

**3rd  
Quarter  
Report**

**IDEAL SPINNING MILLS LIMITED**



**IdealGroup**

**CONDENSED INTERIM  
FINANCIAL INFORMATION**

**3rd Quarter Report  
(UN-AUDITED)  
March 31, 2025**



**COMPANY INFORMATION**

<b>CHAIRMAN:</b>	MR. MOHAMMAD SAEED
<b>CHIEF EXECUTIVE OFFICER:</b>	MR. AMJAD SAEED
<b>DIRECTORS:</b>	MRS. ROBINA AMJAD MR. OMER SAEED MR. AHSAN SAEED MR. KHIZER SAEED MR. MUHAMMAD AZHAR (INDEPENDENT) MR. RIZWAN-UL-HASSAN (INDEPENDENT)
<b>AUDIT COMMITTEE:</b>	
<b>CHAIRMAN</b>	MR. MUHAMMAD AZHAR
<b>MEMBER</b>	MR. MUHAMMAD SAEED
<b>MEMBER</b>	MR. AHSAN SAEED
<b>H.R. &amp; REMUNERATION COMMITTEE:</b>	
<b>CHAIRMAN</b>	MR. MUHAMMAD AZHAR
<b>MEMBER</b>	MR. AHSAN SAEED
<b>MEMBER</b>	MRS. ROBINA AMJAD
<b>NOMINATION COMMITTEE:</b>	
<b>CHAIRMAN</b>	MR. OMER SAEED
<b>MEMBER</b>	MR. AHSAN SAEED
<b>MEMBER</b>	MR. KHIZER SAEED
<b>RISK MANAGEMENT COMMITTEE:</b>	
<b>CHAIRMAN</b>	MR. AHSAN SAEED
<b>MEMBER</b>	MR. OMER SAEED
<b>MEMBER</b>	MR. KHIZER SAEED
<b>CHIEF FINANCIAL OFFICER:</b>	MR. MUHAMMAD KASHIF ZAHUR
<b>COMPANY SECRETARY:</b>	MR. MUHAMMAD NADEEM
<b>SHARE REGISTRAR:</b>	F. D. Registrar Services (Pvt.) Limited  17 <sup>th</sup> Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi.
<b>AUDITORS:</b>	M/S RIAZ AHMAD & COMPANY.  CHARTERED ACCOUNTANTS
<b>BANKERS:</b>	BANK AL-FALAH LTD NATIONAL BANK OF PAKISTAN BANK AL-HABIB LTD THE BANK OF PUNJAB HABIB BANK LIMITED SAMBA BANK LTD MEEZAN BANK LTD
<b>REGISTERED OFFICE :</b>	ROOM NO 404 & 405, 4 <sup>TH</sup> FLOOR, BUSINESS CENTRE, MUMTAZ HASSAN ROAD, KARACHI. www.idealsm.com
<b>FACTORY:</b>	35-K.M SHEIKHUPURA ROAD, TEHSIL JARANWALA, DISTT. FAISALABAD.

**DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS**

The Board of Directors feel pleasure in submitting un-audited financial statements of your company for the Nine months ended 31<sup>st</sup> March, 2025.

**COMPANY'S PERFORMANCE**

Nine months brief financial position of the Company is presented here under:

	<b>(RUPEES IN THOUSAND)</b>	
	<b>31.03.2025</b>	<b>31.03.2024</b>
REVENUE FROM CONTRACTS WITH CUSTOMERS	2,986,942	4,347,371
COST OF SALES	<u>(2,899,103)</u>	<u>(4,181,527)</u>
GROSS PROFIT / (LOSS)	87,839	165,844
DISTRIBUTION COST	(59,996)	(75,494)
ADMINISTRATIVE EXPENSES	(175,887)	(224,989)
OTHER EXPENSES	(949)	(6,044)
OTHER INCOME	23,199	31,338
FINANCE COST	<u>(105,984)</u>	<u>(139,713)</u>
LOSS BEFORE LEVY AND TAXATION	(231,778)	(249,058)
LEVY	<u>(35,232)</u>	<u>(52,477)</u>
LOSS BEFORE TAXATION	<b>(267,010)</b>	<b>(301,535)</b>
TAXATION	-	70,459
LOSS AFTER TAXATION	<u><b>(267,010)</b></u>	<u><b>(231,076)</b></u>
LOSS PER SHARE-BASIC AND DILUTED (RUPEES)	<b>(26.92)</b>	<b>(23.29)</b>

During the nine months of this financial year, the Company encountered significant operational and economic challenges, more specifically in the spinning segment. The Company's topline came under substantial pressure, witnessing a notable decline primarily due to a combination of shrinking demand, rising raw material costs, and elevated energy prices.

