

ZEPHYR
TEXTILES LIMITED

Zephyr Textiles Limited

**Accounts For the Half Year Ended
December 31, 2024**

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Company Information

BOARD OF DIRECTORS:	Mr. Mussaid Hanif Mr. Arbab Muhammad Khan Mr. Sheikh Muhammad Iqbal Ms. Tehniyat Mussaid Ms. Sabah Burhan Ms. Sarah Naviwala Ms. Ayesha Naweed	CEO Chairperson
AUDIT COMMITTEE:	Ms. Ayesha Naweed Ms. Sarah Naviwala Ms. Tehniyat Mussaid	Chairperson/Member Member Member
HR & REMUNERATION COMMITTEE:	Ms. Ayesha Naweed Mr. Arbab Muhammad Khan Ms. Sabah Burhan	Chairperson/Member Member Member
CHIEF FINANCIAL OFFICER:	Mr. Naveed Aleem	
COMPANY SECRETARY:	Mr. Abdul Jabbar	
AUDITORS:	BDO Ebrahim & Co.	Chartered Accountants
LEGAL ADVISOR:	Ahmad Law Firm Advocate High Court Suit No. 7, Block No. 9, Shabbir Town, Executive Suits, 2.5 Km Raiwind Road, Lahore-54000, Pakistan	
BANKERS TO THE COMPANY:	Habib Bank Limited United Bank Limited Habib Metropolitan Bank Limited Bank Al Habib Limited	National Bank of Pakistan The Bank of Punjab Meezan Bank Limited Askari Bank Limited
MILLS:	1 km, Balloki Bhai Pheru Road Bhai Pheru. Phone : 0494 - 512007-9, 513103-5 Fax : 0494 - 512011 63 km, Gulshan Adda, Jumber Khurd, District Kasur.	(Weaving unit & Power plant) (Towel Unit)
REGISTERED & HEAD OFFICE:	3rd Floor, IEP Building, 97 B/D-I, Gulberg III, Lahore E-mail: info@zephyr.com.pk Website: www.zephyrtextiles.com Phone : 042 35782905 - 15 Fax : 042 35753202	

Note: Zephyr's Company Information & Financial Statements are also available at the above website.

Directors' Report to the members

The Directors of Zephyr Textiles Limited are pleased to present the Reviewed interim financial statements for the half year ended December 31, 2024. These interim financial statements are presented in accordance with the requirements of the Companies Act, 2017.

Operating Financial Results

During the first half year ended December 31, 2024, the Company earned a gross profit of PKR 369.305 million on sales of PKR 3,938,800 million compared to gross profit of PKR 585.862 million on sales of PKR 3,975.718 million for the corresponding period of previous financial year. During the period under review, the Company recorded a net loss of PKR 0.696 million compared to net profit of PKR 270.048 million in the corresponding period last year.

Financial Highlights	Half year ended 31 December		Increase/ (Decrease) %	Quarter ended 31 December		Increase/ (Decrease) %
	2024 (Rupees)	2023 (Rupees)		2024 (Rupees)	2023 (Rupees)	
Sales – net	3,938,800,214	3,975,718,425	(0.93%)	1,760,541,139	1,643,844,731	7.10%
Gross profit	369,304,754	585,862,368	(36.96)%	159,483,265	233,973,689	(31.84)%
Profit / (loss) before tax and levy	(4,811,539)	314,331,126	(101.53)%	7,541,591	89,438,317	(91.57)%
Profit / (loss) after tax levy	(696,647)	270,048,914	(100.26)%	34,676,361	68,908,034	(49.68)%
Gross profit (%)	9.38%	14.74%		9.06%	14.23%	
Profit / (loss) after tax (%)	(0.02)%	6.79%		1.97%	4.19%	

Sales revenue slightly reduced by PKR 36.92 million in period under review as compared to corresponding period last year due to local and international economic slowdown. Gross margins reduced by 36.96% and net profit reduced by 100.26% as compared to corresponding period last year. Major reasons for low margins include substantial increase in salaries and wages due to minimum wage impact, high cost of raw material due to low cotton crop yield, high cost of energy due to withdrawal of Government subsidies for textile export sector and increase in taxes as well. Other factor for huge difference in net profit is gain on sale of fixed assets of PKR 143.46 million in last corresponding period. Second quarter for the financial period depicted better performance than first quarter as the Knit and garments business is gearing up. Management of the Company is optimistic for further improvement in this segment.

Current and Future Outlook

Pakistan textile industry stands at critical crossroads. Rising energy cost, expensive raw material, heavy taxation and government's policy to increase its revenue by discontinuing benefits given to export industries of Pakistan posed significant challenges for Pakistan textile industry. This has intensified competition regional competitors, further ending in the profitability. Export market is also crawling due to global economic slowdown triggered by increased cost of production.

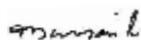
The management of the Company is vigilant in the continuous changing business environment, proactively taking measures to mitigate any potential business risk. The strategic focus is to ensure a profitable customer and or product mix and sustainable business practices to achieve steady growth.

Acknowledgement

The board places on record its profound gratitude for its esteemed shareholders, banks, financial institutions, customers and vendors, whose cooperation, continued support and patronage have empowered the Company to make progress towards consistent improvement. During the period under review, relations between the

management and employees remained cordial and we wish to put on record our appreciation for the dedication perseverance and steadiness of the employees of the Company.

For and on behalf of the Board of Directors



Mussaid Hanif
Chief Executive

Lahore
February 28, 2025



Arbab Muhammad Khan
Director

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF ZEPHYR TEXTILES LIMITED

Report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **ZEPHYR TEXTILES LIMITED** ("the Company") as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion

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

Other Matter

The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Imran.

LAHORE

BDO EBRAHIM & CO.

