

# Financial Statements

# 2025

for Nine Months period ended March 31,  
*(un-audited)*

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



  
**Chenab**  
LIMITED

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## COMPANY INFORMATION

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### BOARD OF DIRECTORS

Mian Muhammad Latif (Chairman)  
Mr. Muhammad Naeem (Chief Executive Officer)  
Mian Muhammad Javed Iqbal  
Mr. Muhammad Faisal Latif  
Mr. Tariq Ayub Khan  
Mr. Maqsood Ul Hassan  
Mr. Muhammad Hashim  
Mr. Muhammad Salman Javed

Mrs. Sobia Chughtai (Nominee Director)

### CHIEF FINANCIAL OFFICER

Mr. Sadaquat Hussain

### COMPANY SECRETARY

Mr. Muhammad Arshad

### LEGAL ADVISOR

Mian Masroor Akbar (Advocate)

### SHARE REGISTRAR

F.D. Registrar Services (SMC-Pvt.) Limited  
Office # 1705, 17th Floor, Saima Trade Tower-A,  
I.I. Chundrigar Road, Karachi.  
Tel :021-32271905-6/021-354 78192-3

### REGISTERED OFFICE

Nishatabad, Faisalabad.  
Tel:+92 41 8754472-8  
Fax:+92 41 8752400, 8752700

### WEBSITE

Email:- chenab@chenabgroup.com

Website:-www.chenabgroup.com

### WORKS

- Processing & Stitching Units - Nishatabad, Fsd.  
- Weaving Unit- Shakhkot, Distt: Nankana Sahib.

### BANKS

Allied Bank Limited.  
Askari Bank Limited.  
Al Baraka Bank (Pakistan) Limited.  
Bank Islami Limited.  
Citibank, N.A.  
Faysal Bank Limited.  
First Credit & Investment Bank Limited.  
First National Bank Modaraba.  
First Punjab Modaraba.  
Habib Bank Limited.  
Habib Metropolitan Bank Limited.  
MCB Bank Limited.  
National Bank of Pakistan.  
Orix Leasing (Pakistan) Limited.  
Pak Oman Investment Company Limited.  
Pak Kuwait Investment Company (Pvt.) Limited.  
Pak Libya Holding Company (Pvt.) Limited.  
Saudi Pak Industrial & Agricultural Investment  
Company (Pvt.) Ltd.  
Silk Bank Limited.  
Standard Chartered Bank (Pakistan) Limited.  
The Bank of Punjab.  
United Bank Limited.

### AUDIT COMMITTEE

Mr. Tariq Ayub Khab - Chairman  
Mr. Muhammad Hashim - Member  
Mr. Muhammad Salman Javed - Member

### HUMAN RESORCE & REMUNERATION COMMITTEE

Mr. Maqsood ul Hassan - Chairman  
Mr. Muhammad Naeem - Member  
Mr. Muhammad Salman Javed - Member

### AUDITORS

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants.

## **DIRECTORS' REPORT TO THE SHAREHOLDERS**

The Directors are placing before you the un-audited financial statements of the company for the third quarter of financial year 2024-2025 ended on March 31, 2025.

### **SALES REVENUE**

Sales and services revenue of **Rs.1.875** billion has been earned during the period.

### **FINANCIAL RESULTS**

In view of unfavorable business circumstances, the Company sustained a financial loss of **Rs.425.979** million before levies and income tax during the period under report.

### **FUTURE PROSPECTS**

The unviable business environment due to high energy and financial cost along with the political uncertainty has made the business tough hence your company also suffered losses. Now the management is trying hard to get more banking lines so to keep export at reasonable levels. However the global tariff war is a big threat to the business. Your company is determined to meet the upcoming challenges.

### **ACKNOWLEDGEMENT**

The directors are thankful to its financial institutions for supporting the Company for revival of the Company and its employees who have rendered their dedicated services for the Company.

