

BIBOJEE GROUP



# Half Yearly Report December, 2024

Janana De Malucho Textile  
Mills Limited

**JDM TEXTILE MILLS LIMITED**  
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# **JANANA DE MALUCHO TEXTILE MILLS LIMITED**

## **COMPANY'S PROFILE**

<b>BOARD OF DIRECTORS</b>	MR. AHMAD KULI KHAN KHATTAK LT. GEN. (RETD.) ALI KULI KHAN KHATTAK MRS. SHAHNAZ SAJJAD AHMAD DR. SHAHIN KULI KHAN KHATTAK MRS. ZENAB ADNAN AURANGZEB MAJ. GEN. (RETD) SAEED AHMED WAHLA COL. (RETD) SYED YUNUS ALI RAZA	Chairman Chief Executive
<b>AUDIT COMMITTEE</b>	MAJ. GEN. (RETD) SAEED AHMED WAHLA MR. AHMAD KULI KHAN KHATTAK COL. (RETD) SYED YUNUS ALI RAZA	Chairman Member Member
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	COL. (RETD) SYED YUNUS ALI RAZA LT. GEN. (RETD.) ALI KULI KHAN KHATTAK MR. AHMAD KULI KHAN KHATTAK MRS. SHAHNAZ SAJJAD AHMAD	Chairman Chief Executive / Member Member Member
<b>CHIEF FINANCIAL OFFICER</b>	MR. SALMAN KHAN, ACA	
<b>COMPANY SECRETARY</b>	MR. ABID RAZA, M.(Accounting & Finance), APFA	
<b>AUDITORS</b>	SHINEWING HAMEED CHAUDHRI & CO., Chartered Accountant	
<b>BANKERS</b>	NATIONAL BANK OF PAKISTAN THE BANK OF KHYBER BANK ALFALAH LIMITED PAK OMAN INVESTMENT COMPANY LTD. MEEZAN BANK LIMITED HABIB METROPOLITAN BANK LTD.	
<b>LEGAL ADVISOR</b>	HASSAN & HASSAN (ADVOCATES) PAAF BUILDING, 7 D, KASHMIR ROAD, LAHORE	
<b>TAX CONSULTANTS</b>	M. NAWAZ KHAN & CO. GROUND FLOOR, FARRAH CENTRE, 2-MOZZANG ROAD, LAHORE	
<b>REGISTRARS &amp; SHARES REGISTRATION OFFICE</b>	VISION CONSULTING LIMITED 5-C, LDA FLATS, 1ST FLOOR, LAWRENCE ROAD, LAHORE TEL. 042-36283096-97, FAX. 042-36312550 EMAIL: info@vcl.com.pk	
<b>REGISTERED OFFICE &amp; MILLS</b>	HABIBABAD, KOHAT (KPK) TEL. 0922 - 862161 - 512930 - 510494 FAX. 0922 - 510474 E-MAIL: janana@brain.net.pk, janana.textile@gmail.com WEB SITE: www.jdm.com.pk	

**JANANA DE MALUCHO TEXTILE MILLS LIMITED**  
**DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS**

On behalf of the Board of Directors, we present the Directors' Review along with the condensed interim financial statements of the Company for the 2<sup>nd</sup> quarter & half year ended 31<sup>st</sup> December 2024, duly reviewed by the External Auditors.

**FINANCIAL HIGHLIGHTS**

	<b>Quarter Ended</b>		<b>Half Year Ended</b>	
	<b>Dec. 31, 2024</b>	<b>Dec. 31, 2023</b>	<b>Dec. 31, 2024</b>	<b>Dec. 31, 2023</b>
	----- <b>Rs. in millions</b> -----			
<b>Sales-net</b>	<b>367.308</b>	1,456.040	<b>1,195.140</b>	3,013.877
<b>Gross (loss) / profit</b>	<b>(197.393)</b>	(39.359)	<b>(299.970)</b>	141.818
<b>(Loss) / profit from operations</b>	<b>(217.897)</b>	(25.463)	<b>(316.005)</b>	107.681
<b>Loss before taxation</b>	<b>(286.693)</b>	(92.233)	<b>(472.163)</b>	(58.988)
<b>Loss for the period</b>	<b>(288.489)</b>	(55.963)	<b>(449.760)</b>	(32.070)
	----- <b>Rupees</b> -----			
<b>Loss per share</b>	<b>(41.71)</b>	(8.09)	<b>(65.03)</b>	(4.64)

The Company has incurred a loss for the period ended December 31, 2024, due to various macroeconomic and industry-specific challenges that continue to impact Pakistan's textile spinning sector.

Due to the prevailing economic difficulties, the industry has faced substantial hurdles, including high power costs, the unavailability of quality cotton at competitive prices, and an accumulation of finished goods due to the slowdown in the yarn market, mainly because of import of yarn from China. Consequently, the Company made the strategic decision to temporarily suspend production to reduce the loss from operations.

During the said period, the turnover of the Company decreased by Rs. 1,818.737 million compared to the previous period. Turnover decreased due to lesser quantity sold during the period because of lower production. Further, the Company, has incurred a loss before tax amounting to Rs. 472.163 million (2023: Rs. 58.988 million) and loss after tax of Rs. 449.760 million (2023: Rs. 32.070 million) in the current period.

**GENERAL MARKET CONDITIONS AND FUTURE OUTLOOK**

The textile spinning sector in Pakistan is currently confronting significant challenges, primarily due to the widespread closure of spinning mills and a marked decline in local cotton production. As of October 1, 2024, cotton production plummeted by 59.4% compared to the same period in

the previous year, with only 2.04 million bales produced. By October 31, 2024, arrivals reached 4.291 million bales, marking a 36.84% year-on-year decline

One of the most critical issues is the soaring cost and limited availability of essential energy sources, particularly gas and electricity, at competitive rates. The significant increase in energy prices have placed an unsustainable financial burden on the sector, making it increasingly difficult for textile manufacturers, especially the spinning sector, to sustain operations and remain competitive in local and international markets.

