٹ کے لئے پلانٹس میں سرمایہ کاری کر کے ماحول دوست ٹیکنالوجیز میں بھی سرمایہ کاری کی ہے اور ہوم ٹیکسٹائل ڈویژن میں بھاپ کی پیداوار کے لئے روایتی فوسل فیول سے بائیوماس ایندھن پر منتقل کر دیا گیا ہے۔

ہوم ٹیکسٹائل: ڈویژن امریکی مارکیٹ میں اپنی موجودگی کو بڑھانے اور اپنے صارفین کو مزید شاندار تجربہ فراہم کرنے کا ارادہ رکھتا ہے، ہم نے نیویارک میں اپنے ہوم ٹیکسٹائل مصنوعات کے لئے ایک شوروم کا افتتاح کیا ہے۔ یہ شوروم ایک متحرک جگہ کے طور پر کام کرتا ہے جہاں گاہک ذاتی طور پر ہماری مصنوعات کے نمونے ملاحظہ کر سکتے ہیں۔ مستقبل کو دیکھتے ہوئے، ہم اس اسٹریٹجک مقام سے تجارت کو شامل کرنے کے لئے اپنے آپریشنز کو بڑھانے کے لئے فعال طور پر حکمت عملی بنا رہے ہیں۔

ہماری ایچ ٹی ڈی مصنوعات کے لئے اپنی عالمی موجودگی کو مزید مستحکم کرنے کے لئے، ہم افریقہ، جنوبی امریکہ، چین اور ترکی میں نمائشوں میں اپنی شرکت کے ذریعے غیر روایتی مارکیٹوں میں مواقع کی فعال طور پر تلاش اور اجاگر کر رہے ہیں۔

ذیلی کمپنیاں

کمپنی نے بین الاقوامی رپورٹنگ معیارات او رکمپنیز ایکٹ 2017 کی ضروریات کے مطابق مجموعی مالی حسابات کے ساتھ ساتھ الگ مالی حسابات بھی منسلک کئے ہیں۔ گروپ نتائج میں

نشاط (چونیاں) لمیٹڈ (ہولڈنگ کمپنی)،

نشاط چونیاں یو ایس اے انکارپوریٹڈ،

سویوا انکارپوریشن

نشاط چونیاں پراپرٹیز (پرائیویٹ) لمیٹڈ

ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی

کے مالی حسابات شامل ہیں۔

مالی جھلکیاں	2024 (روپے ملین میں)	2023 (روپے ملین میں)
کل آمدنی	89,045	70,949
مجموعی منافع	11,065	7,135
ٹیکس سے پہلے منافع	1,264	159
ٹیکسیشن	553	912
آمدنی / (نقصان) فی شیئر (بنیادی اور معتدل)	2.96 (روپے)	(3.63) (روپے)

نشاط چونیاں لمیٹڈ کی تمام ذیلی کمپنیوں کی مختصر تفصیل حسب ذیل ہے:

نشاط چونیاں یو ایس اے انکارپوریٹڈ، بزنس کارپوریشن لاز آف دی سٹیٹ آف نیویارک کے تحت غیر ملکی ذیلی انکارپوریٹڈ ہے۔ یہ امریکی مارکیٹ سے متعلقہ رسائی، معلومات اور دیگر خدمات مہیا کرنے اور امریکہ میں مقامی ریٹیلرز کو ہوم ٹیکسٹائل مصنوعات درآمد اور تقسیم کرنے والی ہولڈنگ کمپنی کے مارکیٹنگ ڈیپارٹمنٹ کے ساتھ رابطہ کرنے کے بنیادی مقصد کے ساتھ مکمل ملکیتی ذیلی انکارپوریٹڈ ہے۔

مشکلات پر قابو پانے میں مدد ملے گی بلکہ مستقبل میں پائیدار نمو کے لئے ٹی ایل سی کی پوزیشن میں بھی مدد ملے گی۔

ای کامرس کی نمو کی صلاحیت کو تسلیم کرتے ہوئے، کمپنی نے اپنے مکمل ملکیتی ماتحت ادارے، ٹی ایل سی مڈل ایسٹ ایل ایل سی کے ذریعے عالمی سطح پر اپنے آپریشنز کو وسعت دی ہے۔اس ذیلی ادارے نے بنیادی طور پر ایمازون ای کامرس پلیٹ فارم کے ذریعے 309 فیصد سالانہ آمدنی میں نمایاں اضافہ حاصل کیا ہے۔صارفین کی رسائی کو مزید بڑھانے کے لئے، ٹی ایل سی مڈل ایسٹ شارجہ میں فزیکل آؤٹ لیٹس قائم کرکے اپنے آپریشنز کو وسعت دے رہا ہے۔

پاور

ہمارے پاس 46 میگاواٹ کا کوئلے سے چلنے والا پاور پلانٹ ہے جو ہمارے اسپننگ اور ویونگ یونٹوں کی ضروریات کو پورا کرتا ہے اور پیدا ہونے والی اضافی بجلی ہماری پاور سائٹ کے اردگرد کام کرنے والے دیگر بلک پاور صارفین کو منتقل اور فروخت کی جاتی ہے۔لیسکو اور ایس این جی پی ایل کے نرخوں میں غیر معمولی اضافے کی وجہ سے ہمارا کوئلے سے چلنے والا پاور پلانٹ بجلی کا سب سے سستا ذریعہ ہے جو ہماری ملوں کو مسابقتی فائدہ فراہم کرتا ہے۔

بیک اپ کے طور پر ہمارے پاس 30 میگاواٹ کی گنجائش کے ساتھ ساتھ لیسکو سے بجلی کی فراہمی اور اسٹینڈ بائی گیس جنریٹرز بھی موجود ہیں۔

مستقبل کا نقطہ نظر

کمپنی کا کاروباری نقطہ نظر میکرو اکنامک حالات اور سیاسی استحکام سے بہت زیادہ منسلک ہے۔فی الحال، غیر ملکی مارکیٹیں، تجارتی پابندیاں، سیاسی استحکام، قرض کی لاگت میں کمی کا رجحان، اور افراط زر میں کمی مارکیٹ کے مثبت جذبات کو فروغ دے رہی ہے۔

اسپننگ: پاکستانی دھاگہ کی بڑھتی ہوئی عالمی طلب کی وجہ سے انتظامیہ اسپننگ کے کاروبار کی بحالی کے بارے میں پُر امید ہے۔اپنی مسابقتی پوزیشن کو مضبوط بنانے کے لئے، کمپنی مجموعی طور پر مصنوعات کے معیار کو بڑھاتے ہوئے اپنی اوپن اینڈ یارن کی پیداواری صلاحیت کو اسٹریٹجک طور پر بڑھا رہی ہے۔اگرچہ رواں سیزن میں کپاس کی مقامی فصل میں معمولی کمی آئی ہے، لیکن درآمد شدہ کپاس کے لیے سازگار نرخ ہماری کاروباری حکمت عملی سے مطابقت رکھتے ہیں، جس سے ہمیں لاگت کی استعداد کار کو محفوظ بنانے میں مدد ملتی ہے۔