FAISALABAD  
29-04-2025



(MUHAMMAD FAISAL LATIF)  
DIRECTOR

For and on behalf  
BOARD OF DIRECTORS



(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER

## ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

ڈائریکٹرز آپ کے سامنے 31 مارچ 2025ء کو ختم ہونے والی تیسری سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ مالیاتی نتائج پیش

کر رہے ہیں۔

ریونیو:-

اس مدت کے دوران سیلز اور سروسز سے 1.875 بلین روپے کی آمدنی ہوئی ہے۔

مالیاتی نتائج:-

ناموافق کاروباری حالات کے پیش نظر ریر پورٹ مدت کے دوران لیویز اور انکم ٹیکس سے پہلے 425.979 ملین روپے کا خسارہ

دیکھایا گیا ہے۔

مستقبل کے امکانات:-

سیاسی غیر یقینی صورتحال کے ساتھ اعلیٰ توانائی اور مالیاتی لاگت کی وجہ سے ناقابل عمل کاروباری ماحول نے کاروبار کو مشکل بنا دیا ہے اس وجہ سے آپ کی کمپنی کو بھی نقصان اٹھانا پڑا۔ اب انتظامیہ مزید بینکنگ لائن حاصل کرنے کی بھرپور کوشش کر رہی ہے، تاکہ برآمدات کو مناسب سطح پر رکھا جاسکے۔ تاہم عالمی ٹیرف کی جنگ کاروبار کے لئے ایک بڑا خطرہ ہے۔ آپ کی کمپنی آنے والے چیلنجوں سے نمٹنے کیلئے پرعزم ہے۔

تشلیم و تحسین:-

ڈائریکٹرز اپنے مالیاتی اداروں کے شکر گزار ہیں جنہوں نے قرض کی ادائیگی کے لئے نئے شیڈولز دیئے ہیں، بشمول اپنے ملازمین

کے جنہوں نے تندہی سے کمپنی کو خدمات فراہم کی ہیں۔

برائے بورڈ آف ڈائریکٹرز:-

محمد فیصل لطیف

ڈائریکٹر

فیصل آباد

محمد نعیم

چیف ایگزیکٹو


چیف ایگزیکٹو

29-04-2025


**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**As at March 31, 2025**

	Mar-31, 2025 (Un-Audited)	Jun-30, 2024 (Audited)		Mar-31, 2025 (Un-Audited)	Jun-30, 2024 (Audited)
Note	Rupees	Rupees	Note	Rupees	Rupees
<b>SHARE CAPITAL AND RESERVES</b>			<b>NON-CURRENT ASSETS</b>		
<b>Authorised capital</b>			<b>Property, plant and equipments</b>	7	8,975,256,203
120,000,000 ordinary shares of Rs.10/- each	<b>1,200,000,000</b>	<b>1,200,000,000</b>	<b>Investment property</b>	8	484,021,182
			<b>Long term deposits</b>		13,418,150
80,000,000 cumulative preference shares of Rs.10/- each	<b>800,000,000</b>	<b>800,000,000</b>			9,472,695,536
					9,582,031,776
Issued, subscribed and paid up capital	1,150,000,000	1,150,000,000			
Cumulative preference shares	500,000,000	500,000,000			
Directors' loan	1,053,213,086	1,053,213,086			
Surplus on revaluation of property, plant and equipment	4,834,935,335	4,881,532,753			
Capital reserves	526,409,752	526,409,752			
Revenue reserves	(8,470,652,872)	(8,068,419,157)			
	(406,094,699)	42,736,434			
<b>NON-CURRENT LIABILITIES</b>			<b>CURRENT ASSETS</b>		
Long term financing	5 7,658,712,109	8,079,014,160	Stores, spares and loose tools		117,945,611
Deferred revenue	53,949,955	54,883,483	Stock in trade		190,544,769
Deferred interest / markup	702,959,648	576,692,432	Trade debts	9	201,944,199
Liability against redemption of preference shares	300,000,000	300,000,000	Loans and advances		229,188,036
Deferred liabilities	68,875,861	50,315,583	Deposits and prepayments		10,387,958
	8,784,497,572	9,060,905,658	Other receivables		14,579,223
			Tax refunds due from Government		72,864,594
			Cash and bank balances		51,343,598
					888,797,987
					1,336,666,261
<b>CURRENT LIABILITIES</b>					
Trade and other payables	1,337,924,691	1,448,751,213			
Unclaimed dividend	366,071	366,071			
Interest / markup payable	2,024,705	6,712,537			
Short term bank borrowings	199,850,000	284,000,000			
Current portion of:					
Long term financing	442,925,184	75,226,124			
	1,983,090,650	1,815,055,945			
<b>CONTINGENCIES AND COMMITMENTS</b>	6 -	-	Non current assets held for sale		-
	<b>10,361,493,523</b>	<b>10,918,698,037</b>			<b>10,361,493,523</b>
					<b>10,918,698,037</b>

