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Masood Textile Mills

Embrace Change for a
Sustainable Future

30 SEPTEMBER

2024

1st QUARTERLY REPORT

Web: www.masoodtextile.com

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CORPORATE INFORMATION

Board of Directors

- Mr. Naseer Ahmad Shah**
Chairman / Non Executive Director
- Mr. Shahid Nazir Ahmad**
Chief Executive Officer / Executive Director
- Mr. Shabir Ahmad Abid**
Independent Director
- Mr. Shahid Iqbal**
Independent Director
- Mr. Shoaib Ahmad Khan**
NIT-Nominee
- Ms. Chen Yan**
Nominee-Shanghai Challenge
Textile Co. Ltd.
- Mr. Shubin Yang**
Nominee-Shanghai Challenge
Textile Co. Ltd.

Chief Financial Officer

Mr. Tanveer Ahmad Siddiqui

Company Secretary

Mr. Nisar Ahmad Alvi

Audit Committee

- Mr. Shabir Ahmad Abid**
Chairman
- Mr. Naseer Ahmad Shah**
Member
- Mr. Shahid Iqbal**
Member

Auditors

Riaz Ahmad & Company
Chartered Accountants

Registered Office

Universal House, 17/1, New Civil Lines
Bilal Road, Faisalabad
Phone: 041-2600176-276
Fax: 041-2600976
Web: www.masoodtextile.com

HR & Remuneration Committee

- Mr. Shahid Iqbal**
Chairman
- Mr. Shahid Nazir Ahmad**
Member
- Mr. Shabir Ahmad Abid**
Member

Risk Management Committee

- Mr. Shahid Nazir Ahmad**
Chairman
- Mr. Naseer Ahmad Shah**
Member
- Mr. Shahid Iqbal**
Member

Nomination Committee

- Mr. Naseer Ahmad Shah**
Chairman
- Mr. Shabir Ahmad Abid**
Member
- Mr. Shahid Iqbal**
Member

Sustainability Committee

- Mr. Shahid Iqbal**
Chairman
- Mr. Shahid Nazir Ahmad**
Member
- Mr. Shabir Ahmad Abid**
Member

Share Registrar

CorpTec Associates (Private) Limited
503-E, Johar Town, Lahore
Phone: 042-35170336-7
Fax: 042-35170338
Web: www.corptec.com.pk

Mills

Masood Textile Mills Limited
32-KM, Sheikhpura Road Faisalabad

DIRECTOR'S REPORT TO THE MEMBERS

The directors of the Company are pleased to present the un-audited condensed interim financial information of the Company for the first quarter ended 30 September 2024.

FINANCIAL RESULTS

The financial results of the Company for the period ended 30 September 2024 are as follow:

Description	30 SEPTEMBER 2024 (RUPEES IN THOUSAND)	30 SEPTEMBER 2023
REVENUE FROM CONTRACTS WITH CUSTOMERS	14,241,542	15,169,993
COST OF SALES	(12,647,883)	(12,061,356)
GROSS PROFIT	1,593,659	3,108,637
DISTRIBUTION COST	(1,042,569)	(1,002,722)
ADMINISTRATIVE EXPENSES	(326,724)	(329,459)
OTHER EXPENSES	(898)	(38,430)
OTHER INCOME	56,848	97,799
FINANCE COST	(1,103,637)	(1,029,883)
(LOSS) / PROFIT BEFORE LEVY AND TAXATION	(823,321)	805,942
LEVY	(156,870)	(276,687)
(LOSS) / PROFIT BEFORE TAXATION	(980,191)	529,255
TAXATION	-	(19,393)
(LOSS) / PROFIT AFTER TAXATION	(980,191)	509,862
(LOSS) / EARNINGS PER SHARE - BASIC (RUPEES)	(14.75)	7.30
- DILUTED (RUPEES)	(13.61)	6.57

The company earned revenue amounting to Rs. 14.242 billion during the first quarter ended 30 September 2024 as compared to Rs. 15.170 billion revenues during the corresponding first quarter of previous financial year. The company earned gross profit of Rs. 1.594 billion during the first quarter ended 30 September 2024 as compared to gross profit of Rs. 3.109 billion during the Same Period Last Year (SPLY). The company recorded loss after tax of Rs. (980.191) million (Loss per share: Rs. 14.75) as compared to net profit after tax of Rs. 509.862 million (Earning per share: Rs. 7.30) during the SPLY.

