



of Companies

THIRD QUARTERLY ACCOUNTS
2024-2025
(UN - AUDITED)

UMER GROUP OF COMPANIES

BHANERO TEXTILE MILLS LIMITED



Vision

A premier quality company providing quality products by maintaining an excellent level of ethical & professional standards.



Mission Statement

To become a leading manufacturer of textile products globally and explore the new era to achieve the highest level of success.

Directors' Review

The directors of Bhanero Textile Mills Limited are pleased to present the unaudited condensed interim financial statements for the nine months ended March 31, 2025.

Significant Financial Performance for the Nine Months Ended March 31, 2025

Profit after tax for the nine months ended March 31, 2025 is PKR 87.219 million as compared to PKR 142.949 million in the corresponding period ending March 31, 2024.

Earnings per share-basic for the nine months ended March 31, 2025 is PKR 28.68 (March 31, 2024: PKR 47.05).

Break-up value of the share as on March 31, 2025 is PKR 3,601.76 (June 30, 2024: PKR 3,572.26).

The current ratio as on March 31, 2025 is PKR 1.54 (June 30, 2024: PKR 1.54).

Economic Outlook

The country appears to have managed a diffident but noteworthy reversal from a near-crisis characterized by surging inflation, depleting foreign reserves, volatility in exchange rate, a very real chance of default and an overall gloomy state of affairs. The headline inflation stood at 0.7 percent on a year-on-year basis in March 2025, a reading below that of February 2025 when it stood at 1.5 percent. Nonetheless, MPC in its last meeting decided to maintain the policy rate stable at 12 percent due risks posed by the inherent volatility in prices. The foreign reserves have more than doubled since last year, owing to foreign remittance by expats where country has received record-high US\$ 4.1 billion in March 2025 taking the current fiscal year's foreign remittance volume to US\$28 billion.

As per Asian Development Bank report, the Pakistan's economy is showing positive signs of stability and recovery, with an expected 2.5 percent growth in real GDP for the fiscal year 2025-26 owing to stringent macroeconomic policies and progress in key economic reforms like tax policy and energy sector along with the approval of IMF Extended Fund Facility (EFF) arrangement that began in October 2024.

Unfortunately, these reforms are not benefitting the textile sector which is currently facing a major cost disadvantage against regional competitors in particular high borrowing cost and surge in energy prices. The imposition of levy on gas/ RLNG consumption by captive power plants making it more difficult for the dwindling textile sector to compete globally.

Besides, the recent imposition of a 29 percent tariff by the US on Pakistan's exports is expected to significantly impact our struggling textile sector and exacerbate existing economic challenges since USA is top destination for Pakistan textiles which relies heavily on the US market. The imposition of tariff highlights the need for diversification by exploring other destination too and strategic adaptation to ensure the long-term sustainability of the textile sector.

Pakistan's textile exports surged by 9.38 percent during nine months of the current fiscal year i.e July 2024 to March 2025 as compared to corresponding period by reaching the mark of US\$ 13.618 billion on March 2025. On MoM basis in March 2025 textile exports showed an increase of 6.27 percent by reaching an amount of US\$ 2.646 billion in March 2025. As per latest figures released by the Pakistan Cotton Ginners Association there has been a steep decline of 34 percent to 5.5 million bales as of February 28, 2025, compared to 8.4 million bales in corresponding period. The sharp decline signals serious challenges for the textile industry, which is heavily reliant on domestic cotton supply.

To boost textile exports, the sector should focus on improving quality, expanding product diversity, adopting sustainable practices and utilizing technology to promote competitiveness and global reach. This can be accomplished by employing tactics including reorienting attention from cotton to clothing, marketing goods with additional value and fostering cooperation between business, government and academia.

Acknowledgement

The board expresses its gratitude towards employees and financial institutions for their continued support.