These factors adversely impacted almost all business segments, resulting in lower volumes and suppressed sales prices. The spinning segment remained particularly vulnerable, as it continues to face growing competition both locally and internationally. Additionally, a surge in duty-free yarn imports placed further strain on the segment, eroding its market share and reducing profitability margins.

Despite these setbacks, the Company experienced some relief on the financial side, as the policy rate exhibited a downward trend. This contributed to a marginal reduction in finance costs during the period under review. A continued decline in interest rates is anticipated to ease pressure on the cost structure in the latter period of the financial year. Moreover, the relative stability of the exchange rate provided a degree of support in managing imported input costs.

**Future Prospects**


The outlook for the textile industry in Pakistan remains challenging. Spinning mills, in particular, are facing heightened pressure due to ongoing structural issues such as high production costs, energy tariffs, and competition from cheaper imports. These factors continue to affect the industry's ability to compete effectively in global markets.

Nevertheless, the Company remains cautiously optimistic. It is expected that with improved macroeconomic indicators and easing of policy rates, both domestic and international demand will gradually recover. The management is actively exploring strategies to enhance operational efficiency, diversify the product mix, and strengthen relationships with key buyers to position the Company for long-term growth.

**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.

Faisalabad  
April 30, 2025

On behalf of the Board  
  
Amjad Saeed  
Chief Executive Officer

  
Omer Saeed  
Director

## ڈائریکٹر ڈی رپورٹ برائے شیئر ہولڈرز

ڈائریکٹر ڈی رپورٹ برائے 31 مارچ 2025 آپ کی خدمت میں پیش کرتے ہوئے خوش محسوس کرتا ہے۔

31-03-2024

31-03-2025

مالیاتی نتائج

(رقم ہزاروں میں)

4:347:371

2:986:942

مدار قینے کے ساتھ معاہدوں سے حاصل ہونے والی آمدن

(4:181:527)

(2:899:103)

فروخت کی قیمت

165:844

87:839

گراس منافع

(75:494)

(59:996)

ڈسٹری بیوٹن اخراجات

(224:989)

(175:887)

انٹھائی اخراجات

(6:044)

(949)

حقوق اخراجات

31:338

23:199

دیگر آمدن

(139:713)

(105:984)

فیصل اخراجات

(249:058)

(231:778)

ٹیکس اور لیوی کے بغیر نقصان

(52:477)

(35:232)

لیوی

(301:535)

(267:010)

ٹیکس کے بغیر (نقصان)

70:459

ٹیکس

(231:076)

(267:010)

(خاص نقصان) ٹیکس کے بعد

(23:29)

(26:92)

(نقصان) (فی حصہ بنیادی) (روسپے)

## کمپنی کی کارکردگی

ماہی سال کے ان دو ترمیموں کے دوران کمپنی کو شدید آپریشنل اور معاشی مشکلات کا سامنا کرنا خاص طور پر اسپننگ سیکٹر میں کمپنی کی آمدنی میں نمایاں کمی واقع ہوئی جو کہ بنیادی طور پر طلب میں کمی، خام مال کی قیمتوں میں اضافے اور توانائی کے بڑھتے ہوئے نرخوں کا نتیجہ ہے۔

ان عوامل نے تقریباً تمام کاروباری شعبہ جات کو متاثر کیا جس کی وجہ سے پیداوار کی مقدار میں کمی اور فروخت کی قیمتوں میں گراوٹ دیکھنے میں آئی۔ اسپننگ سیکٹر خاص طور پر دباؤ کا شکار رہا کیونکہ اس کو کھلی اور بین الاقوامی سطح پر بڑھتی ہوئی مسابقت کا سامنا ہے۔ علاوہ ازیں، ڈیوٹی فری پلان کی دہائی مدت میں اضافے نے اس شعبے کی مارکیٹ شیئر اور منافع کو مزید متاثر کیا۔