Underutilization of capacities, reduction in sale volume, soaring cost of quality raw material, high financial cost, elevated level of energy and other input costs are the main reasons of loss during the first quarter. However, the management of the company is committed and struggling hard to achieve sustainable future growth.

INDUSTRY / MARKET OVERVIEW

Our country's export performance is largely dependent on the growth of the textile sector. Changes brought in the Federal Budget 2024-25, relating to the taxation for exporters may have negative impact on the textile exports. Furthermore, escalated utility tariffs and higher cost of inputs have reduced the competitiveness for exporters.

Textile Industry being one of the largest contributors to country's export earnings and has remained a cornerstone of Pakistan's economy. In order to improve the performance of textile industry, focus is necessary on the production and availability of quality cotton, compatible prices for provision of energy and other inputs, diversification of textile products and entering into new markets.

FUTURE OUTLOOK

Economy of Pakistan is indicating a positive macroeconomic development during the last few months. Improvements include drop in inflation to single digit, collective reduction in the benchmark interest rate by 450 basis points to 17.5 per cent, contraction in current account deficit and a witnessed growth in industrial output, especially in large exporting industry reflects positive outlook for exports. This development is expected to continue in the coming months.

With continued progress on reforms and macroeconomic stability, economic activity is expected to gradually resume. Provided that new IMF program remains on track, appropriate measures are taken to fix fiscal restraints, unequal distribution of income, political misalignments and geopolitical instability.

For sustainable growth, it is critical to implement a clear and effective strategy for economic recovery and adherence to overall economic management. Moreover, constraining fiscal expenditures, maintaining a flexible exchange rate and making essential structural reforms, especially in the energy sector is crucial.

COMPOSITION OF BOARD

06
Male ♂

01
Female ♀

02 Independent Directors
03 Non-Executive Directors
01 Executive Director
01 Female Director

Committees of the Board

audit committee of the board

Sr.#	Name of Members	Designation
1-	Mr. Shabir Ahmad Abid	Chairman
2-	Mr. Naseer Ahmad Shah	Member
3-	Mr. Shahid Iqbal	Member

human resource & remuneration (HR&R) committee

Sr.#	Name of Members	Designation
1-	Mr. Shahid Iqbal	Chairman
2-	Mr. Shahid Nazir Ahmad	Member
3-	Mr. Shabir Ahmad Abid	Member

risk management committee

Sr.#	Name of Members	Designation
1-	Mr. Shahid Nazir Ahmad	Chairman
2-	Mr. Naseer Ahmad Shah	Member
3-	Mr. Shahid Iqbal	Member

nomination committee

Sr.#	Name of Members	Designation
1-	Mr. Naseer Ahmad Shah	Chairman
2-	Mr. Shabir Ahmad Abid	Member
3-	Mr. Shahid Iqbal	Member

sustainability committee

Sr.#	Name of Members	Designation
1-	Mr. Shahid Iqbal	Chairman
2-	Mr. Shahid Nazir Ahmad	Member
3-	Mr. Shabir Ahmad Abid	Member

DIRECTOR'S REMUNERATION

The Company does not pay remuneration to its non-executive directors including independent directors except for meeting fee. Aggregate amount of remuneration paid to executive and non-executive directors have been disclosed in note 08 of the annexed financial statements.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the support of its shareholders, banks and customers whose cooperation, continued support and patronage have enabled the company to strive for constant improvement. We would also like to highlight the continuous efforts and diligence of the Company's senior management, support staff and the production workers. We look forward to same dedication and cooperation from them in the future as well.

FAISALABAD
30th October, 2024


CHIEF EXECUTIVE OFFICER


DIRECTOR

ممبران کے لئے ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2024 کو اختتام پذیر ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش رہے ہیں۔

مالی نتائج:

کمپنی کی 30 ستمبر 2024 کو اختتام پذیر ہونے والی مدت کے مالی نتائج مندرجہ ذیل ہیں۔

