



**Service Industries Textiles Limited**  
**3rd Quarterly Accounts**  
Un-Audited  
**March 31, 2023**



## COMPANY INFORMATION

BOARD OF DIRECTORS	: Aamer Hameed (Chairman/Non Executive Director) Mohammad Hameed (Chief Executive/Executive Director) Murtaza Hameed (Executive Director) Omer Mohyudin Malik (Independent Director) Zainab Khan (Independent Director) Tariq Hameed (Non Executive Director) Sadia Hamid (Non Executive Director)
CHIEF FINANCIAL OFFICER	: M. Muddasar Shahzad
COMPANY SECRETARY	: Usman Khalid
AUDIT COMMITTEE	: Omer Mohyudin Malik (Chairman) Zainab Khan (Member) Tariq Hameed (Member)
HUMAN RESOURCE & REMUNERATION COMMITTEE	: Zainab Khan (Chairperson) Aamer Hameed (Member) Omer Mohyudin Malik (Member)
BANKERS	: Meezan Bank Limited MCB Bank Limited Bank Alfalah Limited
AUDITORS	: Crowe Hussain Chaudhury & Co., Chartered Accountants
INTERNAL AUDITOR	: Awan & Co. Chartered Accountants
REGISTERED OFFICE	: 38-Empress Road, Lahore Telephones: (92-42) 36304561-3, 36367861-3 Telefax: (92-42) 3636 7861 E-mail: info@prime-service.com
MILLS	: Rehman Shaheed Road, Gujrat Telephone: (92-53) 3514065, 3535085 Telefax: (92-53) 3513700
Web Reference	: www.sitl.com.pk
Share Registrar	: Corplink (Pvt) Ltd. Wings Arcade, 1-K Commercial Model Town, Lahore Tel: (92-42) 35839182, 35916719

**DIRECTORS' REPORT**

The Directors of your Company present before you the un-audited financial statements for the nine months ended March 31, 2023. The financial results are as follows:

	31.03.2023 (Rupees 000)	31.03.2022 (Rupees 000)
Net (Loss) / Profit for the period	(84,426)	15,027
Accumulated loss brought forward	(90,449)	(78,093)
	(174,875)	63,066
Final dividend for the year ended June 30, 2021	-	(13,788)
Transfer from surplus on revaluation Of fixed assets in respect of incremental Depreciation- net of deferred tax	11,218	10,569
Surplus on revaluation of property, plant And equipment realized on disposal	-	1900
Accumulated Loss	(163,657)	(64,385)
Earning per share - Basic	(6.12)	1.09

During the current period Company has incurred a net loss of Rs. 84.426 million as compared to net profit of Rs. 15.027 million for the same period in previous year. One of the reasons for the loss during the period is that the local yarn prices have not been increased to the extent of increase in cotton prices and hence resulted in reducing the margins during the period. Another reason is high cost of energy which is mainly due to inflated dollar and withdrawal of RCET (regionally competitive energy tariff) by the Government. Furthermore the non availability / curtailment of gas have also contributed in high fuel cost

Revival of textile industry was majorly based on supplying of energy to industry at RCET (regionally competitive energy tariff). As a result of this initiative textile exports were increased by 55% from Financial Year 2020 to 2022. However this momentum has been lost recently and export's of textile products has been declined significantly mainly due to drop in demand from major export markets , high cost of energy and availability of quality cotton at inflated prices. Further there is a price differential in energy prices between Sind and Punjab and therefore Government should provide a level playing field within a country by implementing a uniform energy tariff otherwise input cost for Punjab based industry will be uncompetitive regionally and within country.

