

GUL AHMED TEXTILE MILLS LIMITED

FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2024

Company Information

BOARD OF DIRECTORS	<p>Mohomed Bashir Zain Bashir Mohammed Zaki Bashir Ziad Bashir Ehsan A. Malik Zeeba Ansar Kamran Y Mirza</p>	<p>- Chairman - Vice Chairman/ Executive Director - Chief Executive Officer - Non-Executive Director - Non-Executive Director - Independent Director - Independent Director</p>
CHIEF FINANCIAL OFFICER	Muhammad Kashif Riaz	
COMPANY SECRETARY	Salim Ghaffar	
AUDIT COMMITTEE	<p>Kamran Y. Mirza Mohomed Bashir Ehsan A. Malik Salim Ghaffar</p>	<p>- Chairman & Member - Member - Member - Secretary</p>
HUMAN RESOURCE AND REMUNERATION COMMITTEE	<p>Zeeba Ansar Mohomed Bashir Zain Bashir Salim Ghaffar</p>	<p>- Chairman & Member - Member - Member - Secretary</p>
BANKERS	<p>Allied Bank Limited Al Baraka Bank (Pakistan) Limited Askari Bank Limited Bank Al Habib Limited Bank Alfalah Limited Bank of Khyber Bankislami Pakistan Limited Citi Bank Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Industrial and Commercial Bank of China JS Bank limited MCB Bank Limited MCB Islamic Bank Limited Meezan Bank Limited National Bank Of Pakistan Samba Bank Limited Silkbank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Bank Makramah Limited The Bank Of Punjab United Bank Limited</p>	

AUDITORS	KPMG Taseer Hadi & Co. Chartered Accountants
INTERNAL AUDITORS	BDO Ebrahim & Co. Chartered Accountants
LEGAL ADVISORS	A.K. Brohi & Co Advocates
REGISTERED OFFICE	Plot No.H-7, Landhi Industrial Area Landhi, Karachi-75120
SHARE REGISTRAR	FAMCO Associates (Private) Limited 8-F, Next to Hotel Faran, Nursery, Block 6, P.E.C.H.S., Shahrah-E-Faisal, Karachi. Phone No. (+92-021) 34380101-5 Fax No. (+92-021) 34380106
MILLS	Landhi Industrial Area, Karachi-75120
CONTACT US	Email: finance@gulahmed.com Website: www.gulahmed.com Facebook: https://www.facebook.com/GulahmedFashion YouTube: https://www.youtube.com/@GulAhmedOfficial LinkedIn: https://pk.linkedin.com/company/gul-ahmed-textile-mills-limited Instagram: https://www.instagram.com/gulahmedfashion

Directors' Review

Dear Members

The Directors of the Company are pleased to present the performance review and the unaudited financial statements for the quarter ended September 30, 2024.

Global Economic Landscape:

During the first quarter of FY2025, the global economy displayed signs of resilience despite ongoing geopolitical tensions, including international conflicts, and fluctuating commodity prices. The International Monetary Fund (IMF) projects global GDP growth at approximately 3.2%, buoyed by strong consumer spending in major economies. Global disinflation continued as oil prices declined in August and September, driven by robust supply and concerns over slowing demand. Additionally, European natural gas prices decreased in September due to a resumption of supplies from Norway and nearly full storage capacities across Europe, which mitigated worries about potential supply disruptions in gas flows from Russia through Ukraine. However, the ongoing war in Ukraine and rising tensions in the Middle East have created heightened uncertainty in global markets, impacting trade routes and contributing to fluctuations in energy prices. Furthermore, global financial conditions improved during August and September, primarily influenced by reduced expectations for U.S. policy interest rates across all horizons.

The ongoing transition towards sustainable practices and green technologies is reshaping investment trends, with significant capital being directed towards renewable energy and infrastructure projects. Overall, while the current quarter reflects a modest recovery, uncertainties persist, particularly concerning trade relations, energy prices, and the broader implications of international conflicts on global supply chains.

Pakistan's Economic Landscape:

Pakistan's economy is showing encouraging signs during the first quarter of FY2025, with several key economic indicators reflecting improvement. The Consumer Price Index (CPI) inflation fell to 6.9% year-on-year in September 2024, down from 9.6% in the previous month and significantly lower than 31.4% in September 2023. With easing inflationary pressures and improved expectations for inflation and business confidence, the Monetary Policy Committee (MPC) decided in September to reduce the policy rate by 200 basis points to 17.5%.

Pakistan's balance of trade for the first quarter of FY2025 recorded a deficit of \$5.48 billion. During this period, exports amounted to \$7.90 billion, marking an increase of 14.61% from \$6.90 billion in the Same Period Last Year (SPLY). Conversely, imports totalled \$13.397 billion, which represents a rise of 10.58% compared to \$12.115 billion during the corresponding period last year.

Pakistan's Textile Sector:

Pakistan exported goods worth \$4.52 billion of textile products during the first quarter of current FY2025. The exports of the textile product witnessed an increase of 9.3% during Q1 FY25 as against the exports of \$ 4.13 billion during SPLY.

Below is the breakdown of export sales for key textile commodities:

Textile Commodities	Export July24 -Sept24 (Million)	Export July23 –Sept23 (Million)	Change
Knit wear	\$ 1,269	\$ 1,112	14%
Readymade garments	\$ 997	\$ 809	23%
Bed wear	\$ 795	\$ 702	13%
Cotton cloth	\$ 524	\$ 475	10%
Cotton Yarn	\$ 163	\$ 315	-48%
Others	\$ 772	\$ 721	-9.3%
Total:	\$ 4,520	\$ 4,134	9.3%

Financial Performance:

A comparison of the key financial results of the Company for the period ended on September 30, 2024, is as follows:

Profit and Loss Summary

	September 2024	September 2023	Percentage Favourable/ (unfavourable)
	----- (Rupees in 000) -----		
Direct Export	30,710,184	24,597,557	25%
Indirect Export	8,359,514	8,741,218	-4%
Local	3,008,406	2,302,995	31%
Sales (Net)	42,078,104	35,641,770	18%
Cost of Sales	(38,509,492)	(31,652,884)	22%
Gross Profit	3,568,612	3,988,886	-11%
Finance Cost	(1,702,166)	(1,590,148)	7%
Profit before Taxation	672,159	1,118,141	-40%
Profit after Taxation	356,840	596,787	-40%
Earning Per Share (EPS)	0.48	0.81	-41%

Company Sales Performance:

Your Company's Export Sales in USD have increased by 30% in comparison with SPLY, it is noteworthy to mention that Country's Textile Exports have increased by 9% for the first quarter of FY2025 when compared with SPLY. In Rupee terms, Export sales have witnessed a notable increase of 25%, primarily attributable to the increase in Exports in USD terms. Similarly, in Local Sales, including Indirect Exports, despite all the challenges, there has been a rise of 26% in comparison with SPLY. The company's overall Sales, in PKR, have grown by an impressive 18% as compared to SPLY. The company has demonstrated a commendable increase in sales relative to the same period last year, attributable to the management's timely strategic initiatives and targeted customer outreach. However, it is essential to note that, despite this sales growth, margins have experienced a decline due to persistent cost pressures.

Costs and Financial Metrics:

The Cost of Sales has experienced a significant increase of 22%, driven by several factors such as rising material costs, higher energy cost, and an increase in minimum wages.

During the current review period, Fuel & Power expenses have surged to Rs. 3.7 billion, up from Rs. 2.3 billion, representing a notable increase of Rs. 1.4 billion (a 59% rise). This substantial rise, driven primarily by increased in gas prices, has significantly impacted the company's profitability.

To address escalating energy costs, the company has successfully launched a 2 MW rooftop solar power project and is in the final stages of implementing an additional 17 MW rooftop system, anticipated to be operational by the March FY25. This strategic initiative is designed to lessen reliance on expensive traditional energy sources and highlights the company's dedication to sustainability.

Future Economic Outlook:

Looking ahead, the economic outlook for the remainder of 2024 and into 2025 remains cautiously optimistic, with global growth projected to stabilize around 3.2% as supply chain issues gradually ease and consumer confidence improves. Factors such as increased digitalization, investments in green technology, and a potential resurgence in international trade are expected to drive economic activity. Geopolitical tensions and environmental concerns continue to pose risks that could impact global markets and investor sentiment. While inflation rates are expected to be moderate, the focus will remain on maintaining price stability without stifling growth.

Prospects for Pakistan's economy is showing a positive trend, bolstered by expected structural reforms and a rise in investment. After a period of decline, large-scale manufacturing (LSM) is beginning to regain momentum, with major exporting sectors poised to scale up production. This recovery is expected to be reinforced by a favorable external environment, a stable exchange rate, and easing inflationary pressures and decline in interest rates. Additionally, while remittances have historically been a significant support for Pakistan's economy, recent trends show a positive improvement compared to the SPLY. In the first quarter of FY2025, foreign remittances reached \$8.79 billion, a notable increase from \$6.34 billion in the first quarter of the previous year. Ensuring a steady flow of remittances will be vital for maintaining the balance of payments. However, ongoing political instability and security concerns pose significant challenges that could affect investor confidence and overall economic stability.

Moreover, the rising costs of gas and energy are critical factors shaping Pakistan's economic landscape. Expected increase in gas prices by January have raised concerns regarding the sustainability of energy-dependent industries, further straining household budgets and business operations. The status of the IMF loan program remains crucial for the country's economic recovery. Following the successful completion of prior reviews, the IMF disbursed \$1.1 billion in September 2024 as part of a new agreement totalling \$7 billion, providing a temporary boost to foreign reserves, which increased to \$15.98 billion at the end of September from \$13.996 billion at the end of June, reflecting a difference of \$1.984 billion. Addressing these challenges will be essential for capitalizing on potential economic recovery and achieving sustainable development.

Acknowledgement

We extend our gratitude to our dedicated employees and the unwavering support of our customers, financial institutions, shareholders, and esteemed Board of Directors.

For and on behalf of the Board

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

October 25, 2024
Karachi

ڈائریکٹرز کی رپورٹ

پیارے ممبران

کمپنی کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے لیے کارکردگی کا جائزہ اور غیر آڈیٹ شدہ مالیاتی رپورٹ پیش کرنے پر خوشی محسوس کرتے ہیں

عالمی اقتصادی منظر نامے:

مالی سال 2025 کی پہلی سہ ماہی کے دوران، عالمی معیشت نے جاری جغرافیائی سیاسی کشیدگی، بشمول بین الاقوامی تنازعات، اور اجناس کی قیمتوں میں اتار چڑھاؤ کے باوجود لچک کے آثار دکھائے۔ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے عالمی جی ڈی پی کی نمو تقریباً 3.2 فیصد پر پیش کی ہے، جو بڑی معیشتوں میں صارفین کے مضبوط اخراجات سے خوش ہے۔ اگست اور ستمبر میں تیل کی قیمتوں میں کمی کے باعث عالمی سطح پر افراط زر جاری رہا، جس کی وجہ مضبوط سپلائی اور سست مانگ پر تشویش ہے۔ مزید برآں، ستمبر میں یورپی قدرتی گیس کی قیمتیں ناروے سے سپلائی کے دوبارہ شروع ہونے اور پورے یورپ میں ذخیرہ کرنے کی تقریباً مکمل صلاحیتوں کی وجہ سے کم ہوئیں، جس نے روس سے یوکرین کے راستے گیس کے بہاؤ میں ممکنہ سپلائی میں رکاوٹ کے خدشات کو کم کیا۔ تاہم، یوکرین میں جاری جنگ اور مشرق وسطیٰ میں بڑھتی ہوئی کشیدگی نے عالمی منڈیوں میں غیر یقینی صورتحال پیدا کر دی ہے، جس سے تجارتی راستے متاثر ہو رہے ہیں اور توانائی کی قیمتوں میں اتار چڑھاؤ کا باعث بن رہے ہیں۔ مزید برآں، اگست اور ستمبر کے دوران عالمی مالیاتی حالات بہتر ہوئے، بنیادی طور پر تمام افریقہ پر امریکی پالیسی سود کی شرحوں کے لیے کم توقعات سے متاثر ہوئے۔