DATED:

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

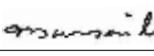
February 28, 2025

UDIN: RR202410131UzcDyVgA1

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2024

		December 31, 2024	June 30, 2024
	Note	(Unaudited) Rupees	(Audited) Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	2,701,951,406	2,674,565,278
Operating fixed assets	9	89,539,919	94,484,672
Right of use assets	10	150,430,791	55,238,714
Capital work in progress		2,941,922,116	2,824,288,664
Intangible assets		903,964	1,508,050
Long term advances and deposits		25,474,124	25,325,624
		2,968,300,204	2,851,122,338
CURRENT ASSETS			
Stores, spares and loose tools		304,607,907	222,237,433
Stock in trade	11	1,967,725,331	1,539,271,888
Loans and advances	12	61,825,653	139,590,974
Trade debts	13	511,188,036	557,808,008
Trade deposits and prepayments		17,915,699	12,927,175
Tax refunds due from Government	14	325,913,871	167,568,980
Taxation / levy-net	15	30,388,278	2,248,840
Other receivables		105,652,573	100,734,730
Short term investments	16	9,479,364	48,802,438
Cash and bank balances	17	48,350,302	57,800,455
		3,383,047,014	2,848,990,921
NON CURRENT ASSETS HELD FOR SALE			
Freehold land	18	30,275,000	-
TOTAL ASSETS		<u>6,381,622,218</u>	<u>5,700,113,259</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	19.1	625,000,000	625,000,000
Issued, subscribed and paid up capital	19.2	594,287,290	594,287,290
Surplus on revaluation of property, plant and equipment	20	458,442,868	486,755,448
Accumulated profit		1,521,481,896	1,493,865,963
		2,574,212,054	2,574,908,701
NON CURRENT LIABILITIES			
Long term financing	21	48,842,434	54,489,583
Lease liabilities	23	-	-
Deferred liabilities	22	164,029,458	213,791,826
Deferred grant		1,617,919	2,063,301
		214,489,811	270,344,710
CURRENT LIABILITIES			
Trade and other payables	24	1,647,722,182	1,412,617,994
Contract liabilities		38,951,052	9,964,970
Mark-up accrued	25	26,081,665	27,384,882
Short term borrowings	26	1,857,319,176	1,371,160,751
Unclaimed dividend		829,907	829,907
Current portion of long term liabilities	27	22,016,371	32,901,344
		3,592,920,353	2,854,859,848
TOTAL EQUITY AND LIABILITIES		<u>6,381,622,218</u>	<u>5,700,113,259</u>
CONTINGENCIES AND COMMITMENTS	28		

The annexed notes from 1 to 45 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE

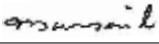

DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Note	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Sales - net	29 3,938,800,214	3,975,718,425	1,760,541,139	1,643,844,734
Cost of sales	30 (3,569,495,460)	(3,389,856,057)	(1,601,057,874)	(1,409,871,045)
Gross profit		369,304,754	585,862,368	159,483,265
Distribution cost	31 (171,406,477)	(210,524,831)	(37,583,515)	(176,417,006)
Administrative expenses		(72,001,850)	(68,279,599)	(42,407,088)
Other operating expense		(14,572,582)	(21,439,298)	(3,335,226)
Other income	32 45,187,998	176,125,052	10,162,036	158,243,308
		(212,792,911)	(124,118,676)	(73,163,793)
Operating profit		156,511,843	461,743,692	86,319,472
Finance costs	33 (161,323,382)	(147,412,566)	(78,777,881)	(77,172,498)
(Loss) / profit before taxation and levy		(4,811,539)	314,331,126	7,541,591
Levy	34 (34,439,723)	(33,496,617)	(18,889,505)	(15,504,381)
(Loss) / profit before income tax		(39,251,262)	280,834,509	(11,347,914)
Taxation	35 38,554,615	(10,785,595)	46,024,275	(5,025,902)
(Loss) / profit after taxation		(696,647)	270,048,914	34,676,361
(Loss) / earnings per share - basic and diluted (Rupees)	36 (0.01)	4.54	0.58	1.16

The annexed notes from 1 to 45 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

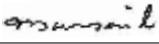

CHIEF FINANCIAL OFFICER



ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
(Loss) / profit for the period	(696,647)	270,048,914	34,676,361	68,908,034
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(696,647)</u>	<u>270,048,914</u>	<u>34,676,361</u>	<u>68,908,034</u>

The annexed notes from 1 to 45 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR

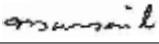


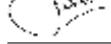
CHIEF FINANCIAL OFFICER

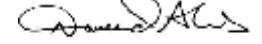
ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Note	Half year ended	
	December 31, 2024	December 31, 2023
	(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation and levy	(4,811,539)	314,331,126
Adjustments for items not involving movement of funds:		
Depreciation - PPE and RoU	108,325,442	99,738,676
Amortization	604,086	604,083
(Gain) / loss on sale of PPE	5,683,335	(143,463,922)
(Gain) on re-measurement of short term investments	(1,103,341)	(210,918)
Dividend income	(17,097)	(9,367,541)
Provision for staff gratuity	20,145,366	28,362,042
Allowance for ECL	4,202,220	2,421,221
Unwinding of discount	(445,382)	-
Financial charges	127,701,510	119,893,858
Net cash flow before working capital changes	265,096,139	97,977,499
(Increase) / decrease in current assets		
Stores, spares and loose tools	(82,370,474)	(33,563,633)
Stock in trade	(428,453,443)	30,928,371
Trade debts	42,417,752	139,483,275
Loans and advances	77,765,321	41,755,540
Trade deposits and prepayments	(49,446,222)	(16,066,513)
Tax refunds due from the Government	(164,594,979)	174,659,399
Other receivables	(4,917,843)	(6,625,372)
	(569,173,473)	222,890,935
Increase / (decrease) in current liabilities		
Trade and other payables	235,104,188	(440,064,678)
Contract liabilities	28,986,082	8,622,826
	264,090,270	(431,441,852)
	(44,798,603)	203,757,708
Cash flows generated from operations		
Income taxes paid	(30,388,278)	(51,872,932)
Gratuity paid	(14,096,198)	(66,832,829)
Financial charges paid	(125,137,481)	(113,491,696)
	(169,621,957)	(232,197,457)
Net cash used in operating activities	(214,420,560)	(28,439,749)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to operating fixed assets - net	(49,739,453)	(72,929,396)
Additions to capital work in progress	(221,721,794)	(186,553,096)
Proceeds from sale of operating fixed assets	10,804,000	207,966,961
Dividend received	17,097	9,367,541
Long term deposits	(148,500)	(164,430)
Net cash used in investing activities	(260,788,650)	(42,312,420)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short term financing - Net	486,158,425	164,224,384
Proceeds from short term investments - Net	40,426,415	(107,680,132)
Repayment of long term financing	(4,865,458)	(5,310,841)
Principal paid on lease liabilities	(15,533,910)	(11,666,861)
Net cash generated from financing activities	506,185,472	39,566,550
Net (decrease) / increase in cash and cash equivalents	(9,450,153)	76,494,513
Unrealised (loss) / gain on cash and cash equivalent	(77,671)	1,125,674
Cash and cash equivalents at the beginning of the period	57,878,126	155,223,306
Cash and cash equivalents at the end of the period	48,350,302	232,843,493

The annexed notes from 1 to 45 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE

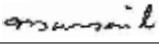

DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Note	Issued, subscribed and paid-up capital	Surplus on revaluation of fixed assets	Accumulated profits	Total
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance as at July 01, 2023 - audited	594,287,290	574,060,494	1,361,643,813	2,529,991,597
Total comprehensive income for the period ended December 31, 2022				
Profit for the period	-	-	270,048,914	270,048,914
Reversal of surplus on disposal of PPE - net of tax	-	(45,679,686)	-	(45,679,686)
Deferred tax impact due to rate change	-	(5,314,449)	-	(5,314,449)
Current period incremental depreciation - net of tax	-	(17,979,748)	17,979,748	-
Balance as at December 31, 2023 - unaudited	<u>594,287,290</u>	<u>505,086,611</u>	<u>1,649,672,475</u>	<u>2,749,046,376</u>
Balance as at July 01, 2024 - audited	594,287,290	486,755,448	1,493,865,963	2,574,908,701
Total comprehensive income for the period ended December 31, 2024				
Loss for the period	-	-	(696,647)	(696,647)
Reversal of surplus on disposal of PPE - net of tax	-	(3,134,885)	3,134,885	-
Current period incremental depreciation - net of tax	-	(25,177,695)	25,177,695	-
Balance as at December 31, 2024 - unaudited	<u>594,287,290</u>	<u>458,442,868</u>	<u>1,521,481,896</u>	<u>2,574,212,054</u>

The annexed notes from 1 to 45 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

ZEPHYR TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

Zephyr Textiles Limited ("the Company") was incorporated in Pakistan on February 26, 1999 as a private limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). Subsequently on October 04, 2004 it was converted into a public limited Company and its shares are quoted on Pakistan Stock Exchange Limited (PSX). The Company is principally engaged in the manufacturing, dying and trading of woven cloth which also includes towels.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 3rd Floor, IEP Building, 97B/D-1, Gulberg III, Lahore, Punjab. The manufacturing facility of the Company is located as follows:

Manufacturing facilities	Office address
Weaving unit and power plant	1 KM, Balloki Bhai Pheru Road, Bhai Pheru.
Towel unit	63 KM, Gulshan Adda, Jamber Khurd, District Kasur.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements are unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2023.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for staff retirement benefits - gratuity which is carried at present value of defined benefit obligation and certain items of property, plant and equipment at revalued amounts. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 MATERIAL ACCOUNTING POLICY INFORMATION AND CHANGES THEREIN

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the company for the year ended June 30, 2024.

5 CHANGE IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

5.1 Amendments to published accounting and reporting standards which became effective during the period:

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

5.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2025, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

6 TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2024, have been made using the estimated effective tax rate applicable to expected total annual earnings. The applicable income tax rate for the Tax Year 2025 is 29%. Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

7 ESTIMATES

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024.

8 OPERATING FIXED ASSETS

	Note	December 31, 2024 (Unaudited)	June 30, 2024 (Audited)
		Rupees	Rupees
8.1 Fixed assets			
Fixed assets	8.1	<u>2,701,951,406</u>	<u>2,674,565,278</u>
Opening net book value (NBV)		2,674,565,278	2,420,908,614
Additions (at cost) during the period / year	8.1.1	176,269,170	555,322,410
Disposals (at NBV) during the period / year	8.1.2	2,850,834,448	2,976,231,024
Transferred to non current asset held for sale	18	(15,227,353)	(111,400,387)
Depreciation charged during the period / year		(30,275,000)	-
Closing net book value (NBV)		(103,380,689)	(190,265,359)
		(148,883,042)	(301,665,746)
		<u>2,701,951,406</u>	<u>2,674,565,278</u>
8.1.1 Details of additions (at cost) during the period / year are as follows:			
Freehold land		-	125,178,059
Building		8,877,462	11,659,827
Plant and machinery		158,902,239	369,782,961
Furniture and fittings		391,309	649,600
Vehicles		5,415,930	40,472,795
Electrical installation		1,596,980	2,655,600
Office and IT equipments		1,085,250	4,923,568
		<u>176,269,170</u>	<u>555,322,410</u>
8.1.2 Details of disposals (at NBV) during the period / year are as follows:			
Plant and machinery		15,124,125	111,024,808
Vehicles		103,228	375,579
		<u>15,227,353</u>	<u>111,400,387</u>

8.1.3 Fair value measurement (revalued property, plant and equipment)

Fair value measurement of freehold land, building on freehold land and plant and machinery was based on the valuations carried out on June 30, 2023 by M/s Tristar International Consultant (Private) Limited an independent valuer not connected with the Company and is on the panel of Pakistan Bankers Association and possesses appropriate qualification and recent experience in the fair value measurements in the relevant locations.

8.1.4 Valuation techniques used to derive level 3 fair values

Valuations for buildings on freehold land and plant and machinery are based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, conditions and obsolescence. Land was valued on the basis of fair market value. The fair value measurement of the assets are categorized as Level 3.

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
9 RIGHT OF USE ASSETS			
Opening net book value (NBV)		94,484,672	110,024,981
Refund / adjustment (at cost) during the period / year		-	(3,995,000)
Depreciation charge for the period / year		(4,944,753)	(11,545,309)
Closing net book value (NBV)		89,539,919	94,484,672
10 CAPITAL WORK IN PROGRESS			
Plant and machinery	10.1.1	150,430,791	55,038,714
Building	10.1.2	-	200,000
		150,430,791	55,238,714
10.1 Movement of carrying amount is as follows:			
10.1.1 Plant and machinery			
Opening balance at start of the period / year		55,038,714	74,042,086
Additions (at cost) during the period / year		221,921,794	312,624,053
Transferred to operating fixed assets during the period / year		(126,529,717)	(331,627,425)
Closing balance at the end of the period / year		150,430,791	55,038,714
10.1.2 Building			
Opening balance at start of the period / year		200,000	-
Additions (at cost) during the period / year		8,677,462	11,859,827
Transferred to operating fixed assets during the period / year		(8,877,462)	(11,659,827)
Closing balance at the end of the period / year		-	200,000

