



QUARTERLY REPORT (UN-AUDITED)

Half Yearly Report
Ended 31th December 2024

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2024

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Corporate Information

Board of Directors

Mr. Muhammad Aslam Parekh	Chairman
Mr. Abdul Kadir Adam	Chief Executive
Mr. Mohammad Yasin Siddik	Executive Director
Ms. Naila Hasan	Independent Director
Mr. Mohammad Raziuddin Monem	Independent Director
Ms. Lubna Asif Balagamwala	Non-Executive Director
Mr. Tanzeel Abdul Sattar (NIT Nominee)	Non-Executive Director

Company Secretary

Mr. Hammad Ullah Khan

Managing Director

Mr. Zaid Siddik

Technical Director

Mr. Ashraf Aziz

Chief Financial Officer

Ms. Shenila Parekh

Legal Advisor

Farooq Rashid Advocate

Auditors

Rahman Sarfaraz Rahim

Iqbal Rafiq Chartered Accountants

Registered and Corporate Office

1st floor, Haji Adam Chambers, Altaf Hussain Road,
New Challi, Karachi.

Phone: 0213 -2400405-8

Email: premhead@premiumtextile.com

Mill

Plot 58,60,61 &76,77,78 Main Super Highway,
Nooriabad, Distt. Dadu (Sindh), Pakistan.

Phone : (025) 4007463-9

Share Registrar

FD Registrar Services (SMC-Pvt) Ltd. 17th floor,

Saima Trade Tower A II. Chundrigar Road,

Karachi Phone:0213-2271905-6

fdregistrar@yahoo.com

Bankers

Bank Al- Habib limited

Bank Al- Falah limited

Meezan Bank Limited

Habib Bank Limited

Habib Metropolitan Bank

Askari Bank

Audit Committee

Ms. Naila Hasan Chairperson

Mr. Mohammad Raziuddin Monem Member

Ms. Lubna Asif Balagamwala Member

Human Resources & Remuneration Committee

Mr. Mohammad Raziuddin Monem Chairman

Ms. Naila Hasan Member

Ms. Lubna Asif Balagamwala Member

Website

www.premiumtextile.com

DIRECTORS REPORT TO THE MEMBERS

Dear Shareholders,

Assalam-o-Alaikum

The Board of Directors are pleased to present the unaudited Financial Statements of Premium Textile Mills Limited for the half year ended December 31, 2024.

During the period under review, the company's gross profit margin has remained almost the same at 15% and we have attained net profit of Rs 353 Million (compared to a loss of Rs 183 Million during the same period last year) in these difficult times when the energy tariff has increased by 25% to Rs 3,000 per MMBTU.

There is an increase in the Company's sales revenue by 18% as the sales figure increased up to Rs.15.558 billion from Rs.13.132 billion in Dec 2023.

FINANCIAL PERFORMANCE

Particulars	Dec -2024		Dec - 2023	
	Amount in million	%	Amount in million	%
Sales-net	15,559		13,133	
Gross Profit	2,348	15.09	2,001	15.24
Administrative expenses	(318)	(2.05)	(266)	(2.03)
Distribution Cost	(239)	(1.54)	(214)	(1.63)
Finance Cost	(1,365)	(8.77)	(1,574)	(11.98)
(Loss)/Profit before tax & Levies	655	4.21	1	(0.01)
Loss)/Profit After Tax	353	2.26	(183)	(1.39)
(Loss) / Earning Per Share	57.24		(29.7)	

PERFORMANCE OF YOUR COMPANY

Your company has achieved a profit despite an increase in the price of energy and introduction of tax levies and withdrawal of all concessionary financing schemes e.g.LTFF and concessional financing rates for renewable energy etc.

Our sales revenue has increased by 18% whereas our administrative expenses & selling and distribution expenses have registered a 19.62 & 11.65% increase respectively.

BRIEF OVERVIEW

During the previous months, cotton crop was faced with multiple problems in Pakistan. Inadequate returns to farmers, low quality seeds and drastic weather changes, presence of pests, have caused a decline in crops increasing our reliance on imports. We have also purchased a higher % of raw cotton from foreign suppliers. The average cost is lower than last year.

It has been stressed by APTMA to restore export finance scheme for local producers as before but the Government is not inclined towards it which has resulted in a huge increase in imports of yarn. It was also stressed that cost of gas and electricity to be reduced to save foreign exchange and achieve higher exports for achieving a strong country.

FUTURE OUTLOOK

The future for stand alone spinning mills seems difficult as now imports of yarn and fabric have been allowed and that too without the payment of Sales Tax @18%. The cotton crop also has reduced from 14 Million bales to 8 Million bales and energy tariffs have also been brought close to International market levels. Therefore, we feel that the way forward are 2:

1. All new capacity should be in Value Addition.
2. All new sources of energy should be from renewable energy.

COMPOSITION OF THE BOARD

The total number of Directors are 7 as follows:

Male - 5
Female - 2

The composition of the Board is as follows:

Independent Directors	Mr Mohammad Raziuddin Monem Ms Naila Hasan (Female)
Non – Executive Directors	Mr Mohmammad Aslam Parekh Ms Lubna Asif Balagamwala (Female) Mr Tanzeel Sattar
Executive Directors	Mr Abdul Kadir Adam Mr Mohammad Yasin Siddik

Further, there is no change in the remuneration policy of non-executive directors as disclosed in notice of the AGM in the annual report 2024.

The Board committees comprise of

- Audit Committee
- Human Resource and Remuneration Committee

The members are

Audit Committee

Ms Naila Hasan - Chairperson
Mr Mohammad Raziuddin Monem - Member
Ms Lubna Asif Balagamwala - Member

Human Resource and Remuneration Committee

Mr Mohammad Raziuddin Monem - Chairman
Ms Naila Hasan - Member
Ms. Lubna Asif Balagamwalla -Member

Acknowledgement

We would like to acknowledge the hard work, loyalty, contribution and devotion of our staff and workers. We would also like to express our thanks to our customers for the trust shown in our products and the bankers for their continued support of the company.

We are also grateful to our shareholders for their confidence in the Management team.

FOR AND ON BEHALF OF BOARD OF DIRECTORS



Mr. Abdul Kadir Adam
Chief Executive



Mr. M. Yasin Siddik
Executive Director

Date: February 20, 2025

بورڈ کمیٹیاں

1. آڈٹ کمیٹی

- محترمہ نائلہ حسن (چیئر پرسن)
- جناب محمد رضی الدین موہیم (رکن)
- محترمہ لبنی عاصف بالا گام والا (رکن)

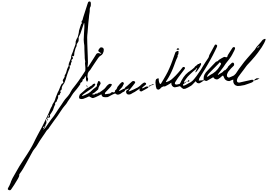
2. انسانی وسائل اور معاوضہ کمیٹی

- جناب محمد رضی الدین موہیم (چیئر مین)
- محترمہ نائلہ حسن (رکن)
- محترمہ لبنی عاصف بالا گام والا (رکن)

اعتراف

ہم اپنے ملازمین اور ورکرز کی محنت، وفاداری، تعاون اور لگن کو سراہتے ہیں۔ ہم اپنے صارفین کا بھی شکریہ ادا کرتے ہیں جنہوں نے ہماری مصنوعات پر اعتماد ظاہر کیا اور بینکوں کا بھی شکریہ جو کمپنی کی مستقل حمایت کرتے ہیں۔ ہم اپنے شیئر ہولڈرز کے بھی مشکور ہیں جنہوں نے مینجمنٹ ٹیم پر اعتماد کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے



ایگزیکٹو ڈائریکٹر
جناب محمد یاسین صدیق



چیف ایگزیکٹو آفیسر
جناب عبدالقادر آدم

تاریخ: 20 فروری، 2025

مستقبل کا منظر نامہ

اسپینگ ملوں کا مستقبل مشکل نظر آتا ہے کیونکہ اب یارن اور فیبرک کی درآمد کی اجازت دے دی گئی ہے اور وہ بھی 18 فیصد سیلز ٹیکس کی ادائیگی کے بغیر۔ کپاس کی فصل بھی 14 ملین گانٹھوں سے کم ہو کر 8 ملین گانٹھوں پر آگئی ہے اور توانائی کے ٹیرف کو بھی بین الاقوامی مارکیٹ کی سطح کے قریب لایا گیا ہے۔ لہذا، ہم محسوس کرتے ہیں کہ آگے کا راستہ 2 ہیں:

1. تمام نئی صلاحیت ویلیو ایڈیشن میں ہونی چاہیے۔
2. توانائی کے تمام نئے ذرائع قابل تجدید توانائی سے ہونے چاہئیں

بورڈ کی تشکیل

ڈائریکٹرز کی مجموعی تعداد 7 ہے، جس کی تفصیل درج ذیل ہے:

- مرد: 5

- خواتین: 2

بورڈ کی تشکیل

آزاد ڈائریکٹرز	جناب محمد رضی الدین مومینم
آزاد ڈائریکٹرز	محترمہ نائلہ حسن (خاتون)
نان ایگزیکٹو ڈائریکٹرز	جناب محمد اسلم پرک
نان ایگزیکٹو ڈائریکٹرز	محترمہ لبنی آصف بالا گام والا (خاتون)
نان ایگزیکٹو ڈائریکٹرز	جناب تنزیل عبدالستار
ایگزیکٹو ڈائریکٹرز	جناب عبدالقادر آدم
ایگزیکٹو ڈائریکٹرز	جناب محمد یاسین صدیق

غیر ایگزیکٹو ڈائریکٹرز کی معاوضہ پالیسی میں کوئی تبدیلی نہیں ہوئی ہے، جیسا کہ سالانہ رپورٹ 2024 میں AGM کے نوٹس میں بیان کیا گیا ہے۔

آپ کی کمپنی کی کارکردگی

آپ کی کمپنی نے توانائی کی قیمت میں اضافے اور ٹیکس عائد کرنے اور تمام رعایتی فنانسنگ اسکیموں مثلاً LTTF اور قابل تجدید توانائی کے لیے رعایتی مالیاتی شرحوں وغیرہ کو واپس لینے کے باوجود منافع حاصل کیا ہے۔

ہمارے سیکڑ ریونیو میں 18 فیصد اضافہ ہوا ہے جبکہ ہمارے انتظامی اخراجات اور فروخت اور تقسیم کے اخراجات میں بالترتیب 19.62 اور 11.65 فیصد اضافہ ہوا ہے۔

مختصر جائزہ

پچھلے مہینوں کے دوران، پاکستان میں کپاس کی فصل کو متعدد مسائل کا سامنا ہے۔ کسانوں کو ناکافی منافع، کم معیار کے بیج اور موسم کی شدید تبدیلی، کیڑوں کی موجودگی، فصلوں میں کمی کا سبب بنی ہے جس سے درآمدات پر ہمارا انحصار بڑھ رہا ہے۔ ہم نے غیر ملکی سپلائرز سے خام کپاس کا زیادہ فیصد بھی خریدا ہے۔ اوسط لاگت پچھلے سال سے کم ہے۔

اپنا کی جانب سے مقامی پروڈیوسرز کے لیے ایکسپورٹ فنانس اسکیم کو پہلے کی طرح بحال کرنے پر زور دیا گیا ہے لیکن حکومت اس کی طرف مائل نہیں ہے جس کی وجہ سے یارن کی درآمدات میں بے پناہ اضافہ ہوا ہے۔ اس بات پر بھی زور دیا گیا کہ ایک مضبوط ملک کے حصول کے لیے زرمبادلہ کی بچت اور زیادہ برآمدات کے حصول کے لیے گیس اور بجلی کی قیمتوں میں کمی کی جائے۔

کیپیٹو پاور پلانٹس کے لیے گیس کی قیمتوں میں 25% سے 3000 روپے (قدرتی گیس) فی ایم ایم بی ٹی یو تک اضافہ ہوا ہے تاکہ ہمیں زبردستی گرڈ پر منتقل کیا جاسکے تاکہ آئی پی پیز کو صلاحیت کی ادائیگیوں کو جذب کیا جاسکے۔

ڈائریکٹرز رپورٹ

ڈائریکٹرز کی رپورٹ برائے ممبران

محترم شیئر ہولڈرز،

السلام علیکم ورحمۃ اللہ وبرکاتہ،

بورڈ آف ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والے ششماہی کے لیے پریم ٹیکسٹائل ملز لمیٹڈ کے غیر آڈٹ شدہ مالیاتی گوشواروں کو پیش کرنے پر خوش ہیں۔

زیر جائزہ مدت کے دوران، کمپنی کا مجموعی منافع کا مارجن تقریباً 15 فیصد پر وہی رہا ہے اور ہم نے ان مشکل اوقات میں 353 ملین روپے کا خالص منافع حاصل کیا ہے (پچھلے سال کی اسی مدت کے دوران 183 ملین روپے کے نقصان کے مقابلے) جب توانائی کا ٹیرف 25 فیصد بڑھ کر 3,000 روپے فی MMBTU ہو گیا ہے۔

کمپنی کی سیلز ریونیو میں 18 فیصد اضافہ ہوا ہے کیونکہ سیلز کا اعداد و شمار دسمبر 2023 میں 13.132 بلین روپے سے بڑھ کر 15.558 بلین روپے تک پہنچ گیا ہے۔

مالی کارکردگی

دسمبر 2024		دسمبر 2023		تفصیلات
رقم (ملین)	%	رقم (ملین)	%	
15,559		13,133		سیلز نیٹ
2,348	15.09	2,001	15.24	کل منافع
(318)	(2.05)	(266)	(2.03)	انتظامی اخراجات
(239)	(1.54)	(214)	(1.63)	تقسیم کے اخراجات
(1,365)	(8.77)	(1,574)	(11.98)	مالیاتی لاگت
655	4.21	1	(0.01)	(نقصان) / منافع ٹیکس سے پہلے
353	2.26	(183)	(1.39)	(نقصان) / منافع ٹیکس کے بعد

**CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)
OF
PREMIUM TEXTILE MILLS LIMITED
FOR THE HALF YEARLY PERIOD ENDED
DECEMBER 31, 2024**

**Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
KARACHI, LAHORE & ISLAMABAD**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF M/S. PREMIUM TEXTILE MILLS LIMITED**

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **M/s. Premium Textile Mills Limited** ("the Company") as at **December 31, 2024** and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows and notes thereto for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As part of our engagement, we were only required to review the cumulative figures for the six-month period ended December 31, 2024. Accordingly, we have not reviewed the figures in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2024.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Mr. Muhammad Waseem**.


RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Karachi

Date: February 28, 2025

UDIN: RR2024102131qMv59a1R

Premium Textile Mills Limited


Condensed Interim Statement of Financial Position


As at December 31, 2024 (unaudited)

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,594,176,284	15,031,159,104
Long term advances and deposits		17,617,872	9,782,144
		<u>14,611,794,156</u>	<u>15,040,941,248</u>
Current assets			
Stores and spares		649,877,585	726,402,673
Stock in trade	4	8,782,213,860	6,419,117,631
Trade debts - net	5	7,061,552,237	7,275,865,808
Tax refunds due from Government	6	938,860,739	363,458,252
Advances, prepayments and other receivables	7	563,790,316	255,917,079
Cash and bank balances	8	61,320,115	458,054,460
		<u>18,057,614,852</u>	<u>15,498,815,903</u>
Total assets		<u><u>32,669,409,008</u></u>	<u><u>30,539,757,151</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorized capital</i>			
7,000,000 (June 30, 2024: 7,000,000) ordinary shares of Rs. 10/- each		<u>70,000,000</u>	<u>70,000,000</u>
Issued, subscribed and paid-up capital		61,630,000	61,630,000
<i>Capital reserve</i>			
Surplus on revaluation of plant and electrical instruments	9	1,088,029,584	1,145,294,299
<i>Revenue reserve</i>			
Unappropriated profits		<u>7,694,821,143</u>	<u>7,284,806,826</u>
Total equity		<u>8,844,480,727</u>	<u>8,491,731,125</u>
LIABILITIES			
Non-current liabilities			
Long term financing - secured	10	6,762,310,036	7,286,238,600
Deferred liabilities	11	1,626,307,880	1,667,913,207
		<u>8,388,617,916</u>	<u>8,954,151,807</u>
Current liabilities			
Trade and other payables	12	2,454,252,495	2,259,553,858
Unclaimed dividend		10,448,093	10,448,093
Accrued markup	13	454,620,148	512,826,194
Short term borrowings - secured	14	11,183,922,382	9,079,025,121
Taxation-net	6	43,331,202	-
Current maturity of government grant		181,579,172	192,068,879
Current maturity of Gas Infrastructure Development Cess		156,280,966	101,122,978
Current maturity of long term financing	10	951,875,907	938,829,096
		<u>15,436,310,365</u>	<u>13,093,874,219</u>
Contingencies and commitments	15		
Total equity and liabilities		<u><u>32,669,409,008</u></u>	<u><u>30,539,757,151</u></u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