پائیدار طریقوں اور سبز ٹیکنالوجیز کی طرف جاری منتقلی سرمایہ کاری کے رجحانات کو نئی شکل دے رہی ہے، جس میں قابل ذکر سرمایہ قابل تجدید توانائی اور بنیادی ڈھانچے کے منصوبوں کی طرف بھیجا جا رہا ہے۔ مجموعی طور پر، جبکہ موجودہ سہ ماہی معمولی بحالی کی عکاسی کرتی ہے، غیر یقینی صورتحال برقرار ہے، خاص طور پر تجارتی تعلقات، توانائی کی قیمتوں، اور عالمی سپلائی چینز پر بین الاقوامی تنازعات کے وسیع مضمرات سے متعلق۔

پاکستان کا معاشی منظر نامہ:

پاکستان کی معیشت مالی سال 2025 کی پہلی سہ ماہی کے دوران حوصلہ افزا اشارے دکھا رہی ہے، کئی اہم اقتصادی اشاریے بہتری کی عکاسی کر رہے ہیں۔ کنزیومر پرائس انڈیکس (سی پی آئی) افراط زر ستمبر 2024 میں سال بہ سال 6.9 فیصد تک گر گیا، جو پچھلے مہینے کے 9.6 فیصد سے کم ہے اور ستمبر 2023 میں 31.4 فیصد سے نمایاں طور پر کم ہے۔ افراط زر کے دباؤ کو کم کرنے اور افراط زر اور کاروبار کے لیے بہتر

توقعات کے ساتھ اعتماد، مانیٹری پالیسی کمیٹی (MPC) نے ستمبر میں پالیسی ریٹ کو 200 بیسس پوائنٹس سے کم کر کے 17.5 فیصد کرنے کا فیصلہ کیا۔

مالی سال 2025 کی پہلی سہ ماہی میں پاکستان کے تجارتی توازن میں 5.48 بلین ڈالر کا خسارہ ریکارڈ کیا گیا۔ اس مدت کے دوران، برآمدات 7.90 بلین ڈالر تک پہنچ گئیں، جو گزشتہ سال کی اسی مدت کے 6.90 بلین ڈالر سے 14.61 فیصد زیادہ ہیں۔ اس کے برعکس، درآمدات کا مجموعی حجم 13.397 بلین ڈالر ہے، جو گزشتہ سال کی اسی مدت کے دوران 12.115 بلین ڈالر کے مقابلے میں 10.58 فیصد اضافے کی نمائندگی کرتا ہے۔

پاکستان کا ٹیکسٹائل سیکٹر:

پاکستان نے رواں مالی سال 2025 کی پہلی سہ ماہی کے دوران 4.52 بلین ڈالر کی ٹیکسٹائل مصنوعات برآمد کیں۔ ٹیکسٹائل مصنوعات کی برآمدات میں مالی سال 25 کی پہلی سہ ماہی کے دوران 9.3 فیصد کا اضافہ دیکھا گیا جبکہ اسی مدت کے دوران 4.13 بلین ڈالر کی برآمدات تھیں۔

ٹیکسٹائل کی اہم مصنوعات کی برآمدات کی تفصیل درج ذیل ہے:

Textile Commodities	2024 جولائی سے 2024 ستمبر (ملین) برآمد کریں	2023 جولائی تا ستمبر 2023 (ملین) برآمد کریں	تبدیلی
Knit wear	\$1,269	\$1,112	14%
Readymade garments	\$997	\$809	23%
Bed wear	\$795	\$702	13%
Cotton cloth	\$524	\$475	10%
Cotton Yarn	\$163	\$315	48-%
Others	\$772	\$721	9.3-%
Total:	\$4,520	\$4,134	9.3-%

مالی کارکردگی:

30 ستمبر 2024 کو ختم ہونے والی مدت کے لیے کمپنی کے اہم مالیاتی نتائج کا موازنہ حسب ذیل ہے:

نفع اور نقصان کا خلاصہ

	September 2024	September 2023	Percentage Favourable/ (unfavourable)
----- (Rupees in 000) -----			
Direct Export	30,710,184	24,597,557	25%
Indirect Export	8,359,514	8,741,218	-4%
Local	3,008,406	2,302,995	31%
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Profit after Taxation	356,840	596,787	-40%
Earning Per Share (EPS)	0.48	0.81	-41%

کمپنی کی فروخت کی کارکردگی:

USD میں آپ کی کمپنی کی ایکسپورٹ سیلز میں اس مدت کے مقابلے میں 30% اضافہ ہوا ہے، یہ بات قابل ذکر ہے کہ ملک کی ٹیکسٹائل ایکسپورٹ میں FY2025 کی پہلی سہ ماہی میں اسی مدت کے مقابلے میں 9% اضافہ ہوا ہے۔ روپے کے لحاظ سے، برآمدی فروخت میں 25% کا قابل ذکر اضافہ دیکھا گیا ہے، جو بنیادی طور پر USD کے لحاظ سے برآمدات میں اضافے سے منسوب ہے۔ اسی طرح مقامی سیلز بشمول بالواسطہ برآمدات میں، تمام چینجوں کے باوجود، اس مدت کے مقابلے میں 26% کا اضافہ ہوا ہے۔ کمپنی کی مجموعی فروخت، PKR میں، اس مدت کے مقابلے میں ایک متاثر کن 18% بڑھی ہے۔ کمپنی نے گزشتہ سال کی اسی مدت کے مقابلے میں فروخت میں قابل ستائش اضافہ کا مظاہرہ کیا ہے، جس کی وجہ انتظامیہ کے بروقت اسٹریٹجک اقدامات اور ٹارگٹڈ کسٹمر آؤٹ ریچ ہے۔ تاہم، یہ نوٹ کرنا ضروری ہے کہ، فروخت میں اس اضافے کے باوجود، لاگت کے مسلسل دباؤ کی وجہ سے مارجن میں کمی واقع ہوئی ہے۔

لاگت اور مالیاتی میٹرکس:

فروخت کی لاگت میں 22 فیصد کا نمایاں اضافہ ہوا ہے، جس کی وجہ کئی عوامل ہیں جیسے بڑھتی ہوئی مادی لاگت، توانائی کی زیادہ قیمت، اور کم از کم اجرت میں اضافہ۔

موجودہ جائزے کی مدت کے دوران، ایندھن اور بجلی کے اخراجات 3.70 بلین روپے تک بڑھ گئے ہیں۔ جو 2.3 بلین روپے کے قابل ذکر اضافے کی نمائندگی کرتا ہے۔ 1.4

بلین (59 فیصد اضافہ)۔ بنیادی طور پر گیس کی قیمتوں میں اضافے کی وجہ سے ہونے والے اس خاطر خواہ اضافے نے کمپنی کے منافع کو نمایاں طور پر متاثر کیا ہے۔

توانائی کے بڑھتے ہوئے اخراجات سے نمٹنے کے لیے، کمپنی نے کامیابی کے ساتھ 2 میگاواٹ کے روف ٹاپ سولر پاور پراجیکٹ کا آغاز کیا ہے اور 17 میگاواٹ کے اضافی روف ٹاپ سسٹم کو لاگو کرنے کے آخری مراحل میں ہے، جس کے مارچ FY25 تک آپریشنل ہونے کی توقع ہے۔ یہ اسٹریٹجک اقدام مہنگے روایتی توانائی کے ذرائع پر انحصار کو کم کرنے کے لیے کیا گیا ہے اور پائیداری کے لیے کمپنی کی اظہار کو نمایاں کرتا ہے۔

مستقبل کا معاشی آؤٹ لک:

آگے دیکھتے ہوئے، 2024 کے بقیہ اور 2025 تک کا معاشی نقطہ نظر محتاط طور پر پر امید ہے، جس میں عالمی نمو 3.2 فیصد کے لگ بھگ مستحکم ہونے کی پیش گوئی کی گئی ہے کیونکہ سپلائی چین کے مسائل بتدریج کم ہو رہے ہیں اور صارفین کا اعتماد بہال ہو رہا ہے۔ بڑھتی ہوئی ڈیجیٹلائزیشن، گرین ٹیکنالوجی میں سرمایہ کاری، اور بین الاقوامی تجارت میں ممکنہ بحالی جیسے عوامل اقتصادی سرگرمیوں کو آگے بڑھانے کی توقع ہے۔ جغرافیائی سیاسی تناؤ اور ماحولیاتی خدشات مسلسل خطرات لاحق ہیں جو عالمی منڈیوں اور سرمایہ کاروں کے نفسیات کو متاثر کر سکتے ہیں۔ جبکہ افراط زر کی شرح معتدل رہنے کی توقع ہے، لیکن توجہ ترقی کو روکے بغیر قیمت کے استحکام کو برقرار رکھنے پر رہے گی۔

متوقع ساختی اصلاحات اور سرمایہ کاری میں اضافے سے پاکستان کی معیشت کے امکانات مثبت رجحان دکھا رہے ہیں۔ کمی کی مدت کے بعد، بڑے پیمانے پر مینوفیکچرنگ (LSM) دوبارہ رفتار حاصل کرنا شروع کر رہی ہے، بڑے برآمدی شعبے پیداوار کو بڑھانے کے لیے تیار ہیں۔ اس بحالی کو سازگار بیرونی ماحول، ایک مستحکم شرح مبادلہ، اور افراط زر کے دباؤ کو کم کرنے اور شرح سود میں کمی سے تقویت ملنے کی امید ہے۔ مزید برآں، جب کہ ترسیلات زر تاریخی طور پر پاکستان کی معیشت کے لیے ایک اہم معاون رہا ہے، حالیہ رجحانات اس مدت کے مقابلے میں مثبت بہتری کو ظاہر کرتے ہیں۔ مالی سال 2025 کی پہلی سہ ماہی میں، غیر ملکی ترسیلات زر 8.79 بلین ڈالر تک پہنچ گئیں، جو کہ پچھلے سال کی پہلی سہ ماہی میں 6.34 بلین ڈالر سے قابل ذکر اضافہ ہے۔ ادائیگیوں کے توازن کو برقرار رکھنے کے لیے ترسیلات زر کے مستقل بہاؤ کو یقینی بنانا بہت ضروری ہوگا۔ تاہم، جاری سیاسی عدم استحکام اور سلامتی کے خدشات اہم چیلنجز ہیں جو سرمایہ کاروں کے اعتماد اور مجموعی اقتصادی استحکام کو متاثر کر سکتے ہیں۔

مزید یہ کہ گیس اور توانائی کی بڑھتی ہوئی قیمتیں پاکستان کے معاشی منظر نامے کو تشکیل دینے والے اہم عوامل ہیں۔ جنوری تک گیس کی قیمتوں میں متوقع اضافے نے توانائی پر منحصر صنعتوں کی پائیداری، گھریلو بجٹ اور کاروباری کاموں پر مزید دباؤ ڈالنے کے حوالے سے خدشات کو جنم دیا ہے۔ آئی ایم ایف کے قرضہ پروگرام کی حیثیت ملک کی معاشی بحالی کے لیے اہم ہے۔ پیشگی جائزوں کی کامیاب تکمیل کے بعد، IMF نے ستمبر 2024 میں 7 بلین ڈالر کے نئے معاہدے کے حصے کے طور پر 1.1 بلین ڈالر تقسیم کیے، جس سے غیر ملکی ذخائر میں فروغ ملا، جو جون کے آخر میں 13.996 بلین ڈالر سے بڑھ کر ستمبر کے آخر میں 15.98 بلین ڈالر ہو گیا، جو کہ 1.984 بلین ڈالر کے فرق کو ظاہر کرتا ہے۔ ممکنہ اقتصادی بحالی اور پائیدار ترقی کے حصول کے لیے ان چیلنجوں سے نمٹنا ضروری ہوگا۔

