



# **TATA TEXTILE MILLS LIMITED**

**Condensed Interim Financial Statements  
(UN-AUDITED)  
For The Nine Months Ended March 31, 2024**

## CONTENTS

1. COMPANY INFORMATION	03
2. DIRECTORS' REPORT	04
3. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION	05
4. CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)	06
5. CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)	07
6. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)	09
7. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)	11
8. DIRECTORS' REPORT (URDU)	19

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Mazhar Valjee - Chairman  
Mr. Shahid Anwar Tata - Chief Executive  
Mr. Adeel Shahid Tata - Executive Director  
Mr. Bilal Shahid Tata - Non Executive Director  
Mr. Farooq Advani - Independent Director  
Mr. Tayyeb Afzal - Independent Director  
Ms. Samar Shahid - Non Executive Director

### AUDIT COMMITTEE

Mr. Tayyeb Afzal – Chairman  
Mr. Farooq Advani - Member  
Mr. Bilal Shahid Tata - Member  
Mr. Ghazanfer Yaseen - Secretary

### HR & REMUNERATION COMMITTEE

Mr. Mazhar Valjee - Chairman  
Mr. Farooq Advani - Member  
Mr. Adeel Shahid Tata - Member  
Mr. Bilal Shahid Tata - Member  
Ms. Samar Shahid - Member  
Ms. Humera Ahmad - Secretary

### CHIEF FINANCIAL OFFICER

Mr. Muhammad Zaid Kaliya

### COMPANY SECRETARY

Mr. Muhammad Hussain

### HEAD OF INTERNAL AUDIT

Mr. Ghazanfer Yaseen

### AUDITORS

M/S. Yousuf Adil  
Chartered Accountants

### BANKERS

1-Allied Bank Limited  
2-Askari Bank Limited  
3-Bank Alfalah Limited  
4-Bank Islami Pakistan Limited  
5-Dubai Islamic Bank (Pakistan) Limited  
6-HBL (Islamic Banking)  
7-JS Bank Limited  
8-MCB Bank Limited  
9-Meezan Bank Limited  
10-United Bank Limited  
11-National Bank of Pakistan  
12-National Bank of Pakistan – AIBG  
13-Pak Oman Investment Company Limited  
14-Samba Bank Limited  
15-Soneri Bank Limited  
16-The Bank of Khyber  
17-The Bank of Punjab  
18-Bank Al Habib Limited

### LEGAL ADVISOR

Ameen Bandukda & Co.

### REGISTERED OFFICE

6th Floor Textile Plaza,  
M.A Jinnah Road Karachi.  
Tel# 32412955-3 Lines 32426761-2-4  
Fax# 32417710  
Email: [ttm.corporate@tatapakistan.com](mailto:ttm.corporate@tatapakistan.com)

### FACTORY LOCATION

10th K.M. M.M Road, Khanpur-Baggasher,  
Muzaffargarh; HX-1 Landhi Industrial Area,  
Karachi; and A/12, S.I.T.E, Kotri, District  
Jamshoro (Sindh).

### SHARE REGISTRAR

CDC Share Registrar Services Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal Karachi.  
Tel# (Toll Free) 0800-CDCPL (23275)  
Fax: (92-21) 34326053

### WEB

[www.tatapakistan.com](http://www.tatapakistan.com)

## DIRECTORS' REPORT

FOR THE QUARTER ENDED MARCH 31, 2024

The Board of Directors are pleased to present the unaudited financial statements for the quarter ended March 31, 2024.

### Business and Economic Overview

The company has adeptly navigated a myriad of challenges, including Pakistan's low foreign exchange reserves, rising energy costs, persistent inflationary pressures, elevated interest rates, and an increased tax burden due to the super tax, all amidst a fluctuating global demand. Additionally, the reduced purchasing power of consumers has continually influenced demand dynamics, adversely affecting our business performance.

Following the International Monetary Fund's (IMF) approval of a standby arrangement program, the Pakistani economy achieved partial stability. However, the State Bank of Pakistan has maintained its policy rate at a high of 22%. The ongoing conflict in the Middle East, escalating geopolitical tensions, and disruptions in shipping trade routes further complicate the global economic landscape, impacting shipping costs and commodity prices. These factors have extended the working cycle days, led to longer receivable collection periods, and diminished export order turnover. The comprehensive impact of these issues will likely unfold over time.

Notwithstanding these obstacles, the company is strategically broadening its customer base, both domestically and internationally, to surmount challenges and meet its commitments to stakeholders. The company is taking proactive measures including implementing targeted customer engagement initiatives, adopting a competitive pricing strategy, and ensuring robust product availability. A stable post-election environment, the revival of textile exports, and reduced power costs is expected to improve the future outlook.

### Company's Performance

The third quarter of the 2023-24 fiscal year unfolded in a challenging economic environment. However, the company achieved a turnover of PKR 12.56 billion, compared to PKR 9.59 billion in the same period last year. During the year under review to date, the company has recorded a top line of Rs. 35.38 billion during the quarter compared to Rs. 23.59 billion for the Same Period Last Year (SPLY).

