

Service Industries Textiles Limited

Quarterly Report

Un-Audited

**1st Quarter Ended
September 30, 2024**



**COMPANY INFORMATION**

BOARD OF DIRECTORS	: Aamer Hameed (Chairman/Non Executive Director) Mohammad Hameed (Chief Executive/Executive Director) Murtaza Hameed (Executive Director) Omar Mohyud Din Malik (Independent Director) Zainab Khan (Independent Director) Tariq Hameed (Non Executive Director) Sadia Hamid (Non Executive Director)
CHIEF FINANCIAL OFFICER	: M. Muddasar Shahzad
COMPANY SECRETARY	: Usman Khalid
AUDIT COMMITTEE	: Omar Mohyud Din Malik (Chairman) Zainab Khan (Member) Tariq Hameed (Member)
HUMAN RESOURCE & REMUNERATION COMMITTEE	: Zainab Khan (Chairperson) Aamer Hameed (Member) Omar Mohyud Din Malik (Member)
BANKERS	: Meezan Bank Limited MCB Bank Limited Bank Alfalah Limited
AUDITORS	: Crowe Hussain Chaudhury & Co., Chartered Accountants
INTERNAL AUDITOR	: Awan & Co. Chartered Accountants
REGISTERED OFFICE	: 38-Empress Road, Lahore Telephones: (92-42) 36304561-3, 36367861-3 Telefax: (92-42) 3636 7861 E-mail: info@prime-service.com
MILLS	: Rehman Shaheed Road, Gujrat Telephone: (92-53) 3514065, 3535085 Telefax: (92-53) 3513700
Web Reference	: www.sitl.com.pk
Share Registrar	: Corplink (Pvt) Ltd. Wings Arcade, 1-K Commercial Model Town, Lahore Tel: (92-42) 35839182, 35916719



DIRECTORS' REPORT

The Directors of your Company present before you the un-audited financial statements for the quarter ended September 30, 2024. The financial results are as follows:

	30.09.2024 (Rupees 000)	30.09.2023 (Rupees 000)
Net Loss for the period	(1,672)	(13,447)
Accumulated loss brought forward	(318,533)	(233,222)
	(320,205)	(246,669)
Transfer from surplus on revaluation Of fixed assets in respect of incremental Depreciation- net of deferred tax	3,028	3,365
Accumulated Loss	(317,177)	(243,304)
Loss per share - Basic	(0.12)	(0.98)


During the current period Company has incurred a net loss of Rs. 1.671 million as compared to net loss of Rs. 13.447 million for the same period in the previous year. Revenue for the period was Rs. 371.757 as compared to Rs.317.130 in the previous period.

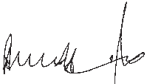
Revival of textile industry was mainly based on providing the energy at RCET (regionally competitive energy tariff) which helped the Punjab based textile sector to compete regionally. However, because of its withdrawal and depreciation of Pakistani rupee to record low against the dollar has made the energy cost unbearable. Industrial power tariffs in Pakistan are currently at around 17 cents/kWh. This is over twice the regional average. The price of gas has been raised to Rs. 2,750/MMBtu, this will take the price of captive generation from around 10 cents/kWh to 13 cents/kWh which is well above a regionally competitive level of 9 cents/kWh and power tariffs in regional economies. If the Government fails to address this issue timely and is unable to provide the energy at RCET then this will hit the textile industry adversely and number of mills will be forced to either close or curtail their operations / productions.

Another challenge that spinning sector is facing is quality and production of cotton crop. The cotton production is on a decline for last many years due to multiple factors such as climate change, uncertified seeds, unchecked business of spurious pesticides, and high cost of production with diminishing return for farmers. Though the Government has realized the challenges for improving the yield and quality of cotton crops and has taken small steps for its improvement still there is a long way to go. Government should fully support the farmers and help them in up-gradation of ginning technology, educate the farmer to use the quality seed and make investment in research and development of quality seed, capacity building of farmers and introduce incentives for better quality cotton that would help in motivating the farmers.

We are fully aware of the challenges and are prepared to do everything possible to mitigate the adverse impact of such an event as far as it is under the control of management. We are very hopeful that current crisis will be over in the coming years by the combine efforts of Government and industry and we remain hopeful of the improving macro and micro economic situation of the Country.