Resin

Premium Textile Mills Limited

Condensed Interim Statement of Profit or Loss

For the half year and quarter ended December 31, 2024 (unaudited)

	Note	Half year ended		Quarter ended	
		December 31, 2024	(Restated) December 31, 2023	December 31, 2024	(Restated) December 31, 2023
		Rupees		Rupees	
Sales - net	16	15,558,937,495	13,132,579,592	7,730,315,858	6,379,400,514
Cost of sales	17	(13,210,967,388)	(11,131,391,538)	(6,503,457,301)	(5,395,582,378)
Gross profit		2,347,970,107	2,001,188,054	1,226,858,557	983,818,136
Administrative expenses		(318,229,959)	(266,035,572)	(181,609,462)	(153,796,344)
Distribution costs		(239,216,034)	(214,242,237)	(127,535,504)	(113,881,488)
		(557,445,993)	(480,277,809)	(309,144,966)	(267,677,832)
Operating profit		1,790,524,114	1,520,910,245	917,713,591	716,140,304
Finance costs	18	(1,365,098,501)	(1,573,503,662)	(701,842,532)	(845,679,433)
Other Income / (expenses) - Net	19	229,320,615	53,403,285	153,394,275	6,804,291
		(1,135,777,886)	(1,520,100,377)	(548,448,257)	(838,875,142)
Profit/ (loss) before levies and taxation		654,746,228	809,868	369,265,334	(122,734,838)
Levies	20	(301,996,626)	(180,612,264)	(117,604,730)	(81,449,633)
Profit/ (loss) before taxation		352,749,602	(179,802,396)	251,660,604	(204,184,471)
Taxation		-	(3,250,765)	-	(3,250,765)
Profit/ (loss) after taxation		352,749,602	(183,053,161)	251,660,604	(207,435,236)
Earnings/ (loss) per share - basic and diluted		57.24	(29.70)	40.83	(33.66)

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

Review

Premium Textile Mills Limited

Statement of Comprehensive Income

For the half year and quarter ended December 31, 2024 (unaudited)

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	—————Rupees—————			
Profit/ (loss) after taxation	352,749,602	(183,053,161)	251,660,604	(207,435,236)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period (Unaudited)	<u>352,749,602</u>	<u>(183,053,161)</u>	<u>251,660,604</u>	<u>(207,435,236)</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

Review

Premium Textile Mills Limited

Statement of Changes in Equity

For the half year ended December 31, 2024 (unaudited)

	Issued, subscribed and paid up capital	Revenue reserve	Capital reserve	Total
		Unappropriated profits	Surplus on revaluation of plant and equipment	
Rupees				
Balance as at June 30, 2023 (Audited)	61,630,000	7,795,381,951	1,295,655,749	9,152,667,700
<i>Total comprehensive loss for the period ended December 30, 2023</i>				
- Loss after taxation	-	(183,053,161)	-	(183,053,161)
- Other comprehensive income	-	-	-	-
	-	(183,053,161)	-	(183,053,161)
Transfer to unappropriated profit on account of incremental depreciation	-	64,170,064	(64,170,064)	-
Revaluation surplus realized on disposal of fixed assets	-	12,254,462	(12,254,462)	-
<i>Transactions with owners</i>				
Final cash dividend paid @ 250% for the year ended June 30, 2023 (2022: 500%)	-	(154,075,000)	-	(154,075,000)
	-	(154,075,000)	-	(154,075,000)
Balance as at December 31, 2023 (Unaudited)	61,630,000	7,534,678,316	1,219,231,223	8,815,539,539
Balance as at June 30, 2024 (Audited)	61,630,000	7,284,806,826	1,145,294,299	8,491,731,125
<i>Total comprehensive income for the period ended December 31, 2024</i>				
- Profit after taxation	-	352,749,602	-	352,749,602
- Other comprehensive income	-	-	-	-
	-	352,749,602	-	352,749,602
Transfer to unappropriated profit on account of incremental depreciation	-	57,264,715	(57,264,715)	-
Balance as at December 31, 2024 (Unaudited)	61,630,000	7,694,821,143	1,088,029,584	8,844,480,727

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

Basir

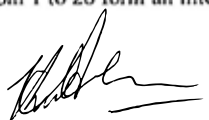
Premium Textile Mills Limited

Condensed Interim Statement of Cash Flows

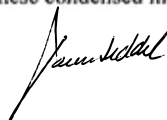
For the half year Ended December 31, 2024 (unaudited)

		Half year ended	
		December 31, 2024	(Restated) December 31, 2023
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
	Note		
Profit before levies and taxation		654,746,228	809,868
<i>Adjustments for non cash and other items:</i>			
- Depreciation	3.1	718,723,930	606,829,536
- Gain on disposal of property, plant and equipment	19	(8,578,921)	(6,804,008)
- Provision for staff retirement benefits		120,877,022	78,560,311
- Amortization of intangible assets		-	1,341,640
- Amortization of deferred government grant	19	(99,775,943)	(83,347,234)
- Provision/ (reversal) of expected credit losses		-	(15,060,401)
- Unrealized exchange losses	19	1,978,192	36,780,015
- Finance costs	18	1,365,098,501	1,573,503,662
		<u>2,098,322,781</u>	<u>2,191,803,521</u>
Cash generated from operating activities before working capital changes		2,753,069,009	2,192,613,389
Effect on cash flow due to working capital changes			
<i>(Increase) / decrease in current assets</i>			
- Stores and spares		76,525,088	88,064,399
- Stock in trade		(2,363,096,229)	643,567,593
- Trade debts		214,303,969	54,358,293
- Advances, deposits and other receivables		(307,873,237)	572,238,040
- Sales tax refundable		(598,938,279)	(70,332,014)
<i>Increase / (decrease) in current liabilities</i>			
- Trade and other payables		182,008,006	102,163,619
		<u>(2,797,070,682)</u>	<u>1,390,059,930</u>
Cash (used in) / generated from operations		(44,001,673)	3,582,673,319
- Taxes paid		(189,952,143)	(101,371,172)
- Staff retirement benefits		(42,702,585)	(34,271,957)
- Payment of Workers' Profit Participation Fund		-	(83,672,771)
- Payment of Workers' welfare Fund		(32,486,858)	-
- Finance cost paid		(1,315,005,279)	(1,341,473,321)
- Long term advances and deposits - net		(7,835,728)	(99,173,900)
Net cash (used in) / generated from operating activities		<u>(1,631,984,266)</u>	<u>1,922,710,198</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
- Acquisition of property, plant and equipment		(288,584,190)	(3,069,482,301)
- Acquisition of intangible assets		-	(7,712,290)
- Proceeds from disposal of property, plant and equipment		15,422,000	51,046,700
Net cash used in investing activities		<u>(273,162,190)</u>	<u>(3,026,147,891)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
- Repayment of Long term financing (principal portion)		(594,516,560)	(330,706,348)
- Long term financing obtained		-	2,112,320,431
- Short term borrowings - net		3,216,782,291	3,482,069,905
- Dividend paid		-	(153,364,497)
Net cash generated from financing activities		<u>2,622,265,731</u>	<u>5,110,319,491</u>
Net increase in cash and cash equivalents		717,119,275	4,006,881,798
Cash and cash equivalents at the beginning of the period / year		(3,367,915,169)	(5,094,373,138)
Effect of movements in exchange rates on cash held		(1,968,590)	(32,828,926)
Cash and cash equivalents at the end of the period	21	<u>(2,652,764,484)</u>	<u>(1,120,320,266)</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

Revin

Premium Textile Mills Limited

Notes to the Condensed Interim Financial Statements

For the half year and quarter ended December 31, 2024 (unaudited)

1. STATUS AND NATURE OF BUSINESS

1.1 Premium Textile Mills Limited ('the Company') was incorporated in Pakistan on March 03, 1987 as a public listed company under the Companies Ordinance, 1984 (now repealed with the enactment of Companies Act, 2017 on may 30,2017) and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn and socks of different varieties.