Nevertheless, the inflationary impact on raw material and conversion costs, along with higher finance expenses, notably impacted the margins, resulting in a post-tax loss of Rs. 765.5 million, compared to a post-tax profit of Rs. 302.15 million in the same period last year. The loss per share stands at Rs. 13.67, contrasting with an earnings per share of Rs. 5.40 in the corresponding period last year.

During the period, a significant factor impacting the Cost of Sales was the increased expenditure on power generation. The finance cost for the quarter amounted to Rs. 1.17 billion, up from Rs. 776 million in the corresponding period of the previous year. This rise is mainly attributed to higher interest rates and the increased financing needed for procuring local cotton to meet production requirements for the year.

The company is making significant strides in its digital transformation journey with the implementation of Oracle Fusion Cloud ERP. Phase II of this initiative is scheduled for full completion by June 2024, demonstrating the company's commitment to leveraging advanced technology to enhance operational efficiency, streamline processes, and drive strategic decision-making.

### Future Outlook

Looking ahead, Pakistan's economic stability hinges on continued reform efforts designed to rebuild fiscal reserves, restore political stability, and secure support from international allies and the IMF program. While these measures might moderate demand and ease inflationary pressures in the near term, they could also impact industrial activity and the demand for textile products.

Committed to maintaining the highest quality standards, the company will continue to implement cost-saving strategies and focus on maximizing value for all stakeholders. Prioritizing safety, health, environmental responsibility, and ethical practices, the company aims to cultivate a corporate culture that emphasizes customer satisfaction, quality, sustainability, and excellence. These efforts are integral to delivering outstanding results and upholding the highest standards across all operations.

### Acknowledgement

Our dedicated team stands as our most valuable asset, showcasing unwavering commitment and support to drive the Company's progress. The Board extends its heartfelt gratitude to our customers, shareholders, employees, financial institutions, and other stakeholders for their enduring trust and confidence in the Company.

On behalf of the Board of Directors



SHAHID ANWAR TATA  
CHIEF EXECUTIVE



ADEEL SHAHID TATA  
DIRECTOR

Karachi

Dated: April 30, 2024

# Tata Textile Mills Ltd.

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	21,442,939	21,367,677
Intangible assets		10,017	13,223
Long term deposits		5,126	4,596
		<b>21,458,082</b>	21,385,496
<b>Current assets</b>			
Stores, spares and loose tools		577,890	398,162
Stock in trade	7	13,035,486	13,593,083
Trade debts		7,069,646	6,634,797
Loans and advances		382,866	487,387
Short term prepayments		36,431	13,726
Other receivables		80,656	83,632
Other financial assets		3,178,410	2,118,712
Advance income tax		581,704	794,937
Sales tax refundable		1,040,818	439,070
Cash and bank balances		193,401	252,781
		<b>26,177,308</b>	24,816,287
		<b>47,635,390</b>	46,201,783
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	8	559,936	559,936
General reserve		2,805,996	2,805,996
Unappropriated profit		6,838,150	7,537,077
Surplus on revaluation of operating fixed assets - net of tax		10,371,812	10,476,205
		<b>20,575,894</b>	21,379,214
<b>Non-current liabilities</b>			
Long term finance	9	3,534,942	2,051,708
Deferred liabilities		1,262,567	1,360,596
		<b>4,797,509</b>	3,412,304
<b>Current liabilities</b>			
Trade and other payables		4,162,299	5,354,612
Interest / mark up accrued on borrowings		865,375	570,882
Short term borrowings	10	15,378,569	14,013,800
Current portion of long term finance	9	1,008,348	774,430
Unclaimed dividend		24,385	21,438
Provision for income tax		823,011	675,103
		<b>22,261,987</b>	21,410,265
		<b>47,635,390</b>	46,201,783
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



SHAHID ANWAR TATA  
CHIEF EXECUTIVE



MUHAMMAD ZAID KALIYA  
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA  
DIRECTOR

# Tata Textile Mills Ltd.

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024

		Nine Months Ended		Quarter Ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Note		----- (Rupees in '000) -----			
Revenue from contract with customers - net	12	<b>35,379,684</b>	23,591,875	<b>12,564,186</b>	9,587,921
Cost of goods revenue		<b>(32,587,973)</b>	(20,625,302)	<b>(11,864,385)</b>	(8,386,253)
<b>Gross profit</b>		<b>2,791,711</b>	2,966,573	<b>699,801</b>	1,201,668
Distribution cost		<b>(393,415)</b>	(256,023)	<b>(163,362)</b>	(95,097)
Administrative expenses		<b>(425,306)</b>	(477,345)	<b>(149,982)</b>	(166,891)
Other operating expenses		<b>(32,742)</b>	(205,626)	<b>35,996</b>	92,080
Finance cost		<b>(3,581,185)</b>	(1,779,066)	<b>(1,179,733)</b>	(776,361)
		<b>(4,432,648)</b>	(2,718,060)	<b>(1,457,081)</b>	(946,269)
Other income		<b>1,483,899</b>	332,990	<b>279,943</b>	38,262
<b>(Loss) / Profit before taxation for the period</b>		<b>(157,038)</b>	581,503	<b>(477,337)</b>	293,661
Provision for taxation	13	<b>(605,759)</b>	(279,347)	<b>(201,086)</b>	(108,401)
<b>(Loss) / Profit after taxation for the period</b>		<b>(762,797)</b>	302,156	<b>(678,423)</b>	185,260
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(762,797)</b>	302,156	<b>(678,423)</b>	185,260
----- (Rupees) -----					
<b>(Loss) / earnings per share - basic and diluted</b>	14	<b>(13.62)</b>	5.40	<b>(12.12)</b>	3.31