	Note	December 31, 2024 (Unaudited)	June 30, 2024 (Audited)
		Rupees	Rupees
11 STOCK IN TRADE			
Raw material in hand		353,101,860	380,576,318
Work in process	30 & 11.4	117,406,800	131,348,823
Finished goods	11.1	1,508,288,258	1,038,418,334
Less: Provision for slow moving and obsolete stock	11.2	(11,071,587)	(11,071,587)
		<u>1,967,725,331</u>	<u>1,539,271,888</u>
11.1	It includes stock in transit amounting to Rs. 186.357 million (June 30, 2024: Rs. 43.453 million) which was still on the way to port at the period end.		
11.2	Provision for slow moving and obsolete stock :		
Opening balance		11,071,587	11,071,587
Provision made during the period / year	11.3	<u>11,071,587</u>	<u>11,071,587</u>
11.3	This represents a provision created against doubtful stock which was placed for processing / sale at third-party premises, however, due to conflict the customer has confiscated the stock. The Company has filed a case against the customer. However, on prudence basis a provision has been made in the books of account.		
11.4	Stock in trade includes stocks amounting to Rs. Nil (June 30, 2024: Rs. 39.970 million) which is placed at third party premises for toll manufacturing or other processing purposes.		
11.5	Stock-in-trade up to a maximum amount of Rs. 1,219.538 million (June 30, 2024: Rs. 1,219.538 million) are under hypothecation of commercial banks as security for short term borrowings.		
12 LOANS AND ADVANCES			
Unsecured - considered good			
To employees	12.1	9,621,539	11,412,496
To suppliers		<u>34,555,192</u>	<u>43,864,478</u>
		<u>44,176,731</u>	<u>55,276,974</u>
Considered doubtful			
Suppliers		16,965,845	10,322,242
Less: Allowance for expected credit losses (ECL)	12.2	(16,965,845)	(10,322,242)
		<u>-</u>	<u>-</u>
Against letter of credits		17,648,922	84,314,000
		<u>61,825,653</u>	<u>139,590,974</u>

12.1 These advances are provided for general purposes in accordance with the terms of their employment, which is not past due. These advances are unsecured, interest free and payable on demand. This includes advances provided to employees to meet business expenses and are settled as and when the expenses are incurred. These advances do not carry any interest or mark-up.

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
12.2 Movement of allowance for ECL is as follows:			
Balance at start of the period / year		10,322,242	7,584,680
Allowance charge during the period / year	12.2.1	6,643,603	2,737,562
Balance at the end of the period / year		<u>16,965,845</u>	<u>10,322,242</u>

12.2.1 This includes an advance of Rs. 6.6 million provided to First Pakistan Capital Limited, which is sub judice, as disclosed in Note 34.1.5 to the financial statements for the year ended June 30, 2024. On a prudence basis, the entire amount has been provided for in these financial statements. The investments of the Company, disclosed in Note 16 of these financial statements, are also operated by this broker.

13 TRADE DEBTS

Secured - Considered good - against letter of credit		169,322,241	236,002,122
Unsecured			
Considered good		341,865,795	321,805,886
Considered doubtful		33,203,032	29,000,812
		<u>375,068,827</u>	<u>350,806,698</u>
		<u>544,391,068</u>	<u>586,808,820</u>
Less: Allowance for expected credit losses (ECL)	13.1	(33,203,032)	(29,000,812)
		<u>511,188,036</u>	<u>557,808,008</u>

13.1 Movement of allowance for ECL is as follows:

Opening balance at start of the period / year		29,000,812	19,158,215
Allowance charged during the period / year		4,202,220	9,842,597
Closing balance at the end of the period /		<u>33,203,032</u>	<u>29,000,812</u>

14 TAX REFUNDS DUE FROM GOVERNMENT

Sales tax refundable - net		397,398,576	228,442,038
Less: Provision for sales tax refund due from government	14.1	(100,648,813)	(100,648,813)
Income tax refund		<u>296,749,763</u>	<u>127,793,225</u>

14.1 Movement of provision is as follows:

Balance at start of the period / year		100,648,813	100,648,813
Provision made during the period / year	14.2	-	-
Balance at the end of the period / year		<u>100,648,813</u>	<u>100,648,813</u>

14.2 This represents a provision made against disallowed / deferred / missing claims / inputs which are not reconciled with the FBR system (Starr). The Company has processed and submitted manual claims and also planning to pursue the matter with FTO. However, on a prudence basis, a provision has been made for old outstanding balances.

	Note	December 31, 2024 (Unaudited)	June 30, 2024 (Audited)
		Rupees	Rupees
15 TAXATION / LEVY-NET			
Advance taxes and taxes withheld		69,224,435	104,997,373
Adjustments for prior year		-	(2,811,870)
Provision for the period / year	35	(4,396,434)	(8,244,179)
Levy for the year		(34,439,723)	(91,692,484)
Closing balance		<u>30,388,278</u>	<u>2,248,840</u>
16 SHORT TERM INVESTMENTS			
Investment:			
At fair value through profit or loss			
Listed entities	12.2.1	278,043	313,567
Mutual funds		4,201,321	43,488,871
At amortised cost			
Term deposits receipts	16.1	5,000,000	5,000,000
		<u>9,479,364</u>	<u>48,802,438</u>
16.1	This represents investment in Term Deposit Receipts (TDRs) with the Bank of Punjab, having a maturity period of less than one year and maturing on March 13, 2025. These carry mark-up at the rate 20% (June 30, 2024: 20%) per annum.		
17 CASH AND BANK BALANCES			
Cash in hand		492,846	3,459,593
Cash at banks - local currency			
Current accounts		11,122,641	-
Saving accounts	17.1	-	1,102,360
Cash at banks - foreign currency			
Current accounts		31,319,420	53,238,502
Saving accounts	17.2	5,415,395	-
	17.3	<u>48,350,302</u>	<u>57,800,455</u>
17.1	This carries mark up at the rate ranging from 5.48% to 19.50% (June 30, 2024: 6.75% to 18.00%) per annum.		
17.2	This carries mark up at the rate 3.56% (June 30, 2024: 3.92%) per annum.		
17.3	This includes balance in dormant bank accounts amounting to Rs. 0.0323 million.		
18 NON CURRENT ASSETS HELD FOR SALE			
Freehold land		<u>30,275,000</u>	-
18.1	During the period, the Company entered into an agreement to sell a land area of 01 kanal 18 marla & 78 Sq. ft, with a carrying amount of Rs. 30.275 million. Based on this, the land has been classified as a non-current asset held for sale. The total sale value, as per the sale agreement, is Rs. 32.500 million, of which the Company has received an advance of Rs. 10.00 million (disclosed in note 24 to these condensed interim financial statements), with an additional Rs. 15.00 million received subsequently. This land was previously under dispute, as disclosed in the financial statements for the year ended June 30, 2024. The sale process is ongoing, and management expects the transaction to be finalized in due course.		