1.2 The address(s) of the company's registered office and the mill are as under:

- The Registered office of the Company is located at 1st Floor, Haji Adam Chambers, Altaf Hussain Road, New Challi, Karachi.
- The Company's manufacturing unit is located at Plot No. 58,60,61 & 76,77,78 Main Super Highway , Nooriabad , District Dadu (Sindh), Pakistan.

2. BASIS OF PREPARATION OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

2.1 Statement of compliance with the applicable accounting and reporting standards

These Condensed Interim financial statements (here-in-after referred to as the "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:

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

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

These interim financial statements do not include all the information and disclosure as required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year ended June 30, 2024.

2.2 Basis of measurement

In these interim financial statements, all items have been measured at their historical cost, except for plant and machinery and electrical instruments and installations which are carried at revalued amounts less accumulated depreciation and impairment loss thereon if any.

2.3 Functional and presentation currency

Items included in these interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These interim financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

2.4 Judgments and sources of estimation uncertainty

In preparing these interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in the annual financial statements of the Company as at and for the year ended June 30, 2024.

2.5 Material accounting policies information

The material accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2024.

3. PROPERTY, PLANT AND EQUIPMENT

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	Rupees	
Operating fixed assets	3.1	13,778,424,361	14,140,304,364
Capital work in progress	3.2	815,751,923	771,218,296
Equipment in transit		-	119,636,444
		<u>14,594,176,284</u>	<u>15,031,159,104</u>

Resin

3.1 Operating fixed assets

	Rupees									
	Freehold land	Building and godowns on free hold land	Plant and machinery	Office, tools, fire fighting and laboratory equipment	Furniture and fixtures	Computer and allied equipment	Vehicles	Electrical instruments and installations	Arms and ammunition	Total
As at June 30, 2023										
Gross carrying amount	30,920,176	2,180,789,653	10,789,147,869	43,595,012	52,112,197	30,631,400	423,582,694	1,920,800,769	37,150	15,471,616,920
Accumulated depreciation	-	(689,572,765)	(2,846,375,257)	(13,192,102)	(15,976,543)	(11,276,527)	(156,143,707)	(534,719,506)	(35,795)	(4,266,992,202)
Net book value	30,920,176	1,491,216,888	7,942,772,612	30,402,910	36,435,654	19,354,873	267,438,987	1,386,081,263	1,355	11,204,624,718
<i>Movement during the Period ended December 31, 2023</i>										
Opening net book value	30,920,176	1,491,216,888	7,942,772,612	30,402,910	36,435,654	19,354,873	267,438,987	1,386,081,263	1,355	11,204,624,718
Additions	142,564	2,770,962	2,869,921	18,507,721	10,137,124	5,120,766	55,365,553	29,352,862	-	124,267,473
Transfer from CWTP	-	302,511,951	2,247,338,692	-	-	-	-	17,306,309	-	2,567,156,952
Disposals:										
- Gross carrying amount	-	-	(98,837,455)	-	-	-	(1,878,469)	-	-	(100,715,924)
- Accumulated depreciation	-	-	55,227,414	-	-	-	1,245,818	-	-	56,473,232
	-	-	(43,610,041)	-	-	-	(632,651)	-	-	(44,242,692)
Depreciation for the period	-	(85,106,294)	(413,457,958)	(2,157,858)	(2,161,277)	(3,565,305)	(29,229,814)	(71,150,962)	(68)	(606,829,536)
Closing net book value	31,062,740	1,711,393,507	9,735,913,226	46,752,773	44,411,501	20,910,334	292,942,075	1,361,589,472	1,287	13,244,976,915
As at December 31, 2023										
Gross carrying amount	31,062,740	2,486,072,566	12,940,519,027	62,102,733	62,249,321	35,752,166	477,069,778	1,967,459,940	37,150	18,062,325,421
Accumulated depreciation	-	(774,679,059)	(3,204,605,801)	(15,349,960)	(17,837,820)	(14,841,832)	(184,127,703)	(605,870,468)	(35,863)	(4,817,348,506)
Net book value	31,062,740	1,711,393,507	9,735,913,226	46,752,773	44,411,501	20,910,334	292,942,075	1,361,589,472	1,287	13,244,976,915
As at June 30, 2024										
Gross carrying amount	31,062,740	2,633,028,344	13,774,682,292	90,974,271	66,840,602	39,822,055	520,904,958	2,500,132,780	37,150	19,687,485,192
Accumulated depreciation	-	(866,393,759)	(3,689,680,970)	(19,217,099)	(20,168,023)	(18,833,171)	(213,223,714)	(689,628,162)	(35,930)	(5,517,180,828)
Net book value	31,062,740	1,766,634,585	10,085,001,322	71,757,172	46,672,579	20,988,884	307,681,244	1,810,504,618	1,220	14,140,304,364
<i>Movement during the Period ended December 31, 2024</i>										
Opening net book value	31,062,740	1,766,634,585	10,085,001,322	71,757,172	46,672,579	20,988,884	307,681,244	1,810,504,618	1,220	14,140,304,364
Additions	-	12,515,500	225,000	368,552	4,273,458	3,115,906	12,053,845	-	-	32,552,261
Transfer from CWTP	-	177,882,181	145,533,060	1,984,405	-	-	5,735,100	-	-	331,134,746
Disposals:										
- Gross carrying amount	-	-	-	-	-	-	(13,244,935)	-	-	(13,244,935)
- Accumulated depreciation	-	-	-	-	-	-	6,401,855	-	-	6,401,855
	-	(88,553,289)	(501,713,678)	(3,278,935)	(2,464,458)	(2,838,163)	(6,843,080)	-	-	(6,843,080)
Depreciation for the period	-	1,868,478,977	9,729,045,704	70,831,194	48,481,579	21,266,627	(29,693,687)	(90,181,659)	(61)	(718,723,930)
Closing net book value	31,062,740	1,868,478,977	9,729,045,704	70,831,194	48,481,579	21,266,627	288,933,422	1,720,322,959	1,159	13,778,424,361
As at December 31, 2024										
Gross carrying amount	31,062,740	2,823,426,025	13,920,440,352	93,327,228	71,114,060	42,937,961	525,448,968	2,500,132,780	37,150	20,007,927,264
Accumulated depreciation	-	(954,947,048)	(4,191,394,648)	(22,496,034)	(22,632,481)	(21,671,334)	(236,515,546)	(779,809,821)	(35,991)	(6,229,502,903)
Net book value	31,062,740	1,868,478,977	9,729,045,704	70,831,194	48,481,579	21,266,627	288,933,422	1,720,322,959	1,159	13,778,424,361
Annual rates of depreciation	-	10%	10%	10%	10%	30%	20%	10%	-	10%

Desai

3.1.1 The following operating fixed assets with a net book value exceeding Rs. 500,000 were disposed off during the period.

Particular Of Assets	Gross carrying amount	Accumulated Depreciation	Book Value	Sales Proceeds	Gain/(Loss) on Disposal	Particulars Of Purchaser	Relation with Buyer	Mode Of Disposal
Rupees								
Kia Sportage	5,652,115	(3,082,379)	2,569,736	6,600,000	4,030,264	Mr. Mustafa Furqan Mir	None	Negotiation
Honda City	3,326,470	(1,606,986)	1,719,484	4,210,000	2,490,516	EFU General Insurance Ltd.	None	Negotiation
Suzuki Alto	2,622,000	(561,213)	2,060,787	2,612,000	551,213	EFU General Insurance Ltd.	None	Negotiation
31-Dec-24	11,600,585	(5,250,578)	6,350,007	13,422,000	7,071,993			
31-Dec-23	100,659,224	(56,439,744)	44,219,480	50,990,000	6,770,520			

3.1.2 Freehold land represents 226,624 acres of land situated at Nooriabad , District Dadu (Sindh) on which factory and non factory buildings are constructed. The property is utilized as manufacturing facility for the production of yarn and socks.