The annexed notes from 1 to 17 are an integral part of these financial statements.

  
(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER


  
(MUHAMMAD FAISAL LATIF)  
DIRECTOR

  
(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER


**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Note	Quarter Ended March 31,		Nine Months Ended March 31,	
		2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
Sales	10	449,678,991	825,763,679	1,875,312,046	2,405,344,745
Cost of sales	11	(506,858,884)	(824,797,051)	(1,962,017,644)	(2,451,349,239)
Gross (loss)		(57,179,893)	966,628	(86,705,598)	(46,004,494)
Other income	12	8,195,885	12,558,923	138,501,077	247,187,775
		(48,984,008)	13,525,551	51,795,478	201,183,280
Operating Expenses					
Selling and distribution expenses		(5,522,589)	(28,219,073)	(104,978,440)	(79,774,847)
Administrative expenses		(53,931,419)	(69,332,722)	(210,429,241)	(216,000,533)
Finance cost	13	(48,324,018)	(58,538,491)	(162,367,543)	(183,642,613)
		(107,778,026)	(156,090,286)	(477,775,224)	(479,417,993)
(Loss) for the period before levies and income tax		(156,762,034)	(142,564,735)	(425,979,745)	(278,234,713)
Levies		(2,655,296)	-	(21,292,194)	-
(Loss) before taxation		(159,417,330)	(142,564,735)	(447,271,939)	(278,234,713)
Provision for taxation		-	(5,234,627)	(1,559,194)	(23,370,168)
(Loss) for the period		(159,417,330)	(147,799,362)	(448,831,133)	(301,604,881)
(Loss) per share- Basic and diluted		(1.39)	(1.29)	(3.90)	(2.62)

The annexed notes from 1 to 17 are an integral part of these financial statements.

  
(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER

  
(MUHAMMAD FAISAL LATIF)  
DIRECTOR

  
(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Quarter Ended March 31,		Nine Months Ended March 31,	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
(Loss) for the period	(159,417,330)	(147,799,362)	(448,831,133)	(301,604,881)
Other comprehensive income for the period	-	-	-	-
Items that will not be subsequently reclassified to profit or loss	-	-	-	-
Surplus on revaluation of property, plant and equipment arisen during the period - net	-	-	-	-
Remeasurement of defined benefit liability	-	-	-	-
	-	-	-	-
Total comprehensive (loss) for the period	(159,417,330)	(147,799,362)	(448,831,133)	(301,604,881)

The annexed notes from 1 to 17 are an integral part of these financial statements.