ان مشکلات کے باوجود کمپنی کو مالیاتی اخراجات کے حوالے سے کچھ ریلیف ملا کیونکہ پالیسی ریٹ میں کمی کارخانوں دیکھا گیا۔ اس سے دوران رپورٹ مالیاتی لاگت میں کچھ حد تک کمی واقع ہوئی۔ آئندہ مالی سال کے باقی تین مہینوں میں پالیسی ریٹ میں مزید کمی کی توقع ہے، جو لاگت کے دباؤ کو کم کرنے میں معاون ہو سکتی ہے۔ مزید برآں، کرنسی ریٹ میں اضافے نے درآمدی خام مال کی لاگت کو کنٹرول کرنے میں کچھ سہولت فراہم کی۔

## مشغول کارخانہ عمل

پاکستان کی ٹیکسٹائل انڈسٹری اس وقت کی چیلنجوں کا سامنا کر رہی ہے۔ اسپننگ ملز کو خاص طور پر پیداوار کی لاگت توانائی کے نرخ اور سستی درآمدات کی مسابقت جیسے ڈھانچے جاتی مسائل درپیش ہیں۔ یہ تمام عوامل مالی نتائج میں اضافے کی صلاحیت کو متاثر کر رہے ہیں۔

اس کے باوجود کمپنی کی انتظامیہ متوازن سرمایہ کاری کا اظہار کرتی ہے۔ توقع ہے کہ بہتر معاشی اشاریوں اور مالیاتی پالیسی میں ترمیمی کے باعث ملکی و غیر ملکی طلب میں تندرست رجحان برپا رہے گا۔ انتظامیہ پیداوار میں بہتری، مصنوعات کے تنوع اور بڑے خریداروں سے تعلقات کو مضبوط بنانے کے لیے اقدامات کر رہی ہے تاکہ طویل مدتی ترقی کو یقینی بنایا جاسکے۔

## شکر

ڈائریکٹر ڈی رپورٹ اپنے معزز شیئر ہولڈرز اور بینکاروں کا شکریہ ادا کرتا ہے جنہوں نے کمپنی پر اعتماد قرار دیا۔ تمام اپنے منافع اور حردردوں کی محنت و لگن کو بھی سراہتے ہیں، جن کی کوششوں سے اہم اہداف حاصل ہوئے۔ جیسا کہ آئندہ بھی ان کی انتھک کوششوں کی توقع ہے۔



محمد امجد



محمد امجد

ڈائریکٹر

چیف ایگزیکٹو آفیسر

فیصل آباد

30 اپریل 2025ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	NOTE	Un-audited 31 March 2025	Audited 30 June 2024	NOTE	Un-audited 31 March 2025	Audited 30 June 2024
(RUPEES IN THOUSAND)						
<b>EQUITY AND LIABILITIES</b>						
<b>SHARE CAPITAL AND RESERVES</b>						
Authorized share capital						
20 000 000 (30 June 2024; 20 000 000) ordinary shares						
of Rupees 10 each		200,000	200,000		1,638,152	1,704,424
						864
Issued, subscribed and paid up share capital						
9 920 000 (30 June 2024; 9 920 000) ordinary						
shares of Rupees 10 each fully paid in cash					8,964	2,122
Sponsors' loans		99,200			104,120	104,120
Reserves		241,800				
					1,751,236	1,811,530
Capital reserves						
Equity portion of shareholders' loans		183,291	183,291			
Surplus on revaluation of freehold land		360,555	360,555			
		543,846	543,846			
Accumulated loss		(545,331)	(278,321)			
TOTAL EQUITY		339,515	606,525			
<b>LIABILITIES</b>						
<b>NON-CURRENT LIABILITIES</b>						
Long term financing	3	-	70,000		102,738	102,607
Staff retirement gratuity		30,577	16,549		479,061	685,338
			86,549		196,666	227,534
					14,916	17,677
<b>CURRENT LIABILITIES</b>						
Trade and other payables		682,620	854,186		6,162	939
Unclaimed dividend		2,596	2,599			
Accrued mark-up		17,390	28,568		35,800	23,290
Short term borrowings	4	1,838,664	1,610,813		304,909	315,506
Current portion of long term financing	3	63,462	91,543		81,345	96,362
		2,604,732	2,587,709		1,223,588	1,469,253
TOTAL LIABILITIES		2,635,309	2,674,258			
<b>CONTINGENCIES AND COMMITMENTS</b>						
5						
TOTAL EQUITY AND LIABILITIES		2,974,824	3,280,783		2,974,824	3,280,783