30 ستمبر 2023 روپے ہزاروں میں	30 ستمبر 2024 روپے ہزاروں میں	تفصیل
15,169,993	14,241,542	آمدنی کا کھوں کے ساتھ ہونے والے معاہدوں کے ذریعے
(12,061,356)	(12,647,883)	لاگت سیلز
3,108,637	1,593,659	مجموعی نفع
(1,002,722)	(1,042,569)	ڈسٹری بیوشن خرچہ
(329,459)	(326,724)	کاروبار کے انتظامی اخراجات
(38,430)	(898)	دیگر اخراجات
97,799	56,848	دیگر آمدن
(1,029,883)	(1,103,637)	مالی لاگت
805,942	(823,321)	(نقصان) / نفع ٹیکس اور لیوی سے پہلے
(276,687)	(156,870)	لیوی
529,255	(980,191)	(نقصان) / نفع ٹیکس کی ادائیگی سے پہلے
(19,393)	-	ٹیکسز
509,862	(980,191)	(نقصان) / نفع ٹیکس کی ادائیگی کے بعد
7.30	(14.75)	(نقصان) / آمدن فی حصص بنیادی (روپیہ)
6.57	(13.61)	(نقصان) / آمدن فی حصص ڈائلوٹڈ / کمی کر کے (روپیہ)

کمپنی نے 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے دوران 14.242 بلین روپے آمدنی حاصل کی۔ جو پچھلے اسی مدت کے مالی سال کی سہ ماہی کے دوران 15.170 بلین تھی۔ کمپنی نے 30 ستمبر 2024 کو ختم ہونے والی پہلی سہ ماہی کے دوران 1.594 بلین روپے مجموعی منافع کمایا۔ جو گزشتہ اسی مدت کے دوران 3.109 بلین روپے مجموعی منافع تھا۔ کمپنی نے ٹیکس اور لیوی کے بعد (980.191) بلین روپے اور فی حصص (14.75) روپے نقصان ریکارڈ کیا۔ جو کہ پچھلی اسی سہ ماہی کے دوران 509.862 بلین روپے اور فی حصص آمدنی 7.30 روپے خالص منافع تھا۔

پہلی سہ ماہی کے دوران صلاحیتوں کا کم استعمال، فروخت کے حجم میں کمی، معیاری خام مال کی بڑھتی ہوئی لاگت، اعلیٰ مالیاتی لاگت، توانائی کی بلند سطح اور دیگر نپٹ لاگت نقصان کی اہم وجوہات ہیں۔ تاہم، کمپنی کے انتظامیہ پر عزم ہے اور مستقبل میں پائیدار ترقی کے حصول کے لئے سخت جدوجہد کر رہی ہے۔

صنعت امارکیٹ کا جائزہ

ہمارے ملک کی برآمدی کارکردگی کا زیادہ تر انحصار ٹیکسٹائل سیکٹرز کی ترقی پر ہے۔ وفاقی بجٹ 2024-25 میں لائی گئی تبدیلیاں، برآمد کنندگان کے لیے ٹیکس سے متعلق ٹیکسٹائل کی برآمدات پر منفی اثرات مرتب کر سکتی ہے۔ مزید برآں، بڑھے ہوئے یوٹیلیٹی ٹیرف اور ان پٹ کی زیادہ قیمت نے برآمد کنندگان کے لئے مسابقت کو کم کر دیا ہے۔

ٹیکسٹائل کی صنعت ملک کی برآمدی آمدنی میں سب سے بڑے شراکت داروں میں سے ایک ہے۔ اور یہ پاکستان کی معیشت کا سنگ بنیاد رہی ہے۔ ٹیکسٹائل انڈسٹری کی کارکردگی کو بہتر بنانے کے لئے معیاری کپاس کی پیداوار اور دستیابی، توانائی اور دیگر اشیاء کی فراہمی کے لئے ہم آہنگ قیمتوں، ٹیکسٹائل مصنوعات کے تنوع اور نئی منڈیوں میں داخلے پر توجہ دینے کی ضرورت ہے۔

مستقبل کا نقطہ نظر:

پاکستان کی معیشت پچھلے چند مہینوں کے دوران ایک مثبت میکرو اکنامک ترقی کی نشاندہی کر رہی ہے۔ بہتر یوں میں افراط زر میں سنگل ہندسہ تک گرنا، بیج مارک سوڈی شرح میں 450 بیس پوائنٹس سے 17.5 فیصد تک کمی، کرنٹ اکاؤنٹ خسارے میں کمی اور صنعتی پیداوار میں اضافہ، خاص طور پر بڑی برآمدی صنعت میں برآمدات کے لئے مثبت نقطہ نظر کی عکاسی کرنا شامل ہے۔ یہ ترقی آنے والے مہینوں میں جاری رہنے کی امید ہے۔

