



SHAMS TEXTILE MILLS LIMITED

# QUARTERLY REPORT

September 30, 2023

(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

**Registered Office**

7-B-III, Aziz Avenue, Gulberg-V, Lahore

Ph: +92-423-576 0379, 576 0381

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 Board of Directors is pleased to present the Director's Report on the operation and financial performance of the Company for the period July 2023 to September 2023.

**Overview:**

The results of the Company for the current quarter are almost in line with the previous quarter. Sales of the Company have increased with a significant increase in cost of sales. Similarly, expenses to operate the Company escalated due to high distribution and admin costs. The Finance Cost increased due to high interest rates taking into account the effect of elevated inflation.

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

Rs. in million	30 September 2023	30 September 2022
Sales	<b>1,665.018</b>	322.579
Gross profit / (loss)	<b>62.253</b>	(6.890)
Operating expenses	<b>(47.530)</b>	(28.625)
Other income	<b>0.472</b>	10.15
Profit / (loss) from operation	<b>15.195</b>	(25.357)
Finance cost	<b>(16.053)</b>	(1.84)
(Loss) before taxation	<b>(0.858)</b>	(27.2)
Provision for taxation	<b>(20.813)</b>	(4.03)
(Loss) after taxation	<b>(21.67)</b>	(31.23)
(Loss) per share (Rs.)	<b>(2.51)</b>	(3.61)

**Future Outlook:**

The Textile Sector will continue to experience economic headwinds related to high-interest rates, exchange rate depreciation, high power tariffs, and an increase in the cost of raw materials. The company is preparing to restart production of Unit Two under limited capacity due to cash-flow constraints. The company is working to reduce its credit terms with customers to improve the cash flow of the company. The company is also working to expand its coarse count product portfolio to cater to a wider range of customer requirements. Uncertainty of exchange rates has caused a slowdown in customer activity, but we are working with our customers to increase volumes and to keep stocks at a minimum to avoid high finance costs due to the high prevailing policy rate. We are hopeful that energy and gas will be available throughout the winter months to ensure an efficient energy blend.

**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 Board of Directors



**Khalid Bashir**  
Chief Executive



**Asif Bashir**  
Director

**October 30, 2023**  
Lahore

## ڈائریکٹر رپورٹ

بورڈ آف ڈائریکٹرز کو جولائی 2023ء سے ستمبر 2023ء کی مدت کے لیے کمپنی کے آپریشنز اور مالیاتی کارکردگی پر ڈائریکٹر کی رپورٹ پیش کرنے پر خوشی ہے۔

### عمومی جائزہ:

موجودہ سہ ماہی کے لیے کمپنی کے نتائج تقریباً پچھلی سہ ماہی کے مطابق ہیں۔ فروخت کی لاگت میں نمایاں اضافے کے ساتھ کمپنی کی کاسٹ آف سیلز میں اضافہ ہوا ہے۔ اسی طرح، اعلیٰ تقسیم اور انتظامی اخراجات کی وجہ سے کمپنی کو چلانے کے اخراجات بڑھ گئے۔ بلند شرح سود کے اثر کو مد نظر رکھتے ہوئے مالیاتی لاگت میں اضافہ ہوا۔

موجودہ سہ ماہی کا مالی خلاصہ حسب ذیل ہے:

30 ستمبر 2022ء	30 ستمبر 2023ء	(مبلغ ملین میں)
322.579	<b>1,665.018</b>	سیلز
(6.890)	<b>62.253</b>	خام منافع / (نقصان)
(28.625)	<b>(47.530)</b>	آپریٹنگ خرچہ
10.15	<b>0.472</b>	دیگر آمدنی
(25.357)	<b>15.195</b>	آپریٹنگ نفع / (نقصان)
(1.84)	<b>(16.053)</b>	فنانس خرچہ
(27.2)	<b>(0.858)</b>	ٹیکسیشن سے پہلے (نقصان)
(4.03)	<b>(20.813)</b>	ٹیکسیشن کے لیے پروویژن
(31.23)	<b>(21.67)</b>	ٹیکسیشن کے بعد (نقصان)
(3.61)	<b>(2.51)</b>	فی حصص (نقصان) روپے