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

  
AMIR SAEED  
CHIEF EXECUTIVE OFFICER

  
OMER SAEED  
DIRECTOR

  
MUHAMMAD KASHIF ZAHUR  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)  
FOR THE THIRD QUARTER ENDED 31 MARCH 2025**

	NOTE	Third quarter ended		Quarter ended	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
		(RUPEES IN THOUSAND)			
REVENUE FROM CONTRACTS WITH CUSTOMERS		2,986,942	4,347,371	969,605	1,065,194
COST OF SALES	7	(2,899,103)	(4,181,527)	(940,014)	(998,970)
GROSS PROFIT / (LOSS)		87,839	165,844	29,591	66,224
DISTRIBUTION COST		(59,996)	(75,494)	(15,438)	(23,237)
ADMINISTRATIVE EXPENSES		(175,887)	(224,989)	(57,510)	(69,121)
OTHER EXPENSES		(949)	(6,044)	717	(3,502)
OTHER INCOME		23,199	31,338	7,490	6,250
FINANCE COST		(105,984)	(139,713)	(22,299)	(39,046)
LOSS BEFORE LEVY AND TAXATION		(231,778)	(249,058)	(57,449)	(62,432)
LEVY		(35,232)	(52,477)	(10,015)	(11,680)
LOSS BEFORE TAXATION		(267,010)	(301,535)	(67,464)	(74,112)
TAXATION		-	70,459	-	6,743
LOSS AFTER TAXATION		(267,010)	(231,076)	(67,464)	(67,369)
LOSS PER SHARE - BASIC AND DILUTED (RUPEES)		(26.92)	(23.29)	(6.80)	(6.79)

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

  
**AMJAD SAEED**  
CHIEF EXECUTIVE OFFICER

  
**OMER SAEED**  
DIRECTOR

  
**MUHAMMAD KASHIF ZAHUR**  
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)  
FOR THE THIRD QUARTER ENDED 31 MARCH 2025

Third quarter ended		Quarter ended	
31 March 2025	31 March 2024	31 March 2025	31 March 2024

----- (RUPEES IN THOUSAND) -----

LOSS AFTER TAXATION	(267,010)	(231,076)	(67,464)	(67,369)
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	(267,010)	(231,076)	(67,464)	(67,369)

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

  
AMJAD SAEED  
CHIEF EXECUTIVE OFFICER

  
OMER SAEED  
DIRECTOR

  
MUHAMMAD KASHIF ZAHUR  
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)  
FOR THE THIRD QUARTER ENDED 31 MARCH 2025

	SHARE CAPITAL	SPONSORS' LOANS	CAPITAL RESERVES			UNAPPROPRIATED PROFIT / (ACCUMULATED LOSS)	TOTAL EQUITY
			Equity portion of shareholders' loan	Surplus on revaluation of freehold land	Total		
			(RUPEES IN THOUSAND)				
<b>Balance as at 01 July 2023 - (Audited)</b>	99,200	241,800	183,291	235,857	419,148	43,841	803,989
Loss for the period	-	-	-	-	-	(231,076)	(231,076)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(231,076)	(231,076)
<b>Balance as at 31 March 2024 - (Un-audited)</b>	99,200	241,800	183,291	235,857	419,148	(187,235)	572,913
Loss for the period	-	-	-	-	-	(91,164)	(91,164)
Other comprehensive income for the period	-	-	-	124,698	124,698	78	124,776
Total comprehensive loss for the period	-	-	-	124,698	124,698	(91,086)	33,612
<b>Balance as at 30 June 2024 - (Audited)</b>	99,200	241,800	183,291	360,555	543,846	(278,321)	606,525
Loss for the period	-	-	-	-	-	(267,010)	(267,010)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(267,010)	(267,010)
<b>Balance as at 31 March 2025 - (Un-audited)</b>	99,200	241,800	183,291	360,555	543,846	(545,331)	339,515

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

  
AIMAD SAEED  
CHIEF EXECUTIVE OFFICER

  
OMER SAEED  
DIRECTOR

  
MUHAMMAD KASHIF ZAHUR  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)  
FOR THE THIRD QUARTER ENDED 31 MARCH 2025**