اعتراف

ہم اپنے ملازمین اور صارفین، مالیاتی اداروں، شیئر ہولڈرز، اور معزز بورڈ آف ڈائریکٹرز کی غیر متزلزل حمایت کا شکریہ ادا کرتے ہیں۔

بورڈ کے لیے اور اس کی جانب سے

محمد ذکی بشیر
چیف ایگزیکٹو آفیسر

محمد بشیر
چیئرمین

25 اکتوبر 2024
کراچی

Gul Ahmed Textile Mills Limited

Unconsolidated Condensed Interim Statement of Financial Position

As at 30 September 2024

		(Unaudited) 30 September 2024	(Audited) 30 June 2024
	Note	(Rupees in '000)	
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	49,685,889	50,023,808
Intangible assets	5	42,212	45,484
Long term investment	6	3,591,206	3,591,206
Long term loans		13,826	17,939
Long term deposits		145,595	145,595
Total non-current assets		53,478,728	53,824,032
Current Assets			
Stores and spares		2,145,195	2,298,322
Stock-in-trade		50,449,813	49,014,078
Trade debts		28,295,970	24,567,107
Loans, advances and other receivables		1,289,290	2,638,317
Short term prepayments		62,282	63,612
Receivable from government		4,189,324	3,705,858
Short term investments		-	1,243
Cash and bank balances		439,173	375,876
Total current assets		86,871,048	82,664,413
TOTAL ASSETS		140,349,776	136,488,445
EQUITY AND LIABILITIES			
Share Capital And Reserves			
Authorised share capital 5,000,000,000 (30 June 2023: 5,000,000,000) ordinary shares of Rs.10 each		50,000,000	50,000,000
Issued, subscribed and paid-up share capital 740,059,458 ordinary shares of Rs. 10 each (30 June 2023: 740,059,458 ordinary shares of Rs. 10 each)		7,400,594	7,400,594
Reserves	7	37,709,564	37,352,629
		45,110,158	44,753,223
Non-Current Liabilities			
Long term financing - secured	8	13,728,765	14,591,587
Deferred income - government grant		68,341	74,655
Defined benefit plan - staff gratuity		548,558	523,996
Total non-current liabilities		14,345,664	15,190,238
Current Liabilities			
Trade and other payables		29,158,121	28,775,841
Accrued mark-up / profit		901,455	1,391,643
Short term borrowings		46,477,694	42,005,502
Current maturity of long term financing - secured	8	3,220,202	3,233,936
Current maturity of deferred income - government grant		27,235	28,251
Unclaimed dividend		9,840	9,840
Unpaid dividend		23,505	23,505
Taxation-net		1,075,902	1,076,466
Total current liabilities		80,893,954	76,544,984
Contingencies and commitments	9	-	-
TOTAL EQUITY AND LIABILITIES		140,349,776	136,488,445

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Unconsolidated Condensed Interim Statement of Profit or Loss (Unaudited)

For the three months ended 30 September 2024

	Note	July to September 2024	July to September 2023
		(Rupees in '000)	
Sales - net	11	42,078,103	35,641,767
Cost of sales		(38,509,492)	(31,652,884)
Gross profit		3,568,611	3,988,883
Selling and distribution cost		(1,104,047)	(743,861)
Administrative cost		(947,022)	(949,430)
Other operating cost		(47,605)	(91,562)
		(2,098,674)	(1,784,853)
Operating profit		1,469,937	2,204,030
Other income		943,806	504,259
Finance costs		(1,741,584)	(1,590,148)
Profit before Levies and income tax		672,159	1,118,141
Levies		(466,007)	(512,257)
Profit before income tax		206,152	605,884
Income tax	12	150,783	(9,097)
Profit after income tax		356,935	596,787
		September 2024	September 2023
		(Rupees)	
Earnings per share - basic and diluted		0.48	0.81

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income (Unaudited)

For the three months ended 30 September 2024

	July to September 2024	July to September 2023
	(Rupees in '000)	
Profit after taxation	356,935	596,787
Other comprehensive income	-	-
Total comprehensive income for the period	356,935	596,787

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

Gul Ahmed Textile Mills Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the three months ended 30 September 2024

	Issued, subscribed and paid-up share capital	Reserves			Total reserves	Total Equity
		Capital reserve - against long-term investments, capacity expansion and BMR	Capital reserve - amalgamation reserve	Unappropriated profit		
(Rupees in '000)						
Balance as at 30 June 2023 (Audited)	7,400,594	-	8,252,059	24,418,724	32,670,783	40,071,377
Reclassification of Reserves (note 7)		23,000,000		(23,000,000)	-	-
Total comprehensive income for the three months ended 30 September 2023						
Profit after taxation	-	-	-	596,787	596,787	596,787
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	596,787	596,787	596,787
Balance as at 30 September 2023 (Unaudited)	<u>7,400,594</u>	<u>23,000,000</u>	<u>8,252,059</u>	<u>2,015,511</u>	<u>33,267,570</u>	<u>40,668,164</u>
Total comprehensive income for the nine months ended 30 June 2024 (Un-audited)						
Profit after taxation	-	-	-	4,131,015	4,131,015	4,131,015
Other comprehensive income	-	-	-	(45,956)	(45,956)	(45,956)
Total comprehensive income for the period	-	-	-	4,085,059	4,085,059	4,085,059
Balance as at 30 June 2024 (Audited)	<u>7,400,594</u>	<u>23,000,000</u>	<u>8,252,059</u>	<u>6,100,570</u>	<u>37,352,629</u>	<u>44,753,223</u>
Total comprehensive income for the three months ended 30 September 2024						
Profit after taxation	-	-	-	356,935	356,935	356,935
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	356,935	356,935	356,935
Balance as at 30 September 2024 (Unaudited)	<u>7,400,594</u>	<u>23,000,000</u>	<u>8,252,059</u>	<u>6,457,505</u>	<u>37,709,564</u>	<u>45,110,158</u>

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Unconsolidated Condensed Interim Statement of Cash Flows (Unaudited)

For the three months ended 30 September 2024

	Note	July to September 2024	July to September 2023
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		206,152	605,884
Adjustments for non-cash items:			
Depreciation of property, plant and equipment	4.1	1,107,271	1,055,556
Amortisation of intangible assets	5	4,755	6,068
Expense recognised for defined benefit plan		52,667	52,445
Finance costs		1,741,584	1,590,148
Levies		466,007	512,257
Reversal/Provision for slow moving / obsolete stores and spares		(6,000)	300
Government Grant recognised in income		(7,331)	(8,299)
Loss / (gain) on disposal of property, plant and equipment - net		-	1,922
Expected credit loss against doubtful trade debts		(5,008)	16,966
		3,353,945	3,227,363
Changes in working capital:			
Stores and spares		159,127	(255,478)
Stock-in-trade		(1,435,736)	(2,178,149)
Trade debts		(3,723,855)	(4,780,915)
Loans, advances and other receivables		1,349,027	(1,086,599)
Short term prepayments		1,330	(13,005)
Receivable from government		(224,075)	142,327
Trade and other payables		382,280	7,183,746
Net decrease in working capital		(3,491,902)	(988,073)
Cash generated from operating activities		68,195	2,845,174
Payment made to defined benefit plan		(28,105)	(17,510)
Income taxes paid		(575,178)	(293,022)
		(603,283)	(310,532)
Net cash from operating activities		(535,088)	2,534,642
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(757,641)	(1,777,396)
Payments for acquisition of intangible assets		(1,483)	-
Proceeds from disposal of property, plant and equipment		-	17,177
Short term investments		1,243	-
Long term loans		4,113	13,125
Long term deposits		-	279
Net cash used in investing activities		(753,768)	(1,746,815)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing	8	-	358,000
Repayment of long term financing	8	(883,887)	(798,059)
Increase / (decrease) in short term borrowings		5,690,546	1,063,627
Finance costs paid		(2,236,153)	(2,213,851)
Dividend paid		-	(7)
Net cash used in financing activities		2,570,506	(1,590,290)
Net decrease in cash and cash equivalents		1,281,650	(802,463)
Cash and cash equivalents at the beginning of the period		(4,766,370)	(1,411,989)
Cash and cash equivalents at the end of the period	10	(3,484,720)	(2,214,452)

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Notes to the Unconsolidated Condensed Interim Financial Statements

For the three months ended 30 September 2024

1 LEGAL STATUS AND ITS OPERATIONS

- 1.1 Gul Ahmed Textile Mills Limited (the Company) was incorporated in Pakistan on 01 April 1953 as a private limited company and subsequently converted into a public limited company on 07 January 1955. The Company is a subsidiary of Gul Ahmed Holdings (Private) Limited (the Parent Company) and is listed on Pakistan Stock Exchange Limited. The Company is principally engaged in the manufacturing and sale of textile products. The registered office is situated at Plot No. H-7, Landhi Industrial Area, Karachi.

The Company has following wholly owned subsidiaries which are engaged in distribution / trading of textile related products while Ideas (Private) limited also carries out production of finished goods.

Details of Subsidiaries	Country of Incorporation	Principal place of business
Direct Subsidiaries		
Gul Ahmed International Limited FZC - UAE	United Arab Emirates	Sharjah Airport International Free Zone, Government of Sharjah, United Arab Emirates.
Ideas (Private) Limited	Pakistan	Plot No. 65/I, Sector-30, Korangi Industrial Area, Karachi, Pakistan.
Indirect Subsidiaries		
GTM USA Corp.	United States of America	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Sky Home Corp.	United States of America	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Vantona Home Limited	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
JCCO 406 Limited	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
GTM (Europe) Limited	United Kingdom	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.

- 1.2 Geographical locations and addresses of all immoveable properties owned by the Company are as follows;

Area	Address
25.07 Acres	Plot No. HT-4, Landhi Industrial Area, Landhi, Karachi
14.9 Acres	Survey No. 82, Deh Landhi, Karachi
18.56 Acres	Plot No. H-7, Landhi Industrial Area, Landhi, Karachi
44.04 Acres	P.U. No. 48, 49, 50, & 51, Deh Khjanto Tapo Landhi, Karachi
4.17 Acres	Plot No. H-19, Landhi Industrial Area, Landhi, Karachi
4,023.16 Sq. yards	Plot No. H-19/1, Landhi Industrial Area, Landhi, Karachi
6.83 Acres	Plot 368, 369 & 446, Deh Landhi, Karachi
12 Acres	Plot - HT 3/A, Landhi, Karachi
51.1 Acres	Plot No. H-5 and HT-6, Landhi Industrial Area, Karachi

Manufacturing facilities, warehouses, ancillary construction, administrative offices etc, are constructed on each of the above mentioned land.

- 1.3 Geographical locations and addresses of all premises obtained on rental basis are as follows;

Address

Plot ST-17/1 and ST-17/3, Federal 'B' Area, Azizabad, Karachi.
 Plot No. H-17 / A, Landhi Industrial area, Karachi.
 Plot # HT/2 Landhi Industrial Area, Karachi
 Plot # HT/8, KDA Scheme 3, Landhi Industrial area, Karachi.
 Plot W2/1-14, Western industrial zone, Port Qasim, Karachi
 Plot # H19/2-B Bin Qasim, Landhi Industrial area Karachi
 Servey # 613, Deh Jorejee, Bin Qasim town, Karachi
 Servey # 614, Deh Jorejee, Bin Qasim town, Karachi
 Servey # 615, Deh Jorejee, Bin Qasim town, Karachi
 22nd Floor, Ocean Mall, Khayaban-e-Iqbal, Block-9, Clifton, Karachi.