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



**SHAHID ANWAR TATA**  
CHIEF EXECUTIVE



**MUHAMMAD ZAID KALIYA**  
CHIEF FINANCIAL OFFICER



**ADEEL SHAHID TATA**  
DIRECTOR

# Tata Textile Mills Ltd.

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

	Nine Months Ended	
	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(157,038)	581,503
<b>Adjustments for non-cash items and others:</b>		
Depreciation	629,321	611,040
Amortisation	3,207	2,391
Provision for defined benefit obligations	77,940	74,551
Amortisation of deferred government grant	-	(3,742)
Profit on savings accounts	(44)	(1,748)
Profit on term deposit receipts	(106,835)	(45,589)
Provision for compensated absences	24,733	15,316
Finance cost	3,581,185	1,779,066
Capital work in progress expense out	20,436	-
Dividend income	(429,177)	(101,210)
Unrealised (gain) / loss on revaluation of other financial assets	(901,894)	144,724
Gain on disposal of operating fixed assets	(4,257)	(2,730)
<b>Operating cash flows before working capital changes</b>	<b>2,737,577</b>	<b>3,053,572</b>
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	(179,728)	(105,331)
Stock-in-trade	557,597	(2,066,048)
Trade debts	(434,849)	(1,406,226)
Loans and advances	317,754	(1,503,214)
Short term prepayments	(22,705)	(15,247)
Other receivables	2,976	(543,837)
Sales tax refundable	(601,748)	(412,663)
<b>Decrease in current liabilities</b>		
Trade and other payables	(1,192,313)	(13,220)
<b>Cash generated from / (used in) operations</b>	<b>1,184,561</b>	<b>(3,012,214)</b>
Finance cost paid	(3,286,692)	(1,490,857)
Income taxes paid	(409,995)	(235,442)
Defined benefit obligations paid	(97,998)	(52,615)
Staff compensated absences paid	(23,102)	(15,028)
<b>Net cash used in operating activities</b>	<b>(2,633,226)</b>	<b>(4,806,156)</b>

# Tata Textile Mills Ltd.

		Nine Months Ended	
		March 31, 2024	March 31, 2023
		----- (Rupees in '000) -----	
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	Note	
	Purchase of operating fixed assets	(749,414)	(766,551)
	Proceeds from disposal of operating fixed assets	28,653	13,198
	Purchase of Intangible assets	-	(10,000)
	Purchase of other financial assets	(455,039)	(161,029)
	Proceeds from disposal of other financial assets	297,233	-
	Dividends received during the period	429,177	101,210
	Profit on savings accounts received during the period	44	1,748
	Profit on term deposits receipts received during the period	106,835	45,589
	Long term deposits paid	(530)	(297,968)
	<b>Net cash used in investing activities</b>	<b>(343,041)</b>	<b>(1,073,803)</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Long term finance obtained	2,283,853	314,324
	Repayment of long term finance	(566,701)	(1,370,102)
	Repayment of short-term borrowings - net	(910,327)	245,712
	Dividend paid	(165,034)	(384,897)
	<b>Net cash generated from / (used in) financing activities</b>	<b>641,791</b>	<b>(1,194,963)</b>
	<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(2,334,476)</b>	<b>(7,074,922)</b>
	<b>Cash and cash equivalents at the beginning</b>	<b>(9,484,450)</b>	<b>(3,150,974)</b>
	<b>Cash and cash equivalents at end of the period</b>	<b>(11,818,926)</b>	<b>(10,225,896)</b>
	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and bank balances	193,401	387,781
	Running finance / cash finance	10.1 (12,012,327)	(10,613,677)
		<b>(11,818,926)</b>	<b>(10,225,896)</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



SHAHID ANWAR TATA  
CHIEF EXECUTIVE



MUHAMMAD ZAID KALIYA  
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA  
DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Revenue reserve				Surplus on revaluation of operating fixed assets	Total
	Share Capital	General reserve	Unappropriated profit	(Rupees in '000)		
Balance as at July 01, 2022 (Audited)	559,936	2,805,996	7,348,006	10,852,582	21,566,520	
<i>Transactions with the owners of the company:</i>						
Final cash dividend for the year ended June 30, 2022 at Rs. 5 (50%) per share	-	-	(279,968)	-	(279,968)	
First interim cash dividend at Rs.2 (20%) per share	-	-	(111,987)	-	(111,987)	
Total comprehensive income for the nine-month ended March 31, 2023	-	-	302,156	-	302,156	
Profit for the period	-	-	-	-	-	
Other comprehensive income - net of tax	-	-	(89,799)	-	(89,799)	
Total comprehensive income for the period	-	-	(89,799)	-	(89,799)	
<i>Transferred from surplus on revaluation of operating fixed assets on account of:</i>						
- incremental depreciation	-	-	257,631	(257,631)	-	
- disposal of operating fixed assets	-	-	6,508	(6,508)	-	
- reversal of deferred tax on land	-	-	-	195,341	195,341	
	-	-	264,139	(68,798)	195,341	
<b>Balance as at March 31, 2023 (Un-audited)</b>	<b>559,936</b>	<b>2,805,996</b>	<b>7,522,346</b>	<b>10,783,784</b>	<b>21,672,062</b>	