		Third quarter ended	
		31 March 2025	31 March 2024
		(RUPEES IN THOUSAND)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash (used in) / generated from operations</b>	8	57,965	463,442
Finance cost paid		(110,243)	(156,877)
Income tax and levy paid		(47,742)	(43,224)
Staff retirement gratuity paid		(12,424)	(59,305)
Net (Increase) / decrease in long term deposits and prepayments		(6,842)	(14,145)
Net decrease in long term loans		-	47
<b>Net cash (used in) / generated from operating activities</b>		(119,286)	189,938
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(28,081)	(42,629)
Proceeds from disposal of property, plant and equipment		9,501	400
<b>Net cash used in investing activities</b>		(18,580)	(42,229)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing		(105,000)	(26,250)
Dividend paid		(3)	(202)
Short term borrowings - net		227,851	(155,531)
<b>Net cash from / (used in) financing activities</b>		122,848	(181,983)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(15,018)	(34,274)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>			
		96,362	70,988
<b>Net foreign exchange difference on translating cash and bank balances</b>		1	(80)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		81,345	36,634

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

  
AMJAD 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 THIRD QUARTER ENDED 31 MARCH 2025**

**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 repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited on 30 September 1991. 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. BASIS OF PREPARATION**
**2.1 Statement of compliance**

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by 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.

**2.2** These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors 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.

**2.3 Material accounting policy information**

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the annual audited financial statements of the Company for the year ended 30 June 2024.

**2.4 Financial risk management**

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

**2.5 Critical accounting estimates and judgements**

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, 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 audited financial statements of the Company for the year ended 30 June 2024.

Un-audited 31 March 2025	Audited 30 June 2024
(RUPEES IN THOUSAND)	

**3. LONG TERM FINANCING**

Opening balance	161,543	188,518
Add: Fair value adjustment during the period / year	6,919	8,025
	168,462	196,543
Less: Repaid during the period / year (Note 3.1)	105,000	35,000
Closing balance (Note 3.2)	63,462	161,543
Less: Current portion shown under current liabilities	63,462	91,543
	-	70,000

- 3.1 Whole of the outstanding amount of diminishing musharakah was completely repaid on 03 December 2024.
- 3.2 These represent Rupees Nil (30 June 2024: Rupees 105.000 million) secured bank borrowings and Rupees 63.462 million (30 June 2024: Rupees 56.543 million) unsecured borrowing from sponsor director / shareholder.

Un-audited 31 March 2025	Audited 30 June 2024
(RUPEES IN THOUSAND)	

4. SHORT TERM BORROWINGS

From banking companies - secured

Cash finances	19,111	105,762
Running finances	159,358	198,427
Other short term finances	400,927	476,756
	579,396	780,945
From others - unsecured		
Related parties	1,259,268	829,868
	1,838,664	1,610,813

5. CONTINGENCIES AND COMMITMENTS

a) Contingencies

There is no significant change in the status of contingences as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2024 except as follows:

- i) Guarantees of Rupees 95.611 million (30 June 2024: Rupees 94.294 million) are given by the banks of the Company to Sul Northern Gas Pipelines Limited against gas connections and to Faisalabad Electric Supply Company Limited against electricity connections.
- ii) Post dated cheques of Rupees 46,474 million have been issued to custom authorities in respect of duties on imported material availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security can be encashed by the custom authorities.

b) Commitments

- i) Letters of credit other than for capital expenditure are of Rupees 73.285 million (30 June 2024: Rupees 36.566 million).
- ii) Commitments arising from short term lease to be recognised on a straight line basis as expense under the practical expedient applied by the Company with respect to IFRS 16 are of Rupees 6.215 million (30 June 2024: Rupees 5.085 million) which are to be paid within one year (30 June 2024: within one year).

6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 6.1)	1,623,573	1,692,554
Capital work-in-progress (Note 6.2)	14,579	11,870
	1,638,152	1,704,424

6.1 Operating fixed assets

Opening net book value	1,692,554	1,653,982
Add: Cost of additions during the period / year (Note 6.1.1)	25,372	58,329
Effect of surplus on revaluation during the period / year	-	124,698
	1,717,926	1,837,009
Less: Book value of deletions during the period / year (Note 6.1.2)	8,053	8,339
	1,709,873	1,828,670
Less: Depredation charged during the period / year	86,300	136,116
	1,623,573	1,692,554

Un-audited 31 March 2025	Audited 30 June 2024
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(RUPEES IN THOUSAND)

**6.1.1 Cost of additions during the period / year**

Plant and machinery	23,827	48,964
Stand-by equipment	-	5,881
Electric Installations	961	200
Factory equipment	282	-
Computers	120	-
Electric appliances	182	381
Vehicles	-	2,903
	<u>25,372</u>	<u>58,329</u>