The above rental premises are used to carry out warehousing and administrative tasks.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise. In these financial statements, all the transactions are recorded on accrual basis except for the unconsolidated condensed interim statement of cash flows.

The comparative statement of financial position, presented in these unconsolidated condensed interim financial statements as at 30 September 2024 has been extracted from the annual audited unconsolidated financial statements of the Company for the year ended 30 June 2024, whereas the comparative unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been extracted from the unaudited unconsolidated condensed interim financial statements of the Company for the three months ended 30 September 2023.

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

2.2 Statement of compliance

These unconsolidated 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 Standard Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where the 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.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

2.4 Use of judgements and estimates

The preparation of these unconsolidated condensed interim financial statements requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those that were applied to annual audited unconsolidated financial statements as at and for the year ended 30 June 2024.

2.5 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after July 01, 2024

There are certain amendments and interpretations to approved accounting and reporting standards which are mandatory for the Company's annual accounting period beginning on or after July 1, 2024; however, these do not have any significant impact on these unconsolidated condensed interim financial statements.

(b) Standards, Interpretations and Amendments to published approved accounting standards not yet effective

There are certain amendments to published accounting and reporting standards that will be applicable for the financial year beginning on or after July 1, 2024 but are considered not to be relevant or to have any significant effect on these condensed interim unconsolidated financial statements.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of the audited unconsolidated financial statements for the year ended 30 June 2024 and are in line with the amendments made to IAS 1 and IFRS Practice Statement 2.

	Note	(Unaudited) 30 September 2024	(Audited) 30 June 2024
(Rupees in '000)			
4	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	48,849,261	49,416,906
	Capital work in progress (CWIP)	836,628	606,902
		<u>49,685,889</u>	<u>50,023,808</u>
4.1	Operating Fixed Asset		
	Opening book value	49,416,906	47,869,843
	Transfers during the period / year	539,626	6,143,873
	Written off during the period / year	-	(70,070)
	Reclassification to Capital work in progress	-	(18,832)
	Disposals during the period / year	-	(57,291)
	Depreciation charged during the period / year	(1,107,271)	(4,450,617)
	Closing book value	<u>48,849,261</u>	<u>49,416,906</u>
4.2	Transfers during the period / year		
	Leasehold land	-	121,484
	Buildings and structures on leasehold land	65,047	1,246,791
	Plant and machinery	406,557	4,433,375
	Furniture and fixtures	3,980	32,300
	Office equipment	64,042	242,619
	Vehicles	-	67,304
		<u>539,626</u>	<u>6,143,873</u>
4.3	Disposals during the period / year		
	Plant and machinery	-	57,291
4.4	Capital work in progress (CWIP)		
	Opening book value	606,902	2,251,995
	Additions during the period / year	769,353	4,479,948
	Transfers during the period / year	(539,626)	(6,143,873)
	Reclassification from operating fixed assets	-	18,832
	Closing book value	<u>836,628</u>	<u>606,902</u>
4.5	Additions during the period / year		
	Plant and machinery	601,055	3,309,671
	Buildings and structures on leasehold land	94,265	696,859
	Others	74,033	473,418
		<u>769,353</u>	<u>4,479,948</u>
4.6	This includes mark up capitalised during the construction period amounting to Rs. 12 million (30 June 2024: Rs. 480 million). Effective rate of mark-up capitalized is 17.9% (30 June 2024: 18.60%).		
		(Unaudited) 30 September 2024	(Audited) 30 June 2024
5	INTANGIBLE ASSETS		
	Opening book value	45,484	38,251
	Additions during the period / year	1,483	28,535
	Amortisation charged during the period / year	(4,755)	(21,302)
	Closing book value	<u>42,212</u>	<u>45,484</u>
6	LONG TERM INVESTMENTS		
	Investment in subsidiary companies at cost		
	- Gul Ahmed International Limited	58,450	58,450
	- Ideas (Private) Limited	3,462,756	3,462,756
		<u>3,521,206</u>	<u>3,521,206</u>
	Investment in Term Finance Certificate - at amortised cost	70,000	70,000
		<u>3,591,206</u>	<u>3,591,206</u>

7 RESERVES

Capital reserves

Amalgamation reserve	7.1	8,252,059	8,252,059
Against long-term investments, capacity expansion ε	7.2	23,000,000	23,000,000
		31,252,059	31,252,059

Revenue reserve

Unappropriated profit		6,457,505	6,100,570
		37,709,564	37,352,629

7.1 This represents reserves created under the Scheme of Arrangement dated 05 May 2021 involving the Gul Ahmed Textile Mills Limited (the Company), Ideas (Private) Limited, Worldwide Developers (Private) Limited (WWDL), Grand Industries (Private) Limited (Grand) and Ghafooria Industries (Private) Limited (Ghafooria) which have been sanctioned by Honourable High Court of Sindh through order dated 29 October 2021.

7.2 This represents capital reserve against long-term investments, capacity expansions and BMR, not available for distribution.

	(Unaudited)	(Audited)
	30 September	30 June
	2024	2024
	(Rupees in '000)	

8 LONG TERM FINANCING - SECURED

Opening balance	17,825,523	23,213,193
Long term finance obtained during the period / year	-	358,000
Unwinding of interest	7,331	32,088
Repayments made during the period / year	(883,887)	(5,777,758)
	16,948,967	17,825,523
Current portion long term financing	(3,220,202)	(3,233,936)
	13,728,765	14,591,587

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

The status of contingencies, as reported in the annual unconsolidated financial statements for the year ended 30 June 2024, has remained unchanged during the current period except for increase in amount of provisions and the following new developments:

Regarding the matter of tax credit on BMR under section 65 (B) of the Income Tax Ordinance 2001, as disclosed in the Note 25.10 of the unconsolidated financial statements for the year ended 30 June 2024, the Federal Board of Revenue (FBR) appealed to the Supreme Court to challenge the judgement passed by the Honorable Sindh High Court that the tax credit should be allowed at 5% instead of 10%.

The Honorable Supreme Court passed the appeal order and decided that the companies who have purchased and installed plant and machinery by 30 June 2019 are entitled to a tax credit at 10%. However, this benefit does not extend to companies that installed the plant and machinery after that date. Therefore, the Company is entitled to claim the full tax credit, since the installation was completed before the 30 June 2019. The Company has made adjustment of above judgement in these unconsolidated condensed interim financial statements.

These unconsolidated condensed interim financial statements were authorised and approved for issue on 25-October-2024 by the Board of Directors of the Company.

9.2 Guarantees and others

- Guarantees of Rs. 2,693 million (30 June 2024: Rs. 2,542 million) have been issued by banks on behalf of the Company which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees includes guarantees issued by related parties amounting to Rs. 1,154 million (30 June 2024: Rs. 1,154 million).
- Post dated cheques of Rs. 25,387 million (30 June 2024: Rs. 25,580 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- Bills discounted Rs. 12,952 million (30 June 2024: Rs. 13,451 million), including bills discounted from related parties amounting to Rs. 4,195 million (30 June 2024: Rs. 4,470 million).
- Corporate guarantee of Rs. 248 million (30 June 2024: Rs. 237 million), Rs. 1,107 million (30 June 2024: Rs. 1,106 million) and Rs. 250 million (30 June 2024: Rs. 251 million) have been issued to various banks in favor of subsidiary companies - GTM (Europe) Limited - UK, Gul Ahmed International FZC - UAE and Sky Home Corp- USA respectively.

	(Unaudited)	(Audited)
	30 September	30 June

	Note	2024 (Rupees in '000)	2024
9.3 Commitments			
Capital expenditure for plant and machineries		<u>969,770</u>	<u>761,382</u>
Other than capital expenditure	9.3.1	<u>30,706,191</u>	<u>14,543,122</u>
Forward foreign exchange contracts	9.3.2	<u>24,722,381</u>	<u>21,344,805</u>

9.3.1 Other than capital expenditure includes commitments for purchase of raw materials and stores and spares.

9.3.2 This includes forward foreign exchange contracts amounting to USD 33 million, equivalent to Rs. 10,431 million (30 June 2024: Rs. 9,543 million) obtained under pre-shipment exports. The Company is obligated to provide export documents against such amount. The liability of Rs. 10,431 million has been appropriately recorded under Export Facilitation Scheme in these condensed interim unconsolidated financial statements.

	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
	(Rupees in '000)	

10 CASH AND CASH EQUIVALENTS

Cash and bank balances	439,173	308,142
Running finance	<u>(3,923,892)</u>	<u>(2,522,594)</u>
	<u>(3,484,720)</u>	<u>(2,214,452)</u>

11 SALES - NET

Export sales		
Direct	31,506,256	25,419,687
Indirect	<u>9,864,226</u>	<u>9,938,829</u>
	<u>41,370,482</u>	<u>35,358,516</u>
Export rebate	-	188,626
Trade and other discount	<u>(327,282)</u>	<u>(261,147)</u>
Commission	<u>(468,790)</u>	<u>(749,612)</u>
Sales tax	<u>(1,504,712)</u>	<u>(1,197,611)</u>
	<u>39,069,697</u>	<u>33,338,772</u>
Local sales	11.1	
Brokerage	<u>3,680,872</u>	<u>2,732,403</u>
Sales tax	<u>(100,797)</u>	<u>(100,158)</u>
	<u>(571,670)</u>	<u>(329,250)</u>
	<u>3,008,406</u>	<u>2,302,995</u>
	<u>42,078,103</u>	<u>35,641,767</u>

11.1 Local sales include revenue from inhouse manufacturing services on behalf of third party of Rs. 204 million (30 September 2023: Rs. 772 million).

11.2 Information with respect to disaggregation of revenue by internal segment and geographical location is disclosed in note 13 of these unconsolidated condensed interim financial statements.

11.3 All revenue earned are from shariah permissible business.

12 LEVIES

This represents taxes paid under section 154 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/ IAS 37.

	Note	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
		(Rupees in '000)	
13 INCOME TAX			
Current tax		42,944	9,097
Prior tax		<u>(193,727)</u>	-
		<u>(150,783)</u>	<u>9,097</u>

13.1 The Company is subject to Minimum Tax Regime under section 154 of Income Tax Ordinance, 2001 since majority of the Company's income falls under the ambit of minimum tax regime, the relationship between tax expense and accounting profit has not been presented in these unconsolidated financial statement.

13.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognized in the unconsolidated statement of profit and loss, is as follows:

	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
	(Rupees in '000)	
Current tax liability for the year as per applicable tax laws	315,224	521,354
Portion of current tax liability as per tax laws, representing income tax under IAS 12	150,783	(9,097)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	<u>(466,007)</u>	<u>(512,257)</u>
Difference	<u><u>-</u></u>	<u><u>-</u></u>

13.3 The aggregate of final tax and income tax, amounting to Rs. 315 million (30 September 2023: Rs. 521 million) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

14 SEGMENT INFORMATION

The Company's operations has been divided into three segments based on the nature of process and internal reporting. Following are the reportable business segments:

- a) Spinning: Production of different qualities of yarn using both natural and artificial fibres.
- b) Apparel: Processing of different types of woven and knitted garments.
- c) Home Textile: Production of different types and qualities of products falling under the definition of home textile.
- d) Others: Weaving, Fiber Bleaching, Knitting, Yarn dyeing and Dyed yarn fabric etc.

Transactions among the business segments are recorded at cost.