On behalf of the Board



Khurram Salim - CEO

Dated: 29 April, 2025



Mohammad Salim - Director

Bhanero Textile Mills Limited

Condensed Interim Statement of Financial Position As at March 31, 2025

		March 31, 2025	Jun 30, 2024			March 31, 2025	Jun 30, 2024
	Note	Un-Audited Rupees	Audited Rupees		Note	Un-Audited Rupees	Audited Rupees
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON CURRENT ASSETS			
Authorized capital				Property, plant and equipment	6	8,771,867,432	9,051,463,926
6,000,000 (June 30, 2024: 6,000,000)				Long term deposits		65,197,929	65,237,929
ordinary shares of Rs.10 each		60,000,000	60,000,000			8,837,065,361	9,116,701,855
Issued, subscribed and paid up capital		30,409,640	30,409,640				
Share premium		108,598,461	108,598,461				
Reserves		9,000,000,000	9,000,000,000				
Loan from directors and sponsors	4	183,118,200	180,618,200				
Unappropriated profit		1,630,706,121	1,543,487,381				
		10,952,832,422	10,863,113,682				
NON CURRENT LIABILITIES				CURRENT ASSETS			
Long term financing - secured		3,110,007,998	3,300,067,962	Stores, spares and loose tools		299,110,828	308,372,617
Staff retirement benefits		408,208,917	342,151,723	Stock in trade		11,855,154,589	11,747,332,888
Deferred government grant		599,312,648	731,949,939	Trade debts		3,689,187,564	3,594,593,076
		4,117,529,563	4,374,169,624	Loans and advances		93,059,280	76,922,215
CURRENT LIABILITIES				Trade deposits and short term prepayments		844,975,529	306,470,627
Trade and other payables		2,918,619,106	2,462,664,394	Other receivables		9,233,274	32,820,322
Unclaimed dividend		1,831,650	1,831,650	Advance income tax		342,286,013	287,118,358
Accrued interest/markup		166,440,175	331,423,890	Sales tax refundable		286,468,868	458,236,921
Short term borrowings - secured		7,548,701,784	7,770,606,030	Cash and bank balances		333,905,244	736,372,277
Current portion of non current liabilities		884,491,850	861,131,886			17,753,381,189	17,548,239,301
		11,520,084,565	11,427,657,850				
CONTINGENCIES AND COMMITMENTS							
	5	-	-				
TOTAL EQUITY AND LIABILITIES		26,590,446,550	26,664,941,156	TOTAL ASSETS		26,590,446,550	26,664,941,156

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Profit or Loss (Un-Audited) For The Nine Months Period ended March 31, 2025

Note	Nine Month ended		Three Months ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Rupees	Rupees (Restated)	Rupees	Rupees (Restated)
Sales	25,229,742,406	25,125,217,191	8,216,698,434	8,332,171,714
Cost of sales	(23,167,952,280)	(22,410,184,451)	(7,554,478,874)	(7,575,454,826)
Gross profit	2,061,790,126	2,715,032,740	662,219,560	756,716,888
Distribution cost	(552,187,291)	(583,849,080)	(177,770,578)	(222,044,613)
Administrative expenses	(284,127,506)	(246,418,628)	(88,913,348)	(89,301,276)
	(836,314,797)	(830,267,708)	(266,683,926)	(311,345,889)
Other income	86,569,318	90,070,224	21,612,520	26,168,352
	1,312,044,647	1,974,835,256	417,148,154	471,539,351
Other operating expenses	(30,276,915)	(36,862,255)	(9,970,581)	(7,697,842)
Finance cost	(877,541,479)	(1,456,721,990)	(274,228,027)	(361,955,260)
	(907,818,394)	(1,493,584,245)	(284,198,608)	(369,653,102)
Profit before levies & taxation	404,226,253	481,251,011	132,949,546	101,886,249
Levies - Revenue taxes	(319,314,690)	(338,302,178)	(101,304,046)	(80,490,859)
Profit before taxation	84,911,563	142,948,833	31,645,500	21,395,390
Taxation	2,307,177	-	2,307,177	-
Profit after taxation	87,218,740	142,948,833	33,952,677	21,395,390
Earning per share - basic	28.68	47.05	11.17	7.04
Earning per share - diluted	28.68	47.01	11.17	7.04

