

**1st
Quarter
Report**

IDEAL SPINNING MILLS LIMITED



IdealGroup

**CONDENSED INTERIM
FINANCIAL INFORMATION**

**1st Quarter Report
(UN-AUDITED)
30 SEPTEMBER, 2023**



COMPANY INFORMATION

CHAIRMAN:	MR. MOHAMMAD SAEED
CHIEF EXECUTIVE OFFICER:	MR. AMJAD SAEED
DIRECTORS:	MRS. ROBINA AMJAD MR. OMER SAEED MR. AHSAN SAEED MR. KHIZER SAEED MR. MUHAMMAD AZHAR (INDEPENDENT) MR. RIZWAN-UL-HASSAN (INDEPENDENT)
AUDIT COMMITTEE:	
CHAIRMAN	MR. MUHAMMAD AZHAR
MEMBER	MR. MUHAMMAD SAEED
MEMBER	MR. AHSAN SAEED
H. R. & REMUNERATION COMMITTEE:	
CHAIRMAN	MR. MUHAMMAD AZHAR
MEMBER	MR. MR. AHSAN SAEED
MEMBER	MRS. RUBINA AMJAD
NOMINATION COMMITTEE:	
CHAIRMAN	MR. OMER SAEED
MEMBER	MR. MR. AHSAN SAEED
MEMBER	MR. KHIZER SAEED
RISK MANAGEMENT COMMITTEE:	
CHAIRMAN	MR. AHSAN SAEED
MEMBER	MR. MR. OMER SAEED
MEMBER	MR. KHIZER SAEED
CHIEF FINANCIAL OFFICER:	MR. MUHAMMAD KASHIF ZAHUR
COMPANY SECRETARY:	MR. MUHAMMAD NADEEM
SHARE REGISTRAR:	F. D. Registrar Services (SMC-Pvt.) Limited 17 th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi.
AUDITORS:	M/S RIAZ AHMAD & COMPANY. CHARTERED ACCOUNTANTS
BANKERS:	BANK AL-FALAH LTD NATIONAL BANK OF PAKISTAN ASKARI BANK LTD BANK AL-HABIB LTD HABIB METROPOLITAN BANK LTD THE BANK OF PUNJAB HABIB BANK LIMITED SAMBA BANK LTD MEEZAN BANK LTD
REGISTERED OFFICE :	ROOM NO 404 & 405, 4 TH FLOOR, BUSINESS CENTRE, MUMTAZ HASSAN ROAD, KARACHI.

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

The Board of Directors feel pleasure in submitting un-audited financial statement of your company for the first quarter ended 30th September, 2023.

COMPANY'S PERFORMANCE

First Quarterly brief financial position of the Company is presented here under:

	(RUPEES IN THOUSAND)	
	<u>30.09.2023</u>	<u>30.09.2022</u>
REVENUE FROM CONTRACTS WITH CUSTOMERS	1,805,571	1,684,387
COST OF SALES	<u>(1,721,763)</u>	<u>(1,566,990)</u>
GROSS PROFIT	83,808	117,397
DISTRIBUTION COST	(42,983)	(43,238)
ADMINISTRATIVE EXPENSES	(82,626)	(89,474)
OTHER EXPENSES	(50)	(15,155)
OTHER INCOME	4,532	221
FINANCE COST	<u>(58,358)</u>	<u>(48,693)</u>
(LOSS) BEFORE TAXATION	(95,677)	(78,942)
TAXATION	<u>(21,299)</u>	<u>(19,562)</u>
(LOSS) AFTER TAXATION	<u>(116,976)</u>	<u>(98,504)</u>
(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	(11.79)	(9.93)

The financial performance of the company during the first quarter of the current fiscal year has been challenging, characterized by a gross profit of Rs. 83.808 Million. Various external factors, such as the persistent surge in raw material prices, escalating fuel and power costs, political instability, high-interest rates and rapid monetary policy tightening have significantly impacted our operational efficiency and financial stability.