14.1 Segment Profitability (Unaudited)

	Spinning		Apparel		Home Textile		All other segments		Elimination Of Inter Segment Transactions		Total	
	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023
	----- (Rupees in ' 000) -----											
Sales	9,520,406	9,702,396	3,856,823	3,828,082	31,467,576	24,540,856	4,565,366	3,324,796	(7,332,068)	(5,754,363)	42,078,103	35,641,767
Cost of sales	(8,128,773)	(8,207,310)	(3,809,300)	(3,592,744)	(29,597,870)	(22,265,176)	(4,305,616)	(3,342,017)	7,332,068	5,754,363	(38,509,492)	(31,652,884)
Gross profit	1,391,632	1,495,086	47,523	235,338	1,869,706	2,275,680	259,750	(17,221)	-	-	3,568,611	3,988,883
Distribution and Administrative cost	(123,426)	(119,169)	(209,900)	(248,723)	(1,435,854)	(1,143,771)	(281,889)	(181,628)	-	-	(2,051,069)	(1,693,291)
Profit before tax and before charging following	1,268,206	1,375,917	(162,377)	(13,385)	433,852	1,131,909	(22,139)	(198,849)	-	-	1,517,542	2,295,592
Finance cost											(1,741,584)	(1,590,148)
Other operating cost											(47,605)	(91,562)
Other income											943,806	504,259
Profit before taxation											(845,383)	(1,177,451)
Taxation											672,159	1,118,141
Profit after taxation											(315,224)	(521,354)
Depreciation and Amortisation expense	307,748	342,562	45,676	47,901	258,579	242,719	500,023	428,442	-	-	1,112,026	1,061,624

14.2 Segment assets and liabilities

	Spinning		Apparel		Home Textile		All other segments		Unallocated		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	Sep-2024	Jun-2024	Sep-2024	Jun-2024	Sep-2024	Jun-2024	Sep-2024	Jun-2024	Sep-2024	Jun-2024	Sep-2024	Jun-2024
	----- (Rupees in '000) -----											
Assets	33,351,101	32,289,234	6,725,796	7,113,934	59,793,214	57,379,745	13,269,916	14,317,762	29,696,209	25,387,770	142,836,235	136,488,445
Liabilities	(16,736,338)	(12,971,968)	(3,366,437)	(3,178,145)	(23,548,653)	(22,355,651)	(7,567,968)	(8,179,181)	(46,506,680)	(45,050,277)	(97,726,076)	(91,735,222)
Segment capital & Intangible expenditure	228,052	324,127	4,577	151,641	360,966	1,355,898	30,228	395,528	147,014	1,731,035	770,836	3,958,229

14.3 Unallocated items represent those assets and liabilities which are common to all segments and these include investment in subsidiaries, long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

14.4 Information about major customer

Sales to major customer whose revenue exceeds 10% of gross sales is Rs. 10,153 million (30 September 2023: Rs. 8,066 million).

14.5 Information by geographical area

	Revenue		Non-current assets	
	Three months ended (Unaudited)		(Unaudited)	(Audited)
	Sep-2024	Sep-2023	Sep-2024	Jun-2024
	----- (Rupees in '000) -----			
Pakistan	11,468,716	11,144,371	53,420,278	53,765,582
Germany	9,565,144	7,593,366	-	-
United States of America	4,018,498	4,121,955	-	-
United Kingdom	3,172,406	2,920,828	-	-
Italy	2,550,259	1,770,029	-	-
France	1,958,541	1,567,641	-	-
Netherlands	1,727,796	1,120,140	-	-
Spain	1,135,402	1,092,071	-	-
China	590,375	621,366	-	-
Sweden	639,019	504,481	-	-
United Arab Emirates	220,884	174,484	58,450	58,450
Other Countries	5,927,932	3,933,325	-	-
	42,974,972	36,564,058	53,478,728	53,824,032

15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of subsidiaries, associated companies, companies where directors also hold directorship, directors of the company and key management personnel. The Company in the normal course of business carried out transaction with various related parties.

Name of the related party	Relationship and percentage of shareholding	Transactions during the period	(Unaudited)	
			Three Months Ended	
			Sep - 2024	Sep - 2023
----- (Rupees in '000) -----				
Ideas (Private) Limited	Subsidiary Company	Sale of goods	421,238	404,510
		Sharing of common expense	474,350	398,427
GTM (Europe) Limited - UK	Subsidiary Company	Sale of goods	2,141,797	372,774
		Sales through subsidiaries acting as agents	627,652	1,035,644
Vantona Home Limited	Subsidiary Company	Sale of goods	9,083	-
		Sales through subsidiaries acting as agents	2,059	29,201
GTM USA Corporation	Subsidiary Company	Sale of goods	467,382	118,374
Sky Home Corporation - USA	Subsidiary Company	Sale of goods	116,916	25,739
		Sales through subsidiaries acting as agents	79,941	-
		Commission paid	92,818	94,879
Grand Industries (Pvt) Limited	Associated company	Rent expense	300	877
Swisstex Chemicals (Private) Limited	Associate Company	Purchase of goods	51,885	57,789
Win Star (Pvt) Limited	Associated company	Purchase of goods	7,098	4,495
Haji Ali Mohammad Foundation	Associated company	Rent paid	240	240
The Pakistan Business Council	Associated company	Fees paid	2,500	2,500
Board of Directors	Associates	Meeting Fees	-	1,900
Habib Metropolitan Bank	Associated company	Mark-up on short term borrowings	99,808	75,306
Askari Bank Limited	Associated company	Mark-up on short term borrowings	111,629	101,179
		Mark-up on long term borrowings	4,417	5,440
Samba Bank Limited	Associated company	Mark-up on short term borrowings	23,262	13,132
		Mark-up on long term borrowings	979	1,512
Standard Chartered Pakistan Limited	Associated company	Mark-up on short term borrowings	153,484	93,432
Employee Provident Fund Trust	Employee Retirement Fund	Company's contribution to provident fund	99,364	94,780

Name of the related party	Relationship and percentage of shareholding	Nature of outstanding balances	(Unaudited)		(Audited)
			30 September 2024		30 June 2024
			----- (Rupees in '000) -----		
Ideas (Private) Limited	Subsidiary Company	Trade debts	5,271,567	5,676,955	
GTM (Europe) Limited - UK	Subsidiary Company	Trade debts	3,492,493	169,176	
Vantona Home Limited	Subsidiary Company	Trade debts	11,175	-	
Sky Home Corporation - USA	Subsidiary Company	Trade debts	127,412	5,880	
GTM USA Corporation - USA	Subsidiary Company	Trade debts	587,019	89,094	
GTM (Europe) Limited - UK	Subsidiary Company	Trade and other payables	43,809	-	
GTM USA Corporation - USA	Subsidiary Company	Trade and other payables	28,718	16,166	
Sky Home Corporation - USA	Subsidiary Company	Trade and other payables	97,456	105,369	
Win Star (Private) Limited	Associated company	Trade and other payables	16,201	19,211	
Swisstex Chemicals (Private) Limited	Associated company	Trade and other payables	37,368	49,508	
Grand Industries (Private) Limited	Associated company	Trade and other payables	4,615	4,389	
TPL Properties Limited	Associated company	Trade and other payables	22,049	22,049	
Habib Metropolitan Bank	Associated company	Bills Discounted	6,252,449	23,026,343	
		Short Term Borrowings	5,406,637	5,418,668	
		Accrued Markup	44,923	9,588	
Askari Bank Limited	Associated company	Bills Discounted	1,355,323	2,361,162	
		Long Term Borrowings	528,370	553,368	
		Short Term Borrowings	3,650,078	2,800,007	
		Accrued Markup	46,382	43,175	
Samba Bank Limited	Associated company	Bills Discounted	-	169,874	
		Long Term Borrowings	113,684	143,080	
		Short Term Borrowings	1,069,980	849,162	
		Accrued Markup	7,965	22,082	
Standard Chartered Pakistan Limited	Associated company	Bills Discounted	1,032,777	1,696,905	
		Short Term Borrowings	4,599,509	5,505,991	
		Accrued Markup	97,328	185,947	
Key management Personnel	Associate	Loan provided	84,364	87,256	
Employee Provident Fund Trust	Employee Retirement Fund	Payable to employee's provident fund	45,840	46,400	

There are no transactions with directors of the Company and key management personnel other than under the terms of employment for the three months ended 30 September 2024 amounting to Rs.580 million (30 September 2023: Rs. 694 million) on account of remuneration.

16 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements as at and for the year ended 30 June 2024.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- 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 are unobservable inputs for the asset or liability inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets and liabilities of the Company are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

Transfers, if any, between levels of the fair value hierarchy is recognized at the end of the reporting period during which the transfer has occurred. The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at year end the fair value of all the financial assets and liabilities approximates to their carrying values. The property plant and equipment is carried at cost less accumulated depreciation and impairment if any, except freehold land, leasehold land and capital work in progress which are stated at cost. Long term investments represent the investment in unquoted shares of subsidiary companies carried at cost and investment in Term Finance Certificates carried at amortized cost. The Company does not expect that unobservable inputs may have significant effect on fair values.

17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

18 GENERAL

Allocations for the workers' profit participation fund, workers' welfare fund and provision for taxation including deferred tax are provisional and final liability will be determined on the basis of annual results.

19 DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised and approved for issue on 25-October-2024 by the Board of Directors of the Company.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

Muhammad Kashif Riaz
Chief Financial Officer

CONSOLIDATED

Gul Ahmed Textile Mills Limited
Consolidated Condensed Interim Statement of Financial Position
As at 30 September 2024

		(Unaudited)	(Audited)
	Note	30 September 2024	30 June 2024
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	53,912,674	54,341,947
Right of use assets	5	2,649,526	2,818,151
Intangible assets	6	183,483	182,858
Long term investment	7	70,000	70,000
Long term loans		13,826	17,939
Long term deposits		525,534	518,467
Deferred taxation - net		1,147,027	1,115,326
Total non-current assets		58,502,070	59,064,688
CURRENT ASSETS			
Stores and spares		2,628,986	2,727,361
Stock-in-trade		60,501,784	57,358,906
Trade debts		23,016,773	20,719,045
Loans, advances and other receivables		3,529,827	4,347,029
Short term prepayments		113,529	145,872
Receivable from government		4,177,826	3,493,969
Short term investment		-	1,243
Cash and bank balances		1,065,309	1,081,768
Total current assets		95,034,034	89,875,193
Total Assets		153,536,105	148,939,881
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
5,000,000,000 (30 June 2024: 5,000,000,000) ordinary shares of Rs. 10 each		50,000,000	50,000,000
Issued, subscribed and paid-up share capital		7,400,594	7,400,594
740,059,458 ordinary shares of Rs. 10 each (30 June 2024: 740,059,458 ordinary shares of Rs. 10 each)			
Reserves		40,321,161	39,927,105
		47,721,755	47,327,699
NON-CURRENT LIABILITIES			
Long term financing	9	13,728,765	14,591,587
Lease Liability against right of use asset	10	3,031,771	3,189,839
Deferred income - government grant		68,341	74,655
Defined benefit plan - staff gratuity		553,994	528,898
Long term deposits		22,269	19,769
Total non-current liabilities		17,405,140	18,404,748
CURRENT LIABILITIES			
Trade and other payables		34,619,846	34,321,875
Accrued mark-up / profit		938,108	1,403,751
Short term borrowings		47,867,367	42,494,328
Current maturity of long term financing	9	3,220,202	3,233,936
Current maturity of lease liability against right of use asset		574,678	548,173
Current maturity of deferred government grant		27,235	28,251
Unclaimed dividend		9,840	9,840
Unpaid dividend		23,505	23,505
Taxation-net		1,128,428	1,143,775
Total current liabilities		88,409,209	83,207,434
CONTINGENCIES AND COMMITMENTS	10	-	-
Total Equity and Liabilities		153,536,104	148,939,881

The annexed notes from 1 - 20 form an integral part of these consolidated condensed interim financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Consolidated Condensed Interim Statement of Profit or Loss (Unaudited)