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Comprehensive Income (Un-Audited) For The Nine Months Period ended March 31, 2025

	Nine Months Ended		Three Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Rupees	Rupees (Restated)	Rupees	Rupees (Restated)
Profit for the period after taxation	87,218,740	142,948,833	33,952,677	21,395,390
Other comprehensive income	-	-	-	-
Total comprehensive Income for the period	87,218,740	142,948,833	33,952,677	21,395,390

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Changes in Equity (Un-Audited) For The Nine Months Period ended March 31, 2025

	Share capital	Share premium	Reserve for issue of shares	Revenue Reserves		Loan from directors and sponsors	Total
				General reserve	Unappropriated profits		
Rupees							
Balance as at July 01, 2023 - Audited (Restated)	30,000,000	-	109,008,101	9,000,000,000	1,814,285,256	149,618,200	11,102,911,557
Comprehensive income							
Profit after taxation	-			-	142,948,833	-	142,948,833
Other comprehensive income	-			-	-	-	-
	-			-	142,948,833	-	142,948,833
Issue of shares during the period	409,640	108,598,461	(109,008,101)				-
Final dividend paid for the year ended June 30, 2022 at the rate of PKR 35.00 per share	-			-	(106,433,740)		(106,433,740)
Loan proceeds from directors and sponsors						30,000,000	30,000,000
Balance as at March 31, 2024 (Restated)	30,409,640	108,598,461	-	9,000,000,000	1,850,800,349	179,618,200	11,169,426,650
Total comprehensive income for the remaining period	-			-	(307,312,968)		(307,312,968)
Loan proceeds from directors and sponsors	-	-	-	-	-	1,000,000	1,000,000
Balance as at July 01, 2024 - Audited	30,409,640	108,598,461	-	9,000,000,000	1,543,487,381	180,618,200	10,863,113,682
Comprehensive income							
Profit after taxation	-	-	-	-	87,218,740	-	87,218,740
Other comprehensive income	-	-	-	-	-	-	-
	-	-	-	-	87,218,740	-	87,218,740
Loan proceeds from directors and sponsors	-	-	-	-	-	2,500,000	2,500,000
Balance as at March 31, 2025	30,409,640	108,598,461	-	9,000,000,000	1,630,706,121	183,118,200	10,952,832,422

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

Bhanero Textile Mills Limited

Condensed Interim Statement of Cash Flows (Un-Audited) For The Nine Months Period ended March 31, 2025

	March 31, 2025	March 31, 2024
	Rupees	Rupees (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies & taxation	404,226,253	481,251,011
Adjustments for:		
Depreciation on property, plant and equipment	658,729,331	655,289,832
Provision for employees' benefits	103,365,000	87,435,000
Gain on disposal of property, plant and equipment	(1,128,271)	(942,889)
Finance cost	877,541,479	1,456,721,990
Operating cash flows before changes in working capital	2,042,733,792	2,679,754,944
Working capital changes		
Inventories	(98,559,912)	3,046,545,852
Trade debts	(94,594,488)	(1,039,936,103)
Loans and advances	(16,137,065)	43,796,352
Trade deposits & prepayments	(538,504,902)	(276,462,638)
Other receivables	23,587,048	71,589,103
Sales tax refundable	171,768,053	725,739,740
Trade and other payables	455,954,712	373,866,638
	(96,486,554)	2,945,138,944
Cash generated from operations	1,946,247,238	5,624,893,888
Finance cost paid	(1,042,525,194)	(1,531,502,641)
Employees' benefits paid	(37,307,806)	(45,427,461)
Income taxes paid	(372,175,168)	(263,551,504)
Long term deposits - net	40,000	(21,576,060)
	(1,451,968,168)	(1,862,057,666)
Net cash generated from operating activities	494,279,070	3,762,836,222
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	7,442,623	3,501,723
Additions in property, plant and equipment	(385,447,189)	(337,168,474)
Net cash used in investing activities	(378,004,566)	(333,666,751)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(491,702,291)	(331,231,088)
Proceeds from long term loans	192,365,000	-
Loans received from directors and sponsors	2,500,000	30,000,000
Decrease in short term borrowings	(221,904,246)	(2,966,731,756)
Dividend paid	-	(106,324,739)
Net cash used in financing activities	(518,741,537)	(3,374,287,583)
Net decrease in cash and cash equivalents	(402,467,033)	54,881,888
Cash and cash equivalents at the beginning of the period	736,372,277	348,929,291
Cash and cash equivalents at the end of the period	333,905,244	403,811,179