اصلاحات اور میکرو اکنامک استحکام پر مسلسل پیش رفت کے ساتھ، اقتصادی سرگرمیاں بتدریج دوبارہ شروع ہونے کی امید ہے بشرطیکہ کہ آئی ایم ایف کا نیا پروگرام ٹریک پر ہے، مالیاتی پابندیوں، آمدنی کی غیر مساوی تقسیم، سیاسی غلط فہمیوں اور جغرافیائی سیاسی عدم استحکام کو دور کرنے کے لئے مناسب اقدامات کئے جائیں۔

پائیدار ترقی کے لیے، اقتصادی بحالی کے لیے واضح اور موثر حکمت عملی کو نافذ کرنا اور مجموعی اقتصادی انتظام پر عمل کرنا بہت ضروری ہے۔ مزید برآں، مالیاتی اخراجات کو محدود کرنا، چلک دار اور شرح مبادلہ کو برقرار رکھنا اور ضروری ساختی اصلاحات کرنا، خاص طور پر توانائی کے شعبے میں بہت ضروری ہے۔

بورڈ کی ترتیب:

7

ڈائریکٹرز کی کل تعداد

01
عورت



06
مرد



ترتیب:

02 آزاد ڈائریکٹرز

03 نان ایگزیکٹو ڈائریکٹرز

01 ایگزیکٹو ڈائریکٹرز

01 فی میل ڈائریکٹرز

آڈٹ کمیٹی کا اجلاس:-

نمبر شمار	ممبرز کے نام	عہدہ
1	جناب شبیر احمد عابد	چیئر مین
2	جناب نصیر احمد شاہ	ممبر
3	جناب شاہد اقبال	ممبر

انسانی وسائل اور معاوضے کی کمیٹی :-

نمبر شمار	ممبرز کے نام	عہدہ
1	جناب شاہد اقبال	چیئر مین
2	جناب شاہد نذیر احمد	ممبر
3	جناب شبیر احمد عابد	ممبر

ریسک مینجمنٹ کمیٹی :-

نمبر شمار	ممبرز کے نام	عہدہ
1	جناب شاہد نذیر احمد	چیئر مین
2	جناب نسیم احمد شاہ	ممبر
3	جناب شاہد اقبال	ممبر

نامزدگی کمیٹی :-

نمبر شمار	ممبرز کے نام	عہدہ
1	جناب نسیم احمد شاہ	چیئر مین
2	جناب شبیر احمد عابد	ممبر
3	جناب شاہد اقبال	ممبر

پائیداری کمیٹی:

نمبر شمار	ممبرز کے نام	عہدہ
1	جناب شاہد اقبال	چیئر مین
2	جناب شاہد نذیر احمد	ممبر
3	جناب شبیر احمد عابد	ممبر

ڈائریکٹر کا معاوضہ :

کمپنی اپنے نان ایگزیکٹو ڈائریکٹر سمیت آزاد ڈائریکٹرز کو اجلاس فیس کے علاوہ معاوضہ ادا نہیں کرتی۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو ادا کئے گئے معاوضہ کی مجموعی رقم منسلک مالی حسابات کے نوٹ 08 میں درج کی گئی ہے۔

اظہار تشکر اور اعتراف :

بورڈ اپنے حصص یافتگان، بینکوں اور صارفین کے تعاون کی تعریف کرتا ہے۔ جن کے تعاون، مسلسل حمایت اور سرپرستی نے کمپنی کو مسلسل بہتری کے لئے کوشش کرنے کے قابل بنایا ہے۔ ہم کمپنی کے سینئر مینجمنٹ، معاون عملے اور پیداواری کارکنوں کی مسلسل کوششوں اور تیزی کو بھی اجاگر کرنا چاہیں گے۔ ہم مستقبل میں بھی ان سے لگن اور تعاون کے منتظر ہیں۔