Lahore
October 30, 2024


Mohammad Hameed
Chief Executive


Aamer Hameed
Director



ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے غیر متنقح شدہ حسابات پیش کرتے ہیں۔ مالیاتی نتائج درج ذیل ہیں۔

30.09.2023 (Rupees 000)	30.09.2024 (Rupees 000)	
(13,447)	(1,672)	خالص نقصان
(233,222)	(318,533)	آگے لایا گیا جمع نقصان
(246,669)	(320,205)	
3,365	3,028	ٹرانسفر فرام سرپلس آن ریویلیوشن
(243,304)	(317,177)	منافع / نقصان
(0.98)	(0.12)	فی شیئر نقصان

زیر جائزہ مدت کے دوران کمپنی کا نقصان 1.672 ملین روپے رہا جبکہ پچھلے سال اسی مدت میں نقصان 13.447 ملین روپے رہا۔ کمپنی کا ریونیو اس مدت میں 371.757 ملین روپے رہا جبکہ پچھلی مدت میں 317.130 ملین روپے تھا۔

ٹیکسٹائل سیکٹر کی بحالی کی بنیاد پر وچ مسابقتی قیمتوں میں انرجی کی فراہمی تھی لیکن اسکے منقطع کئے جانے اور روپے کی قیمت میں ریکارڈ کمی نے انرجی کی قیمت کو ملکی بلخصوص پنجاب کی انڈسٹری کیلئے ناقابل برداشت بنا دیا ہے۔ پاکستان میں انڈسٹری کا ٹیرف 17/KWH سینٹ ہے جو کہ خطے کے مقابلے میں تقریباً دو گنا ہے۔ گیس کی قیمت میں بھی اضافہ ہوا ہے جو کہ خطے کے مسابقتی ریٹ 9 سینٹ KWH سے کافی زیادہ ہے اگر حکومت ان مسائل کو حل کرنے میں ناکام رہتی ہے اور انڈسٹری کو مسابقتی قیمتوں پر کئی کی فراہمی نہیں کر پاتی تو ڈر ہے کہ کئی ٹیلیں یا تو بند ہو جائیں گی یا اپنی پیداواری صلاحیت میں کمی کرنے پر مجبور ہوں گی کپاس کی فصل گزشتہ کئی سالوں سے انحطاط کا شکار ہے۔ جسکی وجہ موسماں تبدیلی ناقص بیج اور زرعی ادویات کا سپرے کے ساتھ ساتھ کسان کی منافع میں کمی ہے۔ حکومت کو چاہیے کہ کسان کی بھرپور مدد کرے اور ان کو کاشتکاری کے جدید طریقے سکھائے۔ اصل اور اعلیٰ بیج کی فراہمی کو یقینی بنائے اور کسان کو فصل کا منصفانہ منافع ملنے کو یقینی بنائے۔

ہم ان تمام چیلنجز سے بخوبی آگاہ ہیں اور ان کے منفی اثرات ختم کرنے کیلئے ہر ممکن کوشش کریں گے۔ ہم پر امید ہیں کہ جلد ہی حالیہ معاشی بحران حکومت اور انڈسٹری کے مشترکہ تعاون سے ختم ہو جائے گا۔ ہم پر امید ہیں کہ ملکی معاشی صورتحال بہتر ہوگی۔

بورڈ آف ڈائریکٹرز کی طرف سے

حامد چیراگ

محمد چیراگ
چیف ایگزیکٹو

لاہور

مورخہ 30 اکتوبر 2024



**STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024**

	Notes	September 30, 2024 (Un-audited) Rs. '000'	June 30, 2024 (Audited) Rs. '000'
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
20,000,000 (June 2024: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid up capital			
		137,875,670	137,875,670
Share premium reserve			
		18,676,816	18,676,816
Accumulated loss			
		(317,176,963)	(318,533,836)
Surplus on revaluation of property, plant and equipment			
		1,070,304,730	1,073,333,474
		909,680,253	911,352,124
Non Current Liabilities			
Long term financing			
4		16,362,390	19,213,153
Post employment benefit obligations			
		24,778,822	24,354,001
Deferred tax liability			
		46,085,777	45,915,029
		87,226,989	89,482,183
Current Liabilities			
Trade and other payables			
		354,674,475	404,136,999
Unclaimed dividends			
		232,987	232,987
Unpaid dividends			
		683,629	683,629
Short term borrowings			
5		26,720,000	26,720,000
Current portion of long term financing			
4		12,000,000	11,750,000
Accrued markup			
		9,510,712	8,782,300
Provision for taxation			
		21,413,427	16,766,470
		425,235,230	469,072,385
Contingencies and Commitments			
6		-	-
Total Equity and Liabilities		1,422,142,472	1,469,906,692
ASSETS			
Non Current Assets			
Property, plant and equipment			
7		1,283,151,910	1,284,419,194
Long term deposits			
		27,337,243	23,564,083
		1,310,489,153	1,307,983,277
Current Assets			
Stores and spares			
		3,075,482	3,569,118
Stock in trade			
		58,699,978	65,567,338
Trade debts			
		-	3,239,253
Advances and prepayments			
		37,902,124	65,199,860
Cash and bank balances			
		11,975,735	24,347,846
		111,653,319	161,923,415
Total Assets		1,422,142,472	1,469,906,692