Despite generating a commendable revenue of Rs. 1,805.571 Million from contracts with customers, the substantial cost of sales amounting to Rs. 1,721.763 Million and our efforts to minimize distribution costs, administrative expenses, and finance costs were not sufficient to counterbalance the challenging market conditions, leading to an after-tax loss of Rs. 116.976 Million.

These numbers signify the persistent challenges faced by the industry and our proactive steps to manage costs and enhance operational efficiencies. Our focus remains steadfast on prudent cost management, strategic procurement practices, and operational optimization to mitigate the impact of external factors on our financial performance.

We continue to explore new avenues for growth and remain committed to implementing robust risk management strategies to navigate the current challenging market landscape. Our team is dedicated to exploring innovative solutions to strengthen our resilience and ensure a sustainable path to profitability.

FUTURE PROSPECTS

Despite the current challenges, we anticipate a turnaround as the market conditions improve. We remain optimistic, expecting a recovery from the recent recession. Our focus on innovation and operational efficiency will drive sustainable growth and reinforce our position in the market.

ACKNOWLEDGEMENT

The Board extends heartfelt gratitude to our esteemed shareholders and bankers for their unwavering support and trust in the company. We also recognize and appreciate dedication and hard work of our staff and workers, whose efforts have been instrumental in achieving significant milestones. We look forward to their continued commitment in the years to come.

On behalf of the Board



Amjad Saeed
Chief Executive Officer



Omer Saeed
Director

Faisalabad
October 30, 2023

حصہ داران کے لیے ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والی تہہ سال کے لیے آپ کی کمپنی کا غیر آڈٹ شدہ مالیاتی بیان جمع کرانے میں خوش محسوس کرتے ہیں۔

کمپنی کی کارکردگی
کمپنی کی پہلی سہ ماہی کی مختصر مالی پوزیشن ذیل میں پیش کی گئی ہے:

(روپے ہزار میں)

30.09.2022	30.09.2023	
1,684,387	1,805,571	صارفین کے ساتھ معاہدوں سے حاصل ہونے والی آمدنی
(1,586,990)	(1,721,763)	فروخت کی قیمت
117,397	83,808	گراس منافع
(43,238)	(42,983)	ڈسری بیوشن اخراجات
(89,474)	(82,626)	ادائیگی اخراجات
(15,155)	(50)	متعلقہ اخراجات
221	4,532	دیگر آمدن
(48,693)	(58,358)	نفاذ اخراجات
(78,942)	(95,677)	تکلیفوں کے بغیر (تقصان)
(19,562)	(21,299)	تکلیفیں
(98,504)	(116,976)	خاص (تقصان) تکلیفوں کے بعد
(9.93)	(11.79)	(تقصان) کی حصہ بنیادی (روپے)

روانہ مالی سال کی پہلی سہ ماہی کے دوران کمپنی کی مالی کارکردگی پینٹینٹ رہی ہے، جس کی خصوصیت روپے کا گراس منافع 83,808 ملین ہے۔ مختلف بیرونی عوامل، جیسے خام مال کی قیمتوں میں مسلسل اضافہ، ایندھن اور بجلی کے بڑھتے ہوئے اخراجات، سیاسی عدم استحکام، اعلیٰ سود کی شرح اور تیزی سے مایاتی پالیسی کی سختی نے ہماری آپریٹنگ کارکردگی اور مالی استحکام کو نمایاں طور پر متاثر کیا ہے۔

روپے کی قابل تناؤ آمدنی پیدا کرنے کے باوجود گاہکوں کے ساتھ معاہدوں سے 1,805,571 ملین روپے فروخت کی گئی آگسٹ 1,721,763 ملین روپے آئی اور ستمبر کے اخراجات، ادائیگی اخراجات، اور مایاتی اخراجات کو کم کرنے کی ہماری کوششیں مارکیٹ کے پینٹینٹ حالات کا مقابلہ کرنے کے لیے کافی نہیں تھیں، جس کے نتیجے میں بعد از تجلے 116,976 ملین روپے کا نقصان ہوا۔