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
19 SHARE CAPITAL			
19.1 Authorized share capital			
62,500,000 (June 30, 2024: 62,500,000) ordinary shares of Rs. 10/- each		<u>625,000,000</u>	<u>625,000,000</u>
19.2 Issued, subscribed and paid up share capital			
51,901,483 (June 30, 2024: 51,901,483) ordinary shares of Rs. 10/- each fully paid in cash		519,014,830	519,014,830
7,527,246 (June 30, 2024: 7,527,246) ordinary shares of Rs. 10/- each issued as fully paid bonus shares		<u>75,272,460</u>	<u>75,272,460</u>
		<u>594,287,290</u>	<u>594,287,290</u>
20 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Surplus arising on revaluation		483,615,506	523,492,379
Less: Related deferred tax liability	20.1	<u>25,172,638</u>	<u>36,736,931</u>
		<u>458,442,868</u>	<u>486,755,448</u>
20.1 Related deferred tax liability			
Opening balance at start of the period / year		36,736,931	34,509,956
Deferred tax impact for the period / year		-	-
Effect of rate change		-	9,724,735
Transfer to profit or loss on disposal of PPE		(1,280,446)	(4,025,659)
Incremental depreciation charged during the year transferred to profit and loss account		<u>(10,283,847)</u>	<u>(3,472,101)</u>
Closing balance at the end of the period / year		<u>25,172,638</u>	<u>36,736,931</u>
21 LONG TERM FINANCING			
Secured:			
Banking Companies		40,526,193	43,904,139
Bank of Punjab L.T.F.F		19,719,612	21,207,124
Bank of Punjab SBP Renewable energy scheme	21.1	60,245,805	65,111,263
Less: Current portion shown under current liabilities		<u>(11,403,371)</u>	<u>(10,621,680)</u>
		<u>48,842,434</u>	<u>54,489,583</u>
21.1 Opening balance at start of the period / year		21,207,124	24,073,076
Repayments during the period / year		(1,932,894)	(3,865,789)
Deferred grant recognized - period / year	21.2	-	-
Unwinding of discount on liability		445,382	999,837
Closing balance at the end of the period / year		<u>19,719,612</u>	<u>21,207,124</u>

21.2 The Company obtained a term finance facility under the 'SBP renewable energy scheme' introduced by the State Bank of Pakistan at the rate ranging of 6% from Bank of Punjab (BOP). ICAP issued the guidance for accounting of said financing through circular No. 11/2020 dated August 17, 2020 and based on that circular, referring to the requirement of IAS-20, the Company recognized the Deferred Grant amounting to Rs. 6.735 million and respective loan has been recognized at the fair value. This also includes prior year grant and loans at fair value which was not recorded. The net impact was not material to statement of profit or loss, therefore, this has been recorded in the current period.

21.3 There is no material change in the terms and conditions of the long term financing - secured as disclosed in the annual audited financial statements as at and for the year ended June 30, 2024.

		Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
22 DEFERRED LIABILITIES				
Deferred tax liabilities	22.1		64,393,596	120,205,132
Staff retirement benefits	22.2		99,635,862	93,586,694
			<u>164,029,458</u>	<u>213,791,826</u>

22.1 Deferred tax liabilities

Taxable temporary differences			
Tax depreciation allowances	22.1	61,600,501	99,521,045
Revaluation surplus	20.1	25,172,638	36,736,928
Right of use		9,760,723	8,326,745
Deductible temporary differences			
Deferred tax related to actuarial gain		(71,183)	(71,183)
Provision for gratuity		(10,001,867)	(8,247,608)
Lease liabilities		(2,819,448)	(1,884,961)
Provision for doubtful debts (ECL)		(6,359,874)	(3,214,585)
Provision for doubtful advances		(2,836,323)	(909,678)
Provision for stocks		(1,181,592)	(1,181,592)
Provision for sales tax refund due from government		<u>(8,869,979)</u>	<u>(8,869,979)</u>
		<u>64,393,596</u>	<u>120,205,132</u>

22.1.1 Owing to uncertainty relating to future taxable profits, against which the Company can utilize its deferred tax asset, the Company has not recognized any deferred tax asset related minimum tax credits amounting to Rs. 50.71 million (June 30, 2024: Rs. 47.388 million). Expiry of minimum tax and excess of corporate alternative tax carried forward is as follows:

Expiry tax year	Nature		
2029	Alternative corporate tax-2019	14,240,620	14,240,620
2025	Minimum tax-2022	11,154,088	11,154,088
2027	Minimum tax-2024	15,758,365	15,758,365
2028	Minimum tax-2025	9,555,747	-
		<u>50,708,820</u>	<u>41,153,073</u>

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
22.2 Staff retirement benefits			
Balance sheet liability at the beginning of the year		93,586,694	169,572,420
Amount recognized during the period / year		20,145,366	45,421,007
Amount paid during the period / year		(14,096,198)	(122,214,458)
Unrecognised actuarial (gain) / loss		-	807,725
Present value of defined benefit obligation		<u>99,635,862</u>	<u>93,586,694</u>
23 LEASE LIABILITIES			
Against right of use assets			
Lease liabilities		21,388,900	44,722,026
Payments / adjustments during the period / year		(15,533,910)	(31,067,820)
Interest expense during the period / year		3,867,246	7,734,694
Less: Current portion		<u>(9,722,236)</u>	<u>(21,388,900)</u>
		<u>-</u>	<u>-</u>
23.1 Maturity analysis-contractual undiscounted cash flow			
Less than one year		9,722,236	28,478,835
One to five year		-	-
More than five year		-	-
Total undiscounted lease liability		<u>9,722,236</u>	<u>28,478,835</u>
23.2 When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate which is 13.8% per annum.			
23.3 The above liabilities were obligations under leases with lessor for lease of generator.			
23.4 The lease agreement less than one year or low value are not classified under IFRS-16 leases.			
24 TRADE AND OTHER PAYABLES			
Creditors		997,809,540	827,922,875
Accrued liabilities		228,039,018	210,436,627
Pension fund payable		6,413,535	6,073,553
Tax deduction at source		69,123,319	40,051,891
Workers' Profit Participation Fund		87,237,654	79,033,932
Workers' Welfare Fund		21,571,295	21,571,295
Payable against purchase of land	24.1	186,589,686	186,589,686
Gas infrastructure development cess payable	24.2	40,938,135	40,938,135
Advance against sale of land	18	<u>10,000,000</u>	<u>-</u>
		<u>1,647,722,182</u>	<u>1,412,617,994</u>