For the quarter ended 30 September 2024

	Note	July to September 2024	July to September 2023
(Rupees in '000)			
Sales - net	12	48,918,046	42,505,944
Cost of sales		<u>(42,537,074)</u>	<u>(35,804,678)</u>
Gross profit		6,380,972	6,701,266
Selling and distribution cost		<u>(2,807,224)</u>	<u>(2,365,693)</u>
Administrative cost		<u>(1,606,952)</u>	<u>(1,567,916)</u>
Other operating cost		<u>(76,533)</u>	<u>(92,830)</u>
		<u>(4,490,708)</u>	<u>(4,026,439)</u>
		1,890,264	2,674,827
Other income		1,029,943	604,065
Operating profit		<u>2,920,206</u>	<u>3,278,892</u>
Finance cost		<u>(2,226,939)</u>	<u>(2,166,577)</u>
Profit before Levies and income tax		<u>693,267</u>	<u>1,112,315</u>
Levies		<u>(515,611)</u>	<u>(572,970)</u>
Profit before income tax		<u>177,656</u>	<u>539,345</u>
Income tax		157,213	4,764
Profit after taxation		<u><u>334,869</u></u>	<u><u>544,109</u></u>
		2024	2023
		(Rupees)	
Earnings per share - diluted		<u><u>0.45</u></u>	<u><u>0.74</u></u>

The annexed notes from 1 - 20 form an integral part of these consolidated condensed interim financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Consolidated Condensed Interim Statement of Comprehensive Income (Unaudited)

For the quarter ended 30 September 2024

	July to September 2024	July to September 2023
	(Rupees in '000)	
Profit after taxation	334,869	544,109
Other comprehensive income		
Exchange difference on translation of foreign subsidiaries	59,187	(123,390)
Total comprehensive income	<u>394,056</u>	<u>420,719</u>

The annexed notes from 1 - 20 form an integral part of these consolidated condensed interim financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

Gul Ahmed Textile Mills Limited
Consolidated Condensed Interim Statement of Changes in Equity
For the quarter ended 30 September 2024

	Reserves						Total reserves	Total Equity
	Capital reserve		Revenue reserve					
	Against long-term investments, capacity expansion and BMR	Amalgamation Reserve	Exchange difference on translation of foreign subsidiaries	Statutory reserve created by foreign subsidiary	Unappropriated profit			
	-----Rupees '000-----							
Balance as at June 30, 2023 (Audited)	7,400,594	-	8,252,059	(258,307)	20,845	27,150,400	35,164,997	42,565,591
Reclassification of Reserves (note 8)	-	23,000,000	-	-	-	(23,000,000)	-	-
Total comprehensive income for the quarter ended September 30, 2023 (Unaudited)								
Profit after taxation	-	-	-	-	-	544,109	544,109	544,109
Other comprehensive income	-	-	-	(123,390)	-	-	(123,390)	(123,390)
	-	-	-	(123,390)	-	544,109	420,719	420,719
Balance as at September 30, 2023 (Unaudited)	7,400,594	23,000,000	8,252,059	(381,697)	20,845	4,694,509	35,585,716	42,986,310
Total comprehensive income for the nine months ended June 30, 2024								
Profit after taxation	-	-	-	-	-	4,307,854	4,307,854	4,307,854
Other comprehensive income	-	-	-	79,491	-	(45,956)	33,535	33,535
	-	-	-	79,491	-	4,261,898	4,341,389	4,341,389
Balance as at June 30, 2024 (Audited)	7,400,594	23,000,000	8,252,059	(302,206)	20,845	8,956,407	39,927,105	47,327,699
Total comprehensive income for the quarter ended September 30, 2024 (Unaudited)								
Profit after taxation	-	-	-	-	-	334,869	334,869	334,869
Other comprehensive income	-	-	-	59,187	-	-	59,187	59,187
	-	-	-	59,187	-	334,869	394,056	394,056
Balance as at September 30, 2024 (Unaudited)	7,400,594	23,000,000	8,252,059	(243,019)	20,845	9,291,276	40,321,161	47,721,755

The annexed notes from 1 - 20 form an integral part of these consolidated condensed interim financial statements.

MOHOMED BASHIR
Chairman

MOHAMMED ZAKI BASHIR
Chief Executive Office

MUHAMMAD KASHIF RIAZ
Chief Financial Officer

Gul Ahmed Textile Mills Limited

Consolidated Condensed Interim Statement of Cash Flows (Unaudited)

For the quarter ended 30 September 2024

	Note	July to September 2024	July to September 2023
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Levies and income tax		177,656	539,345
Adjustments for:			
Depreciation on property, plant and equipment	4.1	1,236,302	1,184,606
Depreciation on right-of-use assets	5	169,612	168,968
Amortisation	6	8,871	11,046
Provision for gratuity		53,224	52,445
Finance cost		2,226,939	2,166,578
Levies		515,611	572,970
Provision for slow moving / obsolete stores and spares		-	300
Amortisation of government grant		(7,331)	(8,299)
(Gain) / Loss on derecognition of right-of-use assets and corresponding lease liability		(1,438)	(27,039)
(Gain) / loss on disposal of property, plant and equipment - net		16,265	1,922
Expected credit loss against doubtful trade debts		(5,008)	16,946
		4,213,047	4,140,443
Changes in working capital:			
Stores and spares		98,375	(404,444)
Stock-in-trade		(3,142,878)	(2,149,213)
Trade debts		(2,292,720)	(4,143,229)
Loans, advances and other receivables		1,076,592	(1,181,347)
Short term prepayments		32,343	(136,995)
Receivable from government		(684,103)	425,415
Long term loans		4,113	(277,596)
Long term deposits		(4,567)	6,713
Trade and other payables		297,971	7,621,350
Net decrease in working capital		(4,614,874)	(239,346)
Gratuity paid		(28,128)	(17,627)
Tax paid		(664,837)	(458,076)
		(692,965)	(475,703)
Net cash used in operating activities		(917,136)	3,964,739
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property, plant and equipment		(811,648)	(1,890,113)
Additions in intangible assets		(3,026)	-
Proceeds from sale of property, plant and equipment		2,392	17,177
Net cash used in investing activities		(812,282)	(1,872,936)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing obtained		-	358,000
Long term financing repaid		(883,887)	(798,059)
Payments against lease liability against right-of-use assets		(254,657)	(219,000)
Short term borrowings - net		5,594,845	1,067,640
Finance cost paid		(2,580,723)	(2,676,940)
Dividend paid		-	(7)
Net cash generated from / (used in) financing activities		1,875,578	(2,268,366)
Exchange difference on translation of foreign subsidiaries		59,187	(123,390)
Net increase / (decrease) in cash and cash equivalents		205,347	(299,953)
Cash and cash equivalents at the beginning of the year		(4,453,603)	(1,531,307)
Cash and cash equivalents at the end of the year	11	(4,248,256)	(1,831,260)

The annexed notes from 1 - 20 form an integral part of these consolidated condensed interim financial statements.

Gul Ahmed Textile Mills Limited
Notes to the Consolidated Condensed Interim Financial Statements
For the quarter ended 30 September 2024

1 LEGAL STATUS AND ITS OPERATIONS

1.1 Gul Ahmed Textile Mills Limited (the Group) comprises the following:

Holding Company

- Gul Ahmed Textile Mills Limited

Subsidiary Companies

- Ideas (Private) Limited
- Gul Ahmed International Limited (FZC)
- GTM (Europe) Limited
- GTM USA Corp.
- Sky Home Corp.
- JCCO 406 Limited
- Vantona Home Limited

Gul Ahmed Textile Mills Limited (the Holding Company) was incorporated on 01 April 1953 in Pakistan as a private limited company, subsequently converted into public limited company on 07 January 1955 and is listed on Pakistan Stock Exchange Limited. The Holding Company is a composite textile unit engaged in the manufacture and sale of textile products. The registered office is situated at Plot No. H-7, Landhi Industrial Area, Karachi.

Gul Ahmed International Limited (FZC) - UAE and Ideas (Private) Limited are wholly owned subsidiaries of Gul Ahmed Textile Mills Limited. Whereas, GTM (Europe) Limited is a wholly owned subsidiary of Gul Ahmed International Limited (FZC) - UAE. GTM USA Corp., Sky Home Corp. and JCCO 406 Limited are wholly owned subsidiaries of GTM (Europe) Limited and Vantona Home Limited is a wholly owned subsidiary of JCCO 406 Limited.

The Holding Company is a subsidiary of Gul Ahmed Holdings (Private) Limited and comprises of following wholly owned subsidiaries which are engaged in distribution / trading of textile related products while Ideas (Private) Limited also carries out production of finished goods.

Details of subsidiaries	Country of incorporation	Percentage of Holding	Principal place of business
Direct subsidiaries			
Gul Ahmed International Limited (FZC) - UAE	United Arab Emirates	100%	Sharjah Airport International Free Zone, Government of Sharjah, United Arab Emirates.
Ideas (Private) limited	Pakistan	100%	Plot No. 65/1, Sector-30, Korangi Industrial Area, Karachi, Pakistan.
Indirect subsidiaries			
GTM USA Corp.	United States of America	100%	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Sky Home Corporation	United States of America	100%	106 LangTree Village Dr, Suite 301 Mooresville, NC 28117, United States of America.
Vantona Home limited	United Kingdom	100%	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
JCCO 406 limited	United Kingdom	100%	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.
GTM (Europe) Limited	United Kingdom	100%	Grane Road Mill, Grane Road Haslingden, Rossendale Lancashire BB4 5ET, United Kingdom.

1.2 Basis of consolidation

The financial information include the financial information of the Group.

Subsidiary companies are consolidated from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies over the subsidiary and is excluded from consolidation from the date of disposal or cessation of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting

The assets and liabilities of the subsidiary company have been consolidated on a line-by-line basis and the carrying value of investment held by the Company is eliminated against the subsidiary's share capital. All intra-group balances and transactions are eliminated.

1.3 Geographical locations and addresses of all immoveable properties owned by the Group are as follows:

Area	Address
25.07 Acres	Plot No. HT - 4, Landhi Industrial Area, Karachi
14.9 Acres	Survey No. 82, Deh Landhi, Karachi
18.56 Acres	Plot No. H - 7, Landhi Industrial Area, Karachi
44.04 Acres	P.U. No. 48, 49, 50, & 51, Deh Khjanto Tapo Landhi, Karachi
4.17 Acres	Plot No. H - 19, Landhi Industrial Area, Karachi
4,023.16 Sq. yards	Plot No. H - 19/1, Landhi Industrial Area, Karachi
6.83 Acres	Plot 368, 369 & 446, Deh Landhi, Karachi
12 Acres	Plot - HT 3/A, Landhi, Karachi
51.1 Acres	Plot No. H-5 and HT-6, Landhi Industrial Area, Karachi
1.997 Acres	Plot No. 65/1, Deh Dig, Sector-30, Korangi Industrial Area (Eastern), Karachi
0.306 Acres	24/A, Block C/3, Gulberg-III, Lahore
0.082 Acres	Shop Nos. 5 & 6, Bahadurabad, Karachi

Manufacturing facilities, warehouses, ancillary construction, administrative offices etc are constructed on each of the above mentioned land.

1.4 Geographical locations and addresses of all premises obtained on rental basis are as follows:

Address

Plot ST-17/1 and ST-17/3, Federal 'B' area, Azizabad, Karachi.
Plot No. H-17 / A, Landhi Industrial area, Karachi.
Plot # HT/2 Landhi Industrial area, Karachi
Plot # HT/8, KDA Scheme 3, Landhi Industrial area, Karachi.
Plot W2/1-14, Western industrial zone, Port Qasim, Karachi
Plot # H19/2-B Bin Qasim, Landhi Industrial area Karachi
Survey # 613, Deh Jorejee, Bin Qasim town, Karachi
Survey # 614, Deh Jorejee, Bin Qasim town, Karachi
Survey # 615, Deh Jorejee, Bin Qasim town, Karachi
22nd Floor, Ocean Mall, Khayaban-e-Iqbal, Block-9, Clifton, Karachi.
Plot No. 12, Sector 23, Korangi Industrial area, Karachi

The above rental premises are used to carry out warehousing and administrative tasks.