یہ تعداد صنعت کو درپیش مستقل چیلنجوں اور اخراجات کو منظم کرنے اور آپریٹنگ اسٹنڈاڈ کو بڑھانے کے لیے ہمارے فعال اقدامات کی نشاندہی کرتی ہے۔ ہماری توجہ ہماری مالی کارکردگی پر بیرونی عوامل کے اثرات کو کم کرنے کے لیے ہوشیار لاکھٹ کے انتظام، سٹرٹجک پروڈیکٹوں کے طریقوں، اور آپریٹنگ اصلاحات پر مرکوز ہے۔ ہم ترقی کے لیے نئی راہیں تلاش کرتے رہتے ہیں اور موجودہ پینٹینٹ مارکیٹ کے منفرستے کو یوٹیٹ کرنے کے لیے رسک منیجمنٹ کی مضبوط حکمت عملیوں کو نافذ کرنے کے لیے پرعزم ہیں۔ ہماری نئی ہماری ٹیک کو مضبوط بنانے اور منافع کے لیے پائیدار راستے کو یقینی بنانے کے لیے جدید حل تلاش کرنے کے لیے وقف ہے۔

موجودہ چیلنجوں کے باوجود، مارکیٹ کے حالات بہتر ہونے پر ہم ایک تبدیلی کی توقع کرتے ہیں۔ ہم پر امید ہیں، حالیہ سہ ماہی کے نتائج سے بھلی کی توقع رکھتے ہیں۔ جدت فرہادی اور آپریٹنگ کارکردگی پر ہماری توجہ پائیدار ترقی کو آگے بڑھانے کی اور مارکیٹ میں ہماری پوزیشن کو مضبوط کر کے گی۔

اعتراف
بورڈ ہمارے معزز شیئر ہولڈرز اور فنڈرز کا کمپنی پر ان کی غیر متزلزل حمایت اور اعتماد کے لیے تہہ دل سے شکر ہے اور آگے۔ ہم اپنے عملے اور کارکنوں کی لگن اور محنت کو سبھی تسلیم کرتے ہیں اور ان کی تعریف کرتے ہیں، جن کی کوششیں ہم تکلیف سے عمل کرنے میں اہم کردار ادا کرتی رہی ہیں۔ ہم آگے والے سالوں میں ان کی مسلسل وابستگی کے بخیر ہیں۔

محمد سعید

محمد سعید

ڈائریکٹر

چیف ایگزیکٹو آفیسر

فیصل آباد
130 ستمبر 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	NOTE	Un-audited 30 September 2023 (RUPEES IN THOUSAND)	Audited 30 June 2023 (RUPEES IN THOUSAND)	NOTE	Un-audited 30 September 2023 (RUPEES IN THOUSAND)	Audited 30 June 2023 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital 20,000,000 (30 June 2023: 20,000,000) ordinary shares of Rupees 10 each		200,000	200,000			
Issued, subscribed and paid up share capital 9,920,000 (30 June 2023: 9,920,000) ordinary shares of Rupees 10 each fully paid in cash		99,200	99,200			
Sponsors' loans		241,800	241,800			
Reserves						
Capital reserves						
Equity portion of shareholders' loans		182,291	182,291			
Surplus on revaluation of freehold land		413,832	413,832			
		413,146	413,146			
Revenue reserve - unappropriated profit		(73,135)	43,841			
Total reserves		346,013	462,989			
TOTAL EQUITY		587,013	807,989			
LIABILITIES						
NON-CURRENT LIABILITIES						
Long term financing	3	146,747	153,518			
Staff retirement gratuity		99,261	120,777			
		246,008	274,295			
CURRENT LIABILITIES						
Trade and other payables		792,756	935,048			
Unclaimed dividend		2,801	2,801			
Accrued mark-up		35,767	46,125			
Short term borrowings	4	1,430,198	1,499,322			
Current portion of non-current liabilities		56,383	56,383			
Provision for taxation		142,179	120,885			
TOTAL LIABILITIES		2,460,034	2,600,561			
CONTINGENCIES AND COMMITMENTS	5	2,706,092	2,874,855			
TOTAL EQUITY AND LIABILITIES		3,193,105	3,678,845			
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	6	1,629,081	1,662,377			
Intangible assets		2,460	2,659			
Long term loans		1,905	1,907			
Long term deposits and prepayments		1,634,946	1,666,920			
TOTAL ASSETS		3,193,105	3,678,845			
CURRENT ASSETS						
Stores, spare parts and loose tools		139,609	133,997			
Stock in trade		671,096	947,375			
Trade debts		300,914	367,611			
Loans and advances		68,300	20,348			
Short term deposit and prepayments		16,399	331			
Income tax		166,538	152,323			
Other receivables		279,279	318,872			
Cash and bank balances		96,494	70,988			
		1,759,039	2,011,855			