فیصل آباد

130 اکتوبر، 2024

چیف ایگزیکٹو آفیسر

ڈائریکٹر

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	NOTE	Un-audited 30 September 2024 (RUPEES IN THOUSAND)	Audited 30 June 2024 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1 200 000 000 (30 June 2024: 1 200 000 000) ordinary shares of Rupees 10 each		12,000,000	12,000,000
60 000 000 (30 June 2024: 60 000 000) preference shares of Rupees 10 each		600,000	600,000
		12,600,000	12,600,000
Issued, subscribed and paid up share capital		950,000	950,000
Reserves			
Capital reserves			
Share premium		1,375,000	1,375,000
Redemption fund		128,333	128,333
Capital contribution		2,000,000	2,000,000
Surplus on revaluation of freehold land		3,501,438	3,501,438
		7,004,771	7,004,771
Revenue reserves		7,746,651	8,726,842
Total reserves		14,751,422	15,731,613
Total equity		15,701,422	16,681,613
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	3	3,231,453	1,563,984
Lease liabilities		85,967	91,577
Staff retirement gratuity		2,203,709	2,108,467
		5,521,129	3,764,028
CURRENT LIABILITIES			
Trade and other payables		11,321,448	10,357,152
Unclaimed dividend		8,938	8,938
Accrued mark-up		423,428	818,018
Short term borrowings		23,081,136	22,154,929
Current portion of non-current liabilities		1,252,457	1,364,707
Provision for taxation and levy - net		-	2,357
		36,087,407	34,706,101
TOTAL LIABILITIES		41,608,536	38,470,129
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	4	57,309,958	55,151,742

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



CHIEF EXECUTIVE OFFICER

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

	NOTE	Un-audited 30 September 2024 (RUPEES IN THOUSAND)	Audited 30 June 2024 (RUPEES IN THOUSAND)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	17,013,202	17,246,533
Right-of-use assets		96,624	107,965
Long term advances		9,468	10,076
Long term security deposits		36,731	36,731
		17,156,025	17,401,305
CURRENT ASSETS			
Stores, spare parts and loose tools		3,452,607	3,684,606
Stock in trade		15,971,752	16,037,907
Trade debts		14,641,378	14,121,535
Loans and advances		643,518	601,703
Advance income tax and levy - net		137,905	-
Short term deposits and prepayments		492,192	337,249
Other receivables		3,065,459	2,699,557
Short term investments		10,552	10,192
Cash and bank balances		1,738,570	257,688
		40,153,933	37,750,437
TOTAL ASSETS		57,309,958	55,151,742

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


DIRECTOR


CHIEF FINANCIAL OFFICER

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

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	30 September 2024	30 September 2023
	(RUPEES IN THOUSAND)	
REVENUE FROM CONTRACTS WITH CUSTOMERS	14,241,542	15,169,993
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LEVY	(156,870)	(276,687)
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(LOSS) / PROFIT AFTER TAXATION	(980,191)	509,862
(LOSS) / EARNINGS PER SHARE - BASIC (RUPEES)	(14.75)	7.30
- DILUTED (RUPEES)	(13.61)	6.57

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	30 September 2024	30 September 2023
	(RUPEES IN THOUSAND)	
(LOSS) / PROFIT AFTER TAXATION	(980,191)	509,862
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive (loss) / income for the period	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(980,191)	509,862

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)

FOR THE 1st QUARTER ENDED 30 SEPTEMBER 2024

	RESERVES										TOTAL EQUITY	
	SHARE CAPITAL			CAPITAL			REVENUE					TOTAL
	Share premium	Redemption fund	Capital contribution	Surplus on revaluation of freehold land	Sub total	General	Unappropriated profit	Sub total				
	(RUPEES IN THOUSAND)											
Balance as at 30 June 2023 - (Audited)	950,000	1,375,000	128,333	2,000,000	3,574,318	7,077,651	714,500	8,473,319	9,187,819	16,265,470	17,215,470	
Profit for the period	-	-	-	-	-	-	-	509,862	509,862	509,862	509,862	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	-	-	-	509,862	509,862	509,862	509,862	
Balance as at 30 September 2023 - (Un-audited)	950,000	1,375,000	128,333	2,000,000	3,574,318	7,077,651	714,500	8,983,181	9,697,681	16,775,332	17,725,332	
Transaction with owners:												
Dividend at the rate of Rupees 18188 per share (Preference shares)	-	-	-	-	-	-	-	(50,017)	(50,017)	(50,017)	(50,017)	
Transfer from surplus on revaluation of land	-	-	-	-	(72,880)	(72,880)	-	72,880	72,880	-	-	
Loss for the period	-	-	-	-	-	-	-	(979,892)	(979,892)	(979,892)	(979,892)	
Other comprehensive loss for the period	-	-	-	-	-	-	-	(13,810)	(13,810)	(13,810)	(13,810)	
Total comprehensive loss for the period	-	-	-	-	-	-	-	(993,702)	(993,702)	(993,702)	(993,702)	
Balance as at 30 June 2024 - (Audited)	950,000	1,375,000	128,333	2,000,000	3,501,438	7,004,771	714,500	8,012,342	8,726,842	15,731,613	16,681,613	
Loss for the period	-	-	-	-	-	-	-	(980,191)	(980,191)	(980,191)	(980,191)	
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive loss for the period	-	-	-	-	-	-	-	(980,191)	(980,191)	(980,191)	(980,191)	
Balance as at 30 September 2024 - (Un-audited)	950,000	1,375,000	128,333	2,000,000	3,501,438	7,004,771	714,500	7,032,151	7,746,651	14,751,422	15,701,422	