### مستقبل کے امکانات:

ٹیکسٹائل کا شعبہ بلند شرح سود، شرح مبادلہ میں کمی، بجلی کے بڑھتے ہوئے ٹیرف اور خام مال کی قیمت میں اضافے سے متعلق معاشی مشکلات کا سامنا کرتا رہے گا۔ کمپنی نقد بہاؤ کی رکاوٹوں کی وجہ سے محدود صلاحیت کے تحت یونٹ 2 کی پیداوار دوبارہ شروع کرنے کی تیاری کر رہی ہے۔ کمپنی کے کیش فلکوکو بہتر بنانے کے لیے صارفین کے ساتھ اپنی کریڈٹ کی شرائط کو کم کرنے کے لیے کام کر رہی ہے۔ کمپنی صارفین کی بڑھتی ضروریات کو پورا کرنے کے لیے اپنے پروڈکٹ پورٹ فولیو کو بہتر بنانے پر کام کر رہی ہے۔ شرح مبادلہ کی غیر یقینی صورتحال صارفین کی سرگرمیوں میں سست روی کا سبب بنی ہے۔ لیکن ہم اپنے صارفین کے ساتھ مل کر حجم بڑھانے اور اسٹاک کو کم سے کم رکھنے کے لیے کام کر رہے ہیں تاکہ زیادہ مروجہ پالیسی ریٹ کی وجہ سے مالیاتی اخراجات سے بچا جاسکے۔ ہمیں اُمید ہے کہ بجلی اور گیس پورے موسم سرما کے مہینوں میں دستیاب رہے گی تاکہ توانائی کے مؤثر امتزاج کو یقینی بنایا جاسکے۔

### اظہار تشکر:

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

آصف بشیر  
ڈائریکٹر

خالد بشیر  
چیف ایگزیکٹو

30 اکتوبر 2023ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
As At September 30, 2023

	<b>Un Audited September 30, 2023</b>	Audited June 30, 2023
	<b>Note</b>	<b>(Rupees in thousands)</b>
<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>	<b>86,400</b>	86,400
<b>Reserves</b>	<b>839,236</b>	857,301
<b>Total equity</b>	<b>925,636</b>	943,701
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>1,251,203</b>	1,363,923
Accrued mark-up	<b>13,937</b>	4,959
Short term borrowings	<b>305,323</b>	108,298
Current portion of GIDC payable	<b>31,226</b>	31,226
Unclaimed dividend	<b>4,622</b>	4,622
Taxation - net	<b>9,788</b>	1,356
	<b>1,616,099</b>	1,514,384
Total liabilities	<b>1,616,099</b>	1,514,384
CONTINGENCIES AND COMMITMENTS	<b>5</b>	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,541,735</b>	2,458,085

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

  
Chief Executive

  
Chief Financial Officer

  
Director

	Un Audited September 30, 2023	Audited June 30, 2023
Note	(Rupees in thousands)	
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	6 <b>741,800</b>	719,628
Long term investments	<b>48,757</b>	45,150
Long term deposits	<b>7,736</b>	7,736
	<b>798,293</b>	772,514
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	<b>95,587</b>	92,730
Stock-in-trade	<b>376,968</b>	629,506
Trade debts	<b>911,925</b>	536,089
Advances	<b>1,495</b>	2,361
Short term prepayments	<b>4,792</b>	-
Other receivable	<b>32,388</b>	32,813
Sales Tax refundable	<b>316,147</b>	366,336
Cash and bank balances	<b>4,140</b>	25,736
	<b>1,743,442</b>	1,685,571
<b>TOTAL ASSETS</b>	<b>2,541,735</b>	2,458,085