1.5 As at 30 September 2024, the Group has 106 retail outlets including a franchise. (30 June 2024: 106 retail outlets including 2 franchises).

2 BASIS OF PREPARATION

The condensed interim consolidated financial information comprise the consolidated statement of Financial Position of Gul Ahmed Textile Mills Limited, its wholly owned subsidiary companies Ideas (Private) Limited, Gul Ahmed International Limited (FZC), GTM (Europe) Limited, GTM USA Corporation, Sky Home Corporation, JCCO 406 Limited are wholly owned subsidiaries of Gul Ahmed International Limited (FZC), Vantona Home Limited which is the wholly owned subsidiary of JCCO 406 Limited as at September 30, 2024 and the related consolidated statement of profit or loss, consolidated statement of cash flows and consolidated statement of changes in equity together with the notes forming part thereof for the period then ended. The financial statements of the subsidiary companies have been consolidated on a line by line basis.

These condensed interim consolidated financial statements of the Group 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 Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim consolidated financial statements comprise of the condensed interim consolidated statement of financial position as at September 30, 2024 and the condensed interim un-consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the period ended September 30, 2024.

The comparatives statement of Financial Position, presented in these condensed interim consolidated financial statements, as at September 30, 2024 has been extracted from the audited financial statements of the Group for the year ended June 30, 2024 whereas the comparative condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity for the quarter ended September 30, 2024 have been extracted from the condensed interim consolidated financial statements of the Group for the quarter ended September 30, 2023.

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

2.1 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) New standards, amendments and interpretations to published approved accounting and reporting standards which are effective for the accounting periods beginning on or after July 01, 2024

There are certain amendments and interpretations to approved accounting and reporting standards which are mandatory for the Group's annual accounting period beginning on or after July 1, 2024; however, these are do not have any significant impact on these consolidated condensed interim financial statements.

(b) Standards, Interpretations and Amendments to published approved accounting standards not yet effective

There are certain amendments to published accounting and reporting standards that will be applicable for the financial year beginning on or after July 1, 2024 but are considered not to be relevant or to have any significant effect on these condensed interim consolidated financial statements.

2.2 Use of judgements and estimates

The preparation of these condensed interim consolidated financial statements requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to financial statements as at and for the year ended June 30, 2024.

The Group's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2024.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are same as those applied in the preparation of the audited consolidated financial statements for the year ended 30 June 2024 and are in line with the amendments made to IAS 1 and IFRS Practice Statement 2.

		(Unaudited) September 2024	(Audited) June 2024
		(Rupees in '000)	
4	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	53,037,540	53,708,896
	Capital work in progress (CWIP)	875,134	633,051
		<u>53,912,674</u>	<u>54,341,947</u>
4.1	Operating Fixed Asset		
	Opening book value	53,708,896	52,340,673
	Additions / transfers during the period / year	581,277	6,521,138
	Written off during the period / year	-	(70,070)
	Reclassification to Capital work in progress	-	(18,832)
	Disposals during the period / year	(18,657)	(94,874)
	Depreciation charged during the period / year	(1,236,302)	(4,967,334)
	Foreign currency translation	2,326	(1,805)
	Closing book value	<u>53,037,540</u>	<u>53,708,896</u>
4.2	Additions / Transfers during the period / year		
	Land	-	121,484
	Buildings and structures on leasehold land	74,105	1,439,504
	Plant and machinery	406,557	4,442,900
	Furniture and fixtures	9,287	84,437
	Office equipment	91,328	345,561
	Vehicles	-	87,252
		<u>581,277</u>	<u>6,521,138</u>
4.3	Disposals - operating fixed assets (at net book value)		
	Buildings and structures on leasehold land	(17,052)	(35,628)
	Plant and machinery	-	(57,291)
	Furniture and fixtures	-	(520)
	Office equipment	(1,605)	(628)
	Vehicles	-	(807)
		<u>(18,657)</u>	<u>(94,874)</u>
4.4	Capital work in progress (CWIP)		
	Opening book value	633,051	2,409,507
	Additions during the period / year	823,360	4,710,740
	Transfers during the period / year	(581,277)	(6,506,028)
	Reclassification from operating fixed assets	-	18,832
	Closing book value	<u>875,134</u>	<u>633,051</u>
4.5	Additions during the period / year		
	Plant and machinery	601,055	3,309,671
	Buildings and structures on leasehold land	124,414	841,594
	Others	97,891	559,475
		<u>823,360</u>	<u>4,710,740</u>
4.6	This includes mark up capitalised during the construction period amounting to Rs. 12 million (30 June 2024: Rs. 480 million). Effective rate of mark-up capitalized is 17.9% (30 June 2024: 18.60%).		
5	RIGHT OF USE ASSETS		
	Balance as at 01 July	2,818,151	2,860,182
	Assets recognized during the period / year	19,721	528,589
	Derecognition / adjustment	(18,700)	135,921
	Depreciation expense		
	- Charged to Cost of sales	(6,818)	(22,451)
	- Charged to Distribution cost	(154,061)	(629,673)
	- Charged to Administrative cost	(8,733)	(54,126)
		<u>(169,612)</u>	<u>(706,250)</u>
	Foreign currency retranslation difference	(34)	(291)
	Net book value	<u>2,649,526</u>	<u>2,818,151</u>
	Gross carrying amount as at 30 September / 30 June		
	Cost	5,225,923	5,207,057
	Accumulated depreciation	(2,576,363)	(2,388,615)
	Foreign currency retranslation difference	(34)	(291)
	Balance as at 30 September / 30 June	<u>2,649,526</u>	<u>2,818,151</u>

		(Unaudited) September 2024	(Audited) June 2024
		(Rupees in '000)	
6	INTANGIBLE ASSETS		
	Opening book value	182,858	197,892
	Additions during the period / year	3,026	28,535
	Amortisation charged during the period / year	(8,871)	(38,514)
	Foreign Currency Translation	6,469	(5,055)
	Closing book value	<u>183,483</u>	<u>182,858</u>

7 LONG TERM INVESTMENT

Investment in Term Finance Certificate - at amortised cost	7.1	<u>70,000</u>	<u>70,000</u>
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7.1 This represent Rs. 70 million invested in Term Finance Certificate issued by Habib Bank Limited which carries profit at the rate of KIBOR+1.6% receivable on quarterly basis. This is of perpetual nature.

		(Unaudited) September 2024	(Audited) June 2024
		(Rupees in '000)	
8	RESERVES		
	Capital reserves		
	Amalgamation reserve	8.1 8,252,059	8,252,059
	Against long-term investments, capacity expansion and BMR	8.2 23,000,000	23,000,000
		<u>31,252,059</u>	<u>31,252,059</u>
	Revenue reserve		
	Exchange difference on translation of foreign subsidiaries	(243,019)	(302,206)
	Statutory reserve created by foreign subsidiary	20,845	20,845
	Unappropriated profit	9,291,276	8,956,407
		<u>9,069,102</u>	<u>8,675,046</u>
		<u>40,321,161</u>	<u>39,927,105</u>

8.1 This represents reserves created under the Scheme of Arrangement dated 05 May 2021 involving the Gul Ahmed Textile Mills Limited (the Group), Ideas (Private) Limited, Worldwide Developers (Private) Limited (WWDL), Grand Industries (Private) Limited (Grand) and Ghafooria Industries (Private) Limited (Ghafooria) which have been sanctioned by Honourable High Court of Sindh through order dated 29 October 2021.

8.2 This represents capital reserve against long-term investments, capacity expansions and BMR, not available for distribution.

		(Unaudited) September 2024	(Audited) June 2024
		(Rupees in '000)	
9	LONG TERM FINANCING - SECURED		
	Opening Balance	17,825,523	23,213,193
	Long term finance obtained during the period / year	-	358,000
	Unwinding of Interest	7,331	32,088
	Repayment made during the period / year	(883,887)	(5,777,758)
		<u>16,948,967</u>	<u>17,825,523</u>
	Current portion of long term financing	<u>(3,220,202)</u>	<u>(3,233,936)</u>
		<u>13,728,765</u>	<u>14,591,587</u>

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

The status of contingencies, as reported in the annual consolidated financial statements for the year ended 30 June 2024, has remained unchanged during the current period except for increase in amount of provisions and the following new developments:

Regarding the matter of tax credit on BMR under section 65 (B) of the Income Tax Ordinance 2001, as disclosed in the Note 25.10 of the consolidated financial statements for the year ended 30 June 2024, the Federal Board of Revenue (FBR) appealed to the Supreme Court to challenge the judgement passed by the Honorable Sindh High Court that the tax credit should be allowed at 5% instead of 10%.

The Honorable Supreme Court passed the appeal order and decided that the companies who have purchased and installed plant and machinery by 30 June 2019 are entitled to a tax credit at 10%. However, this benefit does not extend to companies that installed the plant and machinery after that date. Therefore, the Company is entitled to claim the full tax credit, since the installation was completed before the 30 June 2019. The Company has made adjustment of above judgement in these consolidated condensed interim financial statements.

10.2 Guarantees and others

- (a) Guarantees of Rs. 2,693 million (30 June 2024: Rs. 2,542 million) have been issued by banks on behalf of the Company which are secured by pari passu hypothecation charge over stores and spares, stock-in-trade, trade debts and other receivables. These guarantees includes guarantees issued by related party amounting to Rs. 1,154 million (30 June 2024: Rs. 1,154 million).
- (b) Post dated cheques of Rs.25,387 million (30 June 2024: Rs. 25,580 million) are issued to Custom Authorities in respect of duties on imported items availed on the basis of consumption and export plans.
- (c) Bills discounted Rs.12,952 million (30 June 2024: Rs. 13,451 million), including bills discounted from Habib Metropolitan Bank Limited, an associated company, amounting to Rs.4,195 million (30 June 2024: Rs. 4,470 million).
- (d) Corporate guarantee of Rs.248 million (30 June 2024: Rs. 237 million), Rs. 1,107 million (30 June 2024: 1,106 million) and Rs. 250 million (30 June 2024: Rs. 251 million) have been issued to various banks in favor of subsidiary companies - GTM (Europe) Limited - UK, Gul Ahmed International FZC - UAE and Sky Home Corp-USA respectively.

(Unaudited) September 2024	(Audited) June 2024
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(Rupees in '000)

10.3 Commitments

Capital expenditure	<u>969,770</u>	<u>761,382</u>
Other than capital expenditure	<u>31,447,790</u>	<u>15,429,528</u>
Forward foreign exchange contracts	<u>24,722,381</u>	<u>21,344,805</u>

10.3.1 Other than capital expenditure includes commitments for purchase of raw materials and stores and spares.

10.3.2 This includes forward foreign exchange contracts amounting to USD 33 million, equivalent to Rs. 10,431 million (30 June 2024: Rs. 9,543 million) obtained under pre-shipment exports. The Group is obligated to provide export documents against such amount. The liability of Rs. 10,431 million has been appropriately recorded under Export Facilitation Scheme in these condensed interim consolidated financial statements.