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
24.1 Payable against purchase of land			
To directors of the Company			
Mussaid Hanif		140,323,978	140,323,978
Arbab Muhammad Khan		40,554,326	40,554,326
Sabah Burhan		5,711,382	5,711,382
		<hr/> 186,589,686	<hr/> 186,589,686
24.2	Pursuant to the order of Honorable Supreme Court of Pakistan in August, 2020 and its subsequent dismissal of review petition in November 2020, the Company is making accrual of levy as per GIDC monthly billing by Sui Northern Gas Pipeline Limited (SNGPL).		
	However, due to stay order granted by the High Court of the Sindh, the Company is not paying the levy. Due to non-payment of the levy, SNGPL is charging surcharge on unpaid amount. As of December 31, 2024, the surcharge charged to the Company is Rs. 160.733 million against which the Company is not making any accrual and is confident based on the advice of its legal counsel, that no liability will be raised to the Company relating to this surcharge.		
25 ACCRUED MARK-UP			
Long term financing		853,426	915,006
Short term borrowings		<hr/> 25,228,239	<hr/> 26,469,876
		<hr/> 26,081,665	<hr/> 27,384,882
26 SHORT TERM BORROWINGS			
Secured			
From banking companies and financial			
Running finances	26.1	1,521,996,000	1,236,996,000
Unsecured			
From related party			
Loan from directors	26.2	40,000,000	7,000,000
Temporary bank overdraft	26.3	295,323,176	127,164,751
		<hr/> 1,857,319,176	<hr/> 1,371,160,751
26.1	The Company has total credit facilities of Rs. 2,137 million (June 30, 2024: 1,522 million) at the period end. Whereas the Company has availed credit facilities of Rs. 1,521.996 million (June 30, 2024: Rs. 1,236.966 million) and unavailed credit facilities of Rs. 615.004 million (June 30, 2024: Rs. 285.004 million) at the period end. and carries mark-up ranging from one month KIBOR plus 1% to one months KIBOR plus 1.5% per annum and SBP plus 1% per annum on utilized limits. These facilities are secured against first pari passu charge and joint pari passu charge over present and future current assets of the Company.		
26.2	This amount represents loan obtained from one director of Rs. 40.00 million (June 30, 2024: Rs. 7.00 million) which is interest free loan and repayable on demand.		
26.3	This represents temporary credit balances, which occurred due to outstanding cheques at the period end, issued in anticipation of deposits. This amount has been mostly adjusted subsequently.		

	Note	December 31, 2024 (Unaudited) Rupees	June 30, 2024 (Audited) Rupees
27 CURRENT PORTION OF LONG TERM LIABILITIES			
Current portion of deferred grant		890,764	890,764
Current portion of lease liability	23	9,722,236	21,388,900
Current portion of long term financing	21	11,403,371	10,621,680
		<u>22,016,371</u>	<u>32,901,344</u>

28 CONTINGENCIES AND COMMITMENTS

28.1 Contingent liabilities

28.1.1 There has been no significant change in the contingencies as compared to those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2024.

28.1.2 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies aggregate to Rs. 97.344 million (June 30, 2024: Rs. 128.398 million).

28.2 Commitments

Commitments as on December 31, 2024 were as follows:

- Contracts for capital expenditure are Rs. 150.430 million (June 30, 2024: Rs. 14.545 million).
- Against letters of credit amounting to Rs. 82.371 million (June 30, 2024: Rs. 131.146 million).
- Contracts against sale of Rs. 438.432 million (June 30, 2024: Rs. 911.032 million).
- Contract against the sale of land of Rs. 32.50 million (June 30, 2024: Nil).
- Commitments for lease payments has been made under the relevant note.
- Foreign bills purchased by banks amounting to Rs. 192.967 million (June 30, 2024: Rs. 227.693 million).

		(Unaudited)			
		Half year ended		Quarter ended	
		December 31,		December 31,	
		2024	2023	2024	2023
		Rupees	Rupees	Rupees	Rupees
29	SALES				
	Exports sales	2,797,181,215	2,821,377,660	1,241,348,325	888,883,435
	Sales discount	(2,475,834)	(1,808,344)	(382,349)	(865,254)
		<u>2,794,705,381</u>	<u>2,819,569,316</u>	<u>1,240,965,976</u>	<u>888,018,181</u>
	Local sales	1,318,658,469	1,285,135,243	601,419,489	805,588,072
	Sales tax	(202,483,995)	(167,756,811)	(91,994,470)	(62,614,876)
	Total sales	3,910,879,855	3,936,947,748	1,750,390,995	1,630,991,377
	Export rebate	27,920,359	38,770,677	10,150,144	12,853,357
		<u>3,938,800,214</u>	<u>3,975,718,425</u>	<u>1,760,541,139</u>	<u>1,643,844,734</u>
30	COST OF SALES				
	Raw materials consumed	2,235,264,371	1,825,837,855	934,817,785	855,340,708
	Other overheads:				
	Salaries, wages and other benefits	480,331,767	412,375,377	229,893,438	222,894,412
	Freight	13,486,947	11,318,742	3,828,442	4,039,155
	Loading and unloading	5,619,852	5,039,828	2,745,314	2,180,283
	Store material consumed	559,110,283	507,811,499	261,388,594	245,502,731
	Processing and conversion charges	74,668,808	82,163,960	37,685,139	38,938,367
	Fuel and power	511,343,770	506,760,705	217,713,587	212,229,001
	Insurance expense	6,345,099	6,174,899	3,122,181	2,822,900
	Rent expense	600,000	450,000	300,000	225,000
	Repair and maintenance	4,340,794	5,589,421	1,398,550	3,060,842
	Vehicle running and maintenance	9,024,525	8,275,098	5,316,619	4,167,931
	Communication charges	514,347	434,346	274,500	245,072
	Travelling, conveyance and entertainment	6,869,843	4,393,184	3,494,123	2,269,944
	Fee and subscription	3,936,432	6,927,264	2,802,135	4,076,202
	Printing and stationary	315,977	207,690	113,485	94,860
	Other manufacturing expense	1,913,173	1,624,142	994,096	909,396
	Depreciation expense	98,710,671	90,731,760	50,739,742	45,058,605
	Provision against stores and spares	-	4,953,167	-	4,953,167
	Other expenses	13,026,702	6,269,539	13,022,362	6,269,539
		<u>1,790,158,990</u>	<u>1,661,500,621</u>	<u>834,832,307</u>	<u>799,937,407</u>
	Opening work in process	131,348,823	114,052,797	105,438,745	66,790,515
	Closing work in process	(117,406,800)	(86,210,386)	(117,406,800)	(86,210,386)
		<u>13,942,023</u>	<u>27,842,411</u>	<u>(11,968,055)</u>	<u>(19,419,871)</u>

	(Unaudited)			
	Half year ended		Quarter ended	
	December 31, 2024	2023	December 31, 2024	2023
	Rupees	Rupees	Rupees	Rupees
Cost of goods manufactured	4,039,365,384	3,515,180,887	1,757,682,037	1,635,858,244
Opening stock of finished goods	1,027,346,747	954,092,266	1,340,592,508	853,429,897
Closing stock of finished goods	(1,497,216,671)	(1,079,417,096)	(1,497,216,671)	(1,079,417,096)
	(469,869,924)	(125,324,830)	(156,624,163)	(225,987,199)
	<u>3,569,495,460</u>	<u>3,389,856,057</u>	<u>1,601,057,874</u>	<u>1,409,871,045</u>

31 DISTRIBUTION COST

This includes commission expense of Rs. 0.06 million (December 31, 2023: Rs. 93.630 million). The significant decrease is due to a change in the terms of the contract with the customers.