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	NOTE	30 September 2024 (RUPEES IN THOUSAND)	30 September 2023 (RUPEES IN THOUSAND)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	6	963,655	3,111,742
Finance cost paid		(1,494,233)	(1,086,558)
Mark-up paid against lease liabilities		(3,994)	(5,121)
Income tax and levy paid		(297,132)	(239,353)
Dividend paid to ordinary shareholders		-	(1)
Staff retirement gratuity paid		(119,009)	(59,659)
Net decrease in long term advances		608	2,597
Net (increase) / decrease in long term security deposits		-	8,747
Net cash (used in) /generated from operating activities		(950,105)	1,732,394
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		32,730	14,964
Capital expenditure on property, plant and equipment		(90,618)	(1,243,524)
Investment made		(360)	(371)
Profit on deposits with banks received		13,420	34,892
Net cash used in investing activities		(44,828)	(1,194,039)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		2,000,000	81,250
Repayment of long term financing		(439,311)	(483,316)
Repayment of lease liabilities		(11,081)	(27,235)
Short term borrowings - net		926,207	(803,928)
Net cash from / (used in) financing activities		2,475,815	(1,233,229)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		1,480,882	(694,874)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		257,688	1,013,991
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1,738,570	319,117

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

1. THE COMPANY AND ITS OPERATIONS

Masood Textile Mills Limited is a public limited company incorporated under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited (PSX). Its registered office is situated at Universal House, P-17/1, New Civil Lines, Bilal Road, Faisalabad. The main objects of the Company are manufacturing and sale of cotton / synthetic fiber yarn, knitted / dyed fabrics and garments.

2. BASIS OF PREPARATION AND STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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 for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2024.

2.3 Statement of material accounting policy information

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2024.

2.4 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting standards requires management to make and use judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

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 applied in the annual financial statements of the Company for the year ended 30 June 2024.

2.5 Financial risk management

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

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	Un-audited 30 September 2024 (RUPEES IN THOUSAND)	Audited 30 June 2024 (RUPEES IN THOUSAND)
3. LONG TERM FINANCING		
From banking companies - secured		
Opening balance	2,899,996	4,206,619
Add: Obtained during the period / year	2,000,000	554,121
	4,899,996	4,760,740
Less: Repaid during the period / year	439,311	1,860,744
	4,460,685	2,899,996
Less: Current portion shown under current liabilities	1,229,232	1,336,012
	3,231,453	1,563,984

4. CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 433.434 million (30 June 2024: Rupees 433.434 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited (SNGPL) against gas connections, to Faisalabad Electric Supply Company (FESCO) against electricity connections and to Total Parco Pakistan Limited and Gas and Oil Pakistan Limited against fuel cards.
- ii) On 13 August 2020, the Supreme Court of Pakistan upheld the Gas Infrastructure Development Cess (GIDC) Act, 2015 to be constitutional and intra vires. In connection with this decision, the Company filed a writ petition in Lahore High Court, Lahore on 14 September 2020 against the charge of GIDC at the rate of captive power consumer instead of industrial consumer. Lahore High Court, Lahore suspended the payment of Rupees 23.625 million (30 June 2024: Rupees 23.625 million) related to this difference, subject to furnishing of post dated cheques which are being submitted by the Company. This writ petition was decided in favor of the Company. Against this decision, SNGPL filed an Intra Court Appeal No. 73521/2021 in Lahore High Court, Lahore on 27 September 2021 which is pending for adjudication. Keeping in view the opinion of the legal counsel of the Company, the related provision is not made in these financial statements as there are strong grounds of favorable outcome of the petition.
- iii) The Company filed a writ petition in the Lahore High Court, Lahore on 17 August 2023 against the recovery of demand having an amount of Rupees 300.078 million (30 June 2024: Rupees 300.078 million) on increased rate of minimum wages raised by Employees Old Age Benefits Institution (EOBI). Keeping in view of the opinion of the legal counsel of the Company, the related provision is not made in these financial statements as there are strong grounds of favorable outcome of the petition.

b) Commitments

- i) Contracts / letters of credit for capital expenditure are amounting to Rupees 68.643 million (30 June 2024: Rupees 11.524 million) and for other than capital expenditure are of Rupees 1,763.127 million (30 June 2024: Rupees 1,074.704 million).
- ii) Ijarah commitments are amounting to Rupees 447.282 million (30 June 2024: Rupees 506.158 million).