(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER



(MUHAMMAD FAISAL LATIF)  
DIRECTOR



(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER




**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Nine Months Ended March 31,	
	2025 Rupees	2024 Rupees
<b>a) CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) before taxation	(425,979,745)	(278,234,713)
Adjustments for:		
Depreciation	145,903,400	149,652,924
Provision for staff retirement gratuity	18,560,278	22,532,489
Gain on disposal of operating assets	(907,577)	(3,632,200)
Gain on disposal of non current assets held for sale	-	(132,002,457)
Balances written back - net	(114,139,279)	(70,138,868)
Finance cost	162,367,543	183,642,613
Fair value adjustment of deferred revenue	(933,528)	(818,382)
Operating cash flows before working capital changes	(215,128,909)	(128,998,594)
Changes in working capital:		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	27,996,598	(79,598,230)
Stock in trade	61,908,421	(37,848,516)
Trade debts	321,202,375	(31,723,361)
Loans and advances	(22,841,384)	(71,121,867)
Deposits and prepayments	(3,410,360)	(18,389,286)
Other receivables	(1,586,049)	(1,145,994)
Tax refunds due from Government	32,669,779	84,153,987
Increase / (Decrease) in current liabilities:		
Trade and other payables	16,666,446	70,686,156
	432,605,826	(84,987,111)
Cash (used in) / generated from operations	217,476,917	(213,985,705)
Income Tax paid	(34,349,273)	(40,160,295)
Finance cost paid	(39,854,631)	(27,551,434)
Net cash (used in) / generated from operating activities	143,273,013	(281,697,434)
<b>b) CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of assets	920,000	381,467,600
Additions in operating assets	(36,579,582)	(97,912,348)
Net cash generated from / (used in) investing activities	(35,659,582)	283,555,252

	<b>Nine Months Ended March 31,</b>	
	<b>2025 Rupees</b>	<b>2024 Rupees</b>
<b>c) CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of:		
(Decrease) in Current portion of long term financing	(53,536,520)	(364,893,922)
Increase in long term financing	-	14,827,000
Receipt of loan from directors	-	226,500,000
(Decrease) / Increase in short term bank borrowings	(84,150,000)	137,300,000
Net cash (used in) financing activities	(137,686,520)	13,733,078
Net (decrease) / increase in cash and cash equivalents (a+b+c)	(30,073,090)	15,590,896
Cash and cash equivalents at the beginning of the period	81,416,688	72,439,992
Cash and cash equivalents at the end of the period	51,343,598	88,030,889

The annexed notes from 1 to 17 are an integral part of these financial statements.