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	Revenue reserve				
	Share Capital	General reserve	Unappropriated profit	Surplus on revaluation of operating fixed assets	Total
	(Rupees in '000)				
<b>Balance as at July 01, 2023 (Audited)</b>	559,936	2,805,996	7,537,077	10,476,205	21,379,214
Transactions with the owners of the company:					
Final cash dividend for the year ended June 30, 2023 at Rs. 3 (30%) per share	-	-	(167,981)	-	(167,981)
Total comprehensive income for the nine-month ended March 31, 2024	-	-	(762,797)	-	(762,797)
Loss for the period	-	-	(930,778)	127,458	127,458
Adjustment of surplus on revaluation of operating fixed assets due to change in rate	-	-	-	-	-
Other comprehensive income - net of tax	-	-	-	127,458	127,458
Total comprehensive loss for the period	-	-	-	127,458	(803,320)
Transferred from surplus on revaluation of operating fixed assets on account of:					
- incremental depreciation	-	-	229,642	(229,642)	-
- disposal of operating fixed assets	-	-	2,209	(2,209)	-
	-	-	231,851	(231,851)	-
<b>Balance as at March 31, 2024 (Un-audited)</b>	<b>559,936</b>	<b>2,805,996</b>	<b>6,838,150</b>	<b>10,371,812</b>	<b>20,575,894</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



SHAHID ANWAR TATA  
CHIEF EXECUTIVE



MUHAMMAD ZAID KALIYA  
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA  
DIRECTOR

# Tata Textile Mills Ltd.

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2024

### 1. LEGAL STATUS AND NATURE OF BUSINESS

#### 1.1 The Company and its operations

Tata Textile Mills Limited (the Company) is a public limited company incorporated in Pakistan on April 15, 1987 under the Companies Ordinance, 1984 (repealed by the Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The principal activity of the company is manufacturing and sale of yarn.

Following are the geographical locations and addresses of all business units of the Company:

#### Head Office:

The registered office of the Company is situated at 6th floor, Textile Plaza, M.A. Jinnah Road, Karachi, in the province of Sindh.

#### Manufacturing facilities:

The company has following manufacturing units:

- a) 10th K.M. M.M Road, Khanpur - Baggasher, District Muzaffargarh;
- b) HX-1, Landhi Industrial Area, Karachi, and
- c) A/12, S.I.T.E, Kotri, District Jamshoro (Sindh)

### 2. BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017

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

2.2 These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency and figures presented in these condensed interim financial statements have been rounded off to nearest thousand rupees.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements and the significant judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements of the Company as at and for the year ended June 30, 2023. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 01, 2023, which do not have any impact on the Company's financial reporting and therefore have not been detailed in these condensed interim financial statements.

During the period, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

## Tata Textile Mills Ltd.

**3.2** The Company follows the practice of conducting valuation of defined benefit obligations (annually) and operating fixed assets (after every 3 years) through their respective valuation experts. Consequently for defined benefit obligations the impacts of such valuation are incorporated in the annual financial statements at every year end whereas for operating fixed assets these are incorporated in the annual financial statements at the end of every 3 years. Hence, for operating fixed assets no change in the valuation are incorporated in these condensed interim financial statements. For staff retirement benefits, the management has used the assumptions of their appointed experts as of June 30, 2023 for calculating the amount of provision and incorporated the resultant in these condensed interim financial statements.

#### 4. FINANCIAL RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2023.

#### 5. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Estimates and judgements made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the annual financial statements of the Company for the year ended June 30, 2023, except as disclosed otherwise.

<b>March 31, 2024</b>	June 30, 2023
<b>(Un-audited)</b>	(Audited)
----- (Rupees in '000) -----	

#### 6. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	6.1	<b>20,803,089</b>	19,706,613
Capital work-in-progress	6.2	<b>639,850</b>	1,661,064
		<b><u>21,442,939</u></b>	<u>21,367,677</u>

**6.1** Following additions / (transfers) and disposals in operating assets were made:

Particulars	Quarter Ended March 31, 2024 (Un-audited)		Year Ended June 30, 2023 (Audited)	
	Additions / transfers from CWIP	Disposals at book value	Additions / transfers from CWIP	Disposals at book value
	----- (Rupees in '000) -----			
Leasehold land	-	-	148,680	-
Buildings on freehold land	-	-	40,204	36,120
Buildings on leasehold land				
- Godown	-	-	16,514	-
- Mills	<b>439,386</b>	-	18,210	-
Plant machinery and electric installations	<b>477,788</b>	<b>14,839</b>	977,407	9,371
Factory and workshop equipment	<b>225</b>	-	6,814	-
Lease hold improvements	-	-	4,573	-
Furniture and fixtures	<b>236</b>	-	11,503	-
Office equipment	<b>1,583</b>	<b>39</b>	16,853	127
Vehicles	<b>1,845</b>	-	20,925	975
	<b><u>921,063</u></b>	<b><u>14,878</u></b>	<u>1,261,683</u>	<u>46,593</u>

