



2024

**For The
Six Months Ended
December 31**

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COMPANY PROFILE

BOARD OF DIRECTORS	Sh. Naseem Ahmad Mr. Rehman Naseem Mr. Amir Naseem Sheikh Mr. Faisal Ahmed Mr. Muhammad Mukhtar Sheikh Mr. Abbas Mukhtar Mr. Babar Ali Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik	Chairman/ Non - Executive Director Chief Executive Officer Non - Executive Director Non - Executive Director Executive Director Executive Director Independent Director Independent Director Independent Director
AUDIT COMMITTEE	Ms. Parveen Akhter Malik Mr. Sheikh Naseem Ahmad Mr. Amir Naseem Sheikh Mr. Babar Ali	Independent Director/Chairperson Non - Executive Director Non - Executive Director Independent Director
HUMAN RESOURCE AND REMUNERATION COMMITTEE	Mr. Babar Ali Mr. Amir Naseem Sheikh Mr. Faisal Ahmad	Independent Director/Chairman Non - Executive Director Non - Executive Director
STRATEGIC PLANNING COMMITTEE	Mr. Rehman Naseem Mr. Masood Karim Shaikh Ms. Parveen Akhter Malik	CEO/Chairman Independent Director Independent Director
COMPANY SECRETARY	Mr. Azher Iqbal, ACA	
CHIEF FINANCIAL OFFICER	Mr. Muhammad Azam, FCA & FCMA	
AUDITORS	ShineWing Hameed Chaudhri & Co., Chartered Accountants	
BANKERS	Bank Al Habib Limited National Bank of Pakistan Meezan Bank Limited The Bank of Punjab Habib Metropolitan Bank Limited Bank Alfalah Limited Habib Bank Limited Faysal Bank Limited Allied Bank Limited Bank Islami Pakistan Limited Soneri Bank Limited Industrial and Commercial Bank of China Ltd. United Bank Limited	Askari Bank Limited MCB Bank Limited The Bank of Khyber JS Bank Limited Dubai Islamic Bank Pakistan Limited Standard Chartered Bank (Pakistan) Limited Bank Makramah Limited Saudi Pak Industrial & Agricultural Inv. Company Limited Pak Oman Investment Company Limited Pak Brunei Investment Company Limited Pak Libya Holding Company (Pvt.) Limited Pakistan Kuwait Investment Company (Private) Limited PAIR Investment Company Limited
HEAD OFFICE & SHARES DEPARTMENT:	59/3, Abdali Road, Multan. Phone: (92), 4781637 Fax: (92) 61-4541832 E-mail: corporate@fazalcloth.com Shares@fazalcloth.com Website: www.fazalcloth.com	
SHARES REGISTRAR:	Vision Consulting Ltd. 5C, LDA Flats, Lawrence Road, Lahore. shares@vcl.com.pk Phone: (92) 42-36283096, 36283097 Fax: (92) 42-36374839	
REGISTERED OFFICE:	69/7, Abid Majeed Road, Survey No. 248/7, Lahore Cantt, Lahore. Phone: (92) 42-36684909	
MILLS:	i. Fazal Nagar, Jhang Road, Muzaffargarh - Pakistan Ph. (92) 66-2422216, 18 Fax: (92) 66-2422217 ii. Qadirpur Rawan Bypass, Khanewal Road, Multan - Pakistan Ph. (92) 61-6740041-43, Fax : (92) 61-6740052 iii. 13 k.M., Mian Wali Road, Khanpur Bagga Sher. Ph. (92) 662-490183	

DIRECTORS' REVIEW

On behalf of the Board of Directors of Fazal Cloth Mills Ltd. (the Company), we would like to present the un-audited financial information of the Company for six months period ended December 31, 2024 duly reviewed by statutory auditors of the Company who have issued a review report, which is annexed to the financial statements.

FINANCIAL PERFORMANCE

A comparison of the key financial results of the Company for the six months period ended December 31, 2024 with same period last year (SPLY), is as follows::

Financial Highlights	December 31, 2024	December 31, 2023	Increase / (decrease) %
	Rupees		
Revenue – net	46,989,839,722	47,112,351,806	-0.26%
Cost of sales	(42,908,041,775)	(40,697,362,358)	5.43%
Gross Profit	4,081,797,947	6,414,989,448	-36.37%
EBIDTA	4,941,675,388	7,194,043,931	-31.31%
Depreciation	1,138,995,000	1,066,622,370	6.79%
Finance Cost	(2,738,747,974)	(4,536,276,226)	-39.63%
Profit before levies and income tax	1,063,932,414	1,591,145,335	-33.13%
Profit after taxation	344,447,111	614,419,099	-43.94%
Earnings per share	11.48	20.48	-43.94%
Gross profit margin	8.69%	13.62%	-36.20%
Net profit margin	0.73%	1.30%	-43.85%

The sales revenue slightly decreased by 0.26% during the period under review, the sales volume of yarn and fabric slightly improved in this period as compared to SPLY.

The significant portion of the cost of goods manufactured consists of raw material, which is 72.17% and power cost is 14.78%. The gross margins have declined from 13.62% to 8.69% mainly on account of increased power cost by 35.75% due to increase in power tariff.

The finance cost during the period experienced a significant decrease of 39.63%, totaling Rs. 2,739 million. This drop can be attributed to various factors, including reduced policy rates and lower working capital usage owing to stable exchange rate.

FUTURE OUTLOOK

Pakistan's economy demonstrated a continued improvement during first half of FY 2024-25, building upon the stabilization achieved in FY2024, when GDP expanded by 2.5 percent after the previous year's contraction. The positive momentum was fueled by sound macroeconomic management, effective inflation control measures, and enhanced fiscal and external accounts stability. Exports of textile sector are rising but margins of textile export companies are subdued due to the higher cost of production mainly on account of higher energy prices making them less competitive at global as well as regional levels.

The government has been able to reduce the fiscal deficit to 0.04 percent of GDP in Jul-Nov FY2025, a marked improvement from the previous year's deficit. The improvement was bolstered by robust growth in tax and non-tax revenue, reflecting improved fiscal discipline, reduced interest rates, and a stable exchange rate. Witnessing the diminishing inflationary pressures, the Monetary Policy Committee (MPC) cut the policy rate by further 100 basis points to 12%, effective from January 28, 2025. The policy rate adjustment will keep inflationary expectations well-anchored and will support the sustainable economic recovery in FY2025.

The management expects the sales revenue to grow during the year ending June 30, 2025 and the liquidity position will further strengthen to run the operations of the Company in a sustainable manner. Going forward, we remain committed to improve our operations, to be more innovative, efficient and profitable to deliver sustainable returns to our shareholders.

THANKS AND APPRECIATION

We would like to place on record deep appreciation for the efforts of the executives, officers and other staff members and workers for their hard work, co-operation and sincerity to the Company in achieving the best possible results. The Board also wishes to place on record the appreciations to all banks, customers and suppliers for continued support to the Company with zeal and dedication. The Management is quite confident that these relations and co-operation will continue in the years to come.