To address the fiscal deficits and comply with International Monetary Fund (IMF) conditions, the government has implemented multiple gas price hikes over the past two years. The first increase came in January 2023, when rates were raised from Rs. 852 to Rs. 1,100 per MMBtu (a 29% hike). This was followed by a more drastic increase in November 2023, when prices more than doubled from Rs. 1,100 to Rs. 2,400 per MMBtu (a 118% surge). Another major hike took effect on February 1, 2024, pushing prices up by an additional 45%. Most recently, in February 2025, the Economic Coordination Committee (ECC) approved yet another increase in gas tariffs for Captive Power Plants (CPPs), raising rates from Rs. 3,000 to Rs. 3,500 per MMBtu.

These sharp increases in energy cost have made it financially unfeasible for textile manufacturers to sustain operations and hence many companies have curtailed production, while others have been forced to close the production activities. Recent reports indicate that 187 mills have ceased operations out of 568 textile mills nationwide. This trend has escalated over the past sixteen months.

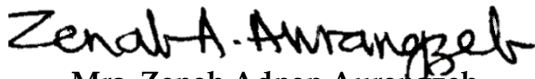
Another major challenge currently being faced by the spinning industry of Pakistan is the substantial increase in yarn imports from China. Between July and January of the 2024-2025 fiscal year, textile mill owners imported approximately 169 million kilograms of yarn, equivalent to about 1.25 million bales, with China emerging as the top supplier. This surge in imported yarn has intensified competition, leading to market saturation and a major decrease in demand and prices of locally produced yarn.

However, despite the current difficulties, we remain committed to navigating these challenges with resilience and strategic planning. We urge the government and relevant stakeholders to support the spinning sector through favorable policies including reduction in energy costs, restriction on imparted yarn (protection of local industry), and facilitation of exports.

## ACKNOWLEDGMENT

The Board places on record its appreciation for the support of its bankers who have consistently facilitated the Company in financially difficult times. We would also like to highlight the hard work and diligence of the Company's senior management, and staff. We look forward to same dedication and cooperation from them in the future as well.

**On behalf of the Board of Directors**

  
Mrs. Zenab Adnan Aurangzeb  
Director

  
Lt. Gen. (Retd.) Ali Kuli Khan Khattak  
Chief Executive Officer

**Dated: February 28, 2025**

## جانان دی مالو چو ٹیکسٹائل ملز لمیٹڈ

### ڈائریکٹر کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، 31 دسمبر 2024 چھ ماہ کی ختم ہونے والی مدت پر کمپنی کے آڈیٹرز کے نظر ثانی شدہ مالیاتی رپورٹ پیش کرتے ہیں۔  
کارکردگی کا جائزہ۔

آپ کی کمپنی کی مالیاتی نتائج کی اہم جھلکیاں مندرجہ ذیل ہیں۔

31 دسمبر 2023		31 دسمبر 2024		31 دسمبر 2023		31 دسمبر 2024	
روپے ملین میں							
3,013.877	1,195.140	1,456.040	367.308	فروخت			
141.818	(299.970)	(39.359)	(197.393)	عبوری (نقصان)/منافع			
107.681	(316.005)	(25.463)	(217.897)	آپریشن کے بعد (نقصان)/منافع			
(58.988)	(472.163)	(92.233)	(286.693)	ٹیکس سے پہلے (نقصان)/منافع			
(32.070)	(449.760)	(55.963)	(288.489)	ٹیکس کے بعد نقصان			
روپے							
(4.64)	(65.03)	(8.09)	(41.71)	نقصان فی شیئر			

کمپنی نے 31 دسمبر 2024 کو اختتام پذیر مدت کے لیے نقصان برداشت کیا ہے، جو مختلف وسیع اقتصادی اور صنعت سے متعلق چیلنجوں کی وجہ سے ہوا ہے جو پاکستان کے ٹیکسٹائل اسپننگ سیکٹر کو متاثر کر رہے ہیں۔ موجودہ معاشی مشکلات کے باعث، صنعت کو نمایاں رکاوٹوں کا سامنا کرنا پڑا، جن میں بجلی کی بلند قیمتیں، مسابقتی نرخوں پر معیاری کپاس کی عدم دستیابی، اور دھانگے کے بازار میں سست روی کی وجہ سے تیار شدہ مال کا ذخیرہ شامل ہے، جو بنیادی طور پر چین سے دھانگے کی درآمد کے سبب ہوا۔ نتیجتاً، کمپنی نے اپنے آپریٹنگ نقصانات کو کم کرنے کے لیے عارضی طور پر پیداوار معطل کرنے کی حکمت عملی پر عمل کیا ہے۔ اس مدت کے دوران، کمپنی کی فروخت گزشتہ مدت کے مقابلے میں 1,818.737 ملین روپے کم ہو گئی۔ فروخت میں کمی پیداوار کی وجہ سے کم مقدار میں مال فروخت ہونے کے سبب ہوئی۔ مزید برآں، کمپنی نے رواں مدت میں 472.163 ملین روپے کا ٹیکس سے قبل نقصان (2023: 58.988 ملین روپے) اور (2024: 449.760 ملین روپے) کا ٹیکس کے بعد نقصان (2023: 32.070 ملین روپے) برداشت کیا۔