# Tata Textile Mills Ltd.

	Note	March 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2023 (Audited) ----- (Rupees in '000) -----
<b>7. STOCK IN TRADE</b>			
Raw material	7.1	10,072,037	8,741,095
Work in process		412,998	481,327
Finished goods	7.2	2,335,872	4,217,097
Waste stock		214,579	153,564
		<b>13,035,486</b>	<b>13,593,083</b>

7.1 Raw material includes stock in transit amounting to Rs. 1,864.73 million (June 30, 2023: Rs. 3,762 million).

7.2 The net realisable value (NRV) of the finished goods was lower than its cost as at Nine month period ended March 31, 2024, which resulted in write down amounting to Rs. 11.62 million (June 30, 2023 : Rs. 117.53 million).

## 8. SHARE CAPITAL

March 31, 2024 (Un-audited)	June 30, 2023 (Audited)		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
--- (Number of shares in '000)---			----- (Rupees in '000) -----	
<b>100,000</b>	100,000	<b>Authorised capital:</b>	<b>1,000,000</b>	1,000,000
		Ordinary shares of Rs. 10 each		
		<b>Issued, subscribed and paid-up capital:</b>		
		Ordinary shares of Rs. 10 each:		
<b>13,100</b>	13,100	- issued for cash	<b>131,000</b>	131,000
<b>4,225</b>	4,225	- issued as bonus shares	<b>42,247</b>	42,247
<b>38,669</b>	38,669	- issued in pursuant to amalgamation	<b>386,689</b>	386,689
<b>55,994</b>	55,994		<b>559,936</b>	559,936

## 9. LONG TERM FINANCE

### From banking companies (Secured) - At amortised cost

	Note	March 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2023 (Audited) ----- (Rupees in '000) -----
Term finances	9.1	3,126,311	1,269,392
Syndicate financing	9.2	15,491	45,344
SBP - Long term financing facility	9.3	1,355,667	1,460,557
SBP - Financing scheme for renewable energy	9.4	45,821	50,845
		<b>4,543,290</b>	2,826,138

### Current portion shown under current liabilities

Term finances	(770,070)	(569,452)
Syndicate financing	(11,299)	(31,467)
SBP - Long term financing facility	(220,280)	(166,812)
SBP - Financing scheme for renewable energy	(6,699)	(6,699)
	<b>(1,008,348)</b>	<b>(774,430)</b>
	<b>3,534,942</b>	<b>2,051,708</b>

## Tata Textile Mills Ltd.

- 9.1** These are secured against joint pari passu charge on all present and future fixed assets including land, building, plant and machinery, charge on specific machinery and investments. These facilities are subject to markup at the rate of 3 months' KIBOR plus 0.5% to 2% per annum (June 30, 2023: 3 months' KIBOR plus 0.5% to 1.25% per annum). These loans are repayable in equal quarterly installments upto October 2032.
- 9.2** This represents outstanding against loan of Rs. 3 billion obtained from a syndicate of 8 commercial banks secured against joint pari passu charge on entire operating fixed assets of the Company. The Company has received SBP-LTFF grant for Rs. 726 million out of total loan of Rs. 3 billion. SBP-LTFF is subject to SBP markup rate of 2% to 4.5% plus bank spread of 1.5% per annum, payable semi-annually (June 30, 2023: 3% to 4.5% plus bank spread of 1.4% per annum, payable semi-annually).
- 9.3** These facilities are secured against joint pari passu charge on operating fixed assets and are subject to SBP markup rate of 2% to 8% plus bank spread of 1% to 2.5% per annum (June 30, 2023: SBP markup rate of 2% to 8% plus bank spread of 1% to 2.5% per annum). These are payable in 10 years with principal & markup payable in half yearly installments.
- 9.4** These facilities are obtained to finance solar project under SBP financing scheme for Renewable Energy. These facilities are subject to SBP markup rate of 2% plus bank spread of 2% per annum (June 30, 2023: SBP markup rate of 2% plus bank spread of 2% per annum). These are repayable in 32 equal quarterly installments and have various maturity dates from September 2026 to March 2031.

### 9.5 Reconciliation of liabilities arising from long term financing activities

The table below details changes in the Company's liabilities arising from the financing activities, including both cash and non-cash changes, if any. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's condensed interim statement of cash flow as cash flows from financing activities.

