



SHAMS TEXTILE MILLS LIMITED

## 9 MONTHS REPORT

March 31, 2024

(Un-Audited)



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## COMPANY INFORMATION

**Board of Directors**

Muhammad Anwar (Chairman)  
 Adil Bashir  
 Asif Bashir  
 Khurram Mazhar Karim  
 Muhammad Shafiq Gill (Nominee: NIT)  
 Shahid Arshad  
 Minail Mishal Adamjee

**Chief Executive Officer**

Khalid Bashir

**Chief Financial Officer**

Tariq Javed

**Company Secretary**

Muhammad Haroon Arif

**Audit Committee**

Shahid Arshad (Chairman)  
 Khurram Mazhar Karim (Member)  
 Adil Bashir (Member)

**Human Resource & Remuneration Committee**

Minail Mishal Adamjee (Chairman)  
 Asif Bashir (Member)  
 Khurram Mazhar Karim (Member)

**Risk Committee**

Asif Bashir (Chairman)  
 Shahid Arshad (Member)  
 Khurram Mazhar Karim (Member)

**Share Registrar**

Corptec Associates (Pvt) Ltd.  
 503-E, Johar Town, Lahore.

**Auditors**

Riaz Ahmad & Company  
 Chartered Accountants

**Bankers**

MCB Bank Limited  
 National Bank of Pakistan (Aitemaad Islamic Banking)  
 Allied Bank Limited  
 United Bank Limited  
 Meezan Bank Limited

**Registered Office**

Tricon Corporate Center, 8th Floor 79-E Jail Road, Gulberg-II Lahore.  
 Ph: +92-423-5711138, 5760381, 8835226  
 Email: [info@shams.com.pk](mailto:info@shams.com.pk)  
 Web: [www.shams.com.pk](http://www.shams.com.pk)

**Project Locations**

Kotla Kahloon, District Nankana Sahib, Punjab  
 3-KM, Faisalabad Road, Chiniot, Punjab

## DIRECTORS' REPORT

The Directors of your Company present before you the unaudited financial statements for the quarter ended March 31, 2024. The financial results are as follows:

**Financial summary of the current quarter is as follow:**

	Nine Months Ended		Quarter ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	(Rupees in thousands)			
SALES	5,386,385	2,118,152	2,122,254	1,403,076
COST OF SALES	(5,088,786)	(2,165,481)	(2,031,058)	(1,397,060)
GROSS PROFIT / (LOSS)	297,599	(47,329)	91,196	6,016
OPERATING EXPENSE	(143,506)	(111,321)	(48,150)	(47,225)
OTHER INCOME	13,862	75,795	12,320	39,206
PROFIT / (LOSS) FROM OPERATIONS	167,955	(82,855)	55,366	(2,003)
FINANCE COST	(64,352)	(5,011)	(26,073)	(3,013)
PROFIT / (LOSS) BEFORE TAXATION	103,603	(87,866)	29,293	(5,016)
TAXATION	(67,206)	(30,036)	(26,394)	(17,539)
PROFIT / (LOSS) AFTER TAXATION	36,397	(117,902)	2,899	(22,555)
PROFIT / (LOSS) PER SHARE (Rs.)	4.21	(13.65)	0.34	(2.61)

**Company's Performance:**

During the current period, the Company has earned a net profit of Rs. 36.397 million as compared to a net loss of Rs. (117.902) million for the same period in the previous year. Unit one continues to be closed for the past two years, and Unit two is operating at 50% capacity. Due to high energy tariffs, as well as a high cost of borrowing, the cost of doing business has increases substantially.

**Future Outlook:**

We understand the current economic climate and the adverse effect it has had on the company. We do not anticipate any substantial improvement in business conditions in the near future due to the high prevailing policy rate, as well as a consistent rise in the cost of energy. Taking into consideration the current circumstances, we are still actively working towards full capacity utilization while remaining profitable.

**Acknowledgment:**

We would like to thank the Board of Directors for their guidance at all times and to all employees and shareholders for their cooperation.