Moreover the cotton production is on a decline for last many years due to multiple factors such as climate change, uncertified seeds, unchecked business of spurious pesticides, and high cost of production with diminishing return for farmers and specifically for this period under review recent floods in the country severely affected the production of cotton. Though the Government has realized the challenges for improving the yield and quality of cotton crops and has taken small steps for its improvement still there is a long way to go. Government should fully support the farmers and help them in up-gradation of ginning technology, educate the farmer to use the quality seed and make investment in research and development of quality seed, capacity building of farmers and introduce incentives for better quality cotton that would help in motivating the farmers

We are fully aware of the challenges and are prepared to do everything possible to mitigate the adverse impact of such an event as far as it is under the control of management. We are very hopeful that current crisis will be over in the coming years by the combine efforts of Government and industry and we remain hopeful of the improving macro and micro economic situation of the Country.

For and on behalf of the Board of Directors

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

Lahore  
Dated: 28.04.2023



## ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی عرصے کے غیر متنتج شدہ حسابات پیش کرتے ہیں۔ مالیاتی نتائج درج ذیل ہیں۔

31.03.2022 (Rupees 000)	31.03.2023 (Rupees 000)	
15,027	(84,426)	مدت کیلئے خالص منافع / نقصان
(78,093)	(90,449)	جمع نقصان آگے لایا
(63,066)	(174,875)	
(13,788)	-	سالانہ ڈیویڈنڈ برائے سال جون 2021
10,569	11,218	ٹرانسفر فرام سرپلس آن ریویلیوشن
1,900	-	سرپلس آن ریویلیوشن ڈسپوزل پر
(64,385)	163,657	
1.09	(6.12)	فی شیئر منافع

زیرہ جائزہ مدت کے دوران کمپنی کو 84.426 ملین روپے کا نقصان ہوا جبکہ پچھلے سال اسی مدت میں کمپنی کا منافع 15.027 ملین روپے تھا۔ اس نقصان کی بنیادی وجہ میں ایک دھاگے کا کپاس کی قیمت کے مقابلے میں خاطر خواہ اضافہ کا نہ ہونا شامل ہے اور دوسرا بجلی کی قیمتوں میں اضافہ ہے جسکی بنیادی وجہ روپے کی ڈالر کے مقابلے میں خاطر خواہ کمی ہے۔

ٹیکسٹائل کے شعبے کی بحالی کی بنیادی وجہ انڈسٹری کو مسابقتی ریٹ پر بجلی کی فراہمی تھی جسکی وجہ سے ٹیکسٹائل کی برآمدات میں 2020 سے 2022 میں 55% کا اضافہ ہوا۔ تاہم اس بحالی کو دھچکا، عالمی منڈیوں میں ٹیکسٹائل مصنوعات کے ڈیمانڈ میں کمی، بجلی کی بڑھتی ہوئی قیمت اور اچھی کپاس کے ریٹ میں اضافہ ہونے کی وجہ سے لگا۔ اسے علاوہ سندھ اور پنجاب میں بجلی کی قیمتوں میں تفاوت ہے اسلئے حکومت کو چاہے کہ پورے ملک کی انڈسٹری کو ایک ہی ریٹ پر اینڈر سن فراہم کیا جائے ورنہ پنجاب کی انڈسٹری کی پیداواری لاگت بہت بڑھ جائے گی جسکی وجہ سے وہ خطے کی اور سندھ کی ملوں سے مسابقتی مقابلہ نہیں کر پائے گی۔ مزید برآں گزشتہ کئی سال سے کپاس کی فصل کا نارگٹ پورا نہیں کیا جا سکا جس کی مختلف وجوہات ہیں جیسا کہ موسمیاتی تبدیلیاں، غیر تصدیق شدہ بیج، غیر معیاری کیڑے مارا دویات اور پیداواری لاگت میں اضافہ کی وجہ سے کسان کا منافع کم ہونا ہے۔ حکومت کو اس سلسلے میں کسان کی بھرپور مدد کرنی چاہئے اور جدید کاشت کے طریقے کسان کو سکھانے چاہئے تاکہ ان کو اپنی فصل کا صحیح منافع ملے۔

ہم ان مشکلات سے بخوبی آگاہ ہیں اور ان سے نمٹنے کیلئے تیار ہیں۔ ہم آنے والے سالوں میں ملکی معیشت کے مستحکم ہونے کیلئے پرامید ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے

عامر حمید  
ڈائریکٹر

محمد حمید  
چیف ایگزیکٹو

لاہور

مورخہ 28 اپریل 2023

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT MARCH 31, 2023**

Notes	March 31, 2023	June 30, 2022
	(Un-audited) Rupees	(Audited) Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>Share Capital and Reserves</b>		
Authorized share capital		
20,000,000 (June 30, 2022: 20,000,000) ordinary shares of Rs. 10 each	200,000,000	200,000,000
Issued, subscribed and paid up capital		
13,787,567 (June 30, 2022: 13,787,567) ordinary shares of Rs. 10 each fully paid in cash	137,875,670	137,875,670
Reserves	(144,980,099)	(71,771,941)
Surplus on revaluation of property, plant and equipment	1,090,533,750	1,101,751,321
	1,083,429,321	1,167,855,050
<b>Non Current Liabilities</b>		
Long term financing	25,358,060	46,066,037
Staff retirement benefits	17,478,201	14,758,772
Deferred tax liability	59,762,079	66,655,243
	102,598,340	127,480,052
<b>Current Liabilities</b>		
Trade and other payables	235,720,602	167,740,809
Unclaimed dividend	232,987	232,987
Accrued markup	2,993,296	-
Short term borrowing	24,860,000	-
Current portion of long term financing	12,000,000	12,000,000
Unpaid dividends	683,629	683,629
Provision for taxation	25,935,890	16,629,942
	302,426,404	197,287,367
Contingencies and Commitments	-	-
<b>Total Equity and Liabilities</b>	<b>1,488,454,065</b>	<b>1,492,622,469</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	1,327,859,569	1,358,771,728
Long term deposits	19,367,023	19,337,023
	1,347,226,592	1,378,108,751
<b>Current Assets</b>		
Stores and spares	4,304,077	5,254,179
Stock in trade	84,970,787	47,274,280
Trade debts	-	2,444,083
Advances, prepayments and other receivables	37,016,394	24,628,792
Cash and bank balances	14,936,215	34,912,384
	141,227,473	114,513,718
	1,488,454,065	1,492,622,469

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**

	Notes	Nine Months Ended	Nine Months Ended	3rd Quarter Ended	3rd Quarter Ended
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		Rupees	Rupees	Rupees	Rupees
Sales - net		812,725,075	1,011,900,864	220,799,612	379,892,897
Cost of sales	8	(868,653,704)	(948,066,960)	(242,973,537)	(364,671,272)
Gross (Loss) / Profit		(55,928,629)	63,833,904	(22,173,925)	15,221,625
Operating Expenses					
Distribution expenses		(5,447,316)	(5,417,607)	(1,443,695)	(2,384,064)
Administrative expenses		(25,387,956)	(27,369,738)	(6,346,190)	(5,848,967)
		(30,835,272)	(32,787,345)	(7,789,885)	(8,233,031)
Operating (Loss) / Profit		(86,763,901)	31,046,559	(29,963,810)	6,988,594
Finance cost		(9,186,302)	(6,088,522)	(3,567,202)	(1,815,289)
Other operating charges		(426,250)	(4,549,451)	-	(602,201)
Other income		15,217,037	12,931	7,011,289	-
		5,604,485	(10,625,042)	3,444,087	(2,417,490)
(Loss) / Profit before Taxation		(81,159,416)	20,421,517	(26,519,723)	4,571,104
Taxation	9	(3,266,313)	(5,394,902)	(51,319)	(3,944,406)
Net (Loss) / Profit for the Period		(84,425,729)	15,026,615	(26,571,042)	626,698
(Loss) / Earnings per share - basic & diluted (Rupees)		(6.12)	1.09	(1.93)	0.05

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**

	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022	3rd Quarter Ended March 31, 2023	3rd Quarter Ended March 31, 2022
	Rupees	Rupees	Rupees	Rupees
Net (Loss) / Profit for the Period	(84,425,729)	15,026,615	(26,571,042)	626,698
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Total Comprehensive Income for the Period	<u>(84,425,729)</u>	<u>15,026,615</u>	<u>(26,571,042)</u>	<u>626,698</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**