The annexed notes from 1 to 16 form an integral part of these financial statements.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (UN AUDITED)**

		Quarter ended September 30, 2024	Quarter ended September 30, 2023
	Notes	(Un-audited) Rupees '000	(Un-audited) Rupees '000
Revenue		371,756,560	317,130,111
Cost of sales	8	(355,801,938)	(316,005,003)
Gross Profit		15,954,622	1,125,108
Operating expenses:			
- Distribution cost		(1,660,493)	(2,141,179)
- Administrative expenses	9	(8,309,318)	(7,522,689)
		(9,969,811)	(9,663,277)
Operating Profit / (Loss)		5,984,811	(8,538,169)
Finance cost		(2,838,977)	(3,380,372)
		(2,838,977)	(3,380,372)
Profit / (Loss) before Levy / Taxation		3,145,834	(11,918,541)
Levy	10	(4,646,957)	(3,964,126)
Loss before Income Tax		(1,501,123)	(15,882,667)
Income tax	11	(170,748)	2,435,758
Net Loss for the Period		(1,671,871)	(13,446,909)
Loss per Share - Basic and Diluted		(0.12)	(0.98)

The annexed notes from 1 to 16 form an integral part of these financial statements.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended September 30, 2024	Quarter ended September 30, 2023
Note	(Un-audited) Rupees '000	(Un-audited) Rupees '000
Net Loss for the period	(1,671,871)	(13,446,909)
Other Comprehensive Income for the period		
Items that may be reclassified to profit and loss		
Items that will not be reclassified to profit or loss		
Experience adjustment on remeasurement of post employment benefits	-	-
Related deferred tax impact	-	-
Total Comprehensive Income for the period	<u>(1,671,871)</u>	<u>(13,446,909)</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

Particulars	Issued, Subscribed and Paid up Capital	Reserves		Surplus on Revaluation of Property, Plant and Equipment	Total
		Share Premium Reserve	Accumulated (Loss)		
	Rupees (000)	Rupees (000)	Rupees (000)	Rupees (000)	Rupees (000)
Balance as at June 30, 2023	137,875,670	18,676,816	(233,221,606)	1,086,794,560	1,010,125,440
Net loss for the period	-	-	(13,446,909)	-	(13,446,909)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	(13,446,909)	-	(13,446,909)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current year - net of deferred tax	-	-	3,365,271	(3,365,271)	-
Balance as at September 30, 2023	137,875,670	18,676,816	(243,303,244)	1,083,429,289	996,678,531
Balance as at June 30, 2024	137,875,670	18,676,816	(318,533,836)	1,073,333,474	911,352,124
Net loss for the year	-	-	(1,671,871)	-	(1,671,871)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	(1,671,871)	-	(1,671,871)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current year - net of deferred tax	-	-	3,028,744	(3,028,744)	-
Balance as at September 30, 2024	137,875,670	18,676,816	(317,176,963)	1,070,304,730	909,680,253

The annexed notes from 1 to 16 form an integral part of these financial statements.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer



**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	Quarter ended 30 September 2024	Quarter ended 30 September 2023
	Rupees '000	Rupees '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before Levy / Taxation	3,145,834	(11,918,541)
Adjustments for:		
- Depreciation	8,619,344	9,385,106
- Post employment benefit obligations	2,012,996	2,420,402
- Finance cost	2,838,977	3,380,372
	13,471,317	15,185,880
Operating loss before working capital changes	16,617,151	3,267,339
(Increase) / decrease in current assets:		
- Stores and spares	493,636	(1,026,865)
- Stock in trade	6,867,360	16,752,291
- Trade debts	3,239,253	2,196,115
- Advances and prepayments	32,240,629	7,312,016
Increase in current liabilities:		
- Trade and other payables	(51,168,200)	(25,964,047)
	(8,327,322)	(730,490)
Cash Generated from Operations	8,289,829	2,536,849
Income tax paid	(4,942,893)	(1,606,666)
Finance cost paid	(20,652)	(17,483)
Long term deposits paid	(3,773,160)	-
Post employment benefit obligations paid	(1,588,175)	(706,020)
Net Cash (Used in) /Generated from Operating Activities	(2,035,051)	206,680
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,352,060)	(3,000,000)
Net Cash Used in Investing Activities	(7,352,060)	(3,000,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - paid to related parties	(2,985,000)	(3,130,000)
Net Cash Used in Financing Activities	(2,985,000)	(3,130,000)
Net Decrease in Cash and Cash Equivalents	(12,372,111)	(5,923,320)
Cash and cash equivalents at the beginning of the period	24,347,846	19,183,505
Cash and Cash Equivalents at the End of the Period	11,975,735	13,260,185