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


AMJAD SAEED
CHIEF EXECUTIVE OFFICER


OWMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

	NOTE	FIRST QUARTER ENDED	
		30 September 2023	30 September 2022
----(RUPEES IN THOUSAND)----			
REVENUE FROM CONTRACTS WITH CUSTOMERS		1,805,571	1,684,387
COST OF SALES	7	(1,721,763)	(1,566,990)
GROSS PROFIT		83,808	117,397
DISTRIBUTION COST		(42,983)	(43,238)
ADMINISTRATIVE EXPENSES		(82,626)	(89,474)
OTHER EXPENSES		(50)	(15,155)
OTHER INCOME		4,532	221
FINANCE COST		(58,358)	(48,693)
LOSS BEFORE TAXATION		(95,677)	(78,942)
TAXATION		(21,299)	(19,562)
LOSS AFTER TAXATION		(116,976)	(98,504)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)		(11.79)	(9.93)

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


ANJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

FIRST QUARTER ENDED	
30 September 2023	30 September 2022

--- (RUPEES IN THOUSAND) ---

LOSS AFTER TAXATION	(116,976)	(98,504)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(116,976)</u>	<u>(98,504)</u>

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


ANJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

	SHARE CAPITAL	SPONSORS' LOANS	RESERVES				TOTAL EQUITY	
			Equity portion of shareholders' loan	CAPITAL RESERVES		REVENUE RESERVE		TOTAL
				Surplus on revaluation of freehold land	Sub total	UNAAPPROPRIATED PROFIT		
----- (RUPEES IN THOUSAND) -----								
Balance as at 30 June 2022 - (Audited)	99,200	241,800	183,291	235,857	419,148	599,481	1,019,629	1,359,629
Loss for the period	-	-	-	-	-	(98,504)	(98,504)	(98,504)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(98,504)	(98,504)	(98,504)
Balance as at 30 September 2022 - (Un-audited)	99,200	241,800	183,291	235,857	419,148	500,977	970,125	1,261,125
Transaction with owners - Final cash dividend for the year ended 30 June 2022 at the rate of Rupees 2.00 per share	-	-	-	-	-	(19,840)	(19,840)	(19,840)
Loss for the period	-	-	-	-	-	(455,566)	(455,566)	(455,566)
Other comprehensive income for the period	-	-	-	-	-	18,270	18,270	18,270
Total comprehensive loss for the period	-	-	-	-	-	(437,296)	(437,296)	(437,296)
Balance as at 30 June 2023 - (Audited)	99,200	241,800	183,291	235,857	419,148	43,841	462,989	803,989
Loss for the period	-	-	-	-	-	(116,976)	(116,976)	(116,976)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(116,976)	(116,976)	(116,976)
Balance as at 30 September 2023 - (Un-audited)	99,200	241,800	183,291	235,857	419,148	(73,135)	346,013	687,013

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


AMIRJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAAD
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