On behalf of the Board of Directors

On behalf of the Board of Directors



Sheikh Naseem Ahmad
(Chairman)

Dated: February 27, 2025



Rehman Naseem
(Chief Executive Officer)

ڈائریکٹرز جائزہ رپورٹ

فضل کا تھ ملز لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 31 دسمبر 2024 کو ختم ہونے والی چھ ماہ کی مدت کے لیے کمپنی کی غیر آڈٹ شدہ مالیاتی معلومات پیش کرنا چاہتے ہیں جس کا کمپنی کے قانونی آڈیٹرز کے ذریعے جائزہ لیا گیا جنہوں نے ایک جائزہ رپورٹ جاری کی ہے، جو مالیاتی گوشواروں کے ساتھ منسلک ہے۔

مالی کارکردگی

کمپنی کے چھ ماہ کی مدت کے اہم مالیاتی نتائج کا موازنہ ختم ہو گیا۔

31 دسمبر 2024 (پچھلے سال کی اسی مدت SPLY)) کے ساتھ درج ذیل ہے:

مالی شرحیں	ششماہی اہتمام برائے عرصہ دسمبر 2024، 31	ششماہی اہتمام برائے عرصہ دسمبر 2023، 31	(کی) / اضافہ %
	روپے (000)	روپے (000)	
ذیلت سیلز	46,989,839,722	47,112,351,806	-0.26%
فروخت کی قیمت	(42,908,041,775)	(40,697,362,358)	5.43%
کل منافع	4,081,797,947	6,414,989,448	-36.37%
EBIDTA	4,941,675,388	7,194,043,931	-31.31%
فروسودگی	1,138,995,000	1,066,622,370	6.79%
مالیاتی لاگت	(2,738,747,974)	(4,536,276,226)	-39.63%
ٹیکس سے پہلے منافع	1,063,932,414	1,591,145,335	-33.13%
ٹیکس کے بعد منافع	344,447,111	614,419,099	-43.94%
فی شیئر آمدنی - روپے	11.48	20.48	-43.94%
مجموعی منافع مارجن	8.69%	13.62%	-36.20%
خالص منافع مارجن	0.73%	1.30%	-43.85%

زیر جائزہ مدت کے دوران سلٹرز پونیو میں 0.26 فیصد کی معمولی کمی واقع ہوئی ہے، یارن اور کپڑے کی فروخت کے حجم میں گزشتہ سال کے مقابلے میں معمولی بہتری آئی ہے۔

تیار کردہ سامان کی لاگت کا اہم حصہ خام مال پر مشتمل ہے جو کہ 72.17% ہے اور بجلی کی قیمت 14.78% ہے۔ مجموعی مارجن 13.62% سے کم ہو کر 8.69% ہو گیا ہے بنیادی طور پر بجلی کی قیمتوں میں اضافے کی وجہ سے بجلی کی قیمت میں 35.75% اضافہ ہوا ہے۔

اس مدت کے دوران مالیاتی لاگت میں 39.63 فیصد کی نمایاں کمی واقع ہوئی، جو کہ کل 2,739 ملین روپے ہے۔ اس کی مختلف عوامل سے منسوب کیا جاسکتا ہے، بشمول پالیسی کی شرح میں کمی اور مستحکم شرح مبادلہ کی وجہ سے ورکنگ کپینٹیل کا کم استعمال۔

مستقبل کا جائزہ

پاکستان کی معیشت نے مالی سال 2024-25 کی پہلی ششماہی کے دوران مسلسل بہتری کا مظاہرہ کیا، مالی سال 2024 میں حاصل ہونے والے استحکام کی بنیاد پر، جب جی ڈی پی میں پچھلے سال کے سیکڑاؤ کے بعد 2.5 فیصد اضافہ ہوا۔ مثبت رفتار کو ٹھوس نیکرو اکنامک مینجمنٹ، مہنگائی پر قابو پانے کے موثر اقدامات اور مالیاتی اور بیرونی کھاتوں کے استحکام سے تقویت ملی۔ ٹیکسٹائل سیکٹر کی برآمدات میں اضافہ ہو رہا ہے لیکن ٹیکسٹائل ایکسپورٹ کمپنیوں کا مارجن کم ہو رہا ہے جس کی وجہ سے پیداواری لاگت زیادہ ہے خاص طور پر توانائی کی زیادہ قیمتوں کی وجہ سے وہ عالمی اور علاقائی سطح پر کم مسابقتی ہیں۔

حکومت جولائی تا نومبر مالی سال 2025 میں مالیاتی خسارے کو جی ڈی پی کے 0.04 فیصد تک کم کرنے میں کامیاب رہی ہے، جو پچھلے سال کے خسارے سے نمایاں بہتری ہے۔ بہتری کو ٹیکس اور غیر ٹیکس محصولات میں مضبوط نمو سے تقویت ملی، جو بہتر مالیاتی نظم و ضبط کی عکاسی کرتی ہے، شرح سود میں کمی، اور ایک متحکم شرح مبادلہ ہے۔ مہنگائی کے کم ہوتے دباؤ کو دیکھتے ہوئے، مانیٹری پالیسی کمیٹی (MPC) نے پالیسی ریٹ میں مزید 100 بیس پوائنٹس کی کمی کر کے 12 فیصد کر دی، جس کا اطلاق 28 جنوری 2025 سے نافذ کیا گیا تھا۔ پالیسی ریٹ ایڈجسٹمنٹ مہنگائی کی توقعات کو اچھی طرح سے برقرار رکھے گی اور مالی سال 2025 میں پائیدار معاشی بحالی میں معاون ہوگی۔

انتظامیہ کو توقع ہے کہ 30 جون 2025 کو ختم ہونے والے سال کے دوران سیلز ریونیو میں اضافہ ہوگا اور کمپنی کے آپریشنز کو پائیدار طریقے سے چلانے کے لیے لیکویڈیٹی کی پوزیشن مزید مضبوط ہوگی۔ آگے بڑھتے ہوئے، ہم اپنے حصص یافتگان کو پائیدار منافع فراہم کرنے کے لیے مزید اختراعی، موثر اور منافع بخش بننے کے لیے اپنے آپریشنز کو بہتر بنانے کے لیے پرعزم ہیں۔

شکریہ اور تعریف

ہم بہترین ممکن نتائج حاصل کرنے میں کمپنی کے ساتھ محنت، تعاون اور خلوص کے لیے ایگزیکٹوز، افسران اور دیگر عملے کے اراکین اور کارکنوں کی کاوشوں کو ریکارڈ پر خراج تحسین پیش کرنا چاہتے ہیں۔ بورڈ تمام بینکوں، صارفین اور سپلائرز کے لیے جوش اور لگن کے ساتھ کمپنی کی مسلسل حمایت کے لیے تعریفیں ریکارڈ پر رکھنا چاہتا ہے۔ انتظامیہ کو پورا یقین ہے کہ یہ تعلقات اور تعاون آنے والے سالوں میں بھی جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

بورڈ آف ڈائریکٹرز کی جانب سے

محمد نسیم احمد

شیخ نسیم احمد

(چیرمین)

محمد نسیم احمد

رحمان نسیم

(چیف ایگزیکٹو آفیسر / ڈائریکٹر)

ملتان: 27 فروری 2025

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Fazal Cloth Mills Limited

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fazal Cloth Mills Limited (the Company) as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six months 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.

The figures of the condensed interim statement of profit or loss and condensed interim statement of other comprehensive income for the quarters ended December 31, 2024 and 2023 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2024.

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

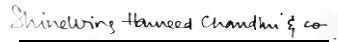
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditors' review report is Osman Hameed Chaudhri.