  
(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER


  
(MUHAMMAD FAISAL LATIF)  
DIRECTOR


  
(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER


**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Issued, subscribed and paid up capital	Cumulative preference shares	Loan from Directors	Surplus on revaluation of property, plant and equipment	Capital reserves				Revenue reserves			Total
					Premium on issue of ordinary shares	Book difference of capital under scheme of arrangement for amalgamation	Preference shares redemption reserve	Sub total	General reserve	Accumulated loss	Sub total	
<b>Balance as at June 30, 2023 (audited)</b>	1,150,000,000	500,000,000	826,713,086	5,167,585,126	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,102,788,103)	(8,026,355,269)	144,352,695
(loss) for the period								-		(301,604,881)	(301,604,881)	(301,604,881)
Other comprehensive income								-		-	-	-
Items that may be subsequently reclassified to profit or loss:								-		-	-	-
Items that will not be subsequently reclassified to profit or loss:								-		-	-	-
Surplus on revaluation of property, plant and equipment arisen during the period - net								-		-	-	-
Remeasurement of defined benefit liability								-		-	-	-
								-		(301,604,881)	(301,604,881)	(301,604,881)
Loan from directors			226,500,000									226,500,000
Surplus realized on disposal of property, plant and equipment				(103,908,903)						103,908,903	103,908,903	-
Incremental depreciation on revalued assets for the period				(49,586,529)						49,586,529	49,586,529	-
<b>Balance as at March 31, 2024 (un-audited)</b>	1,150,000,000	500,000,000	1,053,213,086	5,014,089,694	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,250,897,552)	(8,174,464,718)	69,247,814
Profit for the period										(24,604,506)	(24,604,506)	(24,604,506)
Other comprehensive income										-	-	-
Items that may be subsequently reclassified to profit or loss:										-	-	-
Items that will not be subsequently reclassified to profit or loss:										-	-	-
Surplus on revaluation of property, plant and equipment arisen during the period - net										-	-	-
Remeasurement of defined benefit liability										(1,906,874)	(1,906,874)	(1,906,874)
										(26,511,380)	(26,511,380)	(26,511,380)
Loan from directors												-
Surplus realized on disposal of property, plant and equipment				(117,773,337)						117,773,337	117,773,337	-
Incremental depreciation on revalued assets for the period				(14,783,604)						14,783,604	14,783,604	-
<b>Balance as at June 30, 2024 (audited)</b>	1,150,000,000	500,000,000	1,053,213,086	4,881,532,753	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,144,851,991)	(8,068,419,157)	42,736,434
(loss) for the period										(448,831,133)	(448,831,133)	(448,831,133)
Other comprehensive income										-	-	-
Items that may be subsequently reclassified to profit or loss:										-	-	-
Items that will not be subsequently reclassified to profit or loss:										-	-	-
Surplus on revaluation of property, plant and equipment arisen during the period - net										-	-	-
Remeasurement of defined benefit liability										-	-	-
										(448,831,133)	(448,831,133)	(448,831,133)
Loan from directors												-
Surplus realized on disposal of property, plant and equipment										-	-	-
Incremental depreciation on revalued assets for the period				(46,597,418)						46,597,418	46,597,418	-
<b>Balance as at March 31, 2025 (un-audited)</b>	1,150,000,000	500,000,000	1,053,213,086	4,834,935,335	120,000,000	63,552,610	342,857,142	526,409,752	76,432,834	(8,547,085,706)	(8,470,652,872)	(406,094,699)

The annexed notes from 1 to 17 are an integral part of these financial statements.

  
(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER

  
(MUHAMMAD FAÏSAL LATIF)  
DIRECTOR

  
(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER

**CHENAB LIMITED**  
**SELECTED EXPLANATORY NOTES TO THE**  
**CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025**

**1 GENERAL INFORMATION**

- 1.1 Chenab Limited (the Company) is incorporated as a public limited company under the Companies Ordinance, 1984 (Now Companies Act 2017) and is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Nishatabad, Faisalabad, in the province of Punjab. The principal business of the Company is export of all kinds of value added fabrics, textile made-ups, casual and fashion garments duly processed. Geographical location and address of business units/plants are following:

Description	Location	Address
Registered Office / Head Office	Faisalabad	Nishatabad, Faisalabad.
Weaving Unit	Nankana Sahib	7 K.M Main Faisalabad Lahore Road, Kotla Kalo Shahkot, Nankana Sahib.
Processing & Stitching Units	Faisalabad	Main Faisalabad Lahore Road, Nishatabad, Faisalabad.
Stitching Unit	Faisalabad	Jhumra road Gatti, Faisalabad.

- 1.2 Pursuant to schemes of arrangement approved by the Honorable Lahore High Court, Lahore, assets, liabilities and reserves of Faisal Weaving (Private) Limited, Latif Weaving (Private) Limited and Chenab Finishing (Private) Limited were merged with the Company with effect from December 31, 1998 and assets, liabilities and reserves of Chenab Fibers Limited were merged with the Company with effect from April 01, 2003.
- 1.3 As at March 31, 2025 the accumulated loss of the Company is Rs. 8,547 million and the current liabilities exceed its current assets by Rs.1094 million. The Company has not redeemed preference shares on exercise of put options for three consecutive years by holders of preference shares due to tight cash flow situation. The Company has not been able to comply with terms of certain loan agreements. The company was wound up by the order of Honorable Lahore High Court dated July13, 2017 due to application filed by one of the creditor because of breach of debt covenants. The company preferred an appeal before the Honorable Supreme Court against this order but leave of appeal was not granted and dismissed vide order dated January 08, 2019 and official liquidator was appointed under the winding up order. SECP has initiated proceedings for investigations under section 257 of Companies Act 2017.(Section 265 of the repealed Companies Ordinance, 1984.) The company has challenged the order and the Honourable Lahore High Court has stayed the proceedings.