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	Un-audited 30 September 2024 (RUPEES IN THOUSAND)	Audited 30 June 2024 (RUPEES IN THOUSAND)
5. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 5.1)	16,469,937	16,585,882
Capital work-in-progress (Note 5.2)	543,265	660,651
	17,013,202	17,246,533
5.1 Operating fixed assets		
Opening book value	16,585,882	14,806,641
Add:		
Cost of additions during the period / year (Note 5.1.1)	208,004	3,730,212
Transferred from right-of-use assets - vehicles	-	2,334
	16,793,886	18,539,187
Less: Book value of deletions during the period / year (Note 5.1.2)	22,890	743,902
	16,770,996	17,795,285
Less: Depreciation charged during the period / year	301,059	1,209,403
	16,469,937	16,585,882
5.1.1 Cost of additions during the period / year		
Freehold land	-	16,212
Buildings on freehold land	204	477,999
Plant and machinery	153,594	2,388,416
Electric and gas installations	17,182	201,982
Factory equipment	1,925	98,303
Telephone installations	10	973
Furniture and fixtures	5,988	97,358
Office equipment	104	178
Computer equipment	3,992	106,057
Vehicles	25,005	342,734
	208,004	3,730,212
5.1.2 Book value of deletions during the period / year		
Freehold land	-	249,882
Plant and machinery	-	406,724
Factory equipment	-	15
Computer equipment	-	148
Vehicles	22,890	87,133
	22,890	743,902
5.2 Capital work-in-progress		
Buildings on freehold land	57,521	57,521
Plant and machinery	99,292	25,396
Advances against purchase of machinery	386,452	577,734
	543,265	660,651

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

	30 September 2024	Un-audited 30 September 2023 (RUPEES IN THOUSAND)
6. CASH GENERATED FROM OPERATIONS		
(Loss) / profit before taxation	(823,321)	805,942
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	301,059	270,295
Depreciation on right-of-use assets	11,341	27,772
Provision for staff retirement gratuity	182,706	171,091
Gain on sale of property, plant and equipment	(9,840)	(10,852)
Finance cost	1,103,637	1,029,883
Allowance for expected credit losses - net	(260)	(1,183)
Profit on deposits with banks	(7,763)	(31,930)
Working capital changes (Note 6.1)	206,096	850,724
	963,655	3,111,742
6.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	231,999	(575,122)
Stock in trade	66,155	(1,273,671)
Trade debts	(519,583)	2,831,817
Loans and advances	(41,815)	(119,636)
Short term deposits and prepayments	(154,943)	(188,257)
Other receivables	(371,559)	111,113
	(789,746)	786,244
Increase in trade and other payables	995,842	64,480
	206,096	850,724

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

7. SEGMENT INFORMATION

7.1 Segment results

	Spinning		Knitting		Processing and Garments		Elimination of inter-segment transactions		Total - Company	
	Un-audited	(Un-audited)	Un-audited	(Un-audited)	Un-audited	(Un-audited)	Un-audited	(Un-audited)	Un-audited	(Un-audited)
	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended
	30 September	30 September	30 September	30 September	30 September	30 September	30 September	30 September	30 September	30 September
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	(RUPEES IN THOUSAND)									
Revenue from contracts with customers	700,436	1,637,219	309,433	264,956	13,231,673	13,267,918	-	-	14,241,542	15,169,993
External intersegment	763,039	2,441,363	453,640	4,816,397	-	18,649	(5,276,673)	(7,276,429)	-	-
	1,463,475	4,078,602	4,823,073	5,081,253	13,231,673	13,286,567	(5,276,673)	(7,276,429)	14,241,542	15,169,993
Cost of sales	(1,466,438)	(3,987,339)	(4,743,247)	(4,971,409)	(11,714,877)	(10,379,037)	5,276,679	7,276,429	(12,647,883)	(12,061,356)
Gross (Loss) / profit	(2,963)	91,263	79,826	109,844	1,516,796	2,907,530	-	-	1,593,659	3,108,637
Distribution cost	(24,808)	(34,164)	(37,451)	(49,166)	(90,310)	(919,392)	-	-	(1,042,569)	(1,002,722)
Administrative expenses	(23,711)	(28,013)	(38,332)	(49,156)	(264,693)	(261,930)	-	-	(326,724)	(329,459)
	(48,519)	(62,177)	(75,783)	(98,322)	(1,244,993)	(1,80,682)	-	-	(1,369,293)	(1,332,181)
(Loss) / Profit before taxation and unallocated income and expenses	(51,482)	29,086	4,043	20,522	271,805	1,726,848	-	-	224,366	1,776,456
Unallocated income and expenses:										
Other expenses									(898)	(38,430)
Other income									56,848	97,799
Finance cost									(1,033,637)	(1,029,883)
Levy									(276,687)	(276,687)
Taxation									-	(93,393)
(Loss) / profit after taxation									(980,191)	509,862