	July 01, 2023	Obtained during the period	Repaid during the period	March 31, 2024
----- (Rupees in '000) -----				
Term finances	1,269,392	2,283,853	(426,934)	<b>3,126,311</b>
Syndicate financing	45,344	-	(29,853)	<b>15,491</b>
SBP - Long term financing facility	1,460,557	-	(104,890)	<b>1,355,667</b>
SBP - Financing scheme for renewable energy	50,845	-	(5,024)	<b>45,821</b>
	<u>2,826,138</u>	<u>2,283,853</u>	<u>(566,701)</u>	<u><b>4,543,290</b></u>

	Note	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
----- (Rupees in '000) -----			

### 10. SHORT TERM BORROWINGS

#### From banking companies - secured

Running finance / cash finance	10.1	<b>12,012,328</b>	9,737,231
Finance against import	10.2	<b>3,087,741</b>	4,276,569
Finance against export	10.3	<b>278,500</b>	-
	10.4	<u><b>15,378,569</b></u>	<u>14,013,800</u>

- 10.1** These are subject to markup at the rate of 1- 6 months' KIBOR plus spread ranging between 0.5% to 1.25% per annum (June 30, 2023: 1- 6 months' KIBOR plus spread ranging between 0.5% to 1.25% per annum). These facilities are secured against pledge of stock and joint pari passu charge over current assets.
- 10.2** These facilities are secured against pledge of imported cotton stock and trust receipts. These facilities are subject to markup at the rate of 1 - 6 months' KIBOR plus spread ranging between 0.50% to 1.25% per annum (June 30, 2023: markup at the rate of 1 - 6 months' KIBOR plus spread ranging between 0.50% to 1.25% per annum).
- 10.3** These are subject to mark-up at the rate of 1-3 months 7% to 7.5% inclusive of LIBOR mark-up rate (June 30, 2023: 1-3 months 2% to 2.5% inclusive of LIBOR mark-up rate). These facilities were secured against joint pari passu hypothecation charge over current assets of the Company including 25% margin.
- 10.4** Total facilities available from various commercial banks amounts to Rs. 26,030 million (June 30, 2023: Rs. 23,925 million) out of which the aggregate unavailed short term facilities amounted to Rs. 10,651 million (June 30, 2023: Rs. 9,911 million).

## Tata Textile Mills Ltd.

### 10.5 Reconciliation of liabilities arising from short term financing activities

The table below details changes in the Company's liabilities arising from the financing activities, including both cash and non-cash changes, if any. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's condensed interim statement of cash flows as cash flows from financing activities.

	July 01, 2023	Obtained during the period	Repaid during the period	March 31, 2024
----- Rupees in '000 -----				
Running finance / cash finance	9,737,231	5,262,973	(2,987,876)	<b>12,012,328</b>
Finance against import	4,276,569	7,697,150	(8,885,978)	<b>3,087,741</b>
Finance against export	-	868,500	(590,000)	<b>278,500</b>
	<b>14,013,800</b>	<b>13,828,623</b>	<b>(12,463,854)</b>	<b>15,378,569</b>

## 11. CONTINGENCIES AND COMMITMENTS

### 11.1 Contingencies

There are no contingencies to report as at March 31, 2024 and June 30, 2023.

### 11.2 Commitments

	Note	March 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2023 (Audited)
(i) Civil works		<b>416,700</b>	49,374
(ii) Letters of credit against:			
- Plant and machinery		-	256,188
- Stores and spares		<b>221,464</b>	106,388
- Raw material		<b>3,945,663</b>	2,226,886
		<b>4,167,127</b>	2,589,462
(iii) Bank guarantees issued on behalf of the Company	11.2.1	<b>1,204,126</b>	1,034,650
(iv) Bills discounted:			
- Export		-	523,004
- Local		<b>1,245,022</b>	1,319,858
		<b>1,245,022</b>	1,842,862
(v) Outstanding sales contract		<b>2,344,447</b>	3,082,657

## Tata Textile Mills Ltd.

**11.2.1** This includes bank guarantee related to Sindh Development Infrastructure Cess amounting to Rs. 849.37 million (June 30, 2023: Rs. 705.57 million).

### 12. REVENUE FROM CONTRACT WITH CUSTOMERS - NET

Sales include sales made to local customers amounting to Rs.8,307 million, export finance scheme amounting to Rs. 4,278 million, indirect exports amounting to Rs. 20,353 million and direct exports Rs.2,442 million (March 31, 2023: local customer Rs.6,360 million, indirect exports Rs.16,410 million and direct exports Rs.822 million). The exports are made to Asia & Europe region.

Nine Months Ended		Quarter Ended	
March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- ( Un-audited ) -----			
----- (Rupees in '000) -----			

### 13. PROVISION FOR TAXATION

Current				
for the period	558,470	295,200	178,756	110,338
for the prior period	(567)	1,017	(567)	-
	557,903	296,217	178,189	110,338
Deferred	47,856	(16,870)	22,897	(1,937)
	605,759	279,347	201,086	108,401

### 14. (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

(Loss) / profit for the period (Rupees in '000)	(762,797)	302,156	(678,423)	185,260
	(762,797)	302,156	(678,423)	185,260
----- (Number of shares in '000) -----				
Weighted average number of ordinary				
Shares outstanding during the period	55,994	55,994	55,994	55,994
	55,994	55,994	55,994	55,994
(Loss) / Earnings per share (Rupees)	(13.62)	5.40	(12.12)	3.31
	(13.62)	5.40	(12.12)	3.31

**14.1** There is no dilutive effect on the basic earnings per share of the Company.

### 15. TRANSACTIONS WITH RELATED PARTIES

Details of significant transactions with related parties, other than those which have already been disclosed elsewhere in these condensed interim financial statements, are as follows:

# Tata Textile Mills Ltd.

## 15.1 Name and nature of relationship

- Tata Best Foods Ltd.
- Upcrop (Private) Limited

Relationship with the party	Basis of relationship	%of share holding	Nature of transaction	Quarter Ended	
				March 31, 2024	March 31, 2023
				----- (Un-audited) -----	
				---- (Rupees in '000) ----	
Associated undertaking	Common directorship		License income	356	356
			Markup		72,324
Directors			Remuneration and other benefits	14,391	8,378
			Dividend	-	84,609
			Meetings fee	1,950	1,500
			Rent expense - godown	-	600
Key management personnel	-		Remuneration and other benefits	46,854	35,493
Staff retirement fund			Expense charged to Provident Fund	14,137	6,816
<b>Outstanding balance</b>					
			Staff retirement fund payable	9,885	-
			Loan payable (UBL) Common Director	-	1,700,000
			Markup payable (UBL) Common Director	-	8,374

\* United Bank Limited was a related party of the Company for the period from December 14, 2022 to May 26, 2023 due to common directorship of Mr. Jawaid Iqbal, however, on May 26, 2023 he resigned as the director of the Company.

## 16. FAIR VALUE OF ASSETS AND LIABILITES

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.

The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

## Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

**Level - 1:** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level - 2:** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level - 3:** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Other financial assets includes investments in equity securities measured at fair value through profit or loss and classified under level 1 fair value hierarchy, as at March 31,2024, these securities are valued at Rs.2,525.13 million (June 30, 2023: Rs.1,602.18 million) and there were no transfers between various levels of fair value hierarchy during the period.

As at March 31, 2024, the Company holds investment in listed securities classified as fair value through profit or loss and the fair value of such investments is based on quoted market prices.

## 17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 30, 2024 by the Board of Directors of the Company.



SHAHID ANWAR TATA  
CHIEF EXECUTIVE



MUHAMMAD ZAID KALIYA  
CHIEF FINANCIAL OFFICER



ADEEL SHAHID TATA  
DIRECTOR

ڈائریکٹر ز رپورٹ

برائے ششماہی اختتامی مدت 31 مارچ 2024ء

ہم 31 مارچ 2024ء کو ختم ہونے والی ششماہی مدت کیلئے ٹائٹیکسٹائل ملز لمیٹڈ کے غیر آڈٹ شدہ مالیاتی نتائج پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

کاروبار اور اقتصادی جائزہ:

عالمی طلب میں کمی سے نمٹنے کے دوران کمپنی متعدد چیلنجوں پر قابو پانے میں کامیاب رہی، جیسے کہ زرمبادلہ کے ذخائر میں کمی، توانائی کے بڑھتے ہوئے اخراجات، افراط زر کے دباؤ، سود کی بلند شرح، ٹیکس کے بڑھتے ہوئے بوجھ بشمول سپر ٹیکس، اور طلب کے غیر یقینی امکانات۔ صارفین کی قوت خرید میں کمی کا دیرپا اثر مانگ کے اتار چڑھاؤ کو تشکیل دیتا رہا اور ہماری کاروباری کارکردگی کو متاثر کرتا رہا۔

انٹرنیشنل مالیاتی فنڈ (آئی ایم ایف) کے اسٹینڈ بائی ارنجمنٹ پروگرام کی منظوری کے بعد پاکستانی معیشت میں استحکام کے کچھ آثار نظر آئے۔ تاہم اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو 22 فیصد پر برقرار رکھا ہے۔ مزید برآں، مشرق وسطیٰ میں جاری تنازعہ عالمی معیشتوں کے لیے اہم ممکنہ نتائج پیش کرتے ہیں۔ بڑھتی ہوئی جغرافیائی سیاسی کشیدگی اور بحری تجارتی راستوں میں حالیہ رکاوٹوں نے عالمی سپلائی چین کو مزید پیچیدہ کر دیا ہے، جس سے بحری لاگت اور اشیاء کی مجموعی قیمتیں متاثر ہوئی ہیں۔ جس کے نتیجے میں کام کرنے کا دورانیہ طویل ہو گیا ہے اور نتیجتاً وصولی کی مدت بڑھ گئی ہے اور برآمدی کاروبار کم ہو گیا ہے۔ توقع ہے کہ تنازعہ کے مکمل اثرات وقت کے ساتھ ساتھ واضح ہو جائیں گے۔

ان رکاوٹوں کے باوجود، کمپنی چیلنجز پر قابو پانے اور اسٹیک ہولڈرز کے ساتھ اپنے وعدوں کو پورا کرنے کے لیے، ملکی اور بین الاقوامی سطح پر، حکمت عملی کے ساتھ اپنے صارفین کی بنیاد کو بڑھا رہی ہے۔ یہ اقدامات، امدانی صارفین سے تعلقات، قیمتوں کے تعین کی مسابقتی حکمت عملی اپنانا اور مصنوعات کی یقینی دستیابی جیسے سرگرم اقدام پر مشتمل ہے۔ انتخابات کے بعد ایک مستحکم ماحول، ٹیکسٹائل کی برآمدات کی بحالی، اور بجلی کی کم قیمتوں سے مستقبل کے نقطہ نظر کو بہتر بنانے کی امید ہے۔