The sponsors of the Company filed a Scheme of Arrangement before Lahore High Court Lahore on January 20, 2021 u/s 279 to 283 and 285(8) of companies Act, 2017 for reversal of winding up order whereupon a meeting was held on February 22, 2021 by the Share holders and Secured creditors of the company under the Chairmanship of lawyers duly appointed by the Honorable Lahore High Court Lahore. 100% contributories/shareholders and 90.40% Secured Creditors approved the said scheme of arrangement. Which was approved by the Court on September 14, 2021 and the Court issued Reversal of winding up order dated October 29, 2021 and Company was handed over to the management.

According to the Scheme of Arrangement the breakup of Principal Debt owed to each of the Lenders individually is bifurcated in the Tier 1 Debt consisting of Rs. 4,737,486,364/- and Tier 2 debt of Rs.4,737,486,364/- aggregated to Rs.9,474,972,728/-. Tier 1 debt shall be repaid in seven and half (7.5) years from the effective Date. The Tier 2 debt shall be repaid in six and a half (6.5) years from the earlier of (i) the date on which the Tier 1 Debt is repaid, and (ii) the date by which Tier 1 Debt is required to be repaid as per repayment schedule agreed under scheme of arrangement.

The Company shall pay the Principal Debt and Mark-Up to the Agent Bank and the Agent Bank shall pay each lenders its pro-rata share of such repayments. Due to approval of scheme of arrangement by the lenders/financial institutions the management is confident that its implementation will result in improvement in the financial and operational condition of the Company are discussed below:

**(a) Disposal of non-core assets**

The management is committed to dispose off non core assets, within the grace period of one year from the effective date on which scheme of arrangement is approved. Disposal proceeds of non core assets of Rs. 1.4 Billion will result in payment of loan amounts as well as injection in the working capital of the company for carrying out its operations. The company has disposed off all of its non core assets required as per scheme of arrangement at a consideration of Rs.1.6 billion.

**(b) Settlement / rescheduling of loans / finances with lenders**

As per scheme of arrangement lenders/financial institutions payment of principal is rescheduled over the course of 14 years from the effective date. This will improve the financial health and also settle all the disputes with the lenders/financial institutions.

**(c) Additional Working Capital facility**

For the smooth operations, company needs additional working capital facilities from banks. The banks have agreed to provide working capital facilities under the scheme of arrangement. The lead bank and other financial institutions have disbursed their share agreed under the scheme of arrangement.

**(d) Induction of fresh equity**

The sponsors had arranged an injection of fresh equity through sales of personal shares into the company by realizing Rs. 350 million as per Scheme of arrangement. However, to improve the financial health of the company the sponsors have further injected a sum of Rs. 458.90 million till the balance sheet date as subordinated loan since its revival.

The above mentioned proposals will help to overcome the financial and operational problems of the Company. Considering management's plans and adherence to facilities approved under the arrangement as discussed in para (a) to (d) above, management is confident that the Company will be able to continue as a going concern.

- 1.4 These condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

## 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 do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company. These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

## 3. ACCOUNTING POLICIES

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

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the published audited financial statements for the year ended June 30, 2024.