### عمومی مارکیٹ کی حالت اور مستقبل کا نظریہ

پاکستان کا ٹیکسٹائل اسپننگ سیکٹر اس وقت شدید چیلنجوں کا سامنا کر رہا ہے، جس کی بنیادی وجوہات اسپننگ ملوں کی وسیع پیمانے پر بندش اور مقامی کپاس کی پیداوار میں نمایاں کمی ہیں۔ 11 اکتوبر 2024 تک، کپاس کی پیداوار گزشتہ سال کے اسی عرصے کے مقابلے میں 59.4 فیصد کم ہو کر صرف 2.04 ملین گانٹھیں رہی۔ 31 اکتوبر 2024 تک، کپاس کی کل آمد 4.291 ملین گانٹھوں تک پہنچی، جو سالانہ بنیادوں پر 36.84 فیصد کی کمی کو ظاہر کرتی ہے۔ اس وقت سب سے سنگین مسئلہ توانائی کے بنیادی ذرائع، خاص طور پر گیس اور بجلی، کی بڑھتی ہوئی قیمتیں اور مسابقتی نرخوں پر ان کی محدود دستیابی ہے۔ توانائی کی قیمتوں میں نمایاں اضافے نے ٹیکسٹائل صنعت، خاص طور پر اسپننگ سیکٹر، پر ناقابل برداشت مالی بوجھ ڈال دیا ہے، جس سے مقامی اور بین الاقوامی مارکیٹ میں مسابقت برقرار رکھنا مشکل ہو گیا ہے۔ مالی خسارے کو پورا کرنے اور بین الاقوامی مالیاتی فنڈ (IMF) کی شرائط پر عمل درآمد کے لیے، حکومت نے گزشتہ دو سالوں میں گیس کی قیمتوں میں متعدد بار اضافہ کیا ہے۔ پہلا اضافہ جنوری 2023 میں ہوا، جب نرخ 852 روپے سے بڑھا کر 1,100 روپے فی ایم ایم بی ٹی یو کر دیا گیا (29 فیصد اضافہ)۔ اس کے بعد نومبر 2023 میں ایک بڑا اضافہ کیا گیا، جب گیس کی قیمت 1,100 روپے سے بڑھا کر 2,400 روپے فی ایم ایم بی ٹی یو کر دی گئی (118 فیصد اضافہ)۔ مزید برآں، یکم فروری 2024 کو ایک اور بڑا اضافہ ہوا، جس میں قیمتوں میں 45 فیصد مزید اضافہ کیا گیا۔ حال ہی میں فروری 2025 میں، اقتصادی رابطہ کمیٹی (ECC) نے کپڑوں پر پائلس (CPPs) کے لیے گیس ٹیرف میں ایک اور اضافہ کی منظوری دی، جس کے نتیجے میں نرخ 3,000 روپے سے بڑھ کر 3,500 روپے فی ایم ایم بی ٹی یو ہو گئے۔


پاکستان کی اسپننگ صنعت کو درپیش ایک اور بڑا چیلنج چین سے دھانگے کی درآمدات میں نمایاں اضافہ ہے۔ مالی سال 2024-2025 کے دوران، جولائی سے جنوری تک، ٹیکسٹائل مل مالکان نے تقریباً 169 ملین کلوگرام دھانگہ درآمد کیا، جو تقریباً 12.5 لاکھ گانٹھوں کے برابر ہے، اور چین سب سے بڑا سپلائر بن کر ابھرا ہے۔ درآمد شدہ دھانگے میں اس تیزی سے اضافہ مقامی پیداوار کے لیے سخت مقابلے، مارکیٹ کی گنجائش کم ہونے، اور مقامی دھانگے کی طلب و قیمت میں نمایاں کمی کا باعث بنا ہے۔ تاہم، موجودہ مشکلات کے باوجود، ہم ان چیلنجوں کا سامنا استقامت اور حکمت عملی کے ساتھ کرنے کے لیے پرعزم ہیں۔ ہم حکومت اور متعلقہ اسٹیک ہولڈرز سے اپیل کرتے ہیں کہ وہ اسپننگ سیکٹر کو سازگار پالیسیوں کے ذریعے تعاون فراہم کریں، جن میں توانائی کے اخراجات میں کمی، درآمد شدہ دھانگے پر پابندیاں (مقامی صنعت کا تحفظ)، اور درآمدات میں سہولت شامل ہیں۔

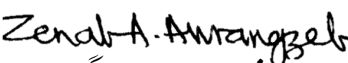
### اعتراف

بورڈ اپنے بینکاروں کی مسلسل حمایت پر ان کا شکریہ ادا کرتا ہے، جنہوں نے مالی مشکلات کے دوران ہمیشہ کمپنی کی معاونت کی ہے۔ ہم کمپنی کی سینئر مینجمنٹ اور عملے کی محنت اور لگن کو بھی سراہتے ہیں۔ ہمیں مستقبل میں بھی ان کی اسی دانشمندی اور تعاون کی امید ہے۔

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے

تاریخ: 28 فروری 2025

  
لیفٹیننٹ جنرل (ریٹائر) علی قلی خان خٹک  
چیف ایگزیکٹو آفیسر

  
محترمہ زینب عدنان اورنگزیب

## **INDEPENDENT AUDITORS' REVIEW REPORT**

### **To the Members of Janana De Malucho Textile Mills Limited Report on Review of Condensed Interim Financial Statements**

#### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Janana De Malucho Textile Mills Limited** (the Company) as at December 31, 2024 and the related condensed interim statement of profit or loss and 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 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.

*Shinewing Hameed Chaudhri & Co.,*

**SHINEWING HAMEED CHAUDHRI & CO.,**

**CHARTERED ACCOUNTANTS**

**LAHORE: FEBRUARY 28, 2025**

**UDIN: RR202410104Hbsn76rxy**



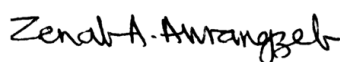
**Janana De Malucho Textile Mills Limited**  
**Condensed Interim Statement of Financial Position as at December 31, 2024**