مزید برآں، سماجی تعمیل کی بڑھتی ہوئی کوششوں سے کمپنی کو سازگار برآمدی امکانات کو برقرار رکھنے میں مزید مدد ملے گی، جس سے کاروباری کارکردگی پر مثبت اثر پڑنے کی توقع ہے۔تاہم، طلب میں اتار چڑھاؤ اور مارکیٹ کی سطح میں اتار چڑھاؤ جیسے چیلنجز برقرار ہیں، جس کی وجہ سے اسپننگ ڈویژن میں پائیدار نمو کے لئے ایک بہتر مارکیٹنگ حکمت عملی کی ضرورت ہے۔

ویونگ: ہمارے ویونگ ڈویژن میں، ہم اپنے موجودہ سیٹ اپ میں ریپیئر لومز کو شامل کرکے اپنی پیداواری صلاحیتوں کو بڑھانے کی منصوبہ بندی کر رہے ہیں۔ان لومز کی شمولیت اعلیٰ جی ایس ایم فیبرکس کے ساتھ ساتھ لینن اور ہیمپ آرٹیکلز کو موثر طریقے سے تیار کرنے کے قابل بناتی ہے۔یہ مواد دونوں ملکی اور بین الاقوامی مارکیٹوں میں اپنی ماحول دوست خصوصیات اور طلب کی وجہ سے تیزی سے مقبول ہو رہے ہیں۔

کمپنی نے سپننگ یونٹس میں مزید موراٹا سے آٹو میٹک ونڈرز اور اوسٹر جوسی ویژن شیلڈ کامیابی سے نصب کیے ہیں۔اس جدید ترین مشینری سیٹ اپ نے مصنوعات کے معیار اور پیداواری صلاحیت میں مزید اضافہ کیا ہے۔

خام مال کی لاگت، قرضوں کے اخراجات اور توانائی کی قیمتوں میں اضافے نے اہم مشکلات پیدا کی ہیں۔ان مالی مشکلات نے، خاص طور پر اسپننگ ڈویژن میں کمپنی کے منافع کو بُری طرح متاثر کیا ہے۔ تاہم، انتظامیہ ان متعدد بحرانوں سے نمٹنے کے لئے تندہی سے کام کر رہی ہے۔کمپنی کو یقین ہے کہ بہتر سورسنگ حکمت عملی، مؤثر انوینٹری مینجمنٹ، لاگت کنٹرول، اور بہتر آپریشنل کارکردگی ڈویژن کی مستقبل کی کارکردگی پر مثبت اثر ڈالے گی۔

ویونگ

ویونگ ڈویژن کی آمدنی میں اضافے کا سلسلہ پورے سال جاری رہا۔رواں سال مجموعی فروخت 11.45 بلین روپے تک پہنچ گئی جو گزشتہ سال کے مقابلے میں 33 فیصد زیادہ ہے۔فروخت کا ایک قابل ذکر حصہ مقامی مارکیٹوں میں رہا کیونکہ مالی سال 2023 کے مقابلے میں مقامی فروخت میں 69 فیصد اضافہ ہوا۔

عالمی میکرو اکنامکس اور ملک کے سیاسی منظر نامے ٹیکسٹائل کے کاروبار میں مددگار نہیں ہیں۔تاہم، انتظامیہ کا ماننا ہے کہ توجہ مرکوز مارجن اور آپریشنل آپٹیمائزیشن کے ساتھ منسلک بہتر سورسنگ حکمت عملی اس شعبے میں ترقی اور منافع کے لئے حوصلہ افزائی فراہم کرے گی۔

کمپنی زیادہ جدید سائزنگ مشین میں اپ گریڈنگ جاری رکھے ہوئے ہے جس سے پیداوار کی کارکردگی میں نمایاں اضافہ اور فضلہ کم ہوتا ہے۔اس اپ گریڈیشن سے مجموعی شعبے کی پیداوار اور آپریشنل کارکردگی کو بہتر بنانے میں مدد ملے گی۔

ہوم ٹیکسٹائل

رواں سال کے دوران ہوم ٹیکسٹائل کا کاروبار 22.3 بلین روپے رہا۔ پاکستان کی ٹیکسٹائل انڈسٹری مسلسل چیلنجنگ میکرو اکنامک ماحول سے نبرد آزما ہے۔مسلسل افراط زر، ایندھن کی قیمتوں میں اضافے نے درآمدی خام مال کی قیمت میں مزید اضافہ کر دیا ہے۔مزید برآں، زیادہ شرح سود، توانائی کی سبسڈی کے خاتمہ کی وجہ سے مالیاتی منظر نامہ مشکل ہے، ان سب نے ملک میں کاروبار کرنے کی لاگت کو مزید بڑھا دیا ہے۔موجودہ عالمی مارکیٹ کے منظر نامہ میں مسابقتی ہونے کے لئے، ہم نے اپنی افادیت کی لاگت کو کم کرنے کے اقدامات کیے ہیں۔ہم نے اپنے سلائی اور ڈائینگ یونٹ کے لئے بجلی پیدا کرنے کے لئے 1.6 MW میگاواٹ کی صلاحیت والا شمسی توانائی پلانٹ نصب کیا ہے۔ہم نے قابل تجدید وسائل کا استعمال کرتے ہوئے بھاپ کی پیداوار کے لئے روایتی فوسل فیولز سے بائیوماس میں منتقل ہونے کا منصوبہ بنایا ہے۔ان تبدیلیوں سے ہماری بجلی کی پیداوار اور بھاپ کی پیداواری لاگت میں نمایاں کمی آئے گی۔اس سے گرین ہاؤس گیسوں کے اخراج کو کم کر کے ہماری پائیداری کی کوششوں میں بھی اضافہ ہوگا۔تمام چیلنجوں کے باوجود پیداواری لاگت کو کم کرنے کے لئے ہمارے فعال اقدامات سال 25-2024 میں فروخت میں مستقل نمو کو یقینی بنائیں گے۔

لینن کمپنی (ٹی ایل سی) کو گزشتہ سال کے مقابلے میں آمدنی میں 1 فیصد کی معمولی کمی کا سامنا کرنا پڑا۔اس کی بنیادی وجہ مقامی ٹیکسٹائل مارکیٹ میں بڑھتی ہوئی مسابقت اور افراط زر کی وجہ سے صارفین کی کمزور قوت خرید ہے۔ان مشکلات کے باوجود، ہم اعلی معیار کی مصنوعات اور غیر معمولی کسٹمر سروس فراہم کرنے کے لئے پُرعزم ہیں۔مارکیٹ کی مسابقت کو کم اور اپنی رسائی کو وسیع کرنے کے لئے، ہم نے ملک بھر میں اپنی خوردہ موجودگی کو بڑھانے اور اپنے گاہکوں کو زیادہ سے زیادہ رسائی فراہم کرنے کے لئے حکمت عملی کی منصوبہ بندی کی ہے۔ہمیں یقین ہے کہ اس سٹرٹیجک توسیع سے نہ صرف ہمیں موجودہ