## 5 LONG TERM FINANCING

Under markup arrangements

From banking companies / financial institutions

Secured

Tier - I debt

Add: availed during the period

Paid during the year / period

Tier - II debt

Add: availed during the period

Less: Current portion

Installments over due

Payable within one year

Associates

	<b>Mar-31, 2025 (Un-Audited)</b>	<b>Jun-30, 2024 (Audited)</b>
	<b>Rupees</b>	<b>Rupees</b>
	3,400,493,903	4,079,342,364
	-	7,413,500
	53,536,520	(686,261,961)
	3,346,957,383	3,400,493,903
	4,744,899,864	4,737,486,364
	-	7,413,500
	4,744,899,864	4,744,899,864
	8,091,857,247	8,145,393,767
	(2,697,254)	(4,288,235)
	(440,227,930)	(70,937,889)
	(442,925,184)	(75,226,124)
	7,648,932,063	8,070,167,643
	9,780,045	8,846,517
	<b>7,658,712,109</b>	<b>8,079,014,160</b>

## 6 CONTINGENCIES AND COMMITMENTS

### a) Contingencies

There was no significant change in contingencies as on March 31, 2025 since the published financial statements for the period ended December 31, 2024.

### b) Commitments

There was no commitments as on March 31, 2025 (2024: Nill)

	<b>Mar-31, 2025 (Un-Audited)</b>	<b>Jun-30, 2024 (Audited)</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>7 PROPERTY, PLANT AND EQUIPMENTS</b>		
Operating assets (Note: 7.1)	<b>8,975,256,203</b>	<b>9,076,879,986</b>
<b>7.1 Operating assets</b>		
Opening book value	9,076,879,986	9,168,196,248
Add: Cost of additions during the period / year	36,579,582	97,843,196
Less: Book value of disposals during the period / year	(12,423)	(60,688)
	9,113,447,145	9,265,978,756
Less: Depreciation charged during the period / year	(138,190,942)	(189,098,770)
	<b>8,975,256,203</b>	<b>9,076,879,986</b>
<b>8 INVESTMENT PROPERTY</b>		
<b>Land</b>		
Opening balance	234,651,713	234,651,713
Disposal during the period / year	-	-
Closing balance	234,651,713	234,651,713
<b>Building</b>		
Opening net book value	257,081,927	267,793,674
Disposal during the period / year	-	-
Depreciation charge during the period / year	(7,712,458)	(10,711,747)
Closing net book value (Building)	249,369,469	257,081,927
	<b>484,021,182</b>	<b>491,733,640</b>
<b>9 TRADE DEBTS</b>		
Considered good		
Unsecured		
Foreign	44,422,726	372,596,229
Local	157,521,473	150,550,345
	<b>201,944,199</b>	<b>523,146,574</b>