Particulars	Share Capital	Reserves		Surplus on Revaluation of Property, Plant and Equipment	Total
		Capital Reserve - Share Premium Reserve	Revenue Reserve - Accumulated Loss		
	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2021	137,875,670	18,676,816	(78,092,622)	484,750,860	563,210,724
Net profit for nine months ended March 31, 2023	-	-	15,026,615	-	15,026,615
Other comprehensive income for nine months ended March 31, 2022	-	-	-	-	-
Total comprehensive income for nine months ended March 31, 2022	-	-	15,026,615	-	15,026,615
Final dividend for the year ended June 30, 2021 at Rs. 1 per share	-	-	(13,787,567)	-	(13,787,567)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period - net of deferred tax	-	-	10,568,786	(10,568,786)	-
Surplus on revaluation of property, plant and equipment realized on disposal	-	-	1,900,000	(1,900,000)	-
Balance as at Marh 31, 2022	137,875,670	18,676,816	(64,384,788)	472,282,074	564,449,772
Balance as at June 30, 2022	137,875,670	18,676,816	(90,448,757)	1,101,751,321	1,167,855,050
Net loss for nine months ended March 31, 2023	-	-	(84,425,729)	-	(84,425,729)
Other comprehensive income for nine months ended March 31, 2023	-	-	-	-	-
Total comprehensive income for nine months ended March 31, 2023	-	-	(84,425,729)	-	(84,425,729)
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period - net of deferred tax	-	-	11,217,571	(11,217,571)	-
Balance as at March 31, 2023	137,875,670	18,676,816	(163,656,915)	1,090,533,750	1,083,429,321

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer





**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**

	9 Months Ended March 31, 2023	9 Months Ended March 31, 2022
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before taxation	(81,159,416)	20,421,517
Adjustments for:		
- Depreciation	31,112,159	32,206,150
- Provision for gratuity	5,239,869	3,897,331
- Interest on Workers' (profit) participation fund	4,911,893	2,178,349
- Workers' (profit) participation fund	-	1,753,504
- Workers' welfare fund	-	730,947
- Unwinding of long term financing	(15,183,958)	-
- Loss on disposal of fixed assets	-	1,638,750
- Finance costs	4,274,409	3,910,173
	<u>30,354,372</u>	<u>46,315,204</u>
Operating (loss) / profit before working capital changes	(50,805,044)	66,736,721
Decrease / (Increase) in current assets:		
- Stores and spares	950,102	(2,949,446)
- Stock in trade	(37,696,507)	(58,884,431)
- Trade debts	2,444,083	1,944,041
- Advances, prepayments and other receivables	659,507	6,025,808
Decrease in current liabilities:		
- Government dues payable	-	(6,413,715)
- Refund dues from the government- sales tax	-	12,955,511
- Trade and other payables	63,067,900	42,742,338
	<u>29,425,085</u>	<u>(4,579,894)</u>
Cash (Used in) / Generated from Operations	(21,379,959)	62,156,827
Income tax paid	(13,900,640)	(16,305,266)
Finance cost paid	(810,941)	(5,009,196)
Gratuity paid	(2,520,440)	(5,126,325)
Net Cash (Used in) / Generated from Operating Activities	<u>(38,611,980)</u>	<u>35,716,040</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(200,000)	(47,880,200)
Proceeds from disposal of property, plant and equipment	-	2,400,000
Net Cash Used in Investing Activities	<u>(200,000)</u>	<u>(45,480,200)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	(13,468,350)
Long term financing repaid	(6,024,189)	(9,000,000)
Short term borrowings	24,860,000	7,600,000
Net Cash Generated from / (Used in) Financing Activities	<u>18,835,811</u>	<u>(14,868,350)</u>
Net Decrease in Cash and Cash Equivalents	(19,976,169)	(24,632,510)
Cash and cash equivalents at the beginning of the period	34,912,384	47,939,202
Cash and Cash Equivalents at the End of the Period	<u>14,936,215</u>	<u>23,306,692</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