Lahore

Date: February 27, 2025

UDIN: RR202410104xclUG3ZkK



SHINEWING HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS




Fazal Cloth Mills Limited

Condensed Interim Financial Information (Un-audited)
For the Half Year Ended 31 December 2024

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

		Un-audited December 31, 2024	Audited June 30, 2024
	Note	----- Rupees -----	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		<u>1,700,000,000</u>	1,700,000,000
Issued, subscribed and paid-up capital		<u>300,000,000</u>	300,000,000
Capital reserves			
- Other capital reserves		18,688,802,262	2,009,381,395
- Revaluation surplus on property, plant and equipment		18,251,353,391	18,554,848,169
Unappropriated profits - revenue reserve		<u>9,105,102,323</u>	23,457,160,434
		<u>46,345,257,976</u>	44,321,389,998
Liabilities			
Non-current liabilities			
Long term financing - secured	4	<u>16,023,792,166</u>	12,715,332,537
Long term musharika - secured	5	<u>4,829,786,446</u>	2,509,641,813
Lease liability - unsecured		<u>68,638,568</u>	70,677,725
Deferred liabilities:			
- Staff retirement benefit		616,727,835	576,427,439
- Deferred taxation		<u>9,328,216,130</u>	9,234,269,159
		<u>30,867,161,145</u>	25,106,348,673
Current liabilities			
Trade and other payables	6	<u>9,441,365,494</u>	6,387,042,998
Contract liabilities		<u>340,561,571</u>	438,053,016
Current portion of non-current liabilities	7	<u>3,705,141,786</u>	3,835,167,740
Unclaimed dividend		<u>21,977,192</u>	22,002,980
Short term borrowings - secured		<u>20,165,501,961</u>	17,717,675,277
Accrued mark-up		<u>968,436,139</u>	1,320,363,612
Provision for income tax and levies - net		<u>394,227,547</u>	633,292,879
		<u>35,037,211,690</u>	30,353,598,502
Total liabilities		<u>65,904,372,835</u>	55,459,947,175
Contingencies and commitments	8		
Total equity and liabilities		<u>112,249,630,811</u>	99,781,337,173

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


 (MUHAMMAD AZAM)
 CHIEF FINANCIAL OFFICER


 (REHMAN NASEEM)
 CHIEF EXECUTIVE OFFICER


 (SHEIKH NASEEM AHMAD)
 DIRECTOR

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

		Un-audited December 31, 2024	Audited June 30, 2024
ASSETS	Note	----- Rupees -----	
Non-current assets			
Property, plant and equipment	9	51,605,888,751	52,090,033,687
Long term investments	10	9,318,422,956	7,639,002,089
Long term advances and markup accrued	11	-	-
Long term deposits		25,733,193	110,640,293
		60,950,044,900	59,839,676,069
Current assets			
Stores, spares and loose tools		2,456,659,297	2,046,801,806
Stock-in-trade	12	33,194,732,547	23,730,084,196
Trade debts	13	11,593,549,466	12,079,342,689
Advances and other receivables		336,361,569	217,229,996
Deposits, prepayments and other receivables		570,960,825	269,417,471
Mark-up accrued	14	9,877,372	4,281,883
Short term investment		479,073,600	315,914,400
Sales tax refundable and adjustable		1,863,139,401	565,170,561
Cash and bank balances	15	795,231,834	713,418,102
		51,299,585,911	39,941,661,104
		112,249,630,811	99,781,337,173

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



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER




(SHEIKH NASEEM AHMAD)
DIRECTOR

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**

Note	Six months period ended		Quarter ended		
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	
	----- Rupees -----				
	(Restated)		(Restated)		
Revenue from contracts with customers - net	16	46,989,839,722	47,112,351,806	22,804,023,050	23,822,565,214
Cost of sales	17	(42,908,041,775)	(40,697,362,358)	(20,998,740,553)	(20,768,470,277)
Gross profit		4,081,797,947	6,414,989,448	1,805,282,497	3,054,094,937
Selling and distribution expenses		(204,792,973)	(292,857,997)	(81,234,833)	(141,392,877)
Administrative expenses		(439,102,957)	(375,820,541)	(213,887,784)	(197,319,668)
Other expenses		(70,994,629)	(155,311,791)	(44,232,044)	(58,549,008)
		(714,890,559)	(823,990,329)	(339,354,661)	(397,261,553)
Other income		435,773,000	536,422,442	171,198,776	184,429,639
Profit from operations		3,802,680,388	6,127,421,561	1,637,126,612	2,841,263,023
Finance cost	18	(2,738,747,974)	(4,536,276,226)	(1,334,860,481)	(2,291,328,152)
Profit before levies and income tax		1,063,932,414	1,591,145,335	302,266,131	549,934,871
Levies		(589,848,012)	(637,384,366)	(249,679,107)	(306,998,461)
Profit before income tax		474,084,402	953,760,969	52,587,024	242,936,410
Income tax		(129,637,291)	(339,341,870)	(40,165,018)	(188,161,295)
Profit after taxation		344,447,111	614,419,099	12,422,006	54,775,115
Earnings per share - basic and diluted	19	11.48	20.48	0.41	1.83

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


(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER


(SHEIKH NASEEM AHMAD)
DIRECTOR

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**

	Six months period ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Profit after taxation	344,447,111	614,419,099	12,422,006	54,775,115
Other comprehensive income - net of tax				
Items that will never be reclassified to statement of profit or loss:				
Net change in fair value of investments classified at fair value through other comprehensive income	1,679,420,867	357,806,096	1,179,878,201	415,130,664
Total comprehensive income period	2,023,867,978	972,225,195	1,192,300,207	469,905,779

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



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**

	Capital reserves				Revenue reserve		Total
	Share capital	Share premium	Capital redemption reserve	Fair value reserve - net of tax	Revaluation surplus on property, plant and equipment - net of tax	Capital reserve against capacity expansion	
Balance as at June 30, 2023 - (Audited)	300,000,000	77,616,000	175,000,000	823,129,157	22,130,639,044	-	21,140,136,577
Total comprehensive income for the six months period ended December 31, 2023	-	-	-	-	-	-	614,419,099
Profit for the period	-	-	-	357,806,096	-	-	357,806,096
Other comprehensive loss - net of tax	-	-	-	357,806,096	-	-	614,419,099
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	-	-	(365,808,340)	-	365,808,340
Transfer from surplus on revaluation of fixed assets on disposal - net of tax	-	-	-	-	(3,712,113)	-	3,712,113
Effect of change in tax rate	-	-	-	-	(156,256,238)	-	(156,256,238)
Balance as at December 31, 2023 - (un-audited)	300,000,000	77,616,000	175,000,000	1,180,935,253	21,608,574,466	-	22,120,364,016
Total comprehensive income for the six months period ended December 31, 2024	-	-	-	-	-	-	45,462,489,735
Profit for the period	-	-	-	1,679,420,867	-	-	1,679,420,867
Other comprehensive income - net of tax	-	-	-	1,679,420,867	-	-	3,444,447,111
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	-	-	(278,958,076)	-	278,958,076
Transfer from surplus on revaluation of fixed assets on disposal - net of tax	-	-	-	-	(24,536,702)	-	24,536,702
Transfer of reserves	-	-	-	-	-	15,000,000,000	(15,000,000,000)
Balance as at December 31, 2024 - (un-audited)	300,000,000	77,616,000	175,000,000	3,436,186,262	18,251,353,391	15,000,000,000	9,105,102,323
The annexed notes form an integral part of these condensed interim financial statements.	-	-	-	-	-	-	46,345,257,976