		Dec. 31, 2024 Un-audited	June 30, 2024 Audited
	Note	--Rupees in thousand--	
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	6,926,224	7,185,322
Intangible assets		650	780
Investments in an Associated Company	6	86,704	81,492
Loans to employees		-	900
Security deposits		14,598	14,598
		<u>7,028,176</u>	<u>7,283,092</u>
<b>Current assets</b>			
Stores, spares and loose tools		66,782	75,085
Stock-in-trade		513,971	1,293,722
Trade debts - unsecured, considered good		4,424	4,574
Advances to employees		205	1,224
Advance payments		2,641	10,942
Trade deposits and prepayments		16,437	3,720
Due from an Associated Company		1,793	60
Other receivables		-	1,923
Income tax refundable, advance tax and tax deducted at source		127,018	187,027
Cash and bank balances		78,687	12,372
		<u>811,958</u>	<u>1,590,649</u>
<b>Total assets</b>		<u><u>7,840,134</u></u>	<u><u>8,873,741</u></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Authorised capital		1,000,000	1,000,000
Issued, subscribed and paid-up capital		69,158	69,158
Treasury shares		(3,410)	(3,410)
Capital reserves			
- other capital reserves		23,803	23,803
- revaluation surplus on property, plant and equipment	7	4,882,782	5,007,712
Revenue reserves			
- general reserve		371,530	371,530
- unappropriated profit		242,411	567,241
<b>Shareholders' equity</b>		<u>5,586,274</u>	<u>6,036,034</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term finances	8	523,487	624
Staff retirement benefits - gratuity	9	-	118,599
Deferred taxation		325,328	362,670
		<u>848,815</u>	<u>481,893</u>
<b>Current liabilities</b>			
Trade and other payables	10	307,548	800,066
Contract liabilities		57,728	69,870
Unclaimed dividends		2,715	2,715
Accrued mark-up		41,991	76,387
Short term finances		427,915	1,171,942
Current portion of non-current liabilities		551,018	160,084
Levies and income tax	11	14,939	73,559
Preference shares redemption account		1,191	1,191
		<u>1,405,045</u>	<u>2,355,814</u>
<b>Total liabilities</b>		<u>2,253,860</u>	<u>2,837,707</u>
<b>Contingencies and commitments</b>	12		
<b>Total equity and liabilities</b>		<u><u>7,840,134</u></u>	<u><u>8,873,741</u></u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.



**Lt. Gen. (Retd.) Ali Kuli Khan Khattak**  
**Chief Executive**



**Mrs. Zenab Adnan Aurangzeb**  
**Director**



**Salman Khan**  
**Chief Financial Officer**

**Janana De Malucho Textile Mills Limited**  
**Condensed Interim Statement of Profit or Loss & Other**  
**Comprehensive Income (Un-audited)**  
**For the Quarter and Six Months Period Ended December 31, 2024**

	Note	Quarter ended		Six months period ended	
		Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
		----- Rupees in thousand -----			
<b>Sales - net</b>	<b>13</b>	<b>367,308</b>	1,456,040	<b>1,195,140</b>	3,013,877
<b>Cost of sales</b>	<b>14</b>	<b>564,701</b>	1,495,399	<b>1,495,110</b>	2,872,059
<b>Gross (loss) / profit</b>		<b>(197,393)</b>	(39,359)	<b>(299,970)</b>	141,818
<b>Distribution cost</b>	<b>15</b>	<b>9,208</b>	19,766	<b>26,136</b>	40,512
<b>Administrative expenses</b>		<b>12,520</b>	36,444	<b>43,060</b>	69,467
<b>Other expenses</b>		<b>708</b>	3,709	<b>708</b>	3,709
<b>Other income</b>	<b>16</b>	<b>(1,932)</b>	(73,815)	<b>(53,869)</b>	(79,551)
		<b>20,504</b>	(13,896)	<b>16,035</b>	34,137
<b>(Loss) / profit from operations</b>		<b>(217,897)</b>	(25,463)	<b>(316,005)</b>	107,681
<b>Finance cost</b>	<b>17</b>	<b>74,008</b>	90,159	<b>161,370</b>	190,058
		<b>(291,905)</b>	(115,622)	<b>(477,375)</b>	(82,377)
<b>Share of profit of an Associated Company</b>	<b>6</b>	<b>5,212</b>	708	<b>5,212</b>	708
<b>Impairment loss on investments in an Associated Company reversed</b>	<b>6</b>	<b>-</b>	22,681	<b>-</b>	22,681
		<b>5,212</b>	23,389	<b>5,212</b>	23,389
<b>Loss before revenue taxes and income taxes</b>		<b>(286,693)</b>	(92,233)	<b>(472,163)</b>	(58,988)
<b>Minimum taxes - levy</b>		<b>4,591</b>	18,235	<b>14,939</b>	37,673
<b>Loss before income tax</b>		<b>(291,284)</b>	(110,468)	<b>(487,102)</b>	(96,661)
<b>Income taxes - deferred tax</b>		<b>(2,795)</b>	(54,505)	<b>(37,342)</b>	(64,591)
<b>Loss for the period</b>		<b>(288,489)</b>	(55,963)	<b>(449,760)</b>	(32,070)
<b>Other comprehensive income</b>		<b>-</b>	-	<b>-</b>	-
<b>Total comprehensive loss for the period</b>		<b>(288,489)</b>	<b>(55,963)</b>	<b>(449,760)</b>	<b>(32,070)</b>
		----- Rupees -----			
<b>Loss per share</b>		<b>(41.71)</b>	(8.09)	<b>(65.03)</b>	(4.64)

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

**Lt. Gen. (Retd.) Ali Kuli Khan Khattak**  
**Chief Executive**

**Mrs. Zenab Adnan Aurangzeb**  
**Director**

**Salman Khan**  
**Chief Financial Officer**

**Janana De Malucho Textile Mills Limited**  
**Condensed Interim Statement of Cash Flows (Un-audited)**  
**For the Six Months Period Ended December 31, 2024**