کمپنی کی کارکردگی:

2023-24 مالی سال کی تیسری سہ ماہی ایک مشکل معاشی ماحول کے طور پر سامنے آئی۔ تاہم، کمپنی نے 12.56 بلین روپے کا ٹرن اوور حاصل کیا، جو گزشتہ سال کی اسی مدت میں 9.59 بلین روپے تھا۔ زیر جائزہ سال کے دوران، کمپنی نے گزشتہ سال اسی مدت (SPLY) کے 23.59 بلین روپے کے مقابلے میں سہ ماہی کے دوران 35.38 بلین روپے کی ٹاپ لائن ریکارڈ کی ہے۔

تاہم، زیادہ مالیاتی اخراجات کے ساتھ خام مال اور تبادلوں کی لاگت پر افراط زر کے اثرات نے خاص طور پر منافع کو متاثر کیا، جس کے نتیجے میں 762.79 بلین روپے کا بعد از ٹیکس خسارہ ہوا، جو کہ گزشتہ سال کی اسی مدت میں 302.15 بلین روپے کا بعد از ٹیکس منافع تھا۔ فی حصص خسارہ 13.62 رہا، جو گزشتہ سال کی اسی مدت میں 5.40 کی فی حصص آمدنی کے برعکس ہے۔

دوران مدت، فروخت کی لاگت کو متاثر کرنے والا ایک اہم عنصر بجلی کی پیداوار پر بڑھتا ہوا خرچ تھا۔ اس سہ ماہی کے لیے مالیاتی لاگت 1.18 بلین رہی، جو گزشتہ سال کی اسی مدت میں 776 بلین تھی۔ یہ اضافہ بنیادی طور پر بلند شرح سود اور سال بھر کی پیداواری ضروریات کو پورا کرنے کے لیے مقامی کپاس کی خریداری کے لیے درکار مالیات میں اضافے سے منسوب ہے۔

کمپنی Oracle Fusion Cloud ERP کے نفاذ کے ساتھ اپنے ڈیجیٹل تبدیلی کے سفر میں اہم پیش رفت کر رہی ہے۔ اس اقدام کا دوسرا مرحلہ جون 2024 تک مکمل ہونے کے لیے مقرر ہے، جو آپریشنل کارکردگی کو بڑھانے، عمل کو ہموار کرنے، اور اسٹریٹیجک فیصلہ سازی کو آگے بڑھانے کے لیے جدید ٹیکنالوجی سے فائدہ اٹھانے کے لیے کمپنی کے عزم کو ظاہر کرتا ہے۔

مستقبل کی حکمت عملی:

آگے بڑھتے ہوئے، معاشی استحکام جاری اصلاحاتی کوششوں کا نتیجہ ہوگا جس کا مقصد مالیاتی ذخائر کی تعمیر نو، سیاسی استحکام کی بحالی، اور اتحادی ممالک اور آئی ایم ایف پروگرام کی حمایت حاصل کرنا ہے۔ تاہم، یہ اقدامات طلب کو کم کر سکتے ہیں اور قلیل مدت میں افراط زر کے دباؤ کو بڑھا سکتے ہیں، جس سے مجموعی صنعتی سرگرمیاں اور ٹیکسٹائل مصنوعات کی

طلب متاثر ہو سکتی ہے۔ کمپنی مصنوعات کے معیار کو برقرار رکھنے، لاگت کی بچت کے اقدامات کو نافذ کرنے، اور ایک اعلیٰ درجے کی صنعت کار کے طور پر اسٹیک ہولڈر کی قیمت کو زیادہ سے زیادہ کرنے کے لیے پرعزم ہے۔ کمپنی حفاظت، صحت، ماحولیاتی ذمہ داری، اور اخلاقی طرز عمل کو ترجیح دینے کی خواہشمند ہے، ایک کارپوریٹ کلچر کو فروغ دینے کے لیے جو صارفین کی اطمینان، معیار، پائیداری، اور بہترین کارکردگی پر مرکوز ہے تاکہ غیر معمولی نتائج کی فراہمی اور تمام آپریشنز میں اعلیٰ معیار کو برقرار رکھا جاسکے۔

اظہار تشکر:

ہم کمپنی کے تمام ملازمین کی خدمات کا شکریہ ادا کرتے ہیں اس کے علاوہ ہم اپنے کسٹمرز جو کہ ہماری پروڈکٹس پر اعتماد کرتے ہیں اور ہمارے بینکرز جو کہ مستقل طور پر کمپنی کو سپورٹ کر رہے ہیں ان کے بھی مشکور ہیں اس کے علاوہ ہماری انتظامیہ شیئرس ہولڈرز کے مکمل اعتماد پر بھی مشکور ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

  
عدیل شاہد ٹاٹا  
ڈائریکٹر

  
شاہد انوار ٹاٹا  
چیف ایگزیکٹو

کراچی مورخہ: 30 اپریل 2024ء

# BOOK POST

Printed Matter



If Undelivered please return to :  
**TATA TEXTILE MILLS LIMITED**  
6th Floor, Textile Plaza, M. A. Jinnah Road,  
Karachi-74000