	Quarter Ended March 31,		Nine Months Ended March 31,	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
<b>10 SALES</b>				
Export				
Fabrics / madeups / garments	96,257,247	425,487,916	1,002,619,942	1,395,251,162
Local				
Fabrics / madeups / garments	20,422,961	47,016,887	68,314,661	101,433,938
	116,680,208	472,504,803	1,070,934,603	1,496,685,100
Add: Export rebate / duty drawback	500,240	3,280,551	8,492,362	9,913,889
	117,180,448	475,785,354	1,079,426,965	1,506,598,989
Less:				
Commission	(1,002,960)	(13,267,688)	(24,215,843)	(37,930,470)
Discount	(407,617)	-	(12,863,964)	(5,089,413)
	(1,410,577)	(13,267,688)	(37,079,807)	(43,019,883)
Processing, conversion and stitching charges	333,909,120	363,246,012	832,964,888	941,765,638
	<b>449,678,991</b>	<b>825,763,679</b>	<b>1,875,312,046</b>	<b>2,405,344,745</b>
<b>11 COST OF SALES</b>				
Cost of goods manufactured (Note:11.1)	494,564,435	851,530,868	1,927,157,869	2,486,362,319
Finished goods				
Opening stock	40,160,241	31,165,315	62,725,567	22,886,052
Closing stock	(27,865,792)	(57,899,132)	(27,865,792)	(57,899,132)
	12,294,449	(26,733,817)	34,859,775	(35,013,080)
Cost of sales	<b>506,858,884</b>	<b>824,797,051</b>	<b>1,962,017,644</b>	<b>2,451,349,239</b>
<b>11.1 Cost of goods manufactured</b>				
Raw material consumed (Note 11.1.1)	46,215,842	338,029,898	550,865,227	996,889,943
Salaries, wages and benefits	83,148,308	137,303,920	294,640,017	374,068,225
Staff retirement benefits	1,796,329	7,167,230	11,136,167	13,519,493
Processing charges	2,232,527	-	46,046,370	80,864,879
Conversion charges	14,969	5,816,645	9,258,812	14,540,647
Stores and spares	19,757,781	35,891,626	57,479,300	75,288,585
Dyes and chemicals	100,624,018	118,327,759	260,815,963	305,570,746
Packing material	31,279,737	31,902,621	89,490,882	78,442,039
Repair and maintenance	353,976	2,332,703	3,084,132	8,083,678
Fuel and power	114,779,359	166,318,722	443,844,283	475,426,692
Insurance	4,075,168	2,951,823	12,406,565	3,211,551
Depreciation	50,890,915	31,366,961	118,726,392	121,907,728
Other	2,101,235	736,583	3,665,806	5,580,922
	457,270,164	878,146,490	1,901,459,916	2,553,395,127
Work in process				
Opening stock	181,165,239	131,040,700	169,568,921	90,623,514
Closing stock	(143,870,968)	(157,656,322)	(143,870,968)	(157,656,322)
	37,294,271	(26,615,622)	25,697,953	(67,032,808)
	494,564,435	851,530,868	1,927,157,869	2,486,362,319
<b>11.1.1. Raw material consumed</b>				
Opening stock	18,931,942	91,965,199	18,645,973	94,173,295
Purchases including purchase expenses	44,579,180	277,036,219	549,514,534	933,688,168
	63,511,122	369,001,418	568,160,507	1,027,861,463
Closing stock	(17,295,280)	(30,971,520)	(17,295,280)	(30,971,520)
	<b>46,215,842</b>	<b>338,029,898</b>	<b>550,865,227</b>	<b>996,889,943</b>

	Quarter Ended March 31,		Nine Months Ended March 31,	
	2025 Rupees	2024 Rupees	2025 Rupees	2024 Rupees
<b>12 OTHER INCOME</b>				
Income from assets other than financial assets:				
Sale of waste material	1,367,020	3,815,379	4,137,626	5,645,318
Rental Income	6,517,689	8,470,750	18,383,067	34,950,550
Gain on sale of operating assets	-	-	907,577	3,632,200
Gain on sale of non current assets held for sale	-	-	-	132,002,457
Balances written back-net	-	-	114,139,279	70,138,868
Fair value adjustment of deferred revenue	311,176	272,794	933,528	818,382
	<b>8,195,885</b>	<b>12,558,923</b>	<b>138,501,077</b>	<b>247,187,775</b>
<b>13 FINANCE COST</b>				
Interest / mark up on:				
Long term financing Tier-I debt	41,271,266	46,722,134	126,267,216	146,161,227
Short term borrowings	5,838,404	9,770,942	28,567,263	20,498,684
Bank charges and commission	903,172	1,772,621	6,599,536	16,164,320
Fair value adjustment of loan from associates	311,176	272,794	933,528	818,382
	<b>48,324,018</b>	<b>58,538,491</b>	<b>162,367,543</b>	<b>183,642,613</b>

#### 14 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertaking, directors and key management personnel. Amounts due to and due from related parties are shown under relevant notes to the financial statements, no other significant transactions with related parties.

#### 15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited 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 / re-classification have been made during the period.

#### 16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors of the company and authorized for issue on **29-04-2025**.

#### 17 GENERAL

Figures have been rounded off to the nearest of Rupees.



(MUHAMMAD NAEEM)  
CHIEF EXECUTIVE OFFICER



(MUHAMMAD FAISAL LATIF)  
DIRECTOR



(SADAQUAT HUSSAIN)  
CHIEF FINANCIAL OFFICER



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