		Six months period ended	
		Dec. 31, 2024	Dec. 31, 2023
	Note	(Rupees in thousand)	
<b>Cash flows from operating activities</b>			
Loss - before taxation and share of profit on investments in an Associated Company		(477,375)	(82,377)
Adjustments for non-cash charges and other items:			
Depreciation on operating fixed assets	5.1	67,207	80,602
Amortisation on intangible assets		130	130
Depreciation on right of use assets		790	865
Gain on sale of operating fixed assets		(46,875)	(266)
Staff retirement benefits - gratuity (net)	9	(118,599)	10,375
Receivable balances written-off		-	3,709
Provision for impairment of trade debts		708	-
Payable balances written-back		-	(73,815)
Finance cost	17	161,370	190,058
<b>(Loss) / profit before working capital changes</b>		<b>(412,644)</b>	<b>129,281</b>
<b>Effect on cash flows due to working capital changes</b>			
Decrease / (increase) in current assets:			
Stores, spares and loose tools		8,303	3,297
Stock-in-trade		779,751	349,383
Trade debts		(558)	48,311
Loans and advances to employees		1,919	547
Security deposits		-	(252)
Advance payments		8,301	2,855
Trade deposits and prepayments		(12,717)	(15,658)
Other receivables		1,923	(485)
Due from an Associated company		(1,733)	-
Increase in trade and other payables		(504,660)	201,793
		<b>280,529</b>	<b>589,791</b>
<b>Cash (used in) / generated from operations</b>		<b>(132,115)</b>	<b>719,072</b>
Taxes paid		(13,550)	(30,067)
<b>Net cash (used in) / generated from operating activities</b>		<b>(145,665)</b>	<b>689,005</b>
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		-	(8,673)
Sale proceeds of operating fixed assets		237,875	12,713
<b>Net cash generated from investing activities</b>		<b>237,875</b>	<b>4,040</b>
<b>Cash flows from financing activities</b>			
Lease liabilities		330	385
Long term finances - net		913,568	(96,286)
Short term finances - net		(744,027)	(510,403)
Finance cost paid		(195,766)	(119,588)
<b>Net cash used in financing activities</b>		<b>(25,895)</b>	<b>(725,892)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>66,315</b>	<b>(32,847)</b>
<b>Cash and cash equivalents - at beginning of the period</b>		<b>12,372</b>	<b>40,639</b>
<b>Cash and cash equivalents - at end of the period</b>		<b>78,687</b>	<b>7,792</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

Lt. Gen. (Retd.) Ali Kuli Khan Khattak  
Chief Executive

Mrs. Zenab Adnan Aurangzeb  
Director

Salman Khan  
Chief Financial Officer

Janana De Malucho Textile Mills Limited  
Condensed Interim Statement of Changes in Equity (Un-audited)  
For the Six Months Period Ended December 31, 2024

	Share capital	Treas-ury shares	Reserves							Total
			Capital				Merger reserve	Revenue		
			Capital redemp-tion	Tax holiday	Share premium	Revaluation surplus on property, plant and equipment		General	Unappr-opriated profit	
----- Rupees in thousand -----										
Balance as at June 30, 2024 (audited)	69,158	(3,410)	6,694	350	11,409	5,007,712	5,350	371,530	567,241	6,036,034
Total comprehensive loss for the period of six months ended December 31, 2024	-	-	-	-	-	-	-	-	(449,760)	(449,760)
Transfer from revaluation surplus on property, plant and equipment (net of deferred taxation)										
- on account of incremental depreciation for the period	-	-	-	-	-	(12,959)	-	-	12,959	-
- upon sale of revalued assets	-	-	-	-	-	(111,971)	-	-	111,971	-
Balance as at December 31, 2024 (un-audited)	69,158	(3,410)	6,694	350	11,409	4,882,782	5,350	371,530	242,411	5,586,274
Balance as at June 30, 2023 (audited)	69,158	(3,410)	6,694	350	11,409	5,110,134	5,350	371,530	996,914	6,568,129
Total comprehensive loss for the period of six months ended December 31, 2023	-	-	-	-	-	-	-	-	(32,070)	(32,070)
Transfer from revaluation surplus on property, plant and equipment on account of incremental depreciation for the period - net of deferred taxation	-	-	-	-	-	(20,019)	-	-	20,019	-
Balance as at December 31, 2023 (un-audited)	69,158	(3,410)	6,694	350	11,409	5,090,115	5,350	371,530	984,863	6,536,059

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

Lt. Gen. (Retd.) Ali Kuli Khan Khattak  
Chief Executive

Mrs. Zenab Adnan Aurangzeb  
Director

Salman Khan  
Chief Financial Officer

**Janana De Malucho Textile Mills Limited**  
**Notes to the Condensed Interim Financial Statements (Un-audited)**  
**For the Six Months Period Ended December 31, 2024**

**1. Legal status and operations**

- 1.1** Janana De Malucho Textile Mills Ltd. (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of yarn. The Company's mills and its registered office are located at Habibabad, Kohat.
- 1.2** Due to unfavourable economic conditions in the country, increase in power cost, non availability of good quality of cotton at affordable price, decrease in sale and accumulation of stocks due to slow down of yarn market the management decided to temporarily shut down the operations of the Company effective October 31, 2024. The management will continue to monitor the situation in future and is committed to resume the operations / production activities as soon as the situations improves.

**2. Basis of preparation**

**2.1 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 International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.
- 2.3** These condensed interim financial statements are un-audited and are being submitted to the members as required by section 237 of the Companies Act, 2017. The figures for the six months period ended December 31, 2024 have, however, been subjected to limited scope review by the external Auditors.

**2.4 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (gratuity), which is determined on the present value of defined benefit obligations determined by an independent actuary and property, plant and equipment at revalued amounts assessed by an independent valuer.

**2.5 Functional and presentation currency**

These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

### 3. Material accounting policies

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

#### 3.1 Changes In Accounting Standards, Interpretations And Amendments To Published Approved Accounting Standards

##### a) Standards, interpretations and amendments to published approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting periods which began on July 01, 2024. However, these do not have any significant impact on the Company's financial reporting.