32 OTHER INCOME

During the period ended December 31, 2024, the Company earned agricultural income of Rs. 2,510 million from the temporary cultivation of land acquired for expansion during the financial year 2023-24. The land, measuring 56 acres, was purchased with the intention of installing solar panels and extending the warehouse and factory. However, as of December 31, 2024, the installation and extension had not commenced. Management considers this cultivation a one-time activity with an immaterial impact; accordingly, disclosures under IAS 41 are not deemed necessary in the financial statements.

33 FINANCE COSTS

Mark-up on long term loan	2,188,313	2,554,187	1,587,615	1,254,266
Mark-up on short term loan	121,645,951	117,339,671	58,657,507	60,941,776
Mark-up on delayed realization	910,096	1,149,545	633,462	523,849
Bank charges and commission	23,468,215	16,667,497	7,529,399	10,819,159
Mark-up on WPPF	8,203,722	4,552,548	7,152,243	1,051,479
Interest expense on lease	4,907,085	5,149,118	3,217,655	2,581,969
	<u>161,323,382</u>	<u>147,412,566</u>	<u>78,777,881</u>	<u>77,172,498</u>

34 LEVY

Final taxes	-	33,496,617	-	15,504,381
Minimum tax differential	34,439,723	-	18,889,505	-
	<u>34,439,723</u>	<u>33,496,617</u>	<u>18,889,505</u>	<u>15,504,381</u>

35 TAXATION

Current				
-Current period	4,396,434	13,896,830	(3,073,226)	8,137,137
-Prior period	12,860,487	(2,171,860)	12,860,487	(2,171,860)
	<u>17,256,921</u>	<u>11,724,970</u>	<u>9,787,261</u>	<u>5,965,277</u>
Deferred				
-Current period	(55,811,536)	(939,375)	(55,811,536)	(939,375)
	<u>(38,554,615)</u>	<u>10,785,595</u>	<u>(46,024,275)</u>	<u>5,025,902</u>

36 (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

(Loss) / profit after taxation - in Rs.	<u>(696,647)</u>	<u>270,048,914</u>	<u>34,676,361</u>	<u>68,908,034</u>
Weighted average number of ordinary shares	<u>59,428,729</u>	<u>59,428,729</u>	<u>59,428,729</u>	<u>59,428,729</u>
(Loss) / Earnings per share - basic and diluted - (Rs.)	<u>(0.01)</u>	<u>4.54</u>	<u>0.58</u>	<u>1.16</u>

37 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of related group companies, local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Name of parties and basis of relationship	Notes	----- (Un-audited) -----	
		Half year ended December 31, 2024 Rupees	2023 Rupees
Key management personnel			
Remuneration and other benefits		2,700,000	2,700,000
Directors of the Company			
Payable of free hold land	24.1	186,589,686	186,589,686
Payment to director - for land		-	11,728,500
Short term loan obtained		33,000,000	-
Short term loan paid		-	22,657,119
Short term loan payable	26.2	40,000,000	-
Family member of the directors of the Company			
Advance against purchase of free hold land		-	72,750,000
Purchase of land		-	5,531,250
Payment to director - for land		-	24,599,604

37.1 The balances with related parties have also been disclosed in the relevant notes to the condensed interim financial statements.

38 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

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

Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)

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

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

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the financial statements of the Company for the year ended June 30, 2024.

39 FINANCIAL INSTRUMENTS BY CATEGORY

	Carrying value				Fair value			
	Financial assets at amortized cost	FVTPL - equity instrument	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
On-Balance sheet financial instruments								
As at December 31, 2024								
Financial assets measured at fair value								
Investments classified as FVTPL		4,479,364		4,479,364	4,479,364			4,479,364
Financial assets at amortised cost								
Loan and advances	9,621,539			9,621,539				
Long-term deposits	25,474,124			25,474,124				
Trade debts	511,188,036			511,188,036				
Trade deposits	7,975,998			7,975,998				
Other receivables	105,652,573			105,652,573				
Short term investments - secured	5,000,000			5,000,000				
Cash and bank balances	48,350,302			48,350,302				
	713,262,572	4,479,364	-	717,741,936	4,479,364	-	-	4,479,364
Financial liabilities at amortised cost								
Long term financing - secured			60,245,805	60,245,805				
Trade and other payables			1,463,376,379	1,463,376,379				
Lease liability			9,722,236	9,722,236				
Accrued markup			26,081,665	26,081,665				
Short-term borrowings - secured			1,857,319,176	1,857,319,176				
	-	-	3,416,745,261	3,416,745,261	-	-	-	-
As at June 30, 2024								
Financial assets measured at fair value								
Investments classified as FVTPL		43,802,438		43,802,438	43,802,438			43,802,438
Financial assets at amortised cost								
Loan and advances	11,412,496			11,412,496				
Long-term deposits	25,325,624			25,325,624				
Trade debts	557,808,008			557,808,008				
Trade deposits	8,720,553			8,720,553				
Other receivables	100,734,730			100,734,730				
Short term investments - secured	5,000,000			5,000,000				
Cash and bank balances	57,800,455			57,800,455				
	766,801,866	43,802,438	-	810,604,304	43,802,438	-	-	43,802,438
Financial liabilities at amortised cost								
Long term financing - secured			65,111,263	65,111,263				
Trade and other payables			1,265,887,323	1,265,887,323				
Lease liability			21,388,900	21,388,900				
Accrued markup			27,384,882	27,384,882				
Short-term borrowings - secured			1,371,160,751	1,371,160,751				
	-	-	2,750,933,119	2,750,933,119	-	-	-	-

39.1 The Company has revalued certain fixed assets at fair value and classified under property, plant and equipment. The carrying value and level of fair value of these non-financial assets have been disclosed in the relevant note to the condensed interim financial statements.