**6.1.2 Book value of deletions during the period / year**

Plant and machinery	7,155	8,216
Vehicles	898	123
	<u>8,053</u>	<u>8,339</u>

**6.2 Capital work-in-progress**

Stand-by equipment	8,823	3,475
Advances against Enterprise Resource Planning (ERP)	-	8,395
	<u>14,579</u>	<u>11,870</u>

(Un-audited)			
Third quarter ended		Quarter ended	
31 March 2025	31 March 2024	31 March 2025	31 March 2024

(RUPEES IN THOUSAND)

**7. COST OF SALES**

Raw materials consumed	1,263,436	2,348,213	473,993	551,965
Cost of raw material sold	218,648	12,009	22,149	-
Stores, spare parts and loose tools consumed	119,949	150,005	42,794	48,839
Salaries, wages and other benefits	335,079	299,960	112,684	92,275
Fuel and power	632,324	733,228	210,185	260,111
Stzing materials consumed	42,687	18,280	18,033	10,952
Outside processing / conversion and other charges	7,707	53,695	1,622	10,022
Packing materials consumed	78,257	141,843	22,876	43,467
Repair and maintenance	1,274	2,642	337	321
Insurance	10,869	11,323	3,734	3,884
Rent, rates and taxes	5,085	5,085	1,695	1,695
Other factory overheads	5,682	657	5,166	208
Depreciation	64,007	75,539	16,980	25,095
	<u>2,785,004</u>	<u>3,852,479</u>	<u>932,248</u>	<u>1,048,834</u>
Work-in-process				
Opening stock	84,013	99,755	92,455	79,394
Closing stock	(79,627)	(69,807)	(79,627)	(69,807)
	<u>4,386</u>	<u>29,948</u>	<u>12,828</u>	<u>9,587</u>
Cost of goods manufactured	<u>2,789,390</u>	<u>3,882,427</u>	<u>945,076</u>	<u>1,058,421</u>
Finished goods				
Opening stock	334,420	558,752	219,645	200,201
Closing stock	(224,707)	(259,652)	(224,707)	(259,652)
	<u>109,713</u>	<u>299,100</u>	<u>(5,062)</u>	<u>(59,451)</u>
	<u>2,899,103</u>	<u>4,181,527</u>	<u>940,014</u>	<u>998,970</u>

(Un-audited)	
Third quarter ended	
31 March 2025	31 March 2024

(RUPEES IN THOUSAND)

# **8. NET CASH FROM OPERATIONS**

Loss before levy and taxation	(231,778)	(249,058)
<b>Adjustments for non-cash charges and other items:</b>		
Amortization	864	879
Depreciation	86,300	100,805
Gain on disposal of property, plant and equipment	(1,448)	(386)
Credit balances written back	(2,500)	(13,617)
Provision for staff retirement gratuity	22,738	32,805
Finance cost	105,984	139,713
Net exchange (gain) / loss	(35)	176
Working capital changes (Note 8.1)	77,840	452,125
	<b>57,965</b>	<b>463,442</b>

# **8.1 Working capital changes**

## **Decrease / (increase) in current assets**

Stores, spare parts and loose tools	(131)	38,107
Stock-in-trade	206,277	437,638
Trade debts	28,902	193,962
Loans and advances	2,761	(3,174)
Short term deposit and prepayments	(5,223)	(68,576)
Other receivables	10,606	32,316
	243,192	630,273
Decrease in trade and other payables	(165,352)	(178,148)
	<b>77,840</b>	<b>452,125</b>