##### b) Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning after July 01, 2024. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

### 4. Accounting estimates and judgements

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

4.2 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 uncertainty were the same as those applied to the financial statements for the year ended June 30, 2024.

		Un-audited Dec. 31, 2024	Audited June 30, 2024
5. Property, plant and equipment	Note	(Rupees in thousand)	
Operating fixed assets - tangible	5.1	6,868,656	7,126,863
Capital work-in-progress		56,025	56,025
Right of use assets		1,543	2,434
		<u>6,926,224</u>	<u>7,185,322</u>
5.1 Operating fixed assets			
Book value as at June 30, 2024		7,126,863	
Book value of operating fixed assets sold		(191,000)	
Depreciation charge for the period		(67,207)	
Book value as at December 31, 2024		<u>6,868,656</u>	

	Note	Un-audited Dec. 31, 2024 (Rupees in thousand)
<b>6. Investments in an Associated Company - Quoted</b>		
<b>Bannu Woollen Mills Ltd. (BWM)</b>		
Carrying value of 731,626 shares of Rs.10 each before recognition of impairment loss as at June 30, 2024		292,844
Shareholding held: 7.70%		
Profit for the period - net of taxation		5,212
		<u>298,056</u>
Less: impairment loss:		
- balance as at June 30, 2024		(211,352)
- loss for the period	6.3	-
		<u>(211,352)</u>
Carrying value as at December 31, 2024		<u>86,704</u>
<b>6.1</b> Although the Company has less than 20% voting rights in BWM as at December 31, 2024, BWM has been treated as an Associated Company by virtue of common directorships.		
<b>6.2</b> Market value of the Company's investments in BWM as at December 31, 2024 was Rs.26.170 million (June 30, 2024: Rs.19.644 million).		
<b>6.3</b> The Company has used Market Value of Net Assets Approach to calculate the Value in Use (VIU) under IAS 36. This valuation was carried out by independent valuer M/s. Reanda Haroon Zakaria Aamir Salman Rizwan, Chartered Accountants - a QCR rated firm. Latest valuation was carried out on June 30, 2024 and provision for impairment loss was created accordingly. The management intends to re-assess the impairment loss on June 30, 2025.		
<b>7. Revaluation surplus on property, plant and equipment - net</b>		
Revaluation surplus on the Company's property, plant & equipment		4,683,337
Share of revaluation surplus on property, plant and equipment of an Associated Company		199,445
		<u>4,882,782</u>
		<u>5,007,712</u>

		<b>Un-audited Dec. 31, 2024</b>	<b>Audited June 30, 2024</b>
	<b>Notes</b>	<b>(Rupees in thousand)</b>	
<b>8. Long term finances</b>			
<b>From Banking Companies - secured</b>			
First Habib Modaraba			
- diminishing musharaka (DM I)		<b>1,298</b>	1,904
Pak Oman Investment Company Ltd.			
- term finance I		-	66,667
- term finance II		<b>20,000</b>	80,000
Sindh Modaraba			
- diminishing musharaka (DM II)		<b>3,982</b>	10,115
<b>From an Associated Company- unsecured</b>			
Bibojee Services (Pvt.) Limited	<b>8.2</b>	<b>1,046,974</b>	-
		<b>1,072,254</b>	158,686
Less: current portion grouped under current liabilities		<b>548,767</b>	158,062
		<b>523,487</b>	624
<b>8.1</b>	All the material terms and conditions of long term finances are same as disclosed in note 21 to the annual audited financial statements of the Company for the year ended June 30, 2024.		
<b>8.2</b>	The Company during the period, entered into a loan agreement with Bibojee Services (Pvt.) Limited - an Associated Company to obtain an unsecured loan upto an amount of Rs.1.500 billion for debt servicing and working capital requirements. The loan carries mark-up at the rate of 6 month Kibor + 0.5% and is repayable in four bi-annual instalments commencing June, 2025. As at reporting date the lender has disbursed Rs.1.046 billion to the Company.		
<b>9. Staff retirement benefits - gratuity</b>			
Balance as at June 30, 2024		<b>118,599</b>	
Provision made during the period		<b>8,124</b>	
Payments made during the period		<b>(126,723)</b>	
Balance as at December 31, 2024		<b>-</b>	
<b>10. Trade and other payables</b>			
Creditors		<b>44,577</b>	122,467
Bills payable against imported raw materials		-	247,922
Advance payments		<b>39,343</b>	39,343
Accrued expenses		<b>154,607</b>	306,602
Tax deducted at source		<b>19,665</b>	11,481
Sales tax payable		<b>19,874</b>	42,239
Due to Waqf-e-Kuli Khan		<b>27,412</b>	27,560
Security deposits repayable on demand - interest free		<b>283</b>	283
Others		<b>1,787</b>	2,169
		<b>307,548</b>	800,066
<b>11. Levies and income tax - net</b>			
Balance as at June 30, 2024		<b>73,559</b>	
Add: provision made during the period - current		<b>14,939</b>	
		<b>88,498</b>	
Less: payments / adjustments made against completed assessments		<b>73,559</b>	
Balance as at December 31, 2024		<b>14,939</b>	



- 11.1 Income tax assessments of the Company have been completed up to the tax year 2024 i.e. accounting year ended June 30, 2024.
- 11.2 There has been no significant change in the status of taxation matters during the current period as detailed in note 28 to the audited financial statements of the Company for the year ended June 30, 2024.
- 11.3 Levies and income tax expense is recognised in each interim period based on best estimate. 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 changes.