(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER

(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER

(SHEIKH NASEEM AHMAD)
DIRECTOR

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**

		Six months period ended	
		December 31,	December 31,
		2024	2023
		----- Rupees -----	
Cash flows from operating activities	Note		
Profit before taxation		1,063,932,414	1,591,145,335
Adjustments for:			
Depreciation on property, plant and equipment	9.1	1,136,123,210	1,063,750,580
Depreciation on right of use assets	9.2	2,871,790	2,871,790
Unrealized gain on re-measurement of short term investment		(163,159,200)	(34,761,600)
(Reversal) / loss allowance against trade debts	13	(48,625,189)	33,813,856
Provision for gratuity		157,663,668	152,662,578
Provision for infrastructure cess		327,402,839	193,040,394
Provision for workers' profit participation fund		2,432,390	84,504,848
Provision for workers' welfare fund		21,762,523	13,366,781
Gain on disposal of property, plant and equipment and assets held for sale		32,149,543	6,740,460
Loss allowance against receivable	14	2,575,910	3,123,319
Finance income		(15,171,054)	(6,276,485)
Dividend income received from an associate		(190,063,585)	(120,949,554)
Finance cost		2,738,747,974	4,536,276,226
Cash generated from operations before working capital changes		5,068,643,233	7,519,308,528
Effect on cash flows due to working capital changes			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		(409,857,491)	(317,055,886)
Stock-in-trade		(9,464,648,351)	(6,126,009,250)
Trade debts		534,418,412	946,160,066
Advances and other receivables		(119,131,573)	(32,765,544)
Deposits, prepayments and other receivables		(301,543,354)	195,366,987
		(9,760,762,357)	(5,334,303,627)
Increase / (decrease) in current liabilities:			
Trade and other payables		2,702,724,747	(2,570,727,402)
Contract liabilities		(97,491,445)	(318,460,825)
Cash used in operations		(2,086,885,822)	(704,183,326)
Gratuity paid to employees		(117,363,272)	(89,980,220)
Taxes paid - net		(2,162,572,509)	227,291,438
		(2,279,935,781)	137,311,218
Net cash used in operating activities		(4,366,821,603)	(566,872,108)
Cash flows from investing activities			
Fixed capital expenditure		(719,839,964)	(973,191,035)
Proceeds from sale of property, plant and equipment		32,840,358	3,560,000
Long term deposits		84,907,100	(85,100,000)
Dividend income received from an associate		190,063,585	120,949,554
Finance income received		6,999,655	1,669,735
Net cash used in investing activities		(405,029,266)	(932,111,746)
Cash flows from financing activities			
Long term financing obtained		4,858,016,026	1,208,085,551
Long term financing repaid		(1,592,949,676)	(1,132,244,597)
Long term musharika obtained		2,750,000,000	77,739,800
Long term musharika repaid		(517,355,368)	(370,833,335)
Short term borrowings - net		1,220,056,638	7,506,898,967
Lease rentals paid		(6,430,766)	(5,846,152)
Finance cost paid - net		(3,085,416,511)	(4,023,744,876)
Dividend paid		(25,788)	(534,274)
Net cash generated from financing activities		3,625,894,555	3,259,521,084
Net (decrease) / increase in cash and cash equivalents		(1,145,956,314)	1,760,537,230
Cash and cash equivalents at beginning of the period		(542,880,740)	(3,222,085,274)
Cash and cash equivalents at end of the period		(1,688,837,054)	(1,461,548,044)
Cash and cash equivalents at period end comprises of:			
Cash and bank balances		795,231,834	764,825,834
Running finance / running musharika		(2,484,068,888)	(2,226,373,878)
		(1,688,837,054)	(1,461,548,044)

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



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2024**
1 Legal status and nature of business

Fazal Cloth Mills Limited ("the Company") was incorporated in Pakistan in 1966 as a Public Limited Company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange ('PSX'). The Company is principally engaged in manufacture and sale of yarn and fabric.

Geographical location and addresses of major business units including mills / plant of the Company are as under:

Lahore	Purpose
69/7, Abid Majeed Road, Survey No. 248/7 Cantt.	Registered office
Multan	
59/3, Abdali Road.	Head office
Qadirpur Rawan Bypass, Khanewal Road.	Production plant
Muzaffargarh	
Fazal Nagar, Jhang Road.	Production plant
13-KM, Mianwali Road, Khanpur Bagga Sher.	Production plant

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES
2.1 Statement of compliance

2.1.1 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 International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 (the Act),
- Provisions of and directives issued under the Act, and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act.

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

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

2.2 Standards, amendments to approved accounting standards effective in current period and are relevant

Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on July 01, 2024 but are considered not to be relevant or to 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.

2.3 Standards, amendments to approved accounting standards and interpretations 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 effective for accounting periods beginning on July 01, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

2.4 Material accounting policies

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

2.5 Re-statement

In May 2024, the Institute of Chartered Accountants of Pakistan (ICAP) had issued a circular on "IAS-12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of taxes paid under minimum tax regime (which is not adjustable against the future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax. Accordingly, the impact has been incorporated in these interim financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS - 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the condensed interim statement of financial position and statement of cash flows as a result of this change.

3 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2024.

4 LONG TERM FINANCING - SECURED

	Un-audited December 31, 2024	Audited June 30, 2024
	----- Rupees -----	
Note		
Long term finances	18,915,922,027	15,650,855,677
Less: current portion grouped under current liabilities	<u>(2,892,129,861)</u>	<u>(2,935,523,140)</u>
	<u>16,023,792,166</u>	<u>12,715,332,537</u>
4.1 Long term finances - secured		
Balance at beginning of the period / year	15,650,855,677	15,955,756,784
Add: disbursements during the period / year		
4.1.1	4,858,016,026	2,217,188,000
Repayments made during the period / year	<u>(1,592,949,676)</u>	<u>(2,522,089,107)</u>
Balance at end of the period / year	<u>18,915,922,027</u>	<u>15,650,855,677</u>

4.1.1 Markup bearing finances availed during the period:

Lender	Amount	Rate of Mark Up Per Annum	Security, Tenure and basis of principal repayments
-- Rupees --			
Allied Bank Limited			
- Term Finance -	2,000,000,000	6 Months KIBOR + 0.50%	1st joint pari passu charge/ mortgage of Rs. 2,809 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
Habib Bank Limited			
- Term Finance -	243,004,010	6 Months KIBOR + 100 bps	1st joint pari passu charge/ mortgage of Rs. 1,147 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
United Bank Limited			
- Term Finance -	84,076,594	3 Months KIBOR + 1.50% pa	1st joint pari passu charge/ mortgage of Rs. 2,036 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
- Demand Finance	2,500,000,000	3 Months KIBOR + 1.50%	1st joint pari passu charge/ mortgage of Rs. 2,036 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
PAIR Investment Company Limited			
- Term Finance -	30,935,422	3 Months KIBOR + 1.90%	1st joint pari passu charge/ mortgage of Rs. 400 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
	4,858,016,026		