تصرفات

پائپ لائن میں اہم کیپٹل اخراجات کے مدِنظر، بورڈ آف ڈائریکٹرز نے فی الوقت ڈیویڈینڈ کا اعلان نہ کرنے کی سفارش کی ہے۔

سرمایہ کاری

سال کے دوران آپریشنل کارکردگی کی صلاحیت میں اضافہ اور بہتر بنانے کے لئے ٹیکسٹائل کے مختلف شعبوں میں اہم سرمایہ کاری کی گئی۔ مختصر جائزہ حسبِ ذیل ہے:

کاروبار کا شعبہ	مشینری کا اضافہ	سرمایہ کاری (روپے ملین میں)
سپننگ	• 4 آٹومیٹک کونر وائنڈنگ مشینیں	86
	• 1 کاسٹر جوسی وژن شیلڈ	33.6
ہوم ٹیکسٹائل	• ویسٹ واٹر ٹریٹمنٹ پلانٹ	664
	•3 اسٹیج کاسٹک ریکوری پلانٹ	149

شعبہ وار رپورٹ

سپننگ

گزشتہ سال کے مقابلے میں اسپننگ کے کاروبار میں کچھ بہتری دیکھنے میں آئی تاہم سال بھر دھاگہ کے شعبے کے لیے کاروباری جذبات کشیدہ ہیں۔ ڈویژنل فروخت 55.1 بلین روپے تک پہنچ گئی، یہ 2023 کے مقابلے میں 32.7 فیصد زیادہ رہی۔

مقامی فروخت نے کل آمدنی کے 71 فی صد شراکت میں اہم حصہ کو برقرار رکھا۔ اس کی بنیادی وجہ دھاگہ کی مستحکم مقامی طلب ہے۔ اس کے برعکس مستحکم شرح تبادلہ اور ہماری بڑی برآمدی منڈیوں چین اور بنگلہ دیش کی جانب سے سست طلب کی وجہ سے دھاگہ کی برآمدات میں کمی کا رجحان دیکھا گیا۔ پاکستان میں پیداواری لاگت بہت زیادہ ہونے کی وجہ سے؛ بھارت چین کے مقامی اسپنرز اور ویتنام نے بہت پُرکشش قیمتوں کے ساتھ ہمارے مارکیٹ شیئر پر قبضہ کرلیا جس کی وجہ سے بہت سی پاکستانی سپننگ ملیں بند ہو گئیں۔

ملک میں کپاس کی سالانہ پیداوار میں بڑے پیمانے پر اضافہ دیکھنے میں آیا۔ رواں سال کپاس کی آمد بڑھ کر 8.4 ملین گانٹھ (2023 میں 4.9 ملین گانٹھ) ہو گئی۔ پچھلے سال کی طرح اس سال بھی مون سون کے دوران ملک بھر میں سیلاب آیا جس سے کپاس کی فصل کی پیداوار اور زرعی زمین متاثر ہوئی تھی۔

دھاگہ کی قیمتیں کپاس کی قیمتوں کے مطابق رہیں۔ پچھلے سال کے مقابلے میں فروخت کی قیمت میں تغیر ساز گار رہا ہے۔ تاہم، یہ مثبت رجحان پیداواری لاگت میں بڑے پیمانے پر اضافے کو پورا کرنے کے لئے کافی نہیں تھا۔ خام مال کا احاطہ کرنے کے بعد کپاس کی قیمتیں گر گئیں جس کی وجہ سے انوینٹری نقصانات ہوئے۔ سود کی زیادہ لاگت کی وجہ سے ایندھن کی لاگت مزید بڑھ گئی جس کے نتیجے میں ڈویژنل نقصان ہوا۔

مجلس نظماء کی رپورٹ

نشاط چونیاں لمیٹڈ کے ڈائریکٹر 30 جون 2024 کو ختم ہونے والے مالی سال کے لئے آپ کی کمپنی کے مالی نتائج جس میں واحد اور مجموعی نظر ثانی شدہ مالی حسابات دونوں شامل ہیں آپ کو پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

جائزہ

مالی سال 24-2023ء نے بہتر کارکردگی کا مظاہرہ کیا، مالی سال 2023ء میں آمدنی 67.6 بلین روپے سے بڑھ کر مالی سال 2024ء میں 88.8 بلین روپے ہو گئی۔ فروخت میں اضافہ بڑی حد تک اسپننگ اور ویونگ ڈویژن کی وجہ سے ہوا، جس نے ہر ایک میں 33 فیصد کی نمو درج کرائی۔

اس اضافے نے کامیابی کے ساتھ پچھلے سال کے نقصان کا ازالہ کیا، جس کے نتیجے میں 692 ملین روپے کا خالص منافع (گزشتہ سال کے 1.5 فیصد خالص نقصان کے مقابلے میں مجموعی آمدنی کا 0.78 فیصد) ہوا۔

قرض کی زیادہ لاگت، بجلی کی محدود سبسڈی وغیرہ کی شکل میں سخت میکرو اکنامک حالات کو مدنظر رکھتے ہوئے یہ ایک بڑی تبدیلی ہے۔ تاریخی بلند شرح سود کی وجہ سے مالی سال 2024ء میں قرضوں کی لاگت گزشتہ سال کے مقابلے میں 43 فیصد بڑھ کر 7.7 بلین روپے تک پہنچ گئی ہے۔

مزید برآں مجموعی منافع مارجن بھی 2023 میں 9.74 فیصد سے بہتر ہو کر رواں مالی سال میں 12.27 فیصد ہو گیا ہے۔ انتظامیہ کا پختہ یقین ہے کہ مؤثر لاگت کے انتظام، ٹیکس کی بہتر منصوبہ بندی اور دانشمندانہ مالی اقدامات کر کے نتائج کو مزید بہتر بنایا جا سکتا ہے۔

سال ایک نظر میں

مالی جھلکیاں	مختتمہ سال 2024	مختتمہ سال 2023	اضافہ/(کمی)
فروخت (روپے)	88,879,551,818	67,629,278,772	31%
مجموعی منافع (روپے)	10,909,256,322	6,589,059,744	66%
آپریشنز سے منافع (روپے)	8,997,839,256	5,331,902,056	69%
بعد از ٹیکس منافع (روپے)	691,671,497	(998,927,708)	169%
مجموعی منافع فیصد	12.27%	9.74%	
بعد از ٹیکس منافع فیصد	0.78%	(1.48%)	
فی شیئر آمدنی (روپے)	2.88	(4.16)	

چیئرمین کی جائزہ رپورٹ

مجھے آپ کے سامنے 30 جون 2024 کو ختم ہونے والے سال کے لئے نشاط (چونیاں) لمیٹڈ کے بورڈ آف ڈائریکٹرز ("بورڈ") کا کلیدی کردار کے ساتھ معاشی اور کاروباری خاکہ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔

کمپنی کی فروخت 88.8 بلین روپے (2023 میں 67.6 بلین روپے) تاریخ کی بلند ترین سطح تک پہنچ گئی، جو گزشتہ سال کے مقابلے میں 31 فیصد کا اضافہ ظاہر کرتی ہے، ہم نے 691.7 ملین روپے کا خالص منافع درج کیا ہے۔ خام مال کی قیمتوں میں استحکام کی وجہ سے مجموعی اور خالص مارجن میں بہتری آئی ہے۔

نشاط (چونیاں) لمیٹڈ کو اپنے بورڈ پر فخر ہے جو کمپنی کی اسٹریٹجک سمت کا تعین کرتا ہے اور بلاشبہ اس کی بنیادی طاقت ہے۔ بورڈ، ڈائریکٹرز اور ان کی کمیٹیوں کے حوالہ سے کمپنیز ایکٹ 2017 کے تحت جاری ہدایات کے ساتھ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کی تعمیل کی گئی ہے۔

کمپنی کا سات رکنی بورڈ ہے جو متنوع پس منظر کے حامل ڈائریکٹرز پر مشتمل ہے، جو کمپنی کے کاروبار سے متعلق بھرپور علم اور تجربہ رکھتے ہیں۔ آزاد ڈائریکٹرز سمیت تمام ڈائریکٹرز نے بورڈ کے فیصلہ سازی کے عمل میں بھرپور اپنا کردار ادا کیا۔

سات (7) ممبروں پر مشتمل بورڈ کی مدت اپریل 2024 میں پوری ہوگئی ہے۔ 16 اپریل، 2024 کو کمپنی کے سات ڈائریکٹروں کے انتخاب کے لئے غیر معمولی اجلاس عام میں دوبارہ انتخابات ہوئے۔ کمپنیز ایکٹ 2017ء کی دفعہ 159 کی شقوں کے مطابق محترمہ نادیہ بلال کو فرخ افضال کی جگہ منتخب کیا گیا جبکہ دیگر تمام ڈائریکٹرز (جناب شہزاد سلیم، محترمہ عائشہ شہزاد، جناب زین شہزاد، محترمہ ماہ نور عادل، جناب محمد اعظم صدیقی، جناب احمد حسنین) کو تین سال کی اگلی مدت کے لئے دوبارہ منتخب کیا گیا۔ مزید برآں، مجھے، مسمی محمد اعظم صدیقی کو چیئرمین مقرر کیا گیا ہے اور جناب شہزاد سلیم کو نشاط (چونیاں) لمیٹڈ کا چیف ایگزیکٹو آفیسر مقرر کیا گیا ہے، جس کا اطلاق 30 اپریل 2024 کو ہوا۔

30 جون 2024 کی رپورٹنگ کی تاریخ کے بعد بورڈ کی تشکیل میں ایک مزید تبدیلی محترمہ انوش نثار زین کو محترمہ عائشہ شہزاد کی جگہ بطور ڈائریکٹر تقرری ہوئی ہے، جس کا اطلاق 26 ستمبر، 2024 سے ہوگا، کیونکہ محترمہ عائشہ شہزاد نے 6 اگست، 2024 کو ڈائریکٹر کے عہدے سے استعفیٰ دے دیا تھا۔

بورڈ کی کارکردگی کا جدید معیار کے مطابق جائزہ لیا گیا ہے، جو ان کی انتہائی قابلیت اور محنت کی عکاسی کرتا ہے۔ بورڈ کی کامیابیوں کی اہم خصوصیات درج ذیل ہیں:

- ☆ ہر سطح پر ان کی تعمیل کو یقینی بناتے ہوئے کمپنی کے وژن، مشن اور اقدار کو واضح طور پر سمجھنا۔
- ☆ اسٹریٹجک منصوبے تیار کرنا اور باخبر فیصلے کرنا جو کمپنی اور اس کے اسٹیک ہولڈرز کے مفادات سے مطابقت رکھتے ہیں۔
- ☆ داخلی اور بیرونی آڈیٹرز کے ساتھ ساتھ آزاد کنسلٹنٹس (جہاں اور جہاں بھی قابل اطلاق ہو) کے اہم نتائج کو مدنظر رکھتے ہوئے کاروباری کارکردگی اور معاملات کا مسلسل جائزہ لینا؛
- ☆ اہم فیصلہ سازی میں مناسب شمولیت کو یقینی بناتے ہوئے آزاد ڈائریکٹرز سمیت ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے متنوع امتزاج کو برقرار رکھنا؛
- ☆ مادی سرمایہ کاری کے فیصلوں کا جائزہ؛
- ☆ مؤثر کنٹرول ماحول اور کارپوریٹ گورننس کے بہترین طریقوں پر عمل اور برقرار رکھنا۔

مزید برآں، سال بھر کے تمام اہم مسائل بورڈ اور اس کی کمیٹیوں کے سامنے پیش کیے گئے۔ آڈٹ کمیٹی اور ایچ آر اور معاوضہ کمیٹی نے بورڈ کے افعال کو پائیدار بنانے کے لئے شاندار انداز میں بورڈ کی مدد کی۔ بورڈ کی جانب سے عالمی سطح پر بہترین طریقوں کے مطابق مزید بہتری کے ممکنہ شعبوں کی نشاندہی کے لیے خود کا جائزہ لیا گیا۔

بالآخر، میں اپنے بورڈ آف ڈائریکٹرز، ملازمین، شیئر ہولڈرز، صارفین، بینکرز، ریگولیٹری اتھارٹیز اور دیگر اسٹیک ہولڈرز کا بھی شکر یہ گزار ہوں جنہوں نے اس انٹرپرائز میں ان کی مسلسل حمایت اور اعتماد کا اظہار کیا۔

محمد اعظم صدیقی

چیئرمین

تاریخ: 26 ستمبر 2024ء

لاہور

پراکسی فارم (مختار نامہ)

میں / ہم ____
ساکن______________حامل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) / پاسپورٹ نمبر ______________________________
اور بحیثیت رکن نشاط (چونیاں) لمیٹڈ بذریعہ ہذا
محترم / محترمہ______________________ ساکن __________________ بحیثیت رکن نشاط (چونیاں) لمیٹڈ، حامل کمپیوٹرائزڈ قومی شناختی کارڈ
(CNIC) / پاسپورٹ نمبر__________________________________

کو اپنے / ہمارے ایماء پر مورخہ 28 اکتوبر 2024ء، (پیر) صبح 10:00 بجے بمقام Q-31، گلبرگ-II، لاہور میں منعقد ہونے والے کمپنی سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔

آج بروز.................. بتاریخ............2024ء کو میرے / ہمارے دستخط سے گواہوں کی تصدیق سے جاری ہوا۔

....