  
Chief Executive

  
Chief Financial Officer

  
Director

SHAMS TEXTILE MILLS LIMITED

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

For The Period Ended September 30, 2023

	Note	September 30, 2023 (Rupees in thousands)	September 30, 2022
REVENUE	7	1,665,018	322,579
COST OF SALES	8	(1,602,765)	(329,469)
GROSS PROFIT / (LOSS)		62,253	(6,890)
DISTRIBUTION COST		(15,552)	(3,832)
ADMINISTRATIVE EXPENSES		(31,978)	(24,793)
		(47,530)	(28,625)
		14,723	(35,515)
OTHER INCOME		472	10,158
PROFIT / (LOSS) FROM OPERATIONS		15,195	(25,357)
FINANCE COST		(16,053)	(1,843)
(LOSS) BEFORE TAXATION		(858)	(27,200)
TAXATION		(20,813)	(4,032)
(LOSS) AFTER TAXATION		(21,671)	(31,232)
(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)		(2.51)	(3.61)

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

  
Chief Executive

  
Chief Financial Officer

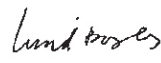
  
Director



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
(Un-audited)  
For The Period Ended September 30, 2023

	<b>September 30, 2023</b>	September 30, 2022
	<b>(Rupees in thousands)</b>	
(LOSS) AFTER TAXATION	<b>(21,671)</b>	(31,232)
OTHER COMPREHENSIVE LOSS		
Items that may be reclassified subsequently to profit or loss:		
Income / Deficit arising on remeasurement of available for sale investments to fair value	<b>3,606</b>	(8,538)
Other comprehensive profit / loss for the period	<b>3,606</b>	(8,538)
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD</b>	<b>(18,065)</b>	(39,770)

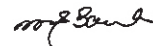
The annexed notes form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-Audited)  
For The Period Ended September 30, 2023

	<b>September 30, 2023</b>	September 30, 2022
	<b>Note</b>	
	<b>(Rupees in thousands)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash generated (used in) / from operations</b>	<b>9 (161,861)</b>	796,119
Finance cost paid	<b>(7,075)</b>	(10,766)
Income tax paid	<b>(12,268)</b>	7,598
Gidc paid	-	(2,885)
Worker profit participation fund paid	<b>(114)</b>	(20,701)
Dividend paid	-	(3)
<b>Net cash generated (used in) operating activities</b>	<b>(181,318)</b>	769,362
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment	<b>(37,768)</b>	(36,254)
Proceed from property, plant and equipment	-	3,100
Return on bank deposit	<b>374</b>	7,794
Short term investment	-	(564,576)
Dividend received	<b>90</b>	77
<b>Net cash (used in) / from investing activities</b>	<b>(37,304)</b>	(589,859)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term financing	-	-
Short term borrowings - net	<b>197,026</b>	(156,539)
<b>Net cash from financing activities</b>	<b>197,026</b>	(156,539)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(21,596)</b>	22,964
<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>4,140</b>	35,166

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

  
Chief Executive

  
Chief Financial Officer

  
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)  
For The Period Ended September 30, 2023

	Reserves							TOTAL EQUITY
	SHARE CAPITAL		Capital		Revenue			
	Premium on issue of right shares	Fair value reserve	Sub total	General reserve	Unappropri- ated profit / accumulated loss)	Sub total	Total reserves	
Balance as at 30 June 2022 (Audited)	86,400	33,353	119,753	600,000	298,282	898,282	1,018,035	1,104,435
(Loss) for the period ended 30 September 2022	-	-	-	-	(31,232)	(31,232)	(31,232)	(31,232)
Other comprehensive (loss) for the period ended 30 September 2022	-	(8,538)	(8,538)	-	-	-	(8,538)	(8,538)
Total comprehensive (loss) for the period ended 30 September 2022	-	(8,538)	(8,538)	-	(31,232)	(31,232)	(39,770)	(39,770)
Balance as at 30 September 2022 (Un-audited)	86,400	24,815	111,215	600,000	267,050	867,050	978,265	1,064,665
(Loss) for the period ended 30 June 2023	-	-	-	-	(122,060)	(122,060)	(122,060)	(122,060)
Other comprehensive income for period ended 30 June 2023	-	1,096	1,096	-	-	-	1,096	1,096
Total comprehensive (loss) for the period ended 30 June 2023	-	1,096	1,096	-	(122,060)	(122,060)	(120,964)	(120,964)
Balance as at 30 June 2023 (Audited)	86,400	25,911	112,311	600,000	144,990	744,990	857,301	943,701
(Loss) for the period ended 30 September 2023	-	-	-	-	(21,671)	(21,671)	(21,671)	(21,671)
Other comprehensive income for the period ended 30 September 2023	-	3,606	3,606	-	-	-	3,606	3,606
Total comprehensive (loss) for the period ended 30 September 2023	-	3,606	3,606	-	(21,671)	(21,671)	(18,065)	(18,065)
Balance as at 30 September 2023 (Un-audited)	86,400	29,517	115,917	600,000	123,319	723,319	839,236	925,636