5 LONG TERM MUSHARIKA - SECURED		Un-audited December 31, 2024	Audited June 30, 2024
	Note	----- Rupees -----	
Long term finances	5.1	5,639,497,180	3,406,852,548
Less: current portion grouped under current liabilities		(809,710,734)	(897,210,735)
		4,829,786,446	2,509,641,813
5.1 Long term musharika - secured			
Balance at beginning of the period / year		3,406,852,548	4,037,446,083
Add: disbursements during the period / year	5.1.1	2,750,000,000	77,739,800
Less: repayments made during the period / year		(517,355,368)	(708,333,335)
Balance at end of the period / year		5,639,497,180	3,406,852,548

5.1.1 Profit bearing finances availed during the period:

Lender	Amount	Rate of Profit Per Annum	Security, Tenure and basis of principal repayments
-- Rupees --			
Dubai Islamic Bank Pakistan Limited			
- Diminishing Musharika	1,000,000,000	3 months KIBOR + 1.50%	1st joint pari passu charge/ mortgage of Rs. 1,100 million on all present and future fixed assets of the Company and personal guarantees of the sponsoring directors of the Company.
Bank Islami Pakistan Limited			
- Diminishing Musharika	1,000,000,000	6 months KIBOR + 1.00% pa	Ranking Charge of Rs. 1,334 million on fixed assets of the Company and personal guarantees of the sponsoring directors of the Company.
National Bank of Pakistan - Islamic			
- Diminishing Musharika	750,000,000	6 months KIBOR + 1.00% pa	1st joint pari passu charge/ mortgage of Rs. 4,600 million on all present and future fixed assets of the Company and personal guarantees of sponsoring directors of the Company
2,750,000,000			

6 TRADE AND OTHER PAYABLES

		Un-audited December 31, 2024	Audited June 30, 2024
	Note	----- Rupees -----	
Trade creditors		1,266,344,794	1,051,425,482
Accrued liabilities	6.1	1,647,562,213	1,775,460,506
Due to associated undertakings	6.2	203,838,241	258,503,042
Bills payable		3,871,875,673	1,228,556,665
Tax deducted at source		36,849,078	9,799,560
Infrastructure cess		2,292,471,296	1,965,068,457
Workers' profit participation fund		36,077,409	33,645,019
Workers' welfare fund		78,747,097	56,984,574
Loan from Director		299,693	299,693
Others		7,300,000	7,300,000
		9,441,365,494	6,387,042,998

6.1 The Honourable Supreme Court of Pakistan (SCP) vide its judgement dated August 13, 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgment which was also dismissed. SCP in its detailed judgment stated that the cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who have passed on GIDC burden to their end customers for their business activities.

The Company has filed a civil suit before the Honourable Sindh High Court (LHC) on the grounds that the Company has not passed on the impact of GIDC to end consumers. SHC has granted stay order and has restrained SNGPL from taking any coercive action against the Company. The case is pending for adjudication. The Company has recognized the liability of GIDC under the GIDC Act, 2015 in these financial statements.

6.2 Due to associated undertakings	Un-audited December 31, 2024	Audited June 30, 2024
	----- Rupees -----	
Fatima Energy Limited	203,513,845	257,919,809
Fatima Fertilizer Company Limited	144,396	123,558
Fazal Farm (Private) Limited	-	279,675
Fazal-ur-Rehman Foundation	180,000	180,000
	<u>203,838,241</u>	<u>258,503,042</u>

7 CURRENT PORTION OF NON-CURRENT LIABILITIES

Long term financing - secured	2,892,129,861	2,935,523,140
Long term musharika - secured	809,710,734	897,210,735
Current portion of lease liability	3,301,191	2,433,865
	<u>3,705,141,786</u>	<u>3,835,167,740</u>

8 CONTINGENCIES AND COMMITMENTS

- 8.1** Guarantees aggregating Rs.3,164.925 million (June 30, 2024: Rs.3,064.875 million) have been issued by banks of the Company to various institutions and corporate bodies.
- 8.2** There has been no material change in the status of other contingencies as disclosed in the audited annual financial statements of the Company for the year ended June 30, 2024.

8.3 Commitments in respect of :	Un-audited December 31, 2024	Audited June 30, 2024
	----- Rupees -----	
• letters of credit for capital expenditure	<u>318,223,479</u>	-
• letters of credit for purchase of raw materials and stores & spare part	<u>11,957,460,038</u>	<u>3,138,309,936</u>
• foreign bills discounted	-	<u>568,788,269</u>

8.4 Commitments in respect of Fatima Energy limited (FEL):

The Company through sponsors support agreement commits to lenders of FEL, in case of default by FEL, to pay amount outstanding up to Rs 6,000 million (June 30, 2024: Rs 6,000 million), This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in annual general meeting dated November 26, 2020.

8.5 Commitments in respect of Fatima Transmission Company Limited (FTCL):

The Company through sponsors support agreement commits to MCB Bank Limited, in case of default by FTCL, to pay amount outstanding up to Rs 250 million (June 30, 2024: Rs. 250 million). This commitment was already approved by the shareholders under section 199 of the Companies Act, 2017 in extra ordinary general meeting held on March 25, 2017.

9 PROPERTY, PLANT AND EQUIPMENT		Un-audited December 31, 2024	Audited June 30, 2024
Note		----- Rupees -----	
Operating fixed assets	9.1	50,857,100,546	51,701,058,121
Right of use asset	9.2	37,333,274	40,205,064
Capital work-in-progress	9.3	711,454,931	348,770,502
		<u>51,605,888,751</u>	<u>52,090,033,687</u>
9.1 Operating fixed assets			
Net book value at beginning of the period / year		51,701,058,121	47,865,805,154
Additions during the period / year	9.1.1	357,155,535	6,109,225,653
Disposals costing Rs.173,789,653 (June 30, 2024: Rs.155,533,808) - at net book value		(64,989,900)	(57,213,332)
Depreciation charge for the period / year		(1,136,123,210)	(2,216,759,354)
Net book value at end of the period / year		<u>50,857,100,546</u>	<u>51,701,058,121</u>
9.1.1 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:			
Freehold land		217,260	518,680
Factory building on freehold land		31,439,364	798,194,940
Non-factory building on freehold land		164,181,665	87,686,361
Non-factory building on lease hold land		-	9,979,169
Plant and machinery		123,826,911	4,629,537,342
Electric fittings and installations		7,305,606	270,254,190
Tools, laboratory equipment and arms		32,300	22,202,878
Fire extinguishing equipment and scales		-	15,358,876
Office equipments		16,456,603	30,946,802
Furniture and fixtures		-	7,571,196
Vehicles		13,695,826	236,975,219
		<u>357,155,535</u>	<u>6,109,225,653</u>
9.2 Right of use Asset			
Opening net book value		40,205,064	45,948,645
Depreciation charge for the period / year		(2,871,790)	(5,743,581)
Closing net book value		<u>37,333,274</u>	<u>40,205,064</u>

		Un-audited December 31, 2024	Audited June 30, 2024
9.3 Capital work-in-progress	Note	----- Rupees -----	
Building on free hold land		16,891,531	19,429,843
Non-factory building on free hold land		78,599,860	163,687,695
Plant and machinery		529,774,687	114,126,028
Electric fittings and installations		597,092	-
Fire fighting equipment & weigh scales		3,700,000	-
Tools, lab, equipment and arms		49,415	49,415
Furniture and fixtures		-	52,626
Office equipment		822,390	6,355,973
Advances to suppliers - unsecured, considered good	9.3.1	81,019,956	45,068,922
		<u>711,454,931</u>	<u>348,770,502</u>

9.3.1 These mainly includes advances against civil works, plant and machinery and vehicles and are in the normal course of business.