دستخط رکن

براہِ مہربانی -/50 روپے کا
رسیدی ٹکٹ چسپاں کریں

گواہان

1۔
دستخط:__________________________
نام: __________________________
پتہ: __________________________
____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:______________

2۔
دستخط:__________________________
نام: __________________________
پتہ: __________________________
____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر:______________

براہِ مہربانی درج کریں:

فولیو نمبر	ملکیتی حصص	سی ڈی سی اکاؤنٹ نمبر

اہم نوٹ:

1۔ پراکسی کی تقرری کا یہ آلہ، باقاعدہ مکمل شدہ، کمپنی کے شیئر رجسٹرار آفس، یعنی نشاط (چونیاں) لمیٹڈ Q-31، گلبرگ-II، لاہور میں سالانہ اجلاس عام کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل لازماً وصول ہونا چاہیئے۔

2۔ پراکسی فارم پر دو افراد کی گواہی ہونی چاہیئے جن کے نام، پتے اور CNIC / پاسپورٹ نمبر فارم پر درج ہونگے۔

3۔ مقرر کنندہ اور پراکسی ہولڈر کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول، پراکسی فارم (مختار نامہ) کے ہمراہ جمع کرانا ہونگی۔

4۔ پراکسی ہولڈر اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ مہیا کرے گا۔

5۔ بصورت کارپوریٹ اینٹٹی، پراکسی فارم مؤثر بورڈ کی قرارداد کے ذریعے مجاز نمائندہ کا دستخط شدہ ہوگا۔ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ معہ نمونہ دستخط پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔

میں/ہم مندرجہ بالا خصوصی قراردادوں کے سلسلے میں پوسٹل بیلٹ کے ذریعے اپنا/اپنے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر درج ذیل قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتے ہیں:

نمبر شمار	قراردادوں کی نوعیت اور تفصیل	میں/ہم قراردادوں پر رضامند ہیں (FOR)	میں/ہم قراردادوں پر کے خلاف ہیں (AGAINST)
1۔	ایجنڈا آئٹم-4 کے مطابق خصوصی قرارداد		
2۔	ایجنڈا آئٹم-5 کے مطابق خصوصی قرارداد		

شیئر ہولڈر/ پراکسی ہولڈر/ مجاز دستخط کنندہ کے دستخط:

(بصورت کارپوریٹ ادارہ، براہِ مہربانی کمپنی کی مہر ثبت کریں)

مقام: ________________

تاریخ: ________________

نوٹس:

1۔ صحیح طریقے سے پُر شدہ پوسٹل بیلٹ Q-31، گلبرگ II، لاہور، یا chairman@nishat.com پر ای میل بھیجنا چاہیے۔

2۔ CNIC, NICOP / پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پوسٹل بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔

3۔ پوسٹل بیلٹ فارم 27-10-2024 کو یا اس سے پہلے شام 5:00 بجے صدر اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔

4۔ باڈی کارپوریٹ اور کارپوریشن کے نمائندے کی صورت میں پوسٹل بیلٹ کے ساتھ قابل اطلاق کمپنیز ایکٹ 2017 کی دفعہ 138 یا 139 کے مطابق کسی مجاز شخص کے CNIC کی کاپی، بورڈ کی قرارداد، پاور آف اٹارنی، یا اتھارٹی لیٹر کی تصدیق شدہ کاپی ہونی چاہیے۔ غیر ملکی باڈی کارپوریٹ وغیرہ کی صورت میں، تمام دستاویزات رکن پر دائرہ اختیار رکھنے والے کونسل جنرل آف پاکستان سے تصدیق شدہ ہونا ضروری ہے۔

5۔ پوسٹل بیلٹ پر دستخط CNIC, NICOP / پاسپورٹ (غیر ملکی کی صورت میں) کے دستخط سے مماثل ہونا چاہئے۔

6۔ نامکمل، بغیر دستخط شدہ، غلط، کاٹ کر لکھا ہوا، پھٹا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ پیپر مسترد کر دیا جائے گا۔

ڈاک کے ذریعے ووٹنگ کے لیے بیلٹ پیپر

مورخہ 28 اکتوبر 2024 (پیر) کو صبح 11:00 بجے (PST) بمقام Q-31 گلبرگ-II، لاہور نشاط (چونیاں) لمیٹڈ کے سالانہ اجلاس عام میں خصوصی امور کے لئے ڈاک کے ذریعے ووٹنگ کے لئے۔

نامزد کردہ ای میل ایڈریس: chairman@nishat.com جس پر صحیح طریقے سے پُر شدہ بیلٹ پیپر بھیجا جا سکتا ہے۔

شیئر ہولڈر/مشترکہ شیئر ہولڈرز کا نام	
رجسٹرڈ ایڈریس	
فولیو نمبر/سی ڈی سی پارٹیسپنٹ/انویسٹر آئی ڈی معہ سب اکاؤنٹ نمبر	
ملکیتی حصص کی تعداد	
CNIC, NICOP/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	
اضافی معلومات اور وضاحتیں (باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندہ کی صورت میں)	
مجاز دستخط کنندہ کا نام:	
مجاز دستخط کنندہ کا CNIC، NICOP/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	

میں/ہم مندرجہ بالا خصوصی قراردادوں کے سلسلے میں پوسٹل بیلٹ کے ذریعے اپنا/اپنے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر درج ذیل قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتے ہیں:

خصوصی قراردادیں

ایجنڈا آئٹم 4۔

مندرجہ ذیل خصوصی قرارداد کو ترامیم کے ساتھ یا اس کے بغیر منظور کر کے کمپنی کی جانب سے متعلقہ فریقوں کے ساتھ کیے گئے لین دین کی تصدیق اور منظوری دینا، جیسا کہ 30 جون، 2024 کو ختم ہونے والے مالی گوشواروں میں انکشاف کیا گیا ہے:

"قرار پایا گیا کہ متعلقہ فریقوں کے ساتھ کئے گئے تمام لین دین، جیسا کہ 30 جون، 2024 کو ختم ہونے والے سال کے لئے غیر کنسولیڈیٹڈ مالی گوشواروں کے نوٹ 39 میں انکشاف کیا گیا ہے، اور سیکشن (3)134 کے مطابق مادی معلومات کے بیان میں تفصیل سے وضاحت کی گئی ہے، اس کی توثیق، منظوری اور تصدیق کی جاتی ہے۔

ایجنڈا آئٹم 5۔

مندرجہ ذیل خصوصی قرارداد کو ترمیم کے ساتھ یا اس کے بغیر منظور کر کے کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2025ء کو ختم ہونے والے مالی سال کے لئے متعلقہ فریقوں کے ساتھ لین دین کی منظوری دینے کا اختیار دینا:

"قرار پایا کہ کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے مالی سال کے لئے کیس بہ کیس کی بنیاد پر متعلقہ فریقوں کے ساتھ لین دین کی منظوری دینے کا اختیار حاصل ہے۔"

"مزید قرار پایا ہے کہ بورڈ کی جانب سے ان ٹرانزیکشنز کو شیئر ہولڈرز کی جانب سے منظور شدہ سمجھا جائے گا اور آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی باضابطہ توثیق/منظوری کے لیے پیش کیا جائے گا۔"