The annexed notes from 1 to 16 form an integral part of these financial statements.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer



**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

Note 1**The Company and its Operations**

- 1.1 Service Industries Textiles Limited (the Company) was incorporated in Pakistan in 1962 as a Private Limited Company under the Companies Act 1913, (now The Companies Ordinance, 1984) and was subsequently converted into a Public Limited Company in 1970. The Company is listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn made from raw cotton and synthetic fiber. The registered office of the Company is situated at 38 - Empress Road, Lahore.
- 1.2 The Information on geographical location and address of the Company's business is as under :

Business unit	Geographical location
Head / Registered office	38 - Empress Road, Lahore.
Manufacturing unit	Rehman Shaheed Road, Gujrat.

Note 2**Basis of Preparation**

- 2.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017:
- and
- Provisions of and directives issued under the Companies Act, 2017.
- Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the revisions of and directives under the Companies Act, 2017 have been followed.
- 2.2 This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2024. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2024 whereas comparative profit and loss account, comparative statement of comprehensive income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited interim financial information for the quarter ended September 30, 2023.
- 2.3 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.



Note 3
Significant Accounting Policies

The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2024.

Note 4 Long Term Financing	September 30 2024	June 30 2024
	(Unaudited) Rupees	(Audited) Rupees
Related parties - Unsecured		
Loan from directors / related parties	30,963,153	42,044,671
Effect of discounting	-	-
Fair value of subsidized loan	30,963,153	42,044,671
Unwinding of discount	384,237	1,168,482
Repayment	<u>(2,985,000)</u>	<u>(12,250,000)</u>
	28,362,390	30,963,153
Less: Current portion	<u>(12,000,000)</u>	<u>(11,750,000)</u>
	<u>16,362,390</u>	<u>19,213,153</u>

- 4.1 This represents loan obtained from directors from time to time, to meet the liquidity requirements of the Company. The loan is repayable in equal monthly installments of Rs. 1 million each. This loan is unsecured and carries markup @ 10% per annum (June 2024: 10% per annum). This subsidized loan has been recognised at fair value being the present value of the future outflows as per the agreed loan repayment schedule. During the period, the unwinding of discount of Rs. 384,237 (June 2024: Rs. 1,168,482) has been recognised as part of finance cost in the statement of profit or loss.

Note 5 Short Term Borrowings	September 30 2024	June 30 2024
	(Un-audited) Rupees	(Audited) Rupees
Loan from directors / related parties - unsecured	<u>26,720,000</u>	<u>26,720,000</u>

- 5.1 This represents unsecured, interest free loan given by directors and related parties to meet the liquidity requirements of the Company. These loans are repayable on demand.



Note 6 Contingencies and Commitments

Contingencies

6.1 There has been no change in the status of contingencies as reported in the annual audited financial statements for the year ended June 30, 2024.

Commitments

6.2 There are no material commitments outstanding as at the reporting date (June 30, 2024: Nil).

Note 7	September 30	June 30
Property, Plant & Equipment	2024	2024
	(Unaudited)	(Audited)
	Rupees	Rupees
Opening written down value	1,284,419,194	1,317,923,851
Additions during the period / year	7,352,060	4,072,000
Depreciation charge for the period / year	(8,619,344)	(37,576,657)
	<u>1,283,151,910</u>	<u>1,284,419,194</u>

Note 8	September 30	September 30
Cost of sales	2024	2023
	(Unaudited)	(Unaudited)
	Rupees	Rupees
Raw material consumed	201,887,738	190,753,730
Stores and spares consumed	964,939	2,431,090
Packing material consumed	2,984,314	1,969,515
Fuel and power	108,138,250	86,884,776
Salaries & wages	30,511,597	24,724,667
Insurance	460,000	228,000
Repair & maintenance	815,310	1,085,840
Depreciation	8,497,614	9,231,046
	<u>354,259,762</u>	<u>317,308,664</u>
Work in process		
Opening	19,769,551	19,902,329
Closing	(17,175,510)	(19,827,258)
	2,594,041	75,071
Finished Goods		
Opening	5,396,536	4,523,709
Closing	(6,448,401)	(5,902,441)
	(1,051,865)	(1,378,732)
	<u>355,801,938</u>	<u>316,005,003</u>