**For and on behalf of the Board of Directors**


**Khalid Bashir**  
Chief Executive

26 April, 2024  
Lahore



**Asif Bashir**  
Director

## ڈائریکٹر رپورٹ

آپ کی کمپنی کے ڈائریکٹرز آپ کے سامنے 31 مارچ 2024ء کو ختم ہونے والی سہ ماہی کے غیر آڈٹ شدہ مالیاتی بیانات پیش کرتے ہیں۔ مالیاتی نتائج درج ذیل ہیں:

مالیاتی خلاصہ:

سہ ماہی		نوماہی		(مبلغ ملین میں)
31 مارچ 2023ء	31 مارچ 2024ء	31 مارچ 2023ء	31 مارچ 2024ء	
1,403,076	<b>2,122,254</b>	2,118,152	<b>5,386,385</b>	فروخت
(1,397,060)	<b>(2,031,058)</b>	(2,165,481)	<b>(5,088,786)</b>	فروخت کی لاگت
6,016	<b>91,196</b>	(47,329)	<b>297,599</b>	خام منافع / (نقصان)
(47,225)	<b>(48,150)</b>	(111,321)	<b>(143,506)</b>	آپریٹنگ خرچہ
39,206	<b>12,320</b>	75,795	<b>13,862</b>	دیگر آمدنی
(2,003)	<b>55,366</b>	(82,855)	<b>167,955</b>	آپریٹنگ منافع / (نقصان)
(3,013)	<b>(26,073)</b>	(5,011)	<b>(64,352)</b>	فنانس خرچہ
(5,016)	<b>29,293</b>	(87,866)	<b>103,603</b>	ٹیکسیشن سے پہلے منافع / (نقصان)
(17,539)	<b>(26,394)</b>	(30,036)	<b>(67,206)</b>	ٹیکسیشن
(22,555)	<b>2,899</b>	(117,902)	<b>36,397</b>	ٹیکسیشن کے بعد منافع / (نقصان)
(2.61)	<b>0.34</b>	(13.65)	<b>4.21</b>	نی حصص منافع / (نقصان) روپے

## کمپنی کی کارکردگی:

موجودہ مدت کے دوران کمپنی نے 36.397 ملین روپے خالص منافع کمایا ہے جبکہ سال کی اسی مدت میں کمپنی کو (117.902) ملین روپے نقصان ہوا تھا۔ یونٹ 1 بچھلے دو سالوں سے بند ہے، اور یونٹ 2 پچاس فیصد صلاحیت کے ساتھ کام کر رہا ہے۔ اعلیٰ توانائی کے نرخوں کے ساتھ ساتھ قرض لینے کی زیادہ لاگت کی وجہ سے، کاروبار کرنے کی لاگت میں خاطر خواہ اضافہ ہوا ہے۔

## مستقبل کے امکانات:

ہم موجودہ اقتصادی ماحول اور کمپنی پراس کے منفی اثرات کو سمجھتے ہیں۔ ہم اعلیٰ مروجہ پالیسی ریٹ کے ساتھ ساتھ توانائی کی قیمت میں مسلسل اضافے کی وجہ سے مستقبل قریب میں کاروباری حالات میں کوئی خاطر خواہ بہتری کی توقع نہیں کرتے ہیں۔ موجودہ حالات کو مدنظر رکھتے ہوئے، ہم ابھی بھی منافع بخش رہتے ہوئے پوری صلاحیت کے استعمال کے لیے سرگرم ہیں۔

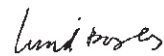
## اظہار تشکر:

ہم اس موقع پر اپنے تمام حصص داروں، شرآکت داروں کے تعاون اور اپنے ملازمین کے کام کو سراہتے ہیں۔ ہم بورڈ آف ڈائریکٹرز کا ان کی رہنمائی اور ان کے مشوروں کا شکریہ ادا کرتے ہیں۔

منجانب برائے بورڈ آف ڈائریکٹرز



آصف بشیر  
ڈائریکٹر



خالد بشیر  
چیف ایگزیکٹو

26 اپریل 2024ء

لاہور

**SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (Un-Audited)**  
For The Nine Months Ended 31 March 2024

non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**ii. Valuation techniques used to determine fair values**

Specific valuation technique used to value financial instruments was use of quoted market prices.

**9. TRANSACTION WITH RELATED PARTIES**

Related parties of the Company comprise associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i. Transactions	Un-Audited			
	Nine Months Ended 31 March 2024	31 March 2023	Quarter ended 31 March 2024	31 March 2023
(Rupees in thousands)				
<b>Associated companies</b>				
Sale of Service-Electricity	4,475	4,445	1,536	1,883
Purchase of goods and services	377	10,149	199	9,520
Insurance premium	7,948	6,429	23	328
Rent expense	2,325	2,475	675	825
<b>Other related parties</b>				
Company's contribution to employees' provident fund trust	5,161	2,180	2,398	688
Remuneration of chief executive, directors and executives	33,813	34,156	11,614	9,822
Loan obtained from Crescent Powertec	100,000	-	100,000	-
<b>ii. Period end balances</b>				
As at 31 March 2024 (Un-audited)				
	Associated Companies	Other related Parties	Total	
(Rupees in thousands)				
Trade and other payables		8,276	160,759	169,035
Trade debts		648	-	648
Long term investments		5,070	-	5,070
As at 30 June 2023 (Audited)				
	Associated Companies	Other related Parties	Total	
(Rupees in thousands)				
Trade and other payables		7,708	147,263	154,971
Long term investments		3,695	-	3,695
Trade debts		2,425	-	2,425

SHAMS TEXTILE MILLS LIMITED

		<b>Un Audited</b>	Audited
		<b>31 March</b>	30 June
		<b>2024</b>	2023
	<b>Note</b>	<b>(Rupees in thousands)</b>	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	<b>727,721</b>	719,628
Long term investments		<b>66,944</b>	45,150
Long term security deposits		<b>25,537</b>	7,736
Deferred income tax asset		-	-
		<b>820,202</b>	772,514
<b>CURRENT ASSETS</b>			
Stores and spare parts		<b>109,648</b>	92,730
Stock-in-trade		<b>735,649</b>	629,506
Trade debts		<b>777,653</b>	536,089
Advances		<b>12,017</b>	2,361
Short term prepayment		<b>1,742</b>	-
Other receivables		<b>10,000</b>	32,813
Sales tax refundable		<b>265,762</b>	366,336
Cash and bank balances		<b>31,610</b>	25,736
		<b>1,944,081</b>	1,685,571
<b>TOTAL ASSETS</b>		<b>2,764,283</b>	2,458,085

  
Chief Executive

  
Director

  
Chief Financial Officer

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
(Un-Audited)

For The Nine Months Ended 31 March 2024

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
(Rupees in thousands)					
SALES		<b>5,386,385</b>	2,118,152	<b>2,122,254</b>	1,403,076
COST OF SALES	<b>6</b>	<b>(5,088,786)</b>	(2,165,481)	<b>(2,031,058)</b>	(1,397,060)
GROSS PROFIT / (LOSS)		<b>297,599</b>	(47,329)	<b>91,196</b>	6,016
DISTRIBUTION COST		<b>(43,080)</b>	(23,642)	<b>(14,666)</b>	(14,141)
ADMINISTRATIVE EXPENSES		<b>(92,628)</b>	(87,679)	<b>(31,566)</b>	(35,167)
OTHER EXPENSES		<b>(7,798)</b>	-	<b>(1,918)</b>	2,083
		<b>(143,506)</b>	(111,321)	<b>(48,150)</b>	(47,225)
		<b>154,093</b>	(158,650)	<b>43,046</b>	(41,209)
OTHER INCOME		<b>13,862</b>	75,795	<b>12,320</b>	39,206
PROFIT FROM OPERATIONS		<b>167,955</b>	(82,855)	<b>55,366</b>	(2,003)
FINANCE COST		<b>(64,352)</b>	(5,011)	<b>(26,073)</b>	(3,013)
PROFIT BEFORE TAXATION		<b>103,603</b>	(87,866)	<b>29,293</b>	(5,016)
TAXATION		<b>(67,206)</b>	(30,036)	<b>(26,394)</b>	(17,539)
PROFIT / (LOSS) AFTER TAXATION		<b>36,397</b>	(117,902)	<b>2,899</b>	(22,555)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)		<b>4.21</b>	(13.65)	<b>0.34</b>	(2.61)

The annexed notes form an integral part of this condensed interim financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer



SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
(Un-audited)

For The Nine Months Ended 31 March 2024

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousands)			
<b>PROFIT/ (LOSS) AFTER TAXATION</b>	<b>36,397</b>	(117,902)	<b>2,899</b>	(22,555)
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Surplus / (Deficit) arising on remeasurement of investments at fair value through other comprehensive income	21,793	(8,889)	10,769	(1,248)
<b>Items that may be reclassified subsequently to profit or loss</b>	-	-	-	-
<b>Other comprehensive income for the period</b>	<b>21,793</b>	(8,889)	<b>10,769</b>	(1,248)
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>	<b>58,190</b>	(126,791)	<b>13,668</b>	(23,803)

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)  
For The Nine Months Ended 31 March 2024

	Reserves						TOTAL EQUITY
	Capital			Revenue		TOTAL RESERVE	
	SHARE CAPITAL	Premium on issue of right shares	Fair value reserve FVTOCI Investments	Sub total	General reserve		
	(Rupees in thousands)						
Balance as at 30 June 2022 (Audited)	86,400	86,400	33,353	119,753	600,000	719,753	1,104,435
Loss for the nine months ended 31 March 2023	-	-	-	-	-	-	(117,902)
Total comprehensive loss for the nine months ended 31 March 2023	-	-	(8,889)	(8,889)	-	(8,889)	(8,889)
Balance as at 31 March 2023 (Un-audited)	86,400	86,400	24,464	110,864	600,000	710,864	977,644
Loss for the year ended 30 June 2023	-	-	-	-	-	-	(35,390)
Other comprehensive income for the half year ended 30 June 2023	-	-	1,447	1,447	-	1,447	1,447
Total comprehensive loss for the year ended 30 June 2023	-	-	1,447	1,447	-	1,447	(33,943)
Balance as at 30 June 2023 (Audited)	86,400	86,400	25,911	112,311	600,000	712,311	943,701
Profit for the nine months ended 31 March 2024	-	-	-	-	-	-	36,397
Other comprehensive income for the nine months ended 31 March 2024	-	-	21,793	21,793	-	21,793	21,793
Total comprehensive income for the nine months ended 31 March 2024	-	-	21,793	21,793	-	21,793	58,190
Balance as at 31 March 2024 (Un-audited)	86,400	86,400	47,704	134,104	600,000	734,104	1,001,891

The annexed notes form an integral part of this condensed interim financial information.

*Leand Torres*  
Chief Executive

*Yograj*  
Director

*Yograj*  
Chief Financial Officer

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-Audited)  
For The Nine Months Ended 31 March 2024

	Nine Months Ended	
	31 March 2024	31 March 2023
Note	(Rupees in thousands)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash used in operations</b>	<b>7 (168,239)</b>	60,877
Finance cost paid	(49,120)	(12,008)
Income tax paid	(58,082)	(2,205)
GIDC paid	-	(2,902)
Long term security deposit	(17,801)	-
Worker profit participation fund paid	(114)	(20,701)
<b>Net cash used in operating activities</b>	<b>(293,356)</b>	23,061
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment	(45,452)	(42,861)
Dividend received	180	26,263
Return on bank deposit	1,848	4,734
Proceeds from sale of property, plant and equipment	564	18,815
<b>Net cash used in investing activities</b>	<b>(42,860)</b>	6,951
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term borrowings - net	342,090	(30,683)
Dividend paid	-	(5)
<b>Net cash from financing activities</b>	<b>342,090</b>	(30,688)
<b>Net (decrease) in cash and cash equivalents</b>	<b>5,874</b>	(676)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>25,736</b>	12,202
<b>Cash and cash equivalents at the end of the period</b>	<b>31,610</b>	11,526

The annexed notes form an integral part of this condensed interim financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (Un-Audited)**  
For The Nine Months Ended 31 March 2024

**1. THE COMPANY AND ITS OPERATIONS**

Shams Textile Mills Limited ("the Company") is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now the Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at Tricon Corporate Center, 8th Floor 79-E Jail Road, Gulberg-II Lahore. The Company is engaged in the business of manufacturing, sale and trading of yarn.

**2. BASIS OF PREPARATION**

**2.1** 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 2023. 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.

**3. ACCOUNTING POLICIES**

The accounting policies and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2023

**3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments 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 preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

**4. CONTINGENCIES AND COMMITMENTS**

Bank guarantee of Rupees. 76.249 million (30 June 2023: Rupees 74.249 million) are given by the banks of the Company in favor of Sui Northern Gas Pipelines Limited against gas connection and Director Excise and Taxation, Karachi against infrastructure cess.