**NOTES TO AND FORMING PART OF THE CONDENSED  
INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS ENDED MARCH 31, 2023**

**Note 1****The Company and its Operations**

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- 1.1 Service Industries Textiles Limited (the Company) was incorporated in Pakistan in 1962 as a Private Limited Company under the Companies Act 1913, (now the Companies Act, 2017) and was subsequently converted into a Public Limited Company in 1970. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn made from raw cotton and synthetic fiber.
- 1.2 The Company is domiciled in Pakistan and its registered office is situated at 38-Empress Road, Lahore, whereas the production plant of the Company is located at Rehman Shaheed Road, Gujrat.

**Note 2****Basis of Preparation**

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- 2.1 These condensed interim financial statements (un-audited) have been prepared in accordance with the directives issued by the Securities and Exchange Commission of Pakistan (SECP) and are in compliance with the International Accounting Standard - 34 (Interim Financial Reporting).

Where 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 (un-audited) should be read in conjunction with annual audited financial statements for the year ended June 30, 2022. Comparative statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2022 whereas comparative statement of profit or loss account, comparative statement of comprehensive income and comparative statement of cash flows are extracted from condensed interim financial statements (un-audited) for the nine months ended March 31, 2022.
- 2.3 The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2022.
- 2.4 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.



## Note 3

## Significant Accounting Policies

The Company's accounting and financial risk management policies and methods of computation adopted in the preparation of these condensed interim financial statements (un-audited) are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2022 except for the adoption of new and amended standards, if any.

## Note 4

## Long Term Financing

		March 31, 2023	June 30, 2022
	Note	(Un-audited) Rupees	(Audited) Rupees
Related parties - Unsecured			
Loan from Directors / Related parties	4.1	37,358,060	58,066,037
Less: Current portion		(12,000,000)	(12,000,000)
		<u>25,358,060</u>	<u>46,066,037</u>

4.1 This represents financing obtained from directors / related parties from time to time, to pay off financing previously obtained from the banks and meet the liquidity requirements of the Company. The outstanding balance of this financing is repayable in equal monthly installments of Rs. 1 million each. The financing is unsecured and carries markup from July 01, 2022 @ 10% (June 30, 2022: 3 month kibar plus 1%) per annum.

## Note 5

## Short Term Borrowings

		March 31, 2023	June 30, 2022
		(Un-audited) Rupees	(Audited) Rupees
Loan from directors / related parties - unsecured		24,860,000	-

5.1 This represents unsecured, interest free loan given by directors and related parties to meet the liquidity requirements of the Company. These loans are repayable on demand.

## Note 6

## Contingencies and Commitments

## Contingencies

There has been no change in status of contingencies as reported in the annual audited financial statements for the year ended June 30, 2022.

## Commitments

There are no material commitments outstanding as at the reporting date (June 30, 2022: Nil).



## Note 7

## Property, Plant and Equipment

	March 31, 2023	June 30, 2022
	(Un-audited) Rupees	(Audited) Rupees
Opening written down value	1,358,771,728	717,220,869
Additions during the period / year	200,000	46,089,050
Disposal during the period / year	-	(5,000,000)
Revaluation surplus	-	641,915,960
	<u>1,358,971,728</u>	<u>1,400,225,879</u>
Depreciation charge for the period / year	31,112,159	42,415,401
Depreciation charge for the period / year - disposal	-	(961,250)
	<u><u>1,327,859,569</u></u>	<u><u>1,358,771,728</u></u>