3.1.3 The Company measures its plant and machinery and electrical instruments and installations using revaluation model. The latest revaluation of plant and machinery and electrical instruments and installations was carried out by an independent valuer M/s K.G.Traders (Pvt) Ltd on June 27, 2023. As per the aforesaid valuation, the forced sale value of the plant and machinery and electrical instruments and installation amounted to Rs. 6,528 million

3.1.4 Had there been no revaluation, the net book value of specific classes of property, plant and equipment would have been as follows:

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
Rupees		
Plant and machinery	8,779,677,164	9,085,666,017
Electrical instruments and installations	1,581,661,915	1,664,545,624
	<u>10,361,339,079</u>	<u>10,750,211,641</u>

3.2 Capital work in progress

Opening balance as at the beginning of the period / year	771,218,296	965,581,767
Additions:		
- Machinery	102,145,183	2,732,378,205
- Civil works	92,403,425	238,567,814
- Solar Renewable Energy	181,119,765	736,150,808
	375,668,373	3,707,096,827
Transferred to operating fixed assets	(331,134,746)	(3,901,460,298)
Closing balance at the end of the period/ year	<u>815,751,923</u>	<u>771,218,296</u>

4. STOCK IN TRADE

Raw material		
- In hand	6,131,698,801	3,799,041,219
- In transit	1,084,331,811	1,217,119,247
	7,216,030,612	5,016,160,466
Work in process	100,392,702	220,482,559
Finished goods	1,353,933,154	1,060,421,825
Waste material	3,617,809	4,879,521
	1,357,550,963	1,065,301,346
Packing materials	108,239,583	117,173,260
	<u>8,782,213,860</u>	<u>6,419,117,631</u>

Ravi

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
5.	TRADE DEBTS - net	Rupees	
	Local debtors - unsecured	6,178,101,022	6,387,885,994
	Foreign debtors - secured	914,619,490	919,148,089
		<u>7,092,720,512</u>	<u>7,307,034,083</u>
	Less: Provision for expected credit losses	(31,168,275)	(31,168,275)
		<u>7,061,552,237</u>	<u>7,275,865,808</u>
5.1	Movement in provision for expected credit losses		
	Opening balance	31,168,275	28,311,038
	Add: Charge for the period / year	-	2,857,237
		<u>31,168,275</u>	<u>31,168,275</u>
6.	TAX REFUNDS DUE FROM GOVERNMENT		
	Income tax refundable	-	23,535,792
	Input sales tax credit carried forward	938,860,739	339,922,460
		<u>938,860,739</u>	<u>363,458,252</u>
6.1	Income tax (payable) / refundable		
	Opening balance	23,535,792	40,991,930
	Add: Tax paid during the period/ year	574,647	-
	Add: Reversal of prior tax	-	28,381,157
	Add: Taxes deducted at source during the period/ year	189,377,496	230,614,509
		<u>213,487,935</u>	<u>299,987,596</u>
	Less: Provision for levies	(256,819,137)	(276,451,804)
	Closing balance	<u>(43,331,202)</u>	<u>23,535,792</u>
7.	ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES		
	<i>Advances - unsecured</i>		
	- Staff	22,544,519	9,705,505
	- Suppliers	381,327,430	113,842,467
		<u>403,871,949</u>	<u>123,547,972</u>
	<i>Prepayments</i>		
	- Insurance	66,403,135	42,522,495
	- Organic cotton project	53,254,517	42,880,936
	- Software license fee	9,851,877	32,242,526
		<u>129,509,529</u>	<u>117,645,957</u>
	<i>Other receivables - unsecured</i>		
	- Duty drawback receivable	-	200,308
	- Claims receivable	14,630,321	3,516,080
	- Other receivables	15,778,517	11,006,762
		<u>30,408,838</u>	<u>14,723,150</u>
		<u>563,790,316</u>	<u>255,917,079</u>
8.	CASH AND BANK BALANCES		
	Cash in hand	2,408,488	2,975,544
	Cash with banks - current accounts	58,911,627	455,078,916
		<u>61,320,115</u>	<u>458,054,460</u>
9.	SURPLUS ON REVALUATION OF PLANT AND ELECTRICAL INSTRUMENTS		
	Opening balance	1,145,294,299	1,295,655,749
	Realized on disposal of assets	-	(23,106,528)
	Incremental depreciation charged during the period / year	(57,264,715)	(127,254,922)
		<u>1,088,029,584</u>	<u>1,145,294,299</u>

Ravi

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		————— Rupees —————	
10. LONG TERM FINANCING - secured	<i>Note</i>		
Bank Al-Habib Limited			
- Long Term Finance Facility (LTFF)		1,206,427,844	1,317,803,070
- Long Term Finance Facility (TF)		2,369,032,558	2,369,032,558
- Temporary Economic Refinance Facility (TERF)		1,350,842,243	1,437,155,500
- Financing Scheme for Renewable Energy		299,633,912	295,141,190
Bank Al-Habib Islamic			
- Financing Scheme for Renewable Energy		62,097,572	58,264,221
Bank Al-Falah Limited			
- Long Term Finance Facility (LTFF)		415,254,580	467,686,048
- Temporary Economic Refinance Facility (TERF)		281,841,101	282,182,101
Habib Bank Limited			
- Long Term Finance Facility (LTFF)		329,443,839	360,689,016
Meezan Bank Limited			
- Long Term Finance Facility (LTFF)		325,206,721	354,529,601
- Financing Scheme for Renewable Energy		88,797,959	83,041,511
- Islamic Temporary Economic Refinance Facility (ITERF)		180,599,374	188,302,831
Habib Metropolitan Bank Limited			
- Term Finance		579,474,700	579,474,700
- Long Term Finance Facility (LTFF)		217,657,540	227,695,080
Askari Bank Limited			
- Term Finance		-	195,670,269
- Long Term Finance Facility (LTFF)		7,876,000	8,400,000
		<u>7,714,185,943</u>	<u>8,225,067,696</u>
Current maturity shown under current liabilities		951,875,907	938,829,096
Non-current maturity shown under non-current liabilities		6,762,310,036	7,286,238,600
		<u>7,714,185,943</u>	<u>8,225,067,696</u>
11. DEFERRED LIABILITIES			
Staff retirement benefits-defined benefits plan (gratuity)	<i>11.1</i>	652,086,465	573,912,028
Provision Gas Infrastructure Development Cess	<i>11.2</i>	191,538,738	222,032,266
Deferred income - Government grant	<i>11.3</i>	782,682,677	871,968,913
		<u>1,626,307,880</u>	<u>1,667,913,207</u>
11.1 Staff retirement benefits-defined benefits plan (gratuity)			
The Company operates an unfunded gratuity scheme for its staff employees. The latest actuarial valuation was carried out as at June 30, 2024, using the Projected Unit Credit Method.			
		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		————— Rupees —————	
11.1.1 Movement in defined benefit obligation			
Opening defined benefit obligation		573,912,028	305,476,927
Current service cost		91,313,320	214,801,155
Interest cost		29,563,702	45,013,132
Benefits paid		(42,702,585)	(56,946,071)
Remeasurement gain - net		-	65,566,885
Closing defined benefit obligation		<u>652,086,465</u>	<u>573,912,028</u>