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


CHIEF EXECUTIVE


DIRECTOR
Bhanero Textile Mills Ltd


CHIEF FINANCIAL OFFICER

1 REPORTING ENTITY

Bhanero Textile Mills Limited ('the Company') is incorporated in Pakistan as a Public Limited Company under the Repealed Companies Ordinance, 1984, now Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The Company is primarily spinning and weaving units engaged in the manufacture and sale of yarn and woven fabric however, it is also engaged in the generation of electricity for self consumption. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at Kotri District Jamshoro in the Province of Sindh and District Sheikhpura in the Province of Punjab.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the IAS 34 Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017 as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2024.

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

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

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

2.5 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

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

4 LOAN FROM DIRECTORS AND SPONSORS

Directors and sponsors entered into a contract with the Company to provide funds to the Company. As per the contract, the loans are unsecured, interest free and repayable at the discretion of the Company. The loans are presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

5 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2024 except following:

5.1 Contingencies

Bills Discounted	<u>3,668,527,086</u>	<u>3,566,149,426</u>
------------------	----------------------	----------------------

5.2 Commitments

Letter of credit (for store, raw material and machinery)	<u>5,108,576,057</u>	<u>1,140,617,880</u>
--	----------------------	----------------------

5.3 Commitments under ijarah contracts

The aggregate amount of ijarah payments for ijarah financing and the period in which these payments will become due are as follows:

Note	March 31, 2025	June 30, 2024
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>

Bhanero Textile Mills Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For The Nine Months Period ended March 31, 2025

			86,491,272	98,638,269
			161,132,182	255,468,182
			247,623,454	354,106,451
		Note	March 31, 2025	June 30, 2024
			Rupees	Rupees
			(Un-Audited)	(Audited)
6	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	6.1	8,145,605,946	8,755,049,425
	Capital work in progress		626,261,486	296,414,501
			8,771,867,432	9,051,463,926
	6.1 Operating fixed assets			
	Net book value at the beginning of the period/year		8,755,049,425	8,855,091,927
	Additions / transfers during the period / year			
	Factory buildings		-	-
	Plant and machinery		47,302,463	361,565,183
	Equipment and other assets		-	123,344,328
	Electric installation		-	252,905,727
	Factory Equipment		-	9,166,966
	Furniture & Fixtures - Factory		-	6,979,183
	Vehicles		8,297,741	27,770,608
			55,600,204	781,731,995
	Net book value of assets disposed during the period/year		(6,314,352)	(14,614,638)
	Depreciation for the period/year		(658,729,331)	(867,159,859)
	Net book value at the end of the period / year		8,145,605,946	8,755,049,425

7 LEVIES & TAXES

- 7.1** No provision for deferred tax has been made as the impact of the same is considered immaterial and the provision for minimum tax has been recognized as levies in these condensed interim financial statements as per the requirements of IFRIC 21/IAS37 and guidance on IAS 12 issued by ICAP. Comparatives figures have been restated/re-arranged accordingly.