**Commitments**

- i) Letters of credit for other than capital expenditures amounted to Rupees 103.263 million (30 June 2023: Rupees 24.158 million).

SHAMS TEXTILE MILLS LIMITED

**SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (Un-Audited)**  
For The Nine Months Ended 31 March 2024

	<b>Unaudited 31 March 2024</b>	Audited 30 June 2023
<b>(Rupees in thousands)</b>		
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets (Note 5.1)	698,237	701,903
Capital work-in-progress (Note 5.2)	29,484	17,725
	<b>727,721</b>	<b>719,628</b>
<b>5.1 Operating fixed assets</b>		
Opening book value	701,903	714,842
Add: Cost of additions during the period / year (Note 5.1.1)	45,452	62,050
Less: Book value of deletions during the period / year (Note 5.1.2)	(568)	(9,770)
Less: Depreciation charged during the period / year	(48,550)	(65,219)
	<b>698,237</b>	<b>701,903</b>
<b>5.1.1 Cost of additions</b>		
Plant and machinery	45,164	47,714
Vehicles	288	14,336
	<b>45,452</b>	<b>62,050</b>
<b>5.1.2 Book value of deletions</b>		
Plant and machinery	(568)	(7,687)
Vehicles	-	(2,083)
	<b>(568)</b>	<b>(9,770)</b>
<b>5.2 Capital work-in-progress</b>		
Advance against office building	17,725	17,725
Plant & Machinery	11,759	-
	<b>29,484</b>	<b>17,725</b>

	<b>Un-Audited</b>			
	<b>Nine Months Ended</b>		<b>Quarter Ended</b>	
	<b>31 March 2024</b>	31 March 2023	<b>31 March 2024</b>	31 March 2023
<b>(Rupees in thousands)</b>				
<b>6 COST OF SALES</b>				
Raw materials consumed	<b>3,785,989</b>	1,652,129	<b>1,304,949</b>	1,215,279
Salaries, wages and other benefits	<b>203,734</b>	114,148	<b>89,454</b>	48,733
Stores and spare parts consumed	<b>78,953</b>	29,141	<b>17,855</b>	16,561
Packing materials consumed	<b>70,507</b>	19,442	<b>29,130</b>	13,590
Repair and maintenance	<b>11,115</b>	11,605	<b>3,579</b>	2,925
Fuel and power	<b>648,293</b>	147,397	<b>314,167</b>	93,721
Insurance	<b>4,190</b>	4,563	<b>1,258</b>	1,644
Other factory overheads	<b>8,559</b>	5,586	<b>2,523</b>	2,070
Depreciation	<b>42,669</b>	42,370	<b>14,579</b>	14,227
	<b>4,854,009</b>	2,026,381	<b>1,777,494</b>	1,408,750
Work-in-process:				
Opening stock	<b>62,185</b>	84,228	<b>67,380</b>	72,306
Closing stock	<b>(46,867)</b>	(84,168)	<b>(46,867)</b>	(84,168)
	<b>15,318</b>	60	<b>20,513</b>	(11,862)
Cost of goods manufactured	<b>4,869,327</b>	2,026,441	<b>1,798,007</b>	1,396,888
Finished goods:				
Opening stock	<b>440,589</b>	402,146	<b>454,181</b>	263,278
Closing stock	<b>(221,130)</b>	(263,106)	<b>(221,130)</b>	(263,106)
	<b>219,459</b>	139,040	<b>233,051</b>	172
	<b>5,088,786</b>	2,165,481	<b>2,031,058</b>	1,397,060