	FIRST QUARTER ENDED	
	30 September 2023	30 September 2022
	(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash from/(used in) operations	8	158,821
Finance cost paid	(66,738)	(31,634)
Income tax paid	(14,605)	(21,971)
Staff retirement gratuity paid	(33,468)	(3,680)
Net (increase) / decrease in long term deposits and prepayments	2	(235)
Net (increase) / decrease in long term loans	47	(87)
Net cash from/(used in) operating activities	<u>44,059</u>	<u>(1,180,630)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant, equipment and intangible asset	(678)	(8,874)
Net cash used in investing activities	<u>(678)</u>	<u>(8,874)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(8,750)	(9,749)
Dividend paid	-	(23)
Short term borrowings - net	(9,125)	1,198,662
Net cash (used in) / generated from financing activities	<u>(17,875)</u>	<u>1,188,890</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>25,506</u>	<u>(614)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>70,988</u>	<u>45,445</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>96,494</u></u>	<u><u>44,831</u></u>

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


ANJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


MUHAMMAD KASHIF ZAHUR
CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023**

1. THE COMPANY AND ITS OPERATIONS

Ideal Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 08 June 1989 under the Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn, cloth and hosiery products. The Company's registered office is situated at Room No. 404-405, 4th Floor, Business Centre, Mumtaz Hassan Road, Karachi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

a) Statement of compliance

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

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

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

- ii) These condensed interim financial statements do not include all the information and disclosures as required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2023.
- iii) These condensed interim financial statements are un-audited, and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and section 237 of the Companies Act, 2017.

b) Accounting policies, computation methods and financial risk management

The accounting policies and methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2023. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended 30 June 2023.

2.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the annual financial statements of the Company for the year ended 30 June 2023.

Un-audited 30 September 2023	Audited 30 June 2023
(RUPEES IN THOUSAND)	

3. LONG TERM FINANCING

Opening balance	188,518	335,687
Add:		
Fair value adjustment	1,979	11,035
Amortized during the period / year	-	141
	190,497	346,863
Less:		
Repaid during the period / year	8,750	19,780
Transferred to short term borrowings	-	138,565
	8,750	158,345
Closing balance (Note 3.1)	181,747	188,518
Less: Current portion shown under current liabilities	35,000	35,000
	146,747	153,518

3.1 These represent Rupees 131.250 million (30 June 2023: Rupees 140.000 million) secured bank borrowings and Rupees 50.497 million (30 June 2023: Rupees 45.518 million) unsecured borrowing from sponsor director / shareholder.

Un-audited 30 September 2023	Audited 30 June 2023
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(RUPEES IN THOUSAND)

4. SHORT TERM BORROWINGS

From banking companies - secured

Cash finances	118,897	189,788
Running finances	185,433	231,371
Other short term finances	376,215	405,811
	680,545	826,970

Others - unsecured

Other related parties	749,653	612,353
	<u>1,430,198</u>	<u>1,439,323</u>

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 61.093 million (2023: Rupees 54.695 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and to Faisalabad Electric Supply Company Limited against electricity connections.
- ii) There is no significant change in the status of other contingencies as reported in the annual financial statements of the Company for the year ended 30 June 2023.

b) Commitments

- i) Letters of credit other than for capital expenditure are of Rupees 54.333 million (30 June 2023: Rupees 29.531 million).

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	1,620,907	1,653,982
Capital work-in-progress (Note 6.2)	8,774	8,395
	<u>1,629,681</u>	<u>1,662,377</u>

6.1 Operating fixed assets

Opening net book value	1,653,982	1,730,812
Add: Cost of additions during the period / year (Note 6.1.1)	299	71,238
	1,654,281	1,802,050
Less: Book value of deletions during the period / year (Note 6.1.2)	-	425
	1,654,281	1,801,625
Less: Depreciation charged during the period / year	33,374	147,643
	<u>1,620,907</u>	<u>1,653,982</u>