## Note 8

## Cost of Sales

	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022	3rd Quarter Ended March 31, 2023	3rd Quarter Ended March 31, 2022
	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees
Raw materials consumed	572,009,452	684,309,497	147,612,883	256,168,942
Stores and spares consumed	6,798,070	10,806,351	2,031,372	4,483,782
Packing materials consumed	7,722,266	10,930,481	1,709,988	3,333,374
Fuel and power	183,816,698	132,247,788	59,000,040	57,064,357
Salaries, wages and benefits	64,066,171	81,731,870	23,253,630	26,326,382
Insurance	1,216,431	804,072	351,740	61,000
Repairs and maintenance	3,886,410	2,895,525	805,049	183,050
Depreciation	30,572,592	31,647,611	10,104,546	10,542,996
Cost of goods manufactured	870,088,090	955,373,195	244,869,248	358,163,883
Work in process:				
- Opening	15,988,206	8,438,854	16,553,734	12,450,937
- Closing	(17,535,873)	(12,992,808)	(17,535,873)	(12,992,808)
	<u>(1,547,667)</u>	<u>(4,553,954)</u>	<u>(982,139)</u>	<u>(541,871)</u>
	868,540,423	950,819,241	243,887,109	357,622,012
Finished goods:				
- Opening	6,708,628	3,871,760	5,681,775	13,673,301
- Closing	(6,595,347)	(6,624,041)	(6,595,347)	(6,624,041)
	<u>113,281</u>	<u>(2,752,281)</u>	<u>(913,572)</u>	<u>7,049,260</u>
	<u><u>868,653,704</u></u>	<u><u>948,066,960</u></u>	<u><u>242,973,537</u></u>	<u><u>364,671,272</u></u>



Note 9  
Taxation

	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022	3rd Quarter Ended March 31, 2023	3rd Quarter Ended March 31, 2022
	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees	(Un-audited) Rupees
Current				
- Charge for the period	10,159,477	12,648,922	2,759,995	4,399,289
	10,159,477	12,648,922	2,759,995	4,399,289
Deferred tax	(6,893,164)	(7,254,020)	(2,708,676)	(454,883)
	3,266,313	5,394,902	51,319	3,944,406

Note 10  
Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those disclosed in receding audited annual financial statements for the year ended June 30, 2022

Note 11  
Transactions with Related Parties

Related parties comprise directors of the Company and their close relatives, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as under:

Transactions with related persons

Name of Related Parties	Relationship	Nature of Transactions	Nine Months Ended March 31, 2023 (Un-audited) Rupees	Nine Months Ended March 31, 2022 (Audited) Rupees
Directors	Key management personnel	Repayment of loan	6,024,189	9,000,000
		Markup accrued	2,993,296	3,760,534
		Markup paid	625,828	5,009,196
		Dividend paid	-	7,820,656
		Short term borrowings received	24,860,000	11,911,055
		Repayment of short term borrowings	-	4,311,055
Gratuity		Gratuity fund charge	5,239,869	3,897,331
Balances outstanding as at			March 31, 2023 (Un-audited) Rupees	June 30, 2022 (Audited) Rupees
Directors		Long term loan payable	37,358,060	58,066,037
		Accrued markup payable	2,993,296	-
		Short term borrowings payable	24,860,000	-
		Dividend Payable	683,692	683,629



## Note 12

Segment Information

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Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker. The Chief Executive Officer (CEO) of the Company performs function of the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments.

The CEO is responsible for the Company's entire product portfolio and considers business as a single operating segment. The Company's assets allocation decisions are based on a single integrated investment strategy and the Company's performance is evaluated on an overall basis.

The internal reporting provided to the CEO for the Company's assets, liabilities and performance is prepared on a basis consistent with the measurement and recognition principles of approved accounting standards as applicable in Pakistan. The Company is domiciled in Pakistan. All of the Company's income is from the entities incorporated in Pakistan.

## Note 13

Date of Authorization for Issue

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These condensed interim financial statements (un-audited) are approved and authorized by the Board of Directors of the Company for issuance on April 28, 2023.

## Note 14

General

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Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. No material reclassification have been made in these condensed interim financial statements (un-audited).

Mohammad Hameed  
Chief Executive

Aamer Hameed  
Director

M. Muddasar Shahzad  
Chief Financial Officer



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