	2024 روپے	2023 روپے
نشاط چونیاں یو ایس اے انکارپوریٹڈ-مکمل ملکیتی ماتحت کمپنی		
سامان کی فروخت	-	86,772,291
سویوا انکارپوریٹڈ-نشاط چونیاں یو ایس اے انکارپوریٹڈ کی مکمل ملکیتی ماتحت کمپنی-مکمل ملکیتی ماتحت کمپنی		
سامان کی فروخت	77,199,764	67,968,471
نشاط چونیاں پراپرٹیز (پرائیویٹ) لمیٹڈ-مکمل ملکیتی ماتحت کمپنی		
ماتحت کمپنی کی جانب سے اخراجات کی ادائیگی	633,140	518,040
ٹی ایل سی مڈل ایسٹ ٹریڈنگ ایل ایل سی-مکمل ملکیتی ماتحت کمپنی		
ماتحت کمپنی کی جانب سے اخراجات کی ادائیگی	1,815,002	1,226,174
سامان کی فروخت	1,198,766	7,062,069
سلیم میموریل ٹرسٹ ہسپتال-شریک کمپنی		
عطیہ دیا گیا	52,000,000	994,000
میاں محمد یحیٰ ٹرسٹ-متعلقہ فریق		
عطیہ دیا گیا	13,273,677	9,662,783
پاکستان ٹیکسٹائل کونسل-شریک کمپنی		
سالانہ رکنیت فیس	1,250,000	1,500,000
نشاط چونیاں پاور لمیٹڈ-شریک کمپنی		
مشترکہ سہولیات کی قیمت وصول کی گئی	9,900,000	19,800,000
کمپنی کی جانب سے کیے جانے والے اخراجات	251,016	-
اخراجات کی ادائیگی	6,457,568	-
آمدنی کا اشتراک	784,350	558,615
ڈائریکٹرز		
ڈیویڈنڈ کی ادائیگی	-	250,417,492
سابقہ ایگزیکٹو ڈائریکٹر کو طویل مدتی قرض کی ایڈجسٹمنٹ	-	4,312,684
طویل مدتی قرض پر سود کی آمدنی	-	64,991
ایمپلائیز پراویڈنٹ فنڈ ٹرسٹ-متعلقہ فریق		
شراکت	163,326,509	129,722,971

ان متعلقہ فریقوں کے ساتھ تعلقات کی نوعیت اوپر بیان کی گئی ہے۔ چیف ایگزیکٹو آفیسر، ڈائریکٹرز اور ایگزیکٹوز پر مشتمل اہم انتظامی اہلکاروں کو معاوضے کی تفصیل 30 جون 2024 کو ختم ہونے والے سال کے غیر کنسولیڈیٹڈ مالی گوشواروں کے نوٹ 38 میں بیان کی گئی ہے۔ ڈائریکٹرز اس قرارداد میں صرف اس حد تک دلچسپی رکھتے ہیں کہ ان کی شیئر ہولڈنگ اور ایسے متعلقہ فریقوں میں ان کی مشترکہ ڈائریکٹرشپ ہے۔

ایجنڈا آئٹم نمبر 5-بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے مالی سال کے لئے متعلقہ پارٹی ٹرانزیکشنز کی منظوری دینے کی اجازت۔

کمپنی 30 جون 2025 کو ختم ہونے والے سال کے دوران اپنے متعلقہ فریقوں کے ساتھ معمول کے کاروبار میں لین دین کرے گی۔ ڈائریکٹرز کی اکثریت متعلقہ اداروں میں اپنی مشترکہ ڈائریکٹرشپ کی وجہ سے دلچسپی رکھتی ہے۔ شفاف کاروباری طریقوں کو فروغ دینے کے لیے شیئر ہولڈرز کو بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے سال کے لیے متعلقہ فریقوں کے ساتھ وقتاً فوقتاً اور کیس ٹو کیس کی بنیاد پر ٹرانزیکشنز کی منظوری دینے کا اختیار دینا ہوگا۔ یہ لین دین اگلی AGM میں شیئر ہولڈرز کے سامنے ان کی باضابطہ منظوری/توثیق کے لئے رکھا جائے گا۔ ڈائریکٹرز صرف اس حد تک قرارداد میں دلچسپی رکھتے ہیں کہ ان کی شیئر ہولڈنگ اور/یا صرف اس طرح کے متعلقہ فریقوں میں ان کی مشترکہ ڈائریکٹرشپ ہے۔

اس کے مطابق نشاط (چونیاں) لمیٹڈ ("کمپنی") کے ممبرز کو 28 اکتوبر 2024 کو صبح 11.00 بجے منعقد ہونے والے اپنے آئندہ سالانہ اجلاس عام میں الیکٹرانک ووٹنگ کی سہولت کے ذریعے یا ڈاک کے ذریعے ووٹ ڈالنے کا حق استعمال کرنے کی اجازت ہوگی۔

A۔ای ووٹنگ کا طریقہ کار:

I۔ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان ممبرز کے ساتھ ای میل کے ذریعے شیئر کی جائیں گی جن کے درست شناختی کارڈ نمبر، سیل نمبر اور ای میل ایڈریس 20-10-2024 کو کاروبار کے اختتام تک کمپنی کے ممبرز کے رجسٹر میں دستیاب ہیں۔

II۔ویب ایڈریس، لاگ ان کی تفصیلات، اور پاس ورڈ، ممبروں کو ای میل کے ذریعہ مطلع کیا جائے گا۔سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (ای ووٹنگ سروس فراہم کنندہ) کے ویب پورٹل سے SMS کے ذریعے ممبرز کو سیکیورٹی کوڈز سے آگاہ کیا جائے گا۔

III۔ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کی تصدیق کے ذریعے کی جائے گی۔

IV۔ای ووٹنگ لائنیں 25-10-2024 سے شروع اور 27-10-2024 کو شام 5:00 بجے بند ہوں گی۔ارکان اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ایک بار جب کسی رکن کی طرف سے قرارداد پر ووٹ ڈال دیا جاتا ہے تو بعد میں اسے تبدیل کرنے کی اجازت نہیں دی جائے گی۔

B۔پوسٹل بیلٹ کے ذریعے ووٹنگ کا طریقہ کار:

ممبران اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی کاپی کے ساتھ باقاعدہ پُر اور دستخط شدہ بیلٹ پیپر کمپنی کے رجسٹرڈ ایڈریس، رجسٹرڈ آفس، 31-کیو، گلبرگ-2، لاہور پر ڈاک کے ذریعے یا سالانہ اجلاس عام سے ایک دن قبل یعنی 27 اکتوبر 2024 کو شام 5 بجے تک chairman@nishat.net پر ای میل کے ذریعے چیئرمین تک پہنچیں۔بیلٹ پیپر پر دستخط شناختی کارڈ پر دستخط سے مماثل ہوں گے۔یہ پوسٹل پول پیپر www.nishat.net پر کمپنی کی ویب سائٹ سے ڈاؤن لوڈ کے لئے بھی دستیاب ہے یا اس نوٹس سے منسلک اور اخبارات میں شائع شدہ کی کاپی استعمال کی جاسکتی ہے۔براہ مہربانی نوٹ فرمالیں کہ ووٹنگ میں کسی بھی تنازعہ کی صورت میں بشمول ایک سے زیادہ ووٹ کاسٹ کرنے کی صورت میں، چیئرمین فیصلہ کن اتھارٹی ہونگے۔