10 LONG TERM INVESTMENTS

		Un-audited December 31, 2024	Audited June 30, 2024
	Note	----- Rupees -----	
Equity instruments	10.1	9,278,422,956	7,599,002,089
Debt instruments	10.2	40,000,000	40,000,000
		<u>9,318,422,956</u>	<u>7,639,002,089</u>

10.1 Equity Instruments- at FVTOCI

Quoted

Fatima Fertilizer Company Limited (a related party)

62,994,031 ordinary shares
of Rs.10 each - at market value
Adjustment arising from
re-measurement to fair value

3,251,751,880	1,877,852,064
<u>1,679,420,867</u>	<u>1,373,899,816</u>
4,931,172,747	3,251,751,880

Un-quoted

Fatima Energy Limited (a related party)

547,560,066 ordinary shares and
preference shares

3,926,005,673	3,926,005,673
<u>98,910,398</u>	<u>98,910,398</u>
<u>322,334,138</u>	<u>322,334,138</u>

Fatima Transmission Company Limited

12,795,653 preference shares
Multan Real Estate (Private) Limited

4,347,250,209	4,347,250,209
<u>9,278,422,956</u>	<u>7,599,002,089</u>

	Un-audited December 31, 2024	Audited June 30, 2024
10.2 Debt Instruments - at FVTOPL		
Bank Al Habib Limited		
term finance certificates (TFCs) Note	----- Rupees -----	
5,000 term finance certificates of Rs.5,000 each - cost	25,000,000	25,000,000
Bank of Punjab		
term finance certificates (TFCs)		
150 term finance certificates of Rs.100,000 each - cost	15,000,000	15,000,000
	40,000,000	40,000,000
11 LONG TERM ADVANCES AND MARKUP ACCRUED		
An associated company		
Fatima Transmission Company Limited	13,748,696	13,748,696
Pak Arab Energy Limited	25,904,160	25,904,160
	39,652,856	39,652,856
Less: Loss allowance	(39,652,856)	(39,652,856)
	-	-
12 STOCK-IN-TRADE		
Raw material		
[In-transit: Rs. 7,485.87 million (Jun 30, 2024: Rs. 4,598.66 million)]	20,957,803,970	11,590,822,784
Work-in-process	1,199,453,000	1,170,146,399
Finished goods		
[In-transit: Rs. 52.86 million (Jun 30, 2024: Rs. 56.21 million)]:		
- Yarn	9,004,774,957	8,696,511,663
- Fabric	1,187,839,583	1,391,550,050
- Waste	844,861,037	881,053,300
	11,037,475,577	10,969,115,013
	33,194,732,547	23,730,084,196
13 TRADE DEBTS		
Export debtors - secured against letters of credit:		
Considered good	2,194,093,680	2,375,451,933
Local debtors - unsecured considered good		
- related parties	1,610,391,964	1,542,290,156
- others	7,789,063,822	8,161,600,600
- others - considered doubtful	47,975,036	96,600,225
	9,447,430,822	9,800,490,981
Allowance for impairment of trade debts	(47,975,036)	(96,600,225)
	11,593,549,466	12,079,342,689

		Un-audited December 31, 2024	Audited June 30, 2024
	Note	----- Rupees -----	
13.1 Trade debts due from following related parties on account of trading activities:			
Ahmad Fine Textile Mills Limited		1,502,955,812	1,479,547,608
Reliance Weaving Mills Limited		107,436,152	62,742,548
		<u>1,610,391,964</u>	<u>1,542,290,156</u>
14 MARK-UP ACCRUED			
Mark-up accrued on:			
Advance to associated company (Pak Arab Energy Limited)		27,912,796	25,336,886
Less: Loss allowance on markup accrued		<u>(27,912,796)</u>	<u>(25,336,886)</u>
		-	-
Term finance certificates		798,258	1,161,426
Term deposit receipts		9,079,114	3,120,457
		<u>9,877,372</u>	<u>4,281,883</u>
15 CASH AND BANK BALANCES			
Cash in hand		40,147,557	39,455,989
Cash at banks			
Current accounts		500,635,165	520,324,510
Saving accounts	15.1	91,199,112	69,137,603
Term deposit receipts	15.2	163,250,000	84,500,000
		<u>795,231,834</u>	<u>713,418,102</u>

15.1 These carry mark up at the rate ranging from 0.15% to 19% (June 30, 2024: 0.15% to 20.5%) per annum.

15.2 These carry mark up at the rate ranging from 9.00% to 20.50% (June 30, 2024: 16.25% to 20.50%) per annum.

16 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	Note	----- Un-audited -----			
		Six months period ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Rupees -----					
Gross sales:					
Local sales		46,978,274,889	35,368,864,629	22,929,244,394	16,865,624,957
Direct exports		4,777,871,659	10,760,942,042	2,399,401,353	5,928,783,012
Indirect exports	16.1	2,976,448,551	6,634,712,216	1,187,488,629	3,720,351,250
		54,732,595,099	52,764,518,887	26,516,134,376	26,514,759,219
Sales tax					
Local sales		(7,133,028,477)	(5,423,580,767)	(3,418,627,747)	(2,545,979,004)
Indirect exports		(454,033,457)	-	(181,142,333)	-
		(7,587,061,934)	(5,423,580,767)	(3,599,770,080)	(2,545,979,004)
Sales return		(155,693,443)	(228,586,314)	(112,341,246)	(146,215,001)
		<u>46,989,839,722</u>	<u>47,112,351,806</u>	<u>22,804,023,050</u>	<u>23,822,565,214</u>

16.1 This includes sales made to direct exporters against Export facilitation Scheme (EFS) to related parties under S.R.O 957(1)/ 2021 dated July 30, 2021, amounting to Rs. 2,976.45 million (December 31, 2023: Rs. 2,652.52 million).

17 COST OF SALES

	----- Un-audited -----			
	Six months period ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----			
Raw material consumed	29,741,790,927	32,610,049,786	14,633,574,110	16,402,235,351
Packing material consumed	514,631,031	554,046,256	260,899,556	289,074,309
Salaries, wages and benefits	2,168,007,324	1,911,430,233	1,131,482,766	928,643,991
Freight outward charges	287,683,638	255,524,081	115,008,325	129,417,529
Travelling and conveyance	12,463,092	11,939,021	7,627,961	7,373,750
Vehicle running and maintenance	40,652,848	42,428,041	21,942,563	20,570,084
Power and fuel	6,092,459,991	4,487,903,865	3,034,953,701	2,638,212,007
Stores and spares consumed	1,128,797,888	1,045,069,653	633,846,894	490,990,662
Processing charges	64,191,788	388,752,423	54,849,443	309,817,466
Repair and maintenance	27,241,990	49,436,002	12,090,919	26,380,775
Insurance	73,018,064	82,136,370	37,141,885	43,092,334
Depreciation on property, plant and equipment	1,072,711,507	1,014,444,542	536,820,632	523,284,894
Others	13,796,300	14,426,871	7,343,934	8,109,583
	41,237,446,388	42,467,587,144	20,487,582,689	21,817,202,735
Work-in-process:				
Opening balance	1,170,146,399	855,950,907	1,149,476,570	1,038,461,697
Closing balance	(1,199,453,000)	(1,227,317,792)	(1,199,453,000)	(1,227,317,792)
	(29,306,601)	(371,366,885)	(49,976,430)	(188,856,095)
Cost of goods manufactured	41,208,139,787	42,096,220,259	20,437,606,259	21,628,346,640
Finished goods:				
Opening balance	10,969,115,013	10,679,299,882	10,642,501,550	12,080,356,548
Finished goods purchased	1,755,841,252	1,170,212,257	947,317,789	330,557,779
Closing balance	(11,037,475,577)	(13,297,779,343)	(11,037,475,577)	(13,297,779,343)
	1,687,480,688	(1,448,267,204)	552,343,762	(886,865,016)
Cost of goods sold	42,895,620,475	40,647,953,055	20,989,950,021	20,741,481,624
Cost of raw material sold	12,421,300	49,409,303	8,790,532	26,988,653
	42,908,041,775	40,697,362,358	20,998,740,553	20,768,470,277