(Unaudited) September 2024	(Unaudited) September 2023
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(Rupees in '000)

11 CASH AND CASH EQUIVALENTS

Cash and bank balances	1,065,309	1,254,943
Running Finance	<u>(5,313,565)</u>	<u>(3,086,202)</u>
	<u>(4,248,256)</u>	<u>(1,831,260)</u>

(Unaudited) September 2024	(Unaudited) September 2023
----------------------------------	----------------------------------

(Rupees in '000)

12 SALES-NET

Export sales		
Direct	32,527,909	26,158,706
Indirect	9,864,226	9,938,829
	<u>42,392,135</u>	<u>36,097,535</u>
Export rebate	-	188,626
Trade and other discount	(350,745)	(280,470)
Commission	(385,679)	(657,647)
Sales tax	<u>(1,504,712)</u>	<u>(1,197,611)</u>
	<u>40,150,999</u>	<u>34,150,433</u>
Local sales	<u>9,439,514</u>	<u>8,784,919</u>
Brokerage	(100,797)	(100,158)
Sales tax	<u>(571,670)</u>	<u>(329,250)</u>
	<u>8,767,047</u>	<u>8,355,511</u>
	<u>48,918,046</u>	<u>42,505,944</u>

12.1 Local sales include revenue from inhouse manufacturing services on behalf of third party of Rs. 204 million (30 September 2023: Rs. 772 million).

12.2 Information with respect to disaggregation of revenue by internal segment and geographical location is disclosed in note 15 of these consolidated condensed interim financial statements.

12.3 All revenue earned are from shariah permissible business.

	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
	(Rupees in '000)	
13 LEVIES		
Minimum Tax in excess of income tax	49,155	60,105
Minimum Taxes u/s 154	466,456	512,865
	<u>515,611</u>	<u>572,970</u>

13.1 This represents minimum tax under section 113 in excess of income tax and minimum tax paid under section 154 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/ IAS 37.

	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
	(Rupees in '000)	
14 INCOME TAX		
Current tax	68,198	26,171
Prior tax	(193,727)	-
	(125,529)	26,171
Deferred Tax	(31,684)	(30,935)
	<u>(157,213)</u>	<u>(4,764)</u>

14.1 Since majority of the Group's income falls under the ambit of minimum tax regime, the relationship between tax expense and accounting profit has not been presented in these consolidated financial statements.

14.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the consolidated statement of profit and loss, is as follows:

	(Unaudited) 30 September 2024	(Unaudited) 30 September 2023
	(Rupees in '000)	
Current tax liability for the year as per applicable tax laws	358,398	568,206
Portion of current tax liability as per tax laws, representing income tax under IAS 12	157,213	4,764
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(515,611)	(572,970)
Difference	<u>-</u>	<u>-</u>

14.3 The aggregate of levies and income tax, amounting to Rs. 358 million (30 September 2023: Rs. 568 million) represents tax liability of the Group calculated under the relevant provisions of the Income Tax Ordinance, 2001.

15 SEGMENT INFORMATION

The Group's operations have been divided in four segments based on the nature of process and internal reporting along with subsidiaries. Following are the reportable business segments:

- a) Spinning: Production of different qualities of yarn using both natural and artificial fibres.
- c) Home Textile: Production of different types and qualities falling under the definition of home textile.
- d) Retail: Sale of textile goods and other products through retail and online channels.
- e) Others: Weaving, Fiber Bleaching, Knitting, Yarn dyeing and Dyed yarn fabric etc.
- e) Subsidiary Companies: All subsidiaries are engaged in distribution / trading of textile related products.

Transactions among the business segments are recorded at cost.

15.1 Segment Profitability

	Spinning		Apparel		Home Textile		Retail		All other segments		Elimination Of Inter Segment Transactions		Total	
	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023	September 2024	September 2023
	(Rupees in '000)													
Sales to external customers	9,520,406	9,702,396	3,856,823	3,828,082	31,467,576	24,540,856	5,803,570	6,517,817	9,029,550	5,373,110	(10,759,879)	(7,456,317)	48,918,046	42,505,944
Cost of sales	(8,128,773)	(8,207,310)	(3,809,300)	(3,592,744)	(29,597,870)	(22,265,176)	(3,315,777)	(4,111,657)	(8,445,232)	(5,084,108)	10,759,879	7,456,317	(42,537,074)	(35,804,678)
Gross profit	1,391,632	1,495,086	47,523	235,338	1,869,706	2,275,680	2,487,793	2,406,160	584,318	289,002	-	-	6,380,972	6,701,266
Distribution and Administrative cost	(123,426)	(119,169)	(209,900)	(248,723)	(1,435,854)	(1,143,771)	(2,002,661)	(1,898,366)	(642,336)	(523,580)	-	-	(4,414,176)	(3,933,609)
Profit before tax and before charging following	1,268,206	1,375,917	(162,377)	(13,385)	433,852	1,131,909	485,133	507,794	(58,018)	(234,578)	-	-	1,966,796	2,767,657
Finance Cost													(2,226,939)	(2,166,577)
Other operating cost													(76,533)	(92,830)
Other income													1,029,943	604,065
Profit before tax													(1,273,529)	(1,655,342)
Taxation													693,267	1,112,315
Profit after tax													157,213	4,764
													850,480	1,117,079
Depreciation and Amortisation expense	307,748	342,562	45,676	47,901	258,579	242,719	127,809	127,994	505,360	434,476	-	-	1,245,172	1,195,652

15.2 Segment assets and liabilities

	Spinning		Apparel		Home Textile		Retail		All other segments		Unallocated		Total	
	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024	30 September 2024	30 June 2024
	(Rupees in '000)													
Assets	33,351,101	32,289,234	6,725,796	7,113,934	59,793,214	57,379,745	18,924,112	17,568,817	21,555,550	20,256,822	15,672,791	13,673,330	156,022,563	148,939,881
Liabilities	(16,736,338)	(12,971,968)	(3,366,437)	(3,178,145)	(23,548,653)	(22,355,651)	(13,880,961)	(12,487,740)	(13,967,245)	55,359,103	(36,801,174)	(36,986,138)	(108,300,808)	(101,612,182)
Segment Capital & Intangible expenditure	228,052	324,127	4,577	151,641	360,966	1,355,898	-	230,793	30,228	964,613	202,564	1,712,203	826,386	4,739,275

15.3 Unallocated items represent those assets and liabilities which are common to all segments and these include long term deposits, other receivables, deferred liabilities, certain common borrowing and other corporate assets and liabilities.

15.4 Information about major customer

Sales to major customer whose revenue exceeds 10% of gross sales is Rs. 10,153 million (30 September 2023: Rs. 8,066 million).

Revenue		Non-current assets	
Three months ended (Unaudited)		(Unaudited)	(Audited)
September 2024	September 2023	September 2024	June 2024
(Rupees in '000)			

15.5 INFORMATION BY GEOGRAPHICAL AREA

Pakistan	17,272,286	17,196,887	58,215,907	58,870,793
Germany	9,565,144	7,593,366	-	-
United States of America	4,018,498	4,584,363	-	596
United Kingdom	4,149,131	3,115,378	270,934	131,513
Italy	2,550,259	1,770,029	-	-
France	1,958,541	1,567,641	-	-
Netherlands	1,727,796	1,120,140	-	-
Spain	1,135,402	1,092,071	-	-
China	590,375	621,366	-	-
Sweden	639,019	504,481	-	-
United Arab Emirates	220,884	256,545	15,229	61,786
Other Countries	5,927,932	3,933,325	-	-
	49,755,267	43,355,593	58,502,070	59,064,688

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies, companies where directors also hold directorship, directors of the Group and key management personnel. The Group in the normal course of business carried out transaction with various related

Name of the related party	Relationship and percentage of shareholding	Transactions during the period	(Unaudited)	
			Three Months Ended	
			Sep - 2024	Sep - 2023
(Rupees in '000)				
Grand Industries (Pvt) Limited	Associated Company	Rent expense	300	877
Swisstex Chemicals (Private) Limited	Associated Company	Purchase of goods	51,885	57,789
Win Star (Private) Limited -	Associated Company	Purchase of goods	7,098	4,495
Arwen Tech. (Private) Limited	Associated Company	Services rendered	-	214,547
Haji Ali Mohammad Foundation	Associated Company	Rent paid	240	240
The Pakistan Business Council	Associated Company	Fees paid	2,500	2,500
Habib Metropolitan Bank	Associated company	Mark-up on short term borrowings	99,808	75,306
Askari Bank Limited	Associated company	Mark-up on short term borrowings	111,629	101,179
		Mark-up on long term borrowings	4,417	5,440
Samba Bank Limited	Associated company	Mark-up on short term borrowings	23,262	13,132
		Mark-up on long term borrowings	979	1,512
Standard Chartered Pakistan Limited	Associated company	Mark-up on short term borrowings	153,484	93,432
Board of Directors	Associate	Meeting Fees	-	1,900
Ideas (Private) Limited - Employees Provident Fund Trust	Employee Retirement Fund	Subsidiary Company's contribution to provident fund	32,421	28,964
Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	Employee Retirement Fund	Holding Company's contribution to provident fund	99,364	94,780

Name of the related party	Relationship and percentage of shareholding	Nature of outstanding balances	(Unaudited)		(Audited)
			30 September 2024		30 June 2024
			(Rupees in '000)		
Win Star (Private) Limited	Associated company	Trade and other payables	16,201		19,211
Swisstex Chemicals (Private) Limited	Associated company	Trade and other payables	37,368		49,508
Grand Industries (Private) Limited	Associated company	Trade and other payables	4,615		4,389
TPL Properties Limited	Associated company	Trade and other payables	22,049		22,049
Arwen Tech. (Private) Limited	Associated Company	Trade and other payables	-		182,171
Habib Metropolitan Bank	Associated company	Bills Discounted	6,252,449		23,026,343
		Short Term Borrowings	5,406,637		5,418,668
		Accrued Markup	44,923		9,588
Askari Bank Limited	Associated company	Bills Discounted	1,355,323		2,361,162
		Long Term Borrowings	528,370		553,368
		Short Term Borrowings	3,650,078		2,800,007
		Accrued Markup	46,382		43,175
Samba Bank Limited	Associated company	Bills Discounted	-		169,874
		Long Term Borrowings	113,684		143,080
		Short Term Borrowings	1,069,980		849,162
		Accrued Markup	7,965		22,082
Standard Chartered Pakistan Limited	Associated company	Bills Discounted	1,032,777		1,696,905
		Short Term Borrowings	4,599,509		5,505,991
		Accrued Markup	97,328		185,947
Key management Personnel	Associate	Loan provided	84,364		87,256
Gul Ahmed Textile Mills Limited Employees Provident Fund Trust	Employee Retirement Fund	Payable to employee's provident fund	45,840		46,400
Ideas (Private) Limited - Employees Provident Fund Trust	Employee Retirement Fund	Payable to employee's provident fund	32,421		28,964

16.1 There are no transactions with directors of the Group and key management personnel other than under the terms of employment for the three months ended 30 September 2024 amounting to Rs.580 million (30 September 2023: Rs.694 million) on account of remuneration.

17 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

The Group's financial risk objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements as at and for the year ended 30 June 2024.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Group while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.
- 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 are unobservable inputs for the asset or liability inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets and liabilities of the Group are either short term in nature or are repriced periodically therefore; their carrying amounts approximate their fair values.

Transfers, if any, between levels of the fair value hierarchy is recognized at the end of the reporting period during which the transfer has occurred. The Group's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at year end the fair value of all the financial assets and liabilities approximates to their carrying values. The property plant and equipment is carried at cost less accumulated depreciation and impairment if any, except free-hold land, lease-hold land and capital work in progress which are stated at cost. Long term investments represent investment in Term Finance Certificates carried at amortized cost. The Group does not expect that unobservable inputs may have significant effect on fair

18 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

19 GENERAL

Allocations for the workers' profit participation fund, workers' welfare fund and provision for taxation including deferred tax are provisional and final liability will be determined on the basis of annual results.

20 DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised and approved for issue on 25-October-2024 by the Board of Directors of the Group.

Mohomed Bashir
Chairman

Mohammed Zaki Bashir
Chief Executive Officer

MUHAMMAD KASHIF RIAZ
Chief Financial Officer