(Rupees in thousands)

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

*Landings*  
Chief Executive

*Yangfund*  
Chief Financial Officer

*sof Bana*  
Director

## SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For The Period Ended September 30, 2023

### 1. THE COMPANY AND ITS OPERATIONS

Shams Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 7-B-III, Aziz Avenue, Gulberg V, Lahore. The company is engaged in the business of manufacturing, sale of yarn.

### 2. BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

This condensed interim financial information 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 and are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

### 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding audited annual published financial statements of the company for the year ended 30 June 2023.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information 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 this condensed interim financial information, 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.

### 5. CONTINGENCIES AND COMMITMENTS

#### Contingencies

Bank guarantees of Rupees 74.249 million (30 June 2023: Rupees 74.249 million) are given by the bank of the company in favour of Sui Northern Gas Pipelines Limited against gas connections.

#### Commitments

Letters of credit for other than capital expenditures amounted to Rupees 14.392 million (30 June 2023: Rupees 24.158 million).

SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (Un-Audited)  
For The Period Ended September 30, 2023

	<b>Un-audited September 30, 2023</b>	Audited June 30, 2023
	<b>(Rupees in thousands)</b>	
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets		
Owned (Note 6.1)	<b>724,075</b>	701,903
Capital work-in-progress (Note 6.2)	<b>17,725</b>	17,25
	<b>741,800</b>	719,628
<b>6.1 Operating fixed assets - owned</b>		
Opening book value	<b>701,903</b>	714,842
Add: Cost of additions during the period / year (Note 6.1.1)	<b>37,766</b>	62,050
	<b>739,669</b>	776,892
Less: Book value of deletions during the period / year (Note 6.1.2)	-	9,770
	<b>739,669</b>	767,122
Less: Depreciation charged during the period / year	<b>15,596</b>	65,219
Closing book value	<b>724,075</b>	701,903
<b>6.1.1 Cost of additions</b>		
Plant and machinery	<b>37,766</b>	47,714
Vehicles	-	14,336
	<b>37,766</b>	62,050
<b>6.1.2 Book value of deletions</b>		
Plant and machinery	-	7,687
Vehicles	-	2,083
	-	9,770
<b>6.2 Capital work-in-progress</b>		
Advance against purchase of vehicle	<b>17,725</b>	17,725
	<b>17,725</b>	17,725
	<b>Unaudited September 30, 2023</b>	Unaudited September 30, 2022
	<b>(Rupees in thousands)</b>	
<b>7. REVENUE</b>		
Local sales	<b>1,665,018</b>	322,579
	<b>1,665,018</b>	322,579

SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (Un-Audited)  
For The Period Ended September 30, 2023