18 Finance Cost

	----- Un-audited -----			
	Six months period ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Rupees -----				
Mark-up based loans from conventional banks:				
- Long term financing - secured	1,195,763,093	926,694,980	625,176,425	470,013,125
- Short term borrowings - secured	932,333,446	2,604,244,272	407,018,952	1,255,747,285
	2,128,096,539	3,530,939,252	1,032,195,377	1,725,760,410
Islamic mode of financing:				
- Musharika - secured	396,428,191	419,974,831	193,294,534	205,199,374
- Short term borrowings - secured	167,805,244	480,387,551	90,705,347	290,726,142
	564,233,435	900,362,382	283,999,881	495,925,516
Bank charges	41,159,064	99,605,794	16,046,616	66,962,251
Markup on lease liability	5,258,936	5,368,798	2,618,607	2,679,975
	2,738,747,974	4,536,276,226	1,334,860,481	2,291,328,152

19 EARNINGS PER SHARE - BASIC AND DILUTED

	----- Un-audited -----			
	Six months period ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Rupees -----				
Profit after taxation	344,447,111	614,419,099	12,422,006	54,775,115
Weighted Average Number of ordinary shares	30,000,000	30,000,000	30,000,000	30,000,000
Earnings per share - basic and diluted	11.48	20.48	0.41	1.83

20 FINANCIAL RISK MANAGEMENT

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

There has been no change in the Company's sensitivity to these risks since June 30, 2024, except for the change in exposure from liquidity risks due to increase in borrowings and general exposure due to fluctuations in foreign currency and interest rates. There have been no change in risk management objectives and policies of the Company during the period.

These condensed interim financial statement does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2024

21 FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. 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 operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

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



- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) .
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) .

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

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.



	Carrying amount			Fair value		
	Financial assets at amortised cost	Fair value through Profit or loss	Fair value through OCI	Other financial liabilities	Total	Total
As at December 31, 2024						
Financial assets - measured at fair value						
Short term investment	-	479,073,600	-	-	479,073,600	-
Long term investments	-	40,000,000	9,278,422,956	-	9,318,422,956	4,971,172,747
Financial assets - not measured at fair value						
Long term deposits	25,733,193	-	-	-	25,733,193	-
Trade debts	11,593,549,466	-	-	-	11,593,549,466	-
Deposits, prepayments and other receivables	466,048,214	-	-	-	466,048,214	-
Mark-up accrued	9,877,372	-	-	-	9,877,372	-
Cash and bank balances	795,231,834	-	-	-	795,231,834	-
	12,890,440,079	519,073,600	9,278,422,956	-	22,687,936,635	5,450,246,347
Financial liabilities - not measured at fair value						
Long term financing - secured	-	-	-	18,915,922,027	18,915,922,027	-
Long term musharika - secured	-	-	-	5,639,497,180	5,639,497,180	-
Trade and other payables	-	-	-	6,997,220,614	6,997,220,614	-
Unclaimed dividend	-	-	-	21,977,192	21,977,192	-
Short term borrowings - secured	-	-	-	20,165,501,961	20,165,501,961	-
Accrued mark-up	-	-	-	968,436,139	968,436,139	-
	-	-	-	52,708,555,113	52,708,555,113	-



	Carrying amount		Fair value		
	Financial assets through Profit or loss	Fair value through OCI	Level 1	Level 2	Level 3
As at June 30, 2024					
Financial assets - measured at fair value					
Short term investment	315,914,400	-	315,914,400	-	-
Long term investments	40,000,000	7,599,002,089	3,291,751,880	4,347,250,209	-
Financial assets - not measured at fair value					
Long term deposits	110,640,293	-	-	-	-
Trade debts	12,079,342,689	-	-	-	-
Deposits, prepayments and other receivables	268,042,028	-	-	-	-
Mark-up accrued	4,281,883	-	-	-	-
Cash and bank balances	713,418,102	-	-	-	-
	13,175,724,995	7,599,002,089	3,607,666,280	4,347,250,209	7,954,916,489
Financial liabilities - not measured at fair value					
Long term financing - secured	-	15,650,855,677	-	-	-
Long term musharika - secured	-	3,406,852,548	-	-	-
Trade and other payables	-	4,321,545,388	-	-	-
Unclaimed dividend	-	22,002,980	-	-	-
Short term borrowings - secured	-	17,717,675,277	-	-	-
Accrued mark-up	-	1,320,363,612	-	-	-
	-	42,439,295,482	-	-	-

22 SEGMENT REPORTING

22.1 Reportable segments

The management has determined the operating segments of the Company on the basis of products produced.

The Company's reportable segments are as follows:

- Spinning segment - production of different qualities of yarn using natural and artificial fibers
- Weaving segment - production of different qualities of Fabric using yarn

Information regarding the Company's reportable segments is presented below. Performance is measured based on segment profit before tax, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other companies that operate within these industries.

22.2 Segment revenue and results

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

	Spinning		Weaving		Total	
	Un-audited		Un-audited		Un-audited	
	Six months period ended		Six months period ended		Six months period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- Rupees -----		----- Rupees -----		----- Rupees -----	
External revenues	39,246,249,327	40,068,815,155	7,743,590,395	7,043,536,651	46,989,839,722	47,112,351,806
Intersegment revenues	4,900,614,969	4,384,352,192	17,528,925	44,476,310	4,918,143,894	4,428,828,502
Cost of sales	(40,619,583,668)	(38,389,837,427)	(2,288,458,107)	(2,307,524,931)	(42,908,041,775)	(40,697,362,358)
Intersegment cost of sales	(17,528,925)	(44,476,310)	(4,900,614,969)	(4,384,352,192)	(4,918,143,894)	(4,428,828,502)
Distribution and marketing expense	(147,003,905)	(230,211,971)	(57,789,068)	(62,646,026)	(204,792,973)	(292,857,997)
Administrative expenses	(392,901,210)	(337,500,982)	(46,201,747)	(38,319,559)	(439,102,957)	(375,820,541)
Other operating expense	(70,994,629)	(155,311,791)	-	-	(70,994,629)	(155,311,791)
Other operating income	428,373,962	522,624,891	7,399,038	13,797,551	435,773,000	536,422,442
Finance cost	(2,447,830,945)	(4,155,580,677)	(290,917,029)	(380,695,549)	(2,738,747,974)	(4,536,276,226)
Profit before tax	879,394,976	1,662,873,080	184,537,439	(71,727,745)	1,063,932,414	1,591,145,335

22.3 The accounting policies of the reportable segments are the same as those described in the annual financial statements for the preceding year ended June 30, 2024.