Review

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		Rupees	
11.2 Provision for Gas Infrastructure Development Cess	<i>Note</i>		
Opening balance		323,155,244	277,029,873
Effect of unwinding of the provision recognized during the period / year		24,664,460	46,125,371
Closing balance		<u>347,819,704</u>	<u>323,155,244</u>
Current maturity shown under current liabilities		156,280,966	101,122,978
Non-current maturity shown under non-current liabilities		<u>191,538,738</u>	<u>222,032,266</u>
		<u>347,819,704</u>	<u>323,155,244</u>
11.3 Deferred income - Government grant			
Opening balance		1,064,037,792	845,012,319
Add: Grant recognized in respect of loan proceeds received during the period / year		-	388,352,759
Less: Amortization for the period / year		<u>(99,775,943)</u>	<u>(169,327,286)</u>
		964,261,849	1,064,037,792
Less: Current maturity shown under current liabilities		<u>181,579,172</u>	<u>192,068,879</u>
Closing balance		<u>782,682,677</u>	<u>871,968,913</u>
12. TRADE AND OTHER PAYABLES			
Creditors		1,345,682,373	1,197,677,404
Accrued liabilities		577,838,152	546,959,987
Sales tax payable		128,558,848	126,864,539
Retention money payable		14,804,817	10,852,997
Workers' Profits Participation Fund	<i>12.1</i>	32,737,311	-
Workers Welfare Fund	<i>12.2</i>	27,506,739	47,553,419
Provision for gas rate difference		199,807,186	199,807,186
Provision for Sindh Infrastructure Cess		79,000,000	79,000,000
Advance from customers		659,884	29,474,546
Withholding tax payable		19,981,377	10,860,066
Other payable		27,675,808	10,503,714
		<u>2,454,252,495</u>	<u>2,259,553,858</u>
12.1 Workers' Profit Participation Fund			
Opening balance		-	74,440,542
Add:			
- Charge for the period / year		32,737,311	-
- Interest accrued		-	9,232,229
		32,737,311	9,232,229
Less: Payment made during the period / year		-	(83,672,771)
		<u>32,737,311</u>	<u>-</u>
12.2 Workers' Welfare Fund			
Opening balance		47,553,419	50,208,861
Add: Contribution for the period / year		12,440,178	36,643,997
Less: Payment during the period / year		<u>(32,486,858)</u>	<u>(39,299,439)</u>
		<u>27,506,739</u>	<u>47,553,419</u>
13. ACCRUED MARKUP			
Markup accrued on:			
- Long term financing	<i>26.2</i>	134,192,750	204,565,398
- Short term borrowings	<i>26.2</i>	320,427,398	308,260,796
		<u>454,620,148</u>	<u>512,826,194</u>

Review

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	— Rupees —	
14. SHORT TERM BORROWINGS - secured		
Bank Al-Habib Limited		
- Running finance	2,173,715,117	3,408,613,582
- Short term finance	250,000,000	-
- FE 25 Dollar Loan	456,225,661	-
- Export finance facility	796,593,565	919,692,662
	<u>3,676,534,343</u>	<u>4,328,306,244</u>
Bank Al-Habib Limited- Islamic		
- Istisna finance (Hypo)	2,250,000,000	2,561,886,829
- Export finance facility	276,447,000	-
	<u>2,526,447,000</u>	<u>2,561,886,829</u>
Meezan Bank Limited		
- Running finance	288,341,645	-
- Istisna finance (Pledge)	598,420,103	698,621,868
- Istisna finance (Hypo)	415,112,562	230,499,585
- Musawama	633,987,666	-
- Export refinance facility	100,000,020	88,791,364
	<u>2,035,861,996</u>	<u>1,017,912,817</u>
MCB Islamic Bank Limited		
- Financing Musharka	100,000,000	100,000,000
- Financing Murabaha	199,336,094	139,846,590
	<u>299,336,094</u>	<u>239,846,590</u>
Bank Al-Falah Limited		
- Running finance	252,027,837	293,320,979
- Finance Against Imported Merchandise	1,670,684,074	-
- Export refinance facility	100,000,000	-
	<u>2,022,711,911</u>	<u>293,320,979</u>
Habib Bank Limited		
- Running finance	-	124,035,068
- Export refinance facility	125,000,000	-
- Finance Against Imported Merchandise	128,000,000	-
	<u>253,000,000</u>	<u>124,035,068</u>
Habib Metro Bank Limited		
- Finance Against Imported Merchandise	248,692,038	513,716,594
- Export refinance facility	121,339,000	-
	<u>370,031,038</u>	<u>513,716,594</u>
	<u>11,183,922,382</u>	<u>9,079,025,121</u>

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 In April 2017, the Provincial Assembly of Sindh passed the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 ('the Act') whereby, with effect from July 01, 1994, a cess was levied on the goods entering or leaving the Province of Sindh from or outside the country by air or sea, at the rate determined on the basis of their assessed value, net weight and distance in accordance with the Schedule annexed to the Act.

The constitutionality of the Act was challenged by the Company, along with several other petitioners, before the Honorable Sindh High Court ('SHC'). In the instant petitions, SHC passed interim orders whereby the concerned authority was restrained from taking any coercive action against the petitioners.

On June 4, 2021, SHC passed an order whereby it declared the Act as a valid law within the competence of the Provincial Legislature under the Constitution which is applicable retrospectively, and disposed off all listed petitions, and allotted 90 day period for encashment of bank guarantees deposited by the plaintiffs (including the Company).

However, the Company filed an appeal against SHC's decision in the Supreme Court (SC), which, vide its order announced in September 19, 2021, granted interim relief, based on its opinion that the law, prima facie, suffers from constitutional and legal defects including competence of provincial legislature to legislate on the subject, and directed that till further orders, operation of the impugned judgement of SHC dated June 04, 2021 and recovery of impugned levy shall remain suspended. Further, the petitioners shall keep the bank guarantees already submitted by them pursuant to the orders of SHC valid, operative and enforceable, and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents, against release of future consignments of imported goods.

In view of the Supreme Court's above order, since July 2019 no provision for the infrastructure cess payable, amounting to Rs. 456 million (June 30, 2024: Rs.406 million) has been recognized in these financial statements.

Reserve

15.1.2 The Company has not recognized the additional amount of cess in respect of GIDC amounting to Rs. 295.6 million (being the difference of Rs. 441 million recognized in books as mentioned in note 15.2.1, and Rs. 736.8 million as notified to the Company through monthly gas bills upto July 2020).

15.1.3 The Company has not recorded the provision of Super tax under section 4C of Income Tax Ordinance, 2001 for the tax year 2024 amounting to Rs. 89 million in accordance with the opinion of its legal counsel which states that the super tax under Section 4C does not apply to the income of the Company which is subject to the Full and Final Taxation Regime. According to the opinion, the imposition of super tax on income that is not recognized under normal tax principles would contravene the provisions of the Ordinance. Moreover, the matter is currently pending with Islamabad High Court for a final judgement and ultimate outcome is expected to be in favor of the Company.

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	————— Rupees —————	
15.2 Commitments		
Commitments in respect of capital expenditure	-	61,344,392
Commitments in respect of Organic cotton project	147,838,089	157,449,670
Letter of credit to Sui Southern Gas Company Limited	358,519,000	358,519,000
Letters of guarantee against:		
- Sindh infrastructure development cess.	456,000,000	406,000,000
- Electric connection	15,942,340	15,942,340
- Employee fuel card	2,200,000	2,200,000
- super tax in respect of tax year 2022	18,862,461	18,862,461
Letters of credit issued in respect of purchase of raw materials	447,110,850	885,062,246

		Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		————— Rupees —————			
16. SALES - net	Note				
Local sales-net		563,159,997	534,446,181	254,823,454	274,565,043
Export sales - indirect - net		11,450,752,618	9,314,505,227	5,564,139,409	4,765,930,230
Export sales - direct -net		3,614,517,214	3,398,793,123	1,920,408,611	1,409,751,285
Raw Material and wastage sales- net		44,419,941	15,754,077	33,177,784	10,128,069
		15,672,849,770	13,263,498,608	7,772,549,258	6,460,374,627
Commission and brokerage		(113,907,404)	(130,494,406)	(42,228,529)	(80,719,454)
Discount and claims		(4,871)	(424,610)	(4,871)	(254,659)
		(113,912,275)	(130,919,016)	(42,233,400)	(80,974,113)
		15,558,937,495	13,132,579,592	7,730,315,858	6,379,400,514
17. COST OF SALES					
Raw materials consumed	17.1	9,224,265,349	8,237,823,370	4,641,990,869	4,279,962,038
Stores and spares consumed		455,260,045	369,213,658	250,139,474	193,013,448
Packing materials consumed		452,453,572	297,566,657	266,946,058	164,097,740
Conversion costs	17.2	3,472,532,917	2,569,242,447	1,742,915,410	1,352,356,710
		13,604,511,883	11,473,846,132	6,901,991,811	5,989,429,936
Work in process:					
- Opening stock		220,482,559	124,088,920	135,114,975	119,114,975
- Closing stock		(100,392,702)	(114,035,924)	(100,392,702)	(114,035,924)
		120,089,857	10,052,996	34,722,273	5,079,051
Cost of goods manufactured		13,724,601,740	11,483,899,128	6,936,714,084	5,994,508,987
Opening stock of finished goods and waste material		1,065,301,346	1,388,881,161	1,145,678,915	1,145,678,915
Cost of goods available for sale		14,789,903,086	12,872,780,289	8,082,392,999	7,140,187,902
Closing stock of finished goods and waste material		(1,357,550,963)	(1,463,229,317)	(1,357,550,963)	(1,463,229,317)
Intercompany transfers		(248,642,793)	(285,310,791)	(248,642,793)	(285,310,791)
Cost of finished goods sold		13,183,709,330	11,124,240,181	6,476,199,243	5,391,647,794
Cost of goods purchased for sale		27,258,058	7,151,357	27,258,058	3,934,584
Cost of goods sold		13,210,967,388	11,131,391,538	6,503,457,301	5,395,582,378