7.2 Reconciliation of reportable segment assets and liabilities:

	Spinning		Knitting		Processing and Garments		Total - Company	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	30 September	30 June	30 September	30 June	30 September	30 June	30 September	30 June
	2024	2024	2024	2024	2024	2024	2024	2024
	(RUPEES IN THOUSAND)							
Segment assets	4,489,342	4,665,454	4,440,598	4,456,917	27,604,246	27,644,676	36,534,186	36,969,047
Unallocated assets							20,775,772	18,182,695
Total assets as per condensed interim statement of financial position							57,309,958	55,151,742
Segment liabilities	1,083,544	1,266,311	2,600,041	2,857,412	10,564,995	9,150,651	14,248,590	13,274,374
Unallocated liabilities							27,359,956	25,195,755
Total liabilities as per condensed interim statement of financial position							41,608,536	38,470,129

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1st QUARTER ENDED 30 SEPTEMBER 2024

Spinning (Un-audited)		Knitting (Un-audited)		Processing and Garments (Un-audited)		Total - Company (Un-audited)	
Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended	Quarter ended
30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023

(RUPEES IN THOUSAND)

7.3 Segment wise and geographical location wise disaggregation of revenue:

South /North America	-	-	-	8,896,183	8,963,451	8,905,877	8,963,451
Europe	-	23,420	-	2,685,368	1,366,215	2,685,368	1,359,635
Africa	-	-	-	152,156	122,529	152,156	122,529
Asia	2,778	167,733	-	959,734	1,718,617	962,512	1,886,350
Australia	-	-	-	53,735	-	53,735	-
Pakistan	687,964	1,446,066	309,433	474,497	1,127,106	1,471,894	2,838,028
	700,436	1,637,219	309,433	13,231,673	13,267,918	14,241,542	15,169,993

7.4 The Company's revenue from external customers in respect of product is detailed below:

Yarn	688,565	1,625,691	28,548	25,945	-	717,113	1,651,636
knitting / dyeing income	-	-	280,885	238,911	403,369	684,254	879,356
Finished fabric / garments	-	-	-	-	12,694,432	12,694,432	12,407,658
Waste	11,871	11,328	-	-	133,872	145,743	231,143
	700,436	1,637,219	309,433	264,856	13,231,673	14,241,542	15,169,993

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

8. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate, associated company, other related parties and key management personnel. Detail of transactions and balances with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements are as follows:

i) Transactions

Other related parties

Remuneration and meeting fee to Chief Executive Officer, directors and executives

Sale of vehicles to executives

Un-audited	
Quarter Ended	
30 September 2024	30 September 2023
(RUPEES IN THOUSAND)	

148,512	171,462
2,808	-

ii) Period end balances

Associated company

Trade debts

Other related parties

Capital contribution

Long term advances

Loans and advances

Un-audited	Audited
30 September 2024	June 30 2024
(RUPEES IN THOUSAND)	

192,498	192,498
200,000	200,000
19,701	14,197
20,919	24,615

9. 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 following three levels. An explanation of each level follows underneath the table:

	Level 1	Level 2	Level 3	Total
----- (RUPEES IN THOUSAND) -----				
Financial assets - recurring fair value measurement				
At fair value through profit or loss	10,552	-	-	10,552
At 30 September 2024 - unaudited	10,552	-	-	10,552
At fair value through profit or loss	10,192	-	-	10,192
At 30 June 2024 - audited	10,192	-	-	10,192

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)

FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2024

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 the 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 period. Further there was no transfer 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 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 include the use of market price as per MUFAP.

10. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issue on **30 OCTOBER 2024**.

11. CORRESPONDING FIGURES

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

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

12. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

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