ای ووٹنگ سروس فراہم کنندہ:

میسرز CDC شیئر رجسٹرار سروسز لمیٹڈ

کمپنیز ایکٹ 2017 کی دفعہ 134(3) کے تحت آئندہ سالانہ عام اجلاس میں سرانجام دیئے جانے والے خصوصی امور کے حوالے سے مطلوبہ مادی حقائق کا بیان درج ذیل ہے:

ایجنڈا آئٹم نمبر 4-متعلقہ پارٹی لین دین کی توثیق اور منظوری۔

متعلقہ فریقوں کے ساتھ کئے گئے لین دین کو لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن، 2019 کی شق 15 کے مطابق سہ ماہی بنیاد پر آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز کی طرف سے منظور کیا جانا چاہئے۔تاہم، سال کے دوران چونکہ کمپنی کے ڈائریکٹرز کی اکثریت اپنی مشترکہ ڈائریکٹر شپ کی وجہ سے دلچسپی رکھتی تھی، اور لہذا یہ لین دین شیئر ہولڈرز کی طرف سے منظوری کے لئے سالانہ اجلاس عام میں رکھا جا رہا ہے۔

30 جون 2024 کو ختم ہونے والے سال کے غیر کنسولیڈیٹڈ مالی گوشواروں کے نوٹ 39 میں منکشف متعلقہ فریقوں کے ساتھ تمام لین دین کی توثیق کی گئی ہے۔ایسے متعلقہ فریقوں کے لین دین کی پارٹی وار تفصیلات درج ذیل ہیں:

(v)۔بصورت کارپوریٹ اینٹٹی ،بورڈ آف ڈائریکٹرز قرارداد/مختار نامہ معہ نمونہ دستخط، کمپنی کو پراکسی فارم کے ہمراہ جمع کرانا ہوگا (اگر پہلے مہیا نہیں کئے)۔

3۔ویڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی شقوں کے مطابق لاہور کے علاوہ کسی اور شہر میں رہنے والے اور مجموعی طور پر کل ادا شدہ شیئر کیپیٹل کا کم از کم 10 فیصد حصص رکھنے والے شیئر ہولڈرز کمپنی سے اجلاس میں شرکت کے لیے ویڈیو لنک کی سہولت فراہم کرنے کا مطالبہ کر سکتے ہیں۔ویڈیو لنک کی سہولت کی طلب شیئر رجسٹرار کو سالانہ رپورٹ میں فراہم کردہ معیاری فارم پر اجلاس کی تاریخ سے کم از کم 7 دن پہلے دیئے گئے پتہ پر وصول کی جائے گی اور جو کمپنی کی ویب سائٹ www.nishat.net پر بھی دستیاب ہوگا:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے 03 مارچ 2021 کو جاری کردہ سرکلر نمبر 6 کے ذریعے جاری کردہ گائیڈ لائنز کی تعمیل کرتے ہوئے کمپنی نے شیئر ہولڈرز کے لیے ویڈیو لنک کی سہولت کا انتظام کیا ہے تا کہ وہ اپنے گھروں یا کسی بھی آسان مقام سے اپنے اسمارٹ فونز یا کمپیوٹر ڈیوائسز کے ذریعے اجلاس میں شرکت کر سکیں۔ویڈیو لنک کے ذریعے اجلاس میں شرکت کے خواہشمند شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل کمپنی سیکریٹری کے ای میل chairman@nishat.net پر اپنی مندرجہ ذیل تفصیلات جمع کروا کر اندراج کرائیں۔ اجلاس میں شرکت کا لنک شیئر ہولڈرز کو ان کے فراہم کردہ ای میل ایڈریس پر بھیجا جائے گا۔شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ مندرجہ ذیل جدول کے مطابق تفصیلات پُر کریں:

شیئر ہولڈرز کے نام	CNIC نمبر	فولیو/CDC اکاؤنٹ نمبر	شیئرز کی تعداد	فون نمبر	ای میل اڈریس

لاگ ان کی سہولت 28 اکتوبر 2024 کو صبح 10:50 بجے کھولی جائے گی،جس سے شرکاء کارروائی میں شامل ہو سکیں گے۔

4۔پتہ کی تبدیلی

ممبران سے التماس ہے کہ اپنے پتہ میں کسی تبدیلی سے فی الفور مطلع فرمائیں۔حصص داران سے التماس ہے کہ مذکورہ بالا معلومات / دستاویزات (i) متعلقہ سنٹرل ڈیپازٹری سسٹم (CDS) پارٹیسپنٹس اور (ii) مادی سیکورٹیز کی صورت میں کمپنی کے شیئر رجسٹرار کو مہیا کریں۔

5۔فزیکل حصص کو سی ڈی ایس میں تبدیل کرنا

کمپنیز ایکٹ کے سیکشن 72 کے تقاضوں کی تعمیل کرتے ہوئے ہر موجودہ لسٹڈ کمپنی کو اپنے فزیکل شیئرز کو SECP کی جانب سے جاری کردہ تاریخ کے مطابق کمپنیز ایکٹ کے آغاز یعنی 30 مئی 2017 سے زیادہ سے زیادہ چار سال کی مدت کے اندر بک انٹری فارم سے تبدیل کرنا ہوگا۔

فزیکل شیئر سرٹیفکیٹ رکھنے والے ممبران سے درخواست کی جاتی ہے کہ وہ جلد از جلد اپنے حصص کو فزیکل فارم سے بک انٹری فارم میں تبدیل کریں۔اس سے اراکین کو کئی طریقوں سے سہولت ملے گی جن میں حصص کی محفوظ تحویل، حصص کا گم نہ ہونا، ڈپلیکیٹ حصص کے اجراء کے لئے ضروری رسمی کارروائیوں سے بچنا اور بہتر نرخوں پر اوپن مارکیٹ میں خرید و فروخت کے لئے آسانی سے دستیاب ہونا شامل ہے۔

6۔ کمپنی نے 30 جون 2024 کو ختم ہونے والے سال کے لئے نظر ثانی شدہ واحد اور کنسولیڈیٹڈ مالی گوشواروں کے ساتھ آڈیٹر اور ڈائریکٹرز کی رپورٹ، اس پر چیئرمین کا جائزہ اور اجلاس نوٹس اپنی ویب سائٹ www.nishat.net پر رکھ دیا ہے:

7۔خصوصی امور کی قراردادوں پر ووٹنگ کا طریقہ کار

ممبران کو مطلع کیا جاتا ہے کہ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کی جانب سے 05 دسمبر 2022 کو جاری کردہ نوٹیفکیشن کے ذریعے کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 ("ریگولیشنز") ترمیم شدہ کے مطابق، SECP نے تمام لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ خصوصی امور کے طور پر درجہ بندی کردہ تمام امور پر ممبران کو الیکٹرانک ووٹنگ کی سہولت اور ڈاک کے ذریعے ووٹنگ کا حق فراہم کریں۔