Note 9	September 30	September 30
Administrative Expenses	2024	2023
	(Unaudited)	(Unaudited)
	Rupees	Rupees
Salaries & Benefits	5,448,245	5,155,872
Utilities	576,430	494,929
Printing & Stationery	72,026	70,108
Communication	78,931	177,172
Travelling & conveyance	394,467	194,945
Repairs & Maintenance	33,650	65,890
Rent, rates & Taxes	278,749	278,749
Vehicle running & Maintenance	152,790	47,474
Fee and Subscription	511,089	10,000
Legal & Professional charges	341,306	575,249
Entertainment	233,699	273,677
Newspaper & Periodicals	15,410	15,830
Donations	-	591
Gardening Expenses	47,820	-
Miscellaneous	2,976	8,143
Depreciation	121,730	154,060
	<u>8,309,318</u>	<u>7,522,689</u>
Note 10	September 30	September 30
Levy	2024	2023
	(Unaudited)	(Unaudited)
	Rupees	Rupees
Minimum tax	4,646,957	3,964,126
Prior year adjustments	-	-
	<u>4,646,957</u>	<u>3,964,126</u>
This represents portion of minimum tax paid under section 113 of Income tax Ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.		
Note 11	September 30	September 30
Taxation	2024	2023
	(Unaudited)	(Unaudited)
Current:		
- Charge for the year	-	-
	-	-
Deferred tax	170,748	(2,435,758)
	<u>170,748</u>	<u>(2,435,758)</u>
Reconciliation of levy and income tax under IAS-12:		
Current tax liability as per applicable tax laws	4,646,957	3,964,126
Portion of current tax liability representing income tax as per IAS-12	-	-
Portion of current tax liability representing levy as per IFRIC-21 / IAS-37	(4,646,957)	(3,964,126)
Difference	-	-



Note 12 Financial Risk Management

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

Note 13 Transactions with Related Parties

Related parties comprise directors of the Company and their close relatives, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties and balances due to / from them are as under:

Transactions during the year			September 30 2024 (Unaudited) Rupees (000)	September 30 2023 (Unaudited) Rupees (000)
Related party	Relationship	Nature of transaction		
Directors and close relatives thereof	Associated persons	Long term financing repaid to directors Markup on long term financing from directors Markup on long term financing repaid / adjusted	2,985,000 728,412 -	3,130,000 1,207,026 -
Balance outstanding as at September 30, 2024				
Directors, executives and close relatives thereof		Long term financing Accrued markup on long term financing	28,362,390 9,510,712	39,127,789 1,207,026
			<u>37,873,102</u>	<u>40,334,815</u>

Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place.

Sr No	Company Name/ Party Name	Basis or Association	Aggregate % of Shareholding
1	Mr. Mohammad Hameed	CEO	17.49
2	Mr. Aamer Hameed	Director	16.65
3	Ms. Uzma Hameed	Related party- close relationship of Director	13.52
4	Ms. Saima Hameed	Related party- spouse of Mr. Aamer Hameed	9.08
5	Ms. Rubina Ijaz	Related party- close relationship of Director	2.86



Note 14 Segment Information

14.1 Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker. The Chief Executive Officer (CEO) of the Company has been designated as the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments.

The CEO is responsible for the Company's entire product portfolio and considers business as a single operating segment. The Company's assets allocation decisions are based on a single integrated investment strategy and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the Company's assets, liabilities and performance is prepared on a basis consistent with the measurement and recognition principles of approved accounting standards as applicable in Pakistan. The Company is domiciled in Pakistan. All of the Company's income is from the entities incorporated in Pakistan.

14.2 Entity-wide disclosures regarding reportable segment are as follows:

Information about major customers

One customer of the Company accounts for 25% (September 2024: 29%) of total sales for the period. Revenue from such customer was Rs. 93.789 million (September 2023: Rs. 110.632 million).

Information about geographical area

- All non-current assets of the Company are located in Pakistan as at the reporting date.

Note 15 Date of Authorization for Issue

These financial statements were approved by the board of directors and authorized for issue on 30 October, 2024.

Note 16 General

Figures have been rounded off to the nearest thousand of rupee.

Corresponding figures have been re-arranged and re-grouped where-ever necessary for the purpose of comparison.

Mohammad Hameed
Chief Executive

Aamer Hameed
Director

M. Muddasar Shahzad
Chief Financial Officer

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