## 12. Contingencies and commitments

- 12.1 The Sales Tax Department (the Department), vide its judgment dated March 06, 2018, has created sales tax demands of Rs.5.978 million on account of discrepancies pointed out by CREST for which appeal has been decided by the Commissioner Inland Revenue [Appeals-CIR(A)] and remanded-back the issue to the Deputy Commissioner Inland Revenue. The Company, however, has filed an appeal with the Appellate Tribunal Inland Revenue (ATIR), Lahore against the orders of CIR (A), which is pending adjudication.
- 12.2 The Department, vide order dated January 24, 2018 under section 11(3) of the Sales Tax Act, 1990 (the Act) has created demand of Rs.182.690 million for the period July, 2011 to June, 2013 against which the Company has filed writ petition before the Lahore High Court (LHC) on January 30, 2018, which has declared the order passed by the Department illegal and void ab-initio on February 09, 2018. The Department against order of the LHC has filed an appeal on March 27, 2018 before the Supreme Court of Pakistan (SCP), which is pending adjudication.
- 12.3 The Department, vide order dated May 31, 2022, under section 11(3) of the Act has created demand of Rs.1,360.689 million, which included further tax and penalties for the period July, 2016 to June, 2019 against post refund audit. The Company has filed appeal against the impugned assessment order with the Commissioner (Appeals), who decided the appeal in favour of the Company and deleted the whole demand vide order dated December 30, 2022. The Company as well as the Department have filed further appeals with ATIR, Lahore, which are pending adjudication.
- 12.4 The Supreme Court of Pakistan (SCP) vide its judgment dated August 13, 2020 has declared the Gas Infrastructure Development Cess (GIDC) Act, 2015 as valid and constitutional. The SCP in its said judgment stated that the Cess under GIDC Act, 2015 is applicable only to those consumers of natural gas, which on account of their industrial or commercial dealings had passed on the GIDC burden to their end customers/clients.

The Company and Babri Cotton Mills Ltd (BCM - merged with the Company on February 04, 2022) have filed review petitions against the said judgment of SCP for waiver of the full amount of GIDC cess on the ground that, being spinning Units and producing raw materials for weaving sector, have not passed on the GIDC burden to their customers. The SCP has dismissed the said review petitions vide its judgment dated November 02, 2020; however, the SCP, in its said judgment, has mentioned that the companies claiming any relief under the GIDC Act, 2015 may approach the right forum.

In case of the Company, Sui Northern Gas Pipelines Ltd. (SNGPL), along with gas bill for the month of August, 2020, has raised GIDC demands aggregating Rs.380.957 million. The management, during the financial year ended June 30, 2017, has made GIDC provision amounting Rs.78.043 million relating to that year in its books of account, however, the balance GIDC provisions aggregating Rs.302.914 million have not been recognised in the books of account.

In case of BCM, SNGPL, along with gas bill for the month of August, 2020, has raised GIDC demands aggregating Rs.345.261 million against which provisions have not been recognised in the books of account.

In February, 2021, the Company and BCM through the forum of the KP Textile Mills Association have filed writ petitions before the PHC claiming non-applicability of the GIDC Act, 2015 in the ambit of the exemption in line with the provision of section 8(2) of the GIDC Act, 2015 and sought relief against the recovery of GIDC instalment bills. The PHC issued stay order in March, 2021 and restrained SNGPL from taking any adverse action against the Companies. However, PHC, vide its judgment dated June 15, 2022, has dismissed the petition filed by the KP Textile Mills Association and Others, observing that while exercising jurisdiction vested under article 199 of the Constitution, the Court can neither enter into factual controversies nor decide disputed questions of facts. The PHC, however, has allowed the Petitioners to approach a competent Court of law / forum having jurisdiction in the matter, if they so advised.

After dismissal of the petition by the Peshawar High Court filed by KP Textile Mills Association and Others, the Company and BCM, during July, 2022, have filed civil suits before the Court of Senior Civil Judge, Peshawar praying the Court to declare that the Company and BCM have not passed on the burden of GIDC to end consumers and are entitled to the benefit / exemption under section 8 (2) of the GIDC Act, 2015 as per the dicta laid down by the SCP in civil appeals / civil review petition and by the PHC in a writ petition. The Company and BCM have further prayed that SNGPL be restrained from recovering GIDC and disconnecting their gas supplies. The Trial Court has issued restraining orders in favor of the Companies and has restrained SNGPL from the recovery of GIDC or taking any other coercive action. The restraining order is still intact against SNGPL.

The management, in light of the opinion of its legal council, maintains that since the Company has not passed on the burden of GIDC to its consumers, it is not liable to pay GIDC as it clearly falls within the ambit of the exemption in line with section 8(2) of the GIDC Act, 2015.

SNGPL, following the Court's order, corrects gas bill of each month by removing the GIDC amount and requests payment for the net bill amount only i.e., excluding GIDC.

Additionally, para 42(iv) of the SCP's judgment dated August 13, 2020 categorically stated that:

"The Federal government shall take all steps to commence work on the laying of the North South pipeline within six months and on TAPI pipeline as soon as its laying in Afghanistan reaches the stage where the work of laying pipeline on Pakistan soil can conveniently start and on IP pipeline as soon as the sanctions on Iran are no more an impediment in its laying. In case no work is carried out on North-South pipeline within the prescribed time and for laying any of the two other major pipelines (IP and TAPI) though the political conditions become conducive, the purpose of levying Cess shall be deemed to have been frustrated and the GIDC Act, 2015 would become permanently in-operational and considered dead for all intents and purposes."

Since the work on IP (Iran-Pakistan Pipeline Project) and TAPI (Turkmenistan-Afghanistan-Pakistan-India) gas pipelines did not commence within six months as ordered by the SCP; therefore, the provisions of GIDC Act, 2015 regarding recovery and applicability of GIDC are no longer applicable and enforceable.