دیگر امور

6۔صاحب صدر کی اجازت سے کوئی دیگر امور سرانجام دینا۔

بحکم بورڈ

محمد عمر قریشی

کمپنی سیکرٹری

لاہور

مورخہ:07اکتوبر2024ء

نوٹس:

1۔حصص منتقلی کتابوں کی بندش

AGM میں شرکت کے لئے

کمپنی کی حصص منتقلی کتابیں از2024-10-21 تا2024-10-28 (بشمول ہر دو ایام) کے لئے بند رہیں گی۔مادی منتقلیاں/ سی ڈی ایس، کمپنی کے شیئر رجسٹرار، میسرز حمید مجید ایسوسی ایٹ (پرائیویٹ) لمیٹڈ، ایچ ایم ہاؤس، 7۔بینک سکوائر، لاہور پر2024-10-20 کو کاروبار کے اختتام تک موصول ہونے والی اجلاس میں شرکت کے مقصد کیلئے بروقت تصور ہونگی۔

2۔سالانہ اجلاس عام میں شرکت

اجلاس ہذا میں شرکت اور ووٹ دینے کا اہل ممبر اجلاس میں شرکت اور ووٹ دینے کیلئے اپنی بجائے شرکت اور ووٹ دینے کیلئے کسی دیگر ممبر کو اپنا پراکسی مقرر کرسکتا ہے۔پراکسی تقرری کے آلات باقاعدہ مہر اور دستخط شدہ کمپنی کے رجسٹرڈ دفتر پر اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل لازماً موصول ہوجانے چاہئیں۔

سی ڈی سی اکاؤنٹ ہولڈرز کو مزید برآں سکیورٹیز اینڈ ایکسچینج کمشن آف پاکستان سے جاری شدہ گائیڈ لائنز کی پیروی کرنا ہوگی۔

A۔اجلاس میں شرکت کیلئے:

i)۔بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/ یا شخص جن کی سکیورٹیز گروپ اکاؤنٹ میں ہیں اور اُنکی رجسٹریشن تفصیلات، ریگولیشنز کے مطابق اپ لوڈ ہیں، کو اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھا کر اپنی شناخت ثابت کرنا ہوگی۔

ii)۔بصورت کارپوریٹ اینٹٹی، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ معہ نامزد کے نمونہ دستخط اجلاس کے وقت مہیا کرنا ہونگے (اگر پہلے مہیا نہیں کئے گئے)۔

B۔پراکسیز تقرری کیلئے:

(i)۔بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/ یا شخص جن کی سکیورٹیز گروپ اکاؤنٹ میں ہیں اور اُنکی رجسٹریشن تفصیلات، ریگولیشنز کے مطابق اپ لوڈ ہیں، کو بالا ریکوائرمنٹ کے مطابق پراکسی فارم جمع کرانا ہوگا۔

(ii)۔پراکسی فارم، دو(2) افراد جن کے نام، پتے اور CNIC نمبرز فارم پر مذکور ہونگے، سے گواہی شدہ ہونگے۔

(iii)۔بینیفشل اونرز اور پراکسی کے CNIC یا پاسپورٹ کی مصدقہ نقول، پراکسی فارم کے ہمراہ جمع کرانا ہونگی۔

(iv)۔پراکسی، اجلاس کے وقت اپنا اصل CNIC یا اصل پاسپورٹ مہیا کرے گا/گی۔

نشاط (چونیاں) لمیٹڈ

اطلاع سالانہ اجلاسِ عام

بذریعہ ہذا مطلع کیا جاتا ہے کہ نشاط (چونیاں) لمیٹڈ (دی ''کمپنی'') کے حصص داران کا سالانہ اجلاسِ عام بمقام رجسٹرڈ دفتر Q-31، گلبرگ-II، لاہور پر 28 اکتوبر 2024ء کو صبح 11:00 بجے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عام امور:

1۔ 16 اپریل 2024ء اور 17 اگست 2024 کو منعقد ہونے والے گزشتہ سالانہ اجلاس عام اور غیر معمولی عام اجلاسوں کی کارروائی کی توثیق کرنا۔

2۔ 30 جون 2024 کو ختم ہونے والے سال کے لئے سالانہ نظرثانی شدہ مالیاتی حسابات (واحد اور مجموعی) بشمول ڈائریکٹر کی رپورٹ، آڈیٹرز کی رپورٹ، اور اس پر چیئرمین کی جائزہ رپورٹ کی وصولی، غور وخوض اور منظور کرنا۔

(کیو آر کوڈ یا ویب لنک کے ذریعے
سالانہ رپورٹ 2024 تک رسائی)

https://www.nishat.net/images/pdf/NCG_Financials/NCL_Annual/annual2024.pdf

3۔ محاسب کا تقرر اور اُن کے مشاہرہ کا تعین کرنا۔ ارکان کو مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے ریٹائرڈ محاسب میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائرڈ کی کمپنی کے محاسب کے طور پر دوبارہ تقرری کی منظوری دی ہے۔

خصوصی امور:

4۔ مندرجہ ذیل خصوصی قرارداد کو ترامیم کے ساتھ یا اس کے بغیر منظور کر کے کمپنی کی جانب سے متعلقہ فریقوں کے ساتھ کیے گئے لین دین کی تصدیق اور منظوری دینا، جیسا کہ 30 جون، 2024 کو ختم ہونے والے مالی گوشواروں میں انکشاف کیا گیا ہے:

"قرار پایا گیا کہ متعلقہ فریقوں کے ساتھ کئے گئے تمام لین دین، جیسا کہ 30 جون، 2024 کو ختم ہونے والے سال کے لئے غیر کنسولیڈیٹڈ مالی گوشواروں کے نوٹ 39 میں انکشاف کیا گیا ہے، اور سیکشن 134(3) کے مطابق مادی معلومات کے بیان میں تفصیل سے وضاحت کی گئی ہے، اس کی توثیق، منظوری اور تصدیق کی جاتی ہے۔

5۔ مندرجہ ذیل خصوصی قرارداد کو ترمیم کے ساتھ یا اس کے بغیر منظور کر کے کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2025ء کو ختم ہونے والے مالی سال کے لئے متعلقہ فریقوں کے ساتھ لین دین کی منظوری دینے کا اختیار دینا:

"قرار پایا کہ کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے مالی سال کے لئے کیس بہ کیس کی بنیاد پر متعلقہ فریقوں کے ساتھ لین دین کی منظوری دینے کا اختیار حاصل ہے۔"

"مزید قرار پایا ہے کہ بورڈ کی جانب سے ان ٹرانزیکشنز کو شیئر ہولڈرز کی جانب سے منظور شدہ سمجھا جائے گا اور آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی باضابطہ توثیق/منظوری کے لیے پیش کیا جائے گا۔"

INVESTORS' EDUCATION

In pursuance of SRO 924(1)/2015 dated September 9th, 2015 issued by the Securities and Exchange Commission of Pakistan (SECP), the following informational message has been reproduced to educate investors:

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