9. SEGMENT INFORMATION

	Spinning		Weaving		Socks		Elimination of Inter-segment transactions		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	Third quarter ended	31 March	Third quarter ended	31 March	Third quarter ended	31 March	Third quarter ended	31 March	Third quarter ended	31 March
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
(RUPEES IN THOUSAND)										
Revenue from contracts with customers	1,806,557	2,912,572	576,685	669,764	603,700	765,035	-	-	2,986,942	4,347,371
External	224,932	169,731	-	-	-	-	(224,932)	(169,731)	-	-
Intra segment	2,031,489	3,082,303	576,685	669,764	603,700	765,035	(224,932)	(169,731)	2,986,942	4,347,371
Cost of sales	(2,038,634)	(2,976,808)	(600,162)	(683,106)	(485,239)	(691,344)	(224,932)	(169,731)	(2,899,103)	(4,181,527)
Gross (loss) / profit	(7,145)	105,495	(23,477)	(13,342)	118,461	73,691	-	-	87,839	165,844
Distribution cost	(1,591)	(11,244)	(3,571)	(13,447)	(54,834)	(50,803)	-	-	(59,996)	(75,494)
Administrative expenses	(54,964)	(124,153)	(51,039)	(37,567)	(69,884)	(63,269)	-	-	(175,887)	(224,989)
Other income	20,446	29,076	232	-	2,521	2,662	-	-	23,199	31,238
(Loss) / profit before levy, taxation and unallocated expenses	(43,254)	(826)	(77,855)	(64,356)	(3,736)	(38,119)	-	-	(124,845)	(103,301)
Unallocated expenses:										
Other expenses									(949)	(6,044)
Finance cost									(105,984)	(139,713)
Levy									(35,232)	(52,477)
Taxation									-	70,459
Loss after taxation									(267,960)	(231,075)

9.1 Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Socks		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	31 March	30 June	31 March	30 June	31 March	30 June	31 March	30 June
	2025	2024	2025	2024	2025	2024	2025	2024
(RUPEES IN THOUSAND)								
Total assets for reportable segments as per condensed interim statement of financial position	1,578,144	2,118,682	439,795	446,044	526,965	588,647	2,834,904	3,153,373
Unallocated assets							139,920	127,410
Total assets as per condensed Interim statement of financial position							3,974,824	3,280,783
Total liabilities as per condensed Interim statement of financial position	1,339,853	1,438,188	314,015	247,302	961,441	988,768	2,635,309	2,674,258

9.2 Geographical information

The Company's segment wise revenue from external customers as per geographical locations is detailed below:

	Spinning		Weaving		Socks		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	Third quarter ended	31 March	Third quarter ended	31 March	Third quarter ended	31 March	Third quarter ended	31 March
	2025	2024	2025	2024	2025	2024	2025	2024
..... (RUPEES IN THOUSAND) .....								
Europe	-	-	-	318,501	136,716	339,503	136,716	658,094
North America	-	-	-	-	349,750	320,901	349,750	320,901
Pakistan	1,806,557	2,912,572	576,685	351,263	117,234	104,031	2,500,476	3,366,466
	1,806,557	2,912,572	576,685	669,764	603,700	765,035	2,986,942	4,347,371

9.3 Disaggregation of revenue from contracts with customers by major products / service lines

Yarn / socks / others	1,800,472	2,803,326	3,268	-	486,466	672,527	2,290,206	3,575,853
Waste	6,085	9,246	-	-	7,009	6,330	13,094	17,576
Conversion, sizing and CMT income / cloth sale	-	-	573,417	669,764	110,235	84,178	683,642	753,942
	1,806,557	2,912,572	576,685	669,764	603,700	765,035	2,986,942	4,347,371

**10. TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise associated company / undertakings, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties is as follows:

(Un-audited)			
Third quarter ended		Quarter ended	
31 March 2025	31 March 2024	31 March 2025	31 March 2024
(RUPEES IN THOUSAND)			

**i) Transactions**
**Associated company / undertakings**

Fuel purchased	-	3,869	-	2,202
Rental expense	5,085	5,085	1,695	3,390
Sale of goods	-	8,813	-	8,813

**Other related parties**

Loans obtained from directors - net	429,400	130,415	(20,700)	(6,885)
Remuneration and meeting fee paid to Chief Executive Officer, directors and executives	33,465	65,120	8,812	44,935

Un-audited 31 March 2025	Audited 30 June 2024
(RUPEES IN THOUSAND)	

**ii) Period end balances**
**Associated company / undertakings**

Trade and other payables	13,239	13,619
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**Other related parties**

Sponsors' loans	241,800	241,800
Long term financing	63,462	56,543
Short term borrowings	1,259,268	829,868
Loans and advances	275	2,595

**11. DATE OF AUTHORIZATION**

These condensed interim financial statements were approved and authorized for issue on April 30, 2025 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 audited 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.

**13. GENERAL**

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

  
AMJAD SAEED  
CHIEF EXECUTIVE OFFICER

  
OMER SAEED  
DIRECTOR

  
MUHAMMAD KASHIF ZAHUR  
CHIEF FINANCIAL OFFICER

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