SHAMS TEXTILE MILLS LIMITED

**SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (Un-Audited)**  
For The Nine Months Ended 31 March 2024

	<b>Un-audited Nine Months Ended</b>	
	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>(Rupees in thousands)</b>		
<b>7 CASH USED IN OPERATIONS</b>		
<b>Profit / (loss) before taxation</b>	<b>103,603</b>	(87,866)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	<b>48,550</b>	48,325
Gain on sale of property, plant and equipment	<b>5</b>	(9,691)
Finance cost	<b>64,352</b>	5,011
Return on bank deposit	<b>(1,848)</b>	(4,734)
Excess provision reversed	<b>(2,990)</b>	-
Dividend income	<b>(180)</b>	(26,263)
Exchange gain	<b>-</b>	(31,137)
Provision for Worker profit participation fund	<b>5,570</b>	-
Provison for worker welfare fund	<b>2,228</b>	-
Working capital changes (Note 8.1)	<b>(387,529)</b>	167,232
	<b>(168,239)</b>	60,877
<b>7.1 Working capital changes</b>		
(Increase) / decrease in current assets:		
- Stores and spare parts	<b>(16,918)</b>	(37,788)
- Stock-in-trade	<b>(106,143)</b>	51,400
- Trade debts	<b>(241,564)</b>	(85,241)
- Advances	<b>(9,656)</b>	(2,174)
- Short term prepayment	<b>(1,742)</b>	(1,641)
- Other receivables	<b>22,813</b>	3,010
- Sales tax refundable	<b>100,574</b>	-
	<b>(252,636)</b>	(72,434)
Increase in trade and other payables	<b>(134,893)</b>	239,666
	<b>(387,529)</b>	167,232

**8. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS**

**(i) Fair value hierarchy**

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

<b>Recurring fair value measurements At 31 March 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Rupees in thousands</b>				
<b>Financial assets</b>				
Investments at fair value through other comprehensive income	66,944	-	-	66,944
<b>Total financial assets</b>	<b>66,944</b>	<b>-</b>	<b>-</b>	<b>66,944</b>
<b>Recurring fair value measurements At 30 June 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Rupees in thousands</b>				
<b>Financial assets</b>				
Investments at fair value through other comprehensive income	45,150	-	-	45,150
<b>Total financial assets</b>	<b>45,150</b>	<b>-</b>	<b>-</b>	<b>45,150</b>

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
As At 31 March 2024

	Un Audited 31 March 2024	Audited 30 June 2023
	Note	(Rupees in thousands)
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized share capital</b>		
25,000,000 (30 June 2023: 25,000,000) ordinary shares of Rupees 10 each	<b>250,000</b>	250,000
<b>Issued, subscribed and paid-up share capital</b>		
8,640,000 (30 June 2023: 8,640,000) ordinary shares of Rupees 10 each	<b>86,400</b>	86,400
<b>Reserves</b>	<b>734,104</b>	712,311
<b>Accumulated loss</b>	<b>181,387</b>	144,990
<b>Total equity</b>	<b>1,001,891</b>	943,701
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
	-	-
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>1,236,828</b>	1,363,923
Accrued mark-up	<b>20,191</b>	4,959
Short term borrowings	<b>450,388</b>	108,298
Current portion of non-current liabilities	<b>31,226</b>	31,226
Taxation - net	<b>19,137</b>	1,356
Unclaimed dividend	<b>4,622</b>	4,622
	<b>1,762,392</b>	1,514,384
<b>Total liabilities</b>	<b>1,762,392</b>	1,514,384
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>4</b>	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,764,283</b>	2,458,085

The annexed notes form an integral part of this condensed interim financial information.

  
Chief Executive

  
Director

  
Chief Financial Officer

SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (Un-Audited)  
For The Nine Months Ended 31 March 2024

**10. FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023.

**11. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX**

	<b>Un-audited 31 March 2024</b>	Audited 30 June 2023
	<b>(Rupees in thousands)</b>	
<b>Loan / advances obtained as per Islamic mode:</b>		
Contract Liabilities	<b>129,309</b>	115,546
<b>Shariah compliant bank deposits / bank balances</b>		
Bank balances	<b>96</b>	96
	<b>Un-audited Nine Months Ended</b>	
	<b>31 March 2024</b>	31 March 2023
	<b>(Rupees in thousands)</b>	
<b>Profit earned from shariah compliant bank deposits / bank balances</b>		
Profit on deposits with banks	-	-
<b>Revenue earned from shariah compliant business</b>	<b>5,386,385</b>	2,118,152
<b>Exchange gain / (loss)</b>	-	31,137
<b>Profits earned or interest paid on any conventional loan / advance</b>		
Interest paid on loans	<b>64,352</b>	5,011
Profit earned on deposits with banks	<b>1,848</b>	4,734
<b>Relationship with shariah compliant banks</b>		
<b>Name</b>	<b>Relationship</b>	
BankIslami Pakistan Limited	Bank balance	
National Bank Islami	Bank balance	

**12. DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 26 April, 2024.

**13. CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", 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.

**14. GENERAL**

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

  
Chief Executive

  
Director

  
Chief Financial Officer



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