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		Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
17.1 Raw materials consumed	<i>Note</i>	Rupees			
Opening stock - in hand		3,799,041,219	7,093,123,489	5,085,671,988	5,085,671,988
Purchases					
-From external parties		11,335,538,196	7,251,176,879	5,466,632,947	5,297,550,275
-Intercompany Purchases		248,642,793	285,310,791	248,642,793	285,310,791
		11,584,180,989	7,536,487,670	5,715,275,740	5,582,861,066
		15,383,222,208	14,629,611,159	10,800,947,728	10,668,533,054
Sale of raw materials		(27,258,058)	(7,151,357)	(27,258,058)	(3,934,584)
Closing stock - in hand		(6,131,698,801)	(6,384,636,432)	(6,131,698,801)	(6,384,636,432)
		9,224,265,349	8,237,823,370	4,641,990,869	4,279,962,038
17.2 Conversion costs					
Salaries, wages and other benefits	26.2	1,071,810,700	768,162,389	563,053,646	358,412,600
Fuel and power		1,547,092,492	1,074,133,040	755,536,269	608,067,546
Depreciation		686,848,609	579,358,526	345,662,425	293,183,431
Insurance		45,891,396	41,102,397	23,594,569	20,753,969
Water charges		26,173,000	19,530,025	12,593,000	10,962,000
Vehicle running and maintenance		26,108,180	28,074,113	12,991,409	14,701,887
Repairs and maintenance		24,932,257	21,793,110	13,756,181	14,011,204
Provision for slow moving items		2,003,226	-	2,003,226	-
Other manufacturing expenses		41,673,057	37,088,847	13,724,685	32,264,073
		3,472,532,917	2,569,242,447	1,742,915,410	1,352,356,710
18. FINANCE COSTS					
Markup and interest charges on:					
- Long term finances		461,681,637	492,864,293	257,107,779	311,088,010
- Short term borrowings		801,032,229	894,970,477	373,642,149	442,351,226
- Workers' Profit Participation Fund		-	9,232,229	-	9,232,229
Unwinding of Gas Infrastructure Cess Provision		24,664,460	22,175,167	24,664,460	11,301,003
Mark up on discounting of export receivables		47,253,450	126,460,444	23,894,769	62,309,201
Bank charges on export receipts		5,038,651	5,820,960	2,882,884	506,305
Bank charges		25,428,074	21,980,092	19,650,491	8,891,459
		1,365,098,501	1,573,503,662	701,842,532	845,679,433
19. OTHER INCOME / (EXPENSES) - net					
Exchange gain/ (loss) on export receivables:					
- Realized		113,334,067	(18,800,869)	41,321,239	(14,488,972)
- Unrealized		(9,602)	(3,951,089)	(9,602)	(3,937,638)
		113,324,465	(22,751,958)	41,311,637	(18,426,610)
Unrealized exchange (Loss) on bank balance		(1,968,590)	(32,828,926)	(1,968,590)	(31,751,054)
Realized exchange gain on import of fixed assets and raw material		508,641	777,444	508,641	777,444
Amortization of deferred government grant		99,775,943	83,347,234	99,775,943	38,089,215
Reversal of provision for expected credit losses		-	15,060,401	-	15,060,401
Gain on disposal of operating fixed assets		8,578,921	6,804,008	6,520,780	1,543,463
Others		9,101,235	2,995,082	7,245,864	1,511,432
		229,320,615	53,403,285	153,394,275	6,804,291
20. LEVIES					
Workers' Profit participation fund expense	26.2	32,737,311	40,493	16,731,427	40,493
Workers' welfare fund expense	26.2	12,440,178	10,654,286	3,655,374	10,654,286
Final tax under ITO, 2001.		-	169,917,485	-	70,754,854
Minimum tax under ITO, 2001.		256,819,137	-	97,217,929	-
		301,996,626	180,612,264	117,604,730	81,449,633

Review

21. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the reporting period as shown in the condensed interim statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	(Un-audited) December 31, 2024	(Un-audited) December 31, 2023
	Rupees	
Cash and bank balances	61,320,115	884,161,782
Short term borrowings - running finance	<u>(2,714,084,599)</u>	<u>(2,004,482,048)</u>
	<u>(2,652,764,484)</u>	<u>(1,120,320,266)</u>

22. OPERATING SEGMENT RESULTS (UNAUDITED)

	Spinning				Socks				Total			
	Half Year ended		Quarter ended		Half Year ended		Quarter ended		Half Year ended		Quarter ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Export												
New Zealand	23,082,983	15,827,491	26,226,266	4,551,539	-	-	-	-	23,082,983	15,827,491	26,226,266	4,551,539
Spain	-	-	-	-	-	12,155,838	-	2,306,127	-	12,155,838	-	2,306,127
Bangladesh	-	29,425,249	-	6,389,921	-	-	-	-	-	29,425,249	-	6,389,921
Turkey	-	38,336,944	-	11,993,492	-	-	-	-	-	38,336,944	-	11,993,492
Portugal	28,461,424	122,124,142	21,713,289	38,205,833	-	-	-	-	28,461,424	122,124,142	21,713,289	38,205,833
Poland	-	-	-	-	1,646,824	-	-	-	1,646,824	-	-	-
Italy	3,968,561	-	-	-	19,725,806	81,144,726	-	48,271,104	23,694,367	81,144,726	-	48,271,104
United Kingdom	-	-	-	-	16,682,794	66,583,534	-	40,020,469	16,682,794	66,583,534	-	40,020,469
Canada	-	-	-	-	105,410,717	16,476,834	64,741,935	9,903,211	105,410,717	16,476,834	64,741,935	9,903,211
Belgian	-	-	-	-	14,803,078	7,562,074	8,274,855	4,545,093	14,803,078	7,562,074	8,274,855	4,545,093
United States Of America	1,581,174,733	1,999,909,430	888,177,487	625,660,115	1,796,402,093	991,012,508	893,890,143	593,636,849	3,377,576,826	2,990,922,215	1,792,067,600	1,221,286,964
Netherlands	-	-	-	-	15,744,735	15,184,716	9,000,147	9,126,593	15,744,735	15,184,716	9,000,147	9,126,593
Germany	127,861	-	-	-	7,282,695	12,047,361	8,274,329	7,210,928	7,410,466	12,047,361	8,274,329	7,210,928
	1,636,818,562	2,156,623,233	936,127,202	687,200,900	1,977,698,682	1,202,189,891	984,281,409	722,550,385	3,614,517,214	3,398,793,124	1,928,408,611	1,409,791,285
Local	14,599,688,315	11,617,994,334	6,892,298,859	5,548,242,349	27,435,374	22,448,037	19,317,103	11,493,174	14,226,493,689	11,640,352,471	6,965,516,962	5,562,735,543
	15,835,873,877	13,814,527,627	7,828,366,061	6,533,443,249	2,005,134,056	1,224,637,928	997,598,512	734,043,559	17,841,010,903	15,039,145,595	8,893,925,573	7,302,466,828
Commission and brokerage	(113,029,405)	(129,488,551)	(20,584,829)	(83,097,266)	(97,003)	(1,095,855)	(21,643,740)	(62,188)	(113,907,404)	(130,194,106)	(42,288,529)	(80,719,454)
Discount and claims	(4871)	(424,610)	(4871)	(254,652)	-	-	-	-	(4871)	(424,610)	(4871)	(254,652)
Sales tax	(2,163,946,777)	(1,732,222,704)	(1,061,263,894)	901,319,065	(4,314,256)	(3,424,283)	(2,001,422)	1,753,196	(2,168,164,133)	(1,735,645,977)	(1,063,285,317)	901,112,201
	(2,276,991,650)	(1,902,135,865)	(1,071,943,599)	827,000,580	(5,092,388)	(4,430,138)	(23,645,127)	1,731,008	(2,282,073,408)	(1,906,566,003)	(1,068,618,717)	828,138,088
Sales - net	13,558,895,827	11,512,391,762	6,756,392,471	7,652,459,349	2,000,041,668	1,202,187,830	973,993,385	735,174,567	15,558,937,495	13,192,519,992	7,730,216,866	8,197,624,916
Cost of sales	(11,645,294,285)	(10,339,315,304)	(5,849,601,815)	(4,926,062,926)	(1,565,673,103)	(791,676,234)	(633,855,156)	(469,519,472)	(13,106,967,288)	(11,131,351,538)	(6,500,457,204)	(5,335,582,378)
Gross profit	1,913,601,542	1,572,676,458	886,790,656	2,536,393,443	434,368,565	410,511,596	340,667,899	265,655,095	2,247,970,207	2,001,188,054	1,226,858,555	2,802,042,538
Administrative expenses	(246,007,480)	(177,835,158)	(137,393,049)	(88,530,114)	(72,232,475)	(88,180,418)	(44,216,417)	(46,920,400)	(118,229,959)	(106,015,532)	(81,609,462)	(113,795,344)
Distribution costs	(161,021,709)	(168,037,890)	(77,594,215)	(53,023,781)	(78,194,325)	(45,204,347)	(49,941,289)	(39,618,971)	(239,216,099)	(214,242,237)	(127,535,900)	(113,881,488)
Operating Result	1,506,572,349	1,226,783,412	671,803,356	2,372,433,548	283,941,765	294,126,833	245,910,193	188,965,724	1,790,524,144	1,520,910,245	917,713,589	2,531,364,206