22.4 Segment assets and liabilities

	Spinning		Weaving		Total	
	Un-audited		Un-audited		Un-audited	
	June 30, 2024		June 30, 2024		June 30, 2024	
	December 31, 2024	Audited June 30, 2024	December 31, 2024	Audited June 30, 2024	December 31, 2024	Audited June 30, 2024
	----- Rupees -----		----- Rupees -----		----- Rupees -----	
Segment assets						
Segment assets for reportable segments	87,257,280,595	72,234,087,138	5,269,897,026	5,440,501,006	92,527,177,621	77,674,588,144
Un-allocated corporate assets	-	-	-	-	19,722,453,190	22,106,749,029
Total assets as per balance sheet	87,257,280,595	72,234,087,138	5,269,897,026	5,440,501,006	112,249,630,811	99,781,337,173
Segment liabilities						
Segment liabilities for reportable segments	9,453,753,431	10,435,681,393	-	-	9,453,753,431	10,435,681,393
Un-allocated corporate liabilities	-	-	-	-	56,450,619,404	45,024,265,782
Total liabilities as per balance sheet	9,453,753,431	10,435,681,393	-	-	65,904,372,835	55,459,947,175



23 Reconciliation of movement of liabilities to cash flows arising from financing activities

	Un-audited-					Total	
	Long term financing	Lease liability	Long term musharika	Unclaimed dividend	Short term borrowing		Accrued markup
	Rupees						
As at June 30, 2024	15,650,855,677	73,111,590	3,406,852,548	22,002,980	17,717,675,277	1,320,363,812	38,190,861,684
Changes from financing cash flows							
Dividend paid	-	-	-	(25,788)	-	-	(25,788)
Short term finances obtained -net	-	-	-	-	2,447,826,684	-	2,447,826,684
Financial charges paid -net	-	-	-	-	-	(3,085,416,511)	(3,085,416,511)
Lease rentals paid	-	(6,430,766)	-	-	-	-	(6,430,766)
Long term finances repaid	(1,592,949,676)	-	(517,353,368)	-	-	-	(2,110,303,044)
Proceeds from long term financing	4,858,016,026	-	2,750,000,000	-	-	-	7,608,016,026
Total changes from financing cash flows	3,265,066,350	(6,430,766)	2,232,644,632	(25,788)	2,447,826,684	(3,085,416,511)	4,853,064,601
Other changes							
Final cash dividend	-	-	-	-	-	-	-
Finance cost	-	5,258,936	-	-	-	2,733,489,038	2,738,747,974
Total liability related other changes	-	5,258,936	-	-	-	2,733,489,038	2,738,747,974
As at December 31, 2024	18,915,922,027	71,939,760	5,639,497,180	21,977,192	20,165,501,961	968,436,139	45,783,274,259
Changes from financing cash flows							
Dividend paid	-	-	-	(534,274)	-	-	(534,274)
Short term finances obtained - net	-	-	-	-	7,506,898,967	-	7,506,898,967
Financial charges paid - net	-	-	-	-	-	(4,023,744,876)	(4,023,744,876)
Lease rentals paid	-	(5,846,152)	-	-	-	-	(5,846,152)
Long term finances repaid	(1,132,244,597)	-	(370,833,335)	-	-	-	(1,503,077,932)
Proceeds from long term financing	1,208,085,551	-	777,739,800	-	-	-	1,985,825,351
	75,840,954	(5,846,152)	(293,093,535)	(534,274)	7,506,898,967	(4,023,744,876)	3,259,521,084
Other changes							
Final cash dividend	-	-	-	-	-	-	-
Interest expense -net	-	5,368,798	-	-	-	4,530,907,428	4,536,276,226
Total liability related other changes	-	5,368,798	-	-	-	4,530,907,428	4,536,276,226
As at December 31, 2023	18,031,597,738	73,625,689	3,744,352,548	22,016,990	29,325,420,070	1,781,843,182	50,978,886,217

24 TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties are as follows:

Name of parties	Relationship	Transactions	Un-audited	
			December 31, 2024	December 31, 2023
Fatima Energy Limited	Sponsor / associated Undertaking	Purchase of electricity	2,446,858,196	2,456,926,776
		Payments against purchase of electricity	2,501,264,160	2,307,196,253
Ahmed Fine Textile Mills Limited	Common Directorship	Purchase of goods an services	1,459,257,529	1,282,450,337
		Sale and receipts against property, plant and equipment	-	3,500,000
		Sale of goods an services	8,380,694,172	5,443,024,093
		Receipts against goods an services	6,898,213,853	4,063,557,575
		Reimbursable expenses	185,416	-
Reliance Weaving Mills Limited	Common Directorship	Purchase of goods	41,862,990	-
		Sale of goods and services	218,086,656	311,156,662
Fatima Fertilizer Company Limited	Common Directorship & 3.29% (June 30, 2024; 3.29%) shareholding	Receipts against goods an services	131,530,062	310,680,507
		Dividend income	190,063,585	120,949,564
		Reimbursable expenses	20,837	34,899
Hussain Gineries	Common Directorship	Payment against payables	-	13,250,970
Faza-ur-Rehman Foundation Multan	Common Directorship	Donations paid	1,428,500	1,414,000
Fazal Farms (Private) Limited	Common Directorship	Purchase of goods and services	8,227,556	7,566,925
		Payment against purchase of goods and services	8,507,231	7,566,925
Pak Arab Energy Limited	Common Directorship	Markup accrued	2,575,910	3,123,319
Key management personnel	-	Remuneration and other benefits	31,313,952	27,548,169
Relative of director	-	Lease rental paid	6,430,766	5,846,152



24.1 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of their management team, including Chief Executive Officer and Directors to be its key management personnel and these are disclosed below:

<u>Name</u>	<u>Relationship</u>	<u>% of shareholding in the Company</u>
Mr. Rehman Naseem	CEO/Director/Key Management Personnel	10.34%
Mr. Aamir Naseem Sheikh	Director/Key Management Personnel	0.28%
Mr. Sheikh Naseem Ahmad	Director/Key Management Personnel	0.03%
Mr. Muhammad Mukhtar Sheikh	Director/Key Management Personnel	3.38%
Mr. Faisal Ahmed	Director/Key Management Personnel	6.80%
Mr. Abbas Mukhtar	Director/Key Management Personnel	1.79%
Mr. Babar Ali	Director/Key Management Personnel	0.01%
Ms. Parveen Akhtar Malik	Director/Key Management Personnel	0.01%
Mr. Masood Karim Shaikh	Director/Key Management Personnel	0.01%
Mr. Muhammad Azam	Key Management Personnel	-
Mr. Azher Iqbal	Key Management Personnel	N/A

25 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2024, whereas, the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the six months period ended December 31, 2024.

Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

26 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorised for issue on 27 Feb 2025



(MUHAMMAD AZAM)
CHIEF FINANCIAL OFFICER



(REHMAN NASEEM)
CHIEF EXECUTIVE OFFICER



(SHEIKH NASEEM AHMAD)
DIRECTOR



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