- 12.5** The department vide order No. 08/2023-24 dated December 30, 2023 under section 11(2) of the Sales Tax Act, 1990 has created a demand of Rs.55.112 million which includes further tax and penalties for the period November 2019 to June 2022. The Company as well as the department has filed further appeal with the Appellate Tribunal Inland Revenue Lahore and stay has been granted and main order is pending for adjudication.
- 12.6** The department vide order No. 38/2024-25 dated November 25, 2024 under section 11(2) of the Sales Tax Act, 1990 has created a demand of Rs.12.860 million which includes penalties for the period 2019 to June 2023 in the case of withholding of sales tax on the purchase of Cotton. The Company has filed an appeal with the Appellate Tribunal Inland Revenue which is pending adjudication.
- 12.7** Guarantees aggregating Rs.177.7 million (June 30, 2024: Rs.177.7 million) issued by commercial banks on behalf of the Company in favor of SNGPL were outstanding as at December 31, 2024.

	Quarter ended		Six months period ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
<b>13. Sales - Net</b>	----- Rupees in thousand -----			
Yarn	<b>280,270</b>	1,750,086	<b>1,257,100</b>	3,615,366
Waste	<b>45</b>	430	<b>273</b>	820
Raw materials	<b>153,385</b>	-	<b>153,385</b>	-
	<b>433,700</b>	1,750,516	<b>1,410,758</b>	3,616,186
Less: sales tax	<b>66,392</b>	294,476	<b>215,618</b>	602,309
	<b>367,308</b>	1,456,040	<b>1,195,140</b>	3,013,877
<b>14. Cost of sales</b>				
Raw materials consumed	<b>1,099</b>	895,694	<b>539,134</b>	1,911,814
Packing materials consumed	<b>1,584</b>	25,241	<b>19,222</b>	49,604
Salaries, wages and benefits	<b>21,947</b>	175,471	<b>176,863</b>	347,794
Power and fuel	<b>149,519</b>	278,531	<b>278,275</b>	444,640
Stores consumed	<b>1,586</b>	41,882	<b>15,137</b>	76,120
Repair and maintenance	<b>502</b>	3,085	<b>3,287</b>	7,465
Depreciation	<b>31,433</b>	38,467	<b>64,635</b>	76,935
Insurance	<b>4,734</b>	5,069	<b>9,467</b>	10,138
Others	<b>3,648</b>	7,003	<b>10,023</b>	13,027
	<b>216,052</b>	1,470,443	<b>1,116,043</b>	2,937,537
Adjustment of work-in-process				
Opening	<b>15,956</b>	191,934	<b>145,594</b>	165,325
Closing	<b>-</b>	(213,899)	<b>-</b>	(213,899)
	<b>15,956</b>	(21,965)	<b>145,594</b>	(48,574)
Cost of goods manufactured	<b>232,008</b>	1,448,478	<b>1,261,637</b>	2,888,963
Adjustment of finished goods				
Opening stock	<b>435,368</b>	225,041	<b>336,148</b>	161,216
Closing stock	<b>(226,644)</b>	(178,120)	<b>(226,644)</b>	(178,120)
	<b>208,724</b>	46,921	<b>109,504</b>	(16,904)
	<b>440,732</b>	1,495,399	<b>1,371,141</b>	2,872,059
Cost of raw materials sold	<b>123,969</b>	-	<b>123,969</b>	-
Cost of goods sold - own manufactured	<b>564,701</b>	1,495,399	<b>1,495,110</b>	2,872,059

	Quarter ended		Six months period ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
<b>15. Distribution cost</b>	<b>----- Rupees in thousand -----</b>			
Salaries and benefits	142	7,576	5,874	13,709
Commission	8,725	10,851	18,783	24,026
Freight and handling	178	1,151	1,119	2,351
Gifts and samples	0	21	19	96
Others	163	167	341	330
	<b>9,208</b>	<b>19,766</b>	<b>26,136</b>	<b>40,512</b>
<b>16. Other income</b>				
Income for the period includes gain on sales of fixed assets aggregating Rs.46.875 million and return on bank deposits aggregating Rs.6.994 million.				
<b>17. Finance cost</b>				
Interest on lease liabilities	330	221	330	428
Mark-up on long term finances	25,341	17,614	32,701	35,083
Mark-up on short term finances	47,576	71,457	126,349	151,288
Bank charges	761	867	1,990	3,259
	<b>74,008</b>	<b>90,159</b>	<b>161,370</b>	<b>190,058</b>
<b>18. Transactions with Related Parties</b>				

Significant transactions made during the period with related parties were as follows:

Name	Nature of transaction	Cumulative	
		Jul. - Dec., 2024	Jul. - Dec., 2023
(Rupees in thousand)			
<b>Associated Companies</b>			
Bannu Woollen Mills Ltd.	Expenses recovered	215	222
	Salaries and benefits recovered	1,672	1,735
The Universal Insurance Company Ltd.	Salaries & benefits recovered	1,672	1,735
	Salaries & benefits paid	-	686
	Expenses recovered	120	120
	Gandhara Automobiles Ltd.	Salaries & benefits recovered	1,672
Gandhara Automobiles Ltd.	Expenses recovered	215	183
	Gandhara Industries Ltd.	Expenses recovered	215
Gandhara Industries Ltd.	Salaries & benefits recovered	1,672	1,735
	Bibojee Services (Pvt.) Ltd.	Loan obtained	1,046,974
Bibojee Services (Pvt.) Ltd.	Mark-up accrued	22,837	-
	<b>Other related parties</b>		
Employees' Provident Fund	Payments made to Provident Fund	1,557	19,778
Key Management Personnel	Salaries & benefits	49,906	99,512

**19. Financial risk management****19.1 Financial risk factors**

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

The condensed interim financial statements do 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 annual financial statements as at and for the year ended June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

**19.2 Fair value estimation**

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Further, there were no reclassifications of financial assets.

**20. Corresponding figures**

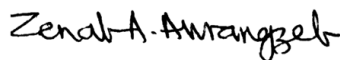
The comparative condensed interim statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss &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

**21. Date of authorisation for issue**

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on February 28, 2025.



Lt. Gen. (Retd.) Ali Kuli Khan Khattak  
Chief Executive



Mrs. Zenab Adnan Aurangzeb  
Director



Salman Khan  
Chief Financial Officer