	<b>Unaudited September 30, 2023</b>	Unaudited September 30, 2022
	<b>(Rupees in thousands)</b>	
<b>8. COST OF SALES</b>		
Raw material consumed	<b>1,122,628</b>	-
Stores, spares and loose tools consumed	<b>22,865</b>	3,192
Packing materials	<b>16,140</b>	532
Salaries, wages and other benefits	<b>58,108</b>	29,211
Fuel and power	<b>120,749</b>	10,171
Repairs and maintenance	<b>3,075</b>	4,182
Insurance	<b>1,466</b>	1,462
Other factory overheads	<b>2,950</b>	1,991
Depreciation	<b>13,638</b>	13,847
	<b>1,361,619</b>	64,588
Work-in-process:		
Opening stock	<b>62,185</b>	84,228
Closing stock	<b>(52,064)</b>	(68,046)
	<b>10,121</b>	16,182
Cost of goods manufactured	<b>1,371,740</b>	80,770
Finished goods:		
Opening stock	<b>440,589</b>	402,146
Closing stock	<b>(209,564)</b>	(153,447)
	<b>231,025</b>	248,699
	<b>1,602,765</b>	329,469
<b>9. CASH GENERATED FROM OPERATIONS</b>		
<b>(Loss) before taxation</b>	<b>(858)</b>	(27,200)
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation	<b>15,596</b>	15,644
Dividend received	<b>(90)</b>	(77)
Gain on sale of property, plant and equipment	-	(2,284)
Profit on bank deposit	<b>(374)</b>	(7,794)
Finance cost	<b>16,053</b>	1,843
Working capital changes (Note 9.1)	<b>(192,188)</b>	815,987
	<b>(161,861)</b>	796,119
<b>9.1 Working capital changes</b>		
(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	<b>(2,857)</b>	(9,662)
- Stock-in-trade	<b>252,538</b>	404,058
- Trade debts	<b>(375,836)</b>	796,115
- Loans and advances	<b>866</b>	(3,740)
- Trade deposit and short term prepayments	<b>(4,792)</b>	(4,685)
- Other receivables	<b>425</b>	188
- Sales tax refundable	<b>50,187</b>	-
	<b>(79,469)</b>	1,182,274
Decrease in trade and other payables	<b>(112,719)</b>	(366,287)
	<b>(192,188)</b>	815,987

SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (Un-Audited)

For The Period Ended September 30, 2023

**10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL STATEMENTS**

**(i) Fair value hierarchy**

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in this 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.

Recurring fair value measurements At 30 September 2023	Level 1	Level 2	Level 3	Total
<b>Rupees in thousand</b>				
<b>Financial assets</b>				
At fair value through other comprehensive income assets	48,757	-	-	48,757
<b>Total financial assets</b>	<b>48,757</b>	<b>-</b>	<b>-</b>	<b>48,757</b>

Recurring fair value measurements At 30 June 2023	Level 1	Level 2	Level 3	Total
<b>Rupees in thousand</b>				
<b>Financial assets</b>				
At fair value through other comprehensive income assets	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 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 year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise 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 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 maximise 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.

SELECTED NOTES TO THE CONDENSED INTERIM  
FINANCIAL INFORMATION (Un-Audited)  
For The Period Ended September 30, 2023

**11. TRANSACTION WITH RELATED PARTIES**

The related parties comprise associated undertakings, 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:

	<b>Un-audited September 30, 2023</b>	Un-audited September 30, 2022
	<b>(Rupees in thousands)</b>	
<b>Associated Companies</b>		
Sale of goods and services	<b>1,591</b>	1,246
Purchase of goods and services	<b>100</b>	229
Insurance premium	<b>7,818</b>	5,987
Rent expense	<b>825</b>	825
<b>Other related parties</b>		
Company's contribution to employees' provident fund trust	<b>1,270</b>	809

**12. 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.

**13. DATE OF AUTHORIZATION FOR ISSUE**

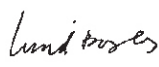
This condensed interim financial information was approved by the Board of Directors of the company and authorized for issue on 30 October 2023.

**14. CORRESPONDING FIGURES**

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

**15. GENERAL**

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



Chief Executive



Chief Financial Officer



Director



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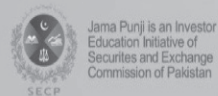


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\*Mobile apps are also available for download for android and ios devices



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