6.1.1 Cost of additions during the period / year

Plant and machinery	-	29,387
Electric installations	160	9,218
Factory equipment	-	95
Computers	-	728
Electric appliances	139	1,363
Vehicles	-	30,447
	<u>299</u>	<u>71,238</u>

6.1.2 Book value of deletions during the period / year

Vehicles	-	425
	<u>-</u>	<u>425</u>

6.2 Capital work-in-progress

Intangible assets	8,774	8,395
	<u>8,774</u>	<u>8,395</u>

(Un-audited)	
First Quarter Ended	
30 September 2023	30 September 2022

7. COST OF SALES

(RUPEES IN THOUSAND)		
Raw materials consumed	1,070,430	1,071,160
Stores, spare parts and loose tools consumed	52,013	75,229
Salaries, wages and other benefits	121,546	156,492
Fuel and power	243,110	228,100
Sizing materials consumed	1,984	14,534
Outside processing / conversion and other charges	22,154	13,960
Packing materials consumed	47,066	37,235
Repair and maintenance	1,850	548
Insurance	3,650	3,556
Rent, rates and taxes	1,695	1,530
Other factory overheads	338	693
Depreciation	24,936	26,622
	1,590,772	1,629,659
Work-in-process		
Opening stock	99,755	100,207
Closing stock	(93,710)	(105,447)
	6,045	(5,240)
Cost of goods manufactured	1,596,817	1,624,419
Finished goods		
Opening stock	558,753	436,971
Closing stock	(433,807)	(494,400)
	124,946	(57,429)
	1,721,763	1,566,990

(Un-audited)	
First Quarter Ended	
30 September 2023	30 September 2022

8. NET CASH GENERATED FROM / (USED IN) OPERATIONS

(RUPEES IN THOUSAND)		
Loss before taxation	(95,677)	(78,942)
Adjustments for non-cash charges and other items:		
Amortization	199	449
Depreciation	33,374	35,683
Provision for staff retirement gratuity	11,952	13,635
Finance cost	58,358	48,693
Amortization of deferred grant	-	(141)
Working capital changes (Note 8.1)	150,615	(1,142,400)
	158,821	(1,123,023)

8.1 Working capital changes

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(25,612)	(7,542)
Stock-in-trade	276,279	(766,590)
Trade debts	66,667	(71,097)
Loans and advances	(47,952)	(273,976)
Short term deposit and prepayments	(16,068)	(16,824)
Other receivables	39,593	(159,145)
	292,907	(1,295,174)
(Decrease) / increase in trade and other payables	(142,292)	152,774
	150,615	(1,142,400)

10. TRANSACTIONS WITH RELATED PARTIES

Detail of transactions and balances with related parties is as follows:

(Un-audited)	
First Quarter Ended	
30 September 2023	30 September 2022

(RUPEES IN THOUSAND)

i) Transactions

Associated undertakings

Fuel purchased	1,667	1,539
Rental expense	1,695	1,530

Other related parties

Loans obtained from directors	137,300	39,700
Remuneration and meeting fee paid to Chief Executive Officer, directors and executives	20,185	12,983

Un-audited	Audited
30 September 2023	30 June 2023

(RUPEES IN THOUSAND)

ii) Period end balances

Associated undertakings

Trade and other payables	16,120	14,454
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Other related parties

Sponsors' loans	241,800	241,800
Long term financing	50,497	48,518
Short term borrowings	749,653	612,353
Loans and advances	1,676	2,584

11. DATE OF AUTHORIZATION

These condensed interim financial statements were approved and authorized for issue on October 30, 2023 by the Board of Directors of the Company.

12. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made except following.

PARTICULARS	RECLASSIFICATION		RUPEES IN THOUSAND
	FROM	TO	
Rent, rates and taxes	Administrative	Cost of sales	1,530

13. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.


ANJAD SAEED
 CHIEF EXECUTIVE OFFICER


OMER SAEED
 DIRECTOR


MUHAMMAD KASHIF ZAHUR
 CHIEF FINANCIAL OFFICER

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