	Spinning		Socks		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24
Segment Assets	28,647,297,246	27,241,904,699	4,001,611,761	2,791,852,452	32,669,409,008	31,593,257,151
Unaudited Assets	-	-	-	-	-	-
Segment Liabilities	21,864,539,083	21,782,521,129	2,770,248,258	265,504,966	24,634,928,241	22,048,026,095
Unaudited Liabilities	-	-	-	-	-	-

22.1 Note: Inter unit current account balances of respective businesses have been eliminated from the total.

22.2 Depreciation:

	Spinning				Socks				Total			
	Half Year ended		Quarter ended		Half Year ended		Quarter ended		Half Year ended		Quarter ended	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	594,427,991	-91,236,572	299,212,784	209,324,811	124,295,939	115,592,961	62,711,865	38,145,678	718,723,930	606,829,536	361,924,649	247,470,519

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22.3 Reconciliations:

The presentation here does not include the reconciliations required by paragraph 28 of IFRS 8, as all segments of the company are considered reportable segments.

22.4 Other information:

- (a) Revenue earned from one major customer, of more than 10% of total sales amounted to Rs. 1,572 million (2023: Rs. 2,834 million).
(b) As at December 31, 2024 and June 30, 2024, all non-current assets of the Company were located in Pakistan.

23. CHANGE IN ACCOUNTING POLICY

In May 2024 'IAS 12 Application Guidance on Accounting for Minimum taxes and Final taxes' (the guide) was issued by the Institute of Chartered Accountants of Pakistan (ICAP). In view of the said guide, it has been established that minimum tax and final taxes not calculated on taxable income do not meet the criteria of income tax expense as per IAS 12 hence it should be accounted for under IFRIC 21 'Levies' and IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

As a result, the Company has designated the amount calculated under Section 113 of the Income Tax Ordinance and other sections of the said ordinance as levy falling under the scope of IFRIC 21/IAS 37. Any excess over the amount designated as a levy falling under the scope of IFRIC 21/IAS 37, is then recognised as an income tax within the scope of IAS 12 'Income Taxes'.

The aforesaid change in accounting policy has been accounted for retrospectively in accordance with the requirements of the International Accounting Standard (IAS) 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and all the corresponding figures affected thereby have been restated. However, If the said change in accounting policy had, however, not been made, the following items in the statement of profit or loss would have been reported as follows:

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024
	Rupees			
Profit/ (loss) before levies and taxation	609,568,739	(9,884,911)	348,878,533	(133,429,617)
Levies	-	-	-	-
Profit/ (loss) before taxation	609,568,739	(9,884,911)	348,878,533	(133,429,617)
Taxation	(256,819,137)	(173,168,250)	(97,217,929)	(74,005,619)
Profit/ (loss) after taxation	352,749,602	(183,053,161)	251,660,604	(207,435,236)
Earnings/ (loss) per share - basic and diluted	57.24	(29.70)	40.83	(33.66)

The retrospective effects on the corresponding figures presented in these financial statements are as follows:

Effects on the statement of profit or loss

	For the period ended December 31, 2023		
	As previously reported	As restated	Change
	(Rupees)		
Operating profit	1,520,910,245	1,520,910,245	-
Finance costs	(1,573,503,662)	(1,573,503,662)	-
Other operating expenses	(10,694,779)	-	10,694,779
Other income/ (expenses) - net	53,403,285	53,403,285	-
profit before levies and taxation	(1,530,795,156)	(1,520,100,377)	10,694,779
Levies	(9,884,911)	809,868	10,694,779
Levies	-	(180,612,264)	(180,612,264)
profit before taxation	(9,884,911)	(179,802,396)	(169,917,485)
Taxation	(173,168,250)	(3,250,765)	169,917,485
profit after levies and taxation	(183,053,161)	(183,053,161)	-

Review

24. FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Presently, the only item in the interim financial statements that are carried at fair value are plant and machinery and electrical installations. The Company engages an independent external valuer to carry out a fresh revaluation of these operating fixed assets to ensure that their carrying amounts in financial statements do not differ materially from that which would be determined using fair value at the end of the reporting period. Such valuation usually involves the use of observable and unobservable inputs; however, the weightage of observable inputs used is considered as significant. Accordingly, the Company classifies the aforesaid classes of operating fixed assets within Level 2 of the fair value hierarchy.

The management considers that the carrying amount of all financial assets and liabilities recognised in the financial statements approximate their fair value.

25. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of key management personnel of the Company and directors and their close family members. Transactions entered into and balances held, with related parties during the period / year, are as follows:

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Transactions during the period:	Rupees			
Pinnacle Fibre (Pvt) Ltd. <i>(Associate by virtue of common directorship)</i>			(Un-audited) December 31, 2024	(Audited) June 30, 2024
Purchase of goods during the period	646,860,668	418,758,612	156,979,209	187,550,252
Balances outstanding at year end:			Rupees	
Pinnacle Fibre (Pvt) Ltd.				
Trade Payables			-	12,269,791

26. GENERAL

26.1 Non - adjusting event after the balance sheet date

The Board of Directors in their meeting held 28-02-2025, approved an interim cash dividend of Rs. Nil /- per share . These interim financial statements do not reflect this appropriation.

26.2 Reclassification of corresponding figures

In these financial statements, the following corresponding figures have been rearranged and reclassified, for the purposes of comparison and better presentation.

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Reclassified from component	Reclassified to component	Note	Rupees
Other operating expenses (Workers' welfare fund expense)	Levies (Workers' welfare fund expense)	20	<u>10,654,286</u>
Other operating expenses (Workers' profit participation fund expense)	Levies (Workers' profit participation fund expense)	20	<u>40,493</u>
Cash and bank balances (Cash with banks - current accounts)	Long term advances and deposits (Others)	8	<u>5,534,425</u>
Cost of sales (Amortisation)	Cost of sales (Other manufacturing expenses)	17	<u>572,570</u>
Accrued Markup (Accrued on short term borrowings)	Accrued Markup (Accrued on long term financing)	13	<u>1,083,355</u>
Administrative expenses (Salaries, wages and other benefits)	Cost of sales (Salaries, wages and other benefits)	17	<u>23,054,431</u>

26.3 Date of authorization for issue of the condensed interim financial statements

These interim financial statements have been authorized for issue by the Board of Directors of the Company in their meeting held on 28-02-2025.

26.4 Level of rounding

In these interim financial statements, figures have been rounded off to the nearest rupee.



Chief Executive



Director



Chief Financial Officer

Review

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