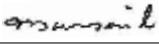
40 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2024.

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

41 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Company's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

42 CORRESPONDING FIGURES

42.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period except followings for better or correct presentation:

Item description	From	To	Amount
			Rupees
Final tax	Taxation	Levy	33,496,617

Further, figures of cost of sales for the quarter ended December 31, 2023 have been rearranged and reclassified where necessary for the purpose of comparison. However, the total remains unchanged.

42.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Company for year ended June 30, 2024 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Company for the half year ended December 31, 2023.

43 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the condensed interim statement of financial position.

44 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements were authorized for issue on **February 28, 2025** by the Board of Directors of the Company.

45 GENERAL

Amounts have been rounded off to the nearest rupees unless otherwise stated.

ڈائریکٹرز کی رپورٹ مبران کے لیے

Zephyr Textiles Limited کے ڈائریکٹرز خوشی کے ساتھ 31 دسمبر 2024 کو ختم ہونے والی نصف سالہ مدت کے لیے جائزہ شدہ عبوری مالی بیانات پیش کرتے ہیں۔ یہ عبوری مالی بیانات کمپنیاں ایکٹ 2017 کی ضروریات کے مطابق پیش کیے گئے ہیں۔

آپریٹنگ مالیاتی متأخر

سال کی پہلی ششماہی، جو 31 دسمبر 2024 کو ختم ہوئی، کے دوران کمپنی نے 3,938.800 ملین روپے کی فروخت پر 369.305 ملین روپے کا مجموعی منافع حاصل کیا، جبکہ پچھلے مالی سال کی اسی مدت کے دوران 3,975.718 ملین روپے کی فروخت پر مجموعی منافع 585.862 ملین روپے تھا۔ جائزہ شدہ مدت کے دوران، کمپنی نے 0.696 ملین روپے کا خالص تضمان ریکارڈ کیا، جبکہ پچھلے سال کی اسی مدت میں 270.048 ملین روپے کا خالص منافع حاصل کیا تھا۔

مالیاتی جملکار	اختتام نصف سال 31 دسمبر، اشانہ 1 (کی) %	اشانہ 1 (کی) %	2024	2023	اشانہ 1 (کی) %	2024	2023	اختتام نصف سال 31 دسمبر، اشانہ 1 (کی) %
فروخت- خالص								
مجموعی منافع								
لیکن اور لیوی سے پہلے منافع (انتصان)								
لیکن لیوی کے بعد منافع (انتصان)								
مجموعی منافع %								
لیکن کے بعد منافع / انتصان %								
14.23%	9.06%		14.74%	9.38%				
4.19%	1.97%		6.79%	(0.02)%				

جائزہ شدہ مدت کے دوران فروخت کی آمدی میں پچھلے سال کی اسی مدت کے مقابلے میں 36.92 ملین روپے کی مجموعی کمی واقع ہوئی، جس کی نیازی اور مقتضائی اور مالی اقتصادی اتفاقی است روپی ہے۔ مجموعی مارجین میں 36.96% اور خالص منافع میں 26.26% کی کمی ہوئی۔ کم مارجن کی بڑی و مجموعت میں ازکم اجرت میں اشانے کے باعث تھا جو اس اور اجرت ایک پیاس کی کم پیداوار کے سبب خام مال کی زیادہ لگات، یعنی اسکل آمدی شہبے کے لیے کوئی سمدی کی خانستے کے تینجے میں تو انہی کی بلند لگات اور ٹکسوس میں اضافہ شکل ہے۔ خالص منافع میں نیازی فرق کی ایک اور فروخت پچھلے سال کی اسی مدت میں 143.46 ملین روپے کے کم اٹاٹ کی فروخت سے حاصل ہونے والا منافع ہے۔ مالی سال کی دوسری سماں میں پہلی سماں کے مقابلے میں بہتر کا کردگی کا ظاہرہ کیا، کیونکہ فٹ اور گارمنٹس کا کاروبار ترقی کر رہا ہے۔ کمپنی کی انتظامی اس شہبے میں مزید بہتری کے حوالے سے پہمید ہے۔

موجودہ اور مستقبل کا نظر

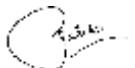
پاکستان کی یونیکائیل صنعت ایک ناژک موڑ پر کھڑی ہے۔ تو انہی کی بڑھتی ہوئی لگات، مہنگا نام مال، بھاری ٹکسوس اور حکومت کی جانب سے برآمدی صنعتوں کو دیے گئے فوائد کم کر کے اپنی آمدی میں بڑھانے کی پالیسی نے یونیکائیل صنعت کو نیازیں جیسے دوچار کر دیا ہے۔ اس سے علاقائی ریپوٹوں کے ساتھ مقابلہ مزید فروخت ہو گیا ہے، جس کا نتیجہ منافع میں کمی کی صورت میں سامنے آیا ہے۔ عالمی اقتصادی است روپی کے باعث پیداوار کی لگات میں اشانے سے برآمدی میڈی بھی جو دکا شکار ہے۔

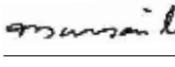
کمپنی کی انتظامی مسلسل بدلتے ہوئے کاروباری ماحل پر گہری نظر کے ہوئے ہے اور کسی بھی ممکنہ کاروباری خطرے کو کم کرنے کے لیے پیشگی اقدامات کر رہی ہے۔ اسٹریچ ٹوبے منافع پیش سار فین اور مصنوعات کے امدادی کو تیزی بنا نے اور پائیدار کاروباری طریقوں کو اپنائے پر کروز ہے تاکہ مسلسل ترقی حاصل کی جاسکے۔

اعتراف

بورڈ اپنے موزر شرپولڈر ز، بیکون، مالیاتی اداروں، صارفین اور ویڈر کا تہ دل سے شکر پا دکرتا ہے، جن کے تعاون، مسلسل ہمایت اور سرپرستی نے کمپنی کو مستقل بہتری کی جانب کا مزمن ہونے میں مددوی۔ جائزہ شدہ مدت کے دوران، انتظامی اور مالی میں کے درمیان تعلقات خوبگوار رہے، اور کمپنی کے ملازمین کی لگن، ثابت نندی اور مستقل مراجی کو سراہت ہوئے ان کی کاوشوں کا اعتراف کرنا پا جاتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے اور ان کی نمائندگی میں


محترم ارباب محمد خان
ایگریکٹو ڈائریکٹر


محترم مساعد حفیف
چیف ایگریکٹو
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