8 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length

Names and details of transactions and balances with related parties are as follows:

Name	Nature of relationship	Shareholding
Faisal Spinning Mills Limited	Common directorship	N/A
Blessed Textiles Limited	Common directorship	N/A
Bhanero Energy Limited	Common directorship	N/A
Umer Farms (Private) Limited	Directorship of close family relative	N/A
Admiral (Private) Limited	Directorship of close family relative	16.46%
Khurram Salim	Chief executive officer / Director	2.06%
Yasmin Begum	Directorship of close family member	1.00%
Farrukh Salim	Directorship of close family member	2.02%
Yousuf Salim	Directorship of close family member	1.67%
Saqib Salim	Directorship of close family member	1.71%
Amna Khurram	Directorship of close family member	2.44%
Muhammad Umer	Directorship of close family member	0.02%
Yahya Farrukh	Directorship of close family member	2.44%
Saba Yousaf	Directorship of close family member	2.72%
Saba Saqib	Directorship of close family member	2.76%
Samia Bilal	Directorship of close family member	11.06%

Bhanero Textile Mills Limited
Notes to the Condensed Interim Financial Information (Un-audited)
For The Nine Months Period ended March 31, 2025

	Nine Months ended		Three Months ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Nature of transactions	Rupees	Rupees	Rupees	Rupees
Purchases	604,191,451	344,894,120	205,319,288	109,665,183
Sales	758,421,074	1,013,007,640	286,279,439	373,813,499
Services received	463,500	463,500	154,500	154,500
Purchase of Machinery	-	12,862,000	-	3,658,000
Purchase of electricity	5,859,729	77,451,253	539,610	76,258,963
Remuneration to key management	16,200,000	16,200,000	5,400,000	5,400,000
Balance with related party	20,000	20,000	20,000	20,000
Loan received from directors & sponsors	2,500,000	30,000,000	30,000,000	-

9 SEGMENT REPORTING

The Company has two reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric

Information about operating segments as at March 31, 2025 is as follows:

	Nine Months ended March 31, 2025		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	18,123,847,222	7,105,895,184	25,229,742,406
Inter-segment transfers	473,669,330	-	473,669,330
Segment results	707,628,012	517,847,317	1,225,475,329
Other operating income			86,569,318
Other operating expenses			(30,276,915)
Finance cost			(877,541,479)
			404,226,253
	Nine Months ended March 31, 2024		
	Spinning Rupees	Weaving Rupees	Total Rupees
Revenue from external customers	19,065,000,006	6,060,217,185	25,125,217,191
Inter-segment transfers	511,684,290	-	511,684,290
Segment results	1,568,581,318	316,183,714	1,884,765,032
Other operating income			90,070,224
Other operating expenses			(36,862,255)
Finance cost			(1,456,721,990)
			481,251,011
	As at March 31, 2025		
	Rupees	Weaving Rupees	Un-allocated Rupees
Segment assets	20,598,056,284	4,453,461,927	1,538,928,339
			26,590,446,550
	As at June 30, 2024		
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees
Segment assets	21,169,045,972	4,378,831,349	1,117,063,835
			26,664,941,156

Bhanero Textile Mills Limited**Notes to the Condensed Interim Financial Information (Un-audited)****For The Nine Months Period ended March 31, 2025**

	As at March 31, 2025			
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	12,575,964,933	3,059,817,545	1,831,650	15,637,614,128
As at June 30, 2024				
	Spinning Rupees	Weaving Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	12,298,685,956	2,882,218,896	620,922,622	15,801,827,474

10 EVENTS AFTER THE REPORTING PERIOD

10.1 There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

11 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

12 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 29, 2025.

13 GENERAL

13.1 There are no other significant activities since June 30, 2024 affecting the interim financial information.

13.2 Figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER