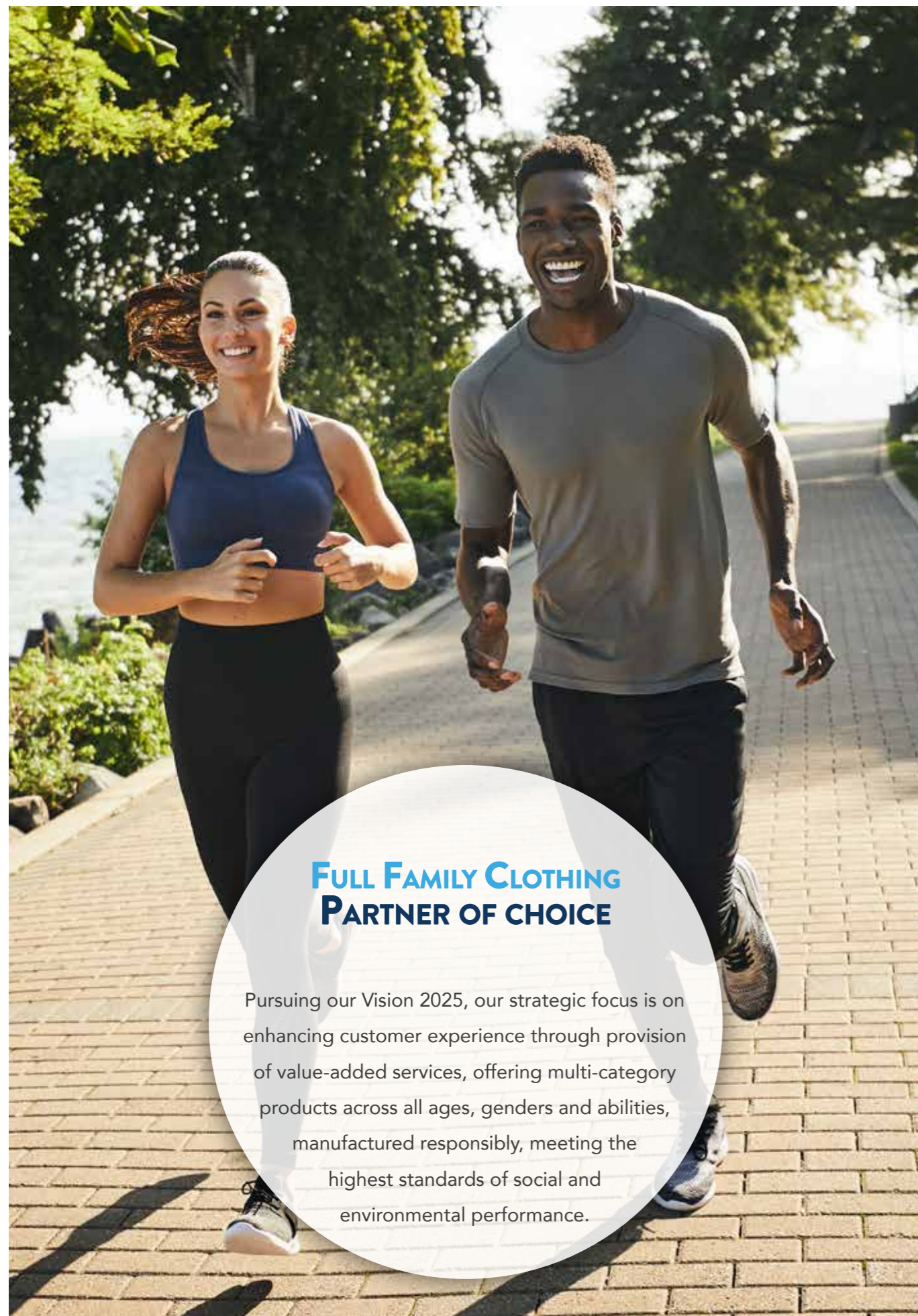


**FULL FAMILY
CLOTHING**

**PARTNER OF
CHOICE**





FULL FAMILY CLOTHING PARTNER OF CHOICE

Pursuing our Vision 2025, our strategic focus is on enhancing customer experience through provision of value-added services, offering multi-category products across all ages, genders and abilities, manufactured responsibly, meeting the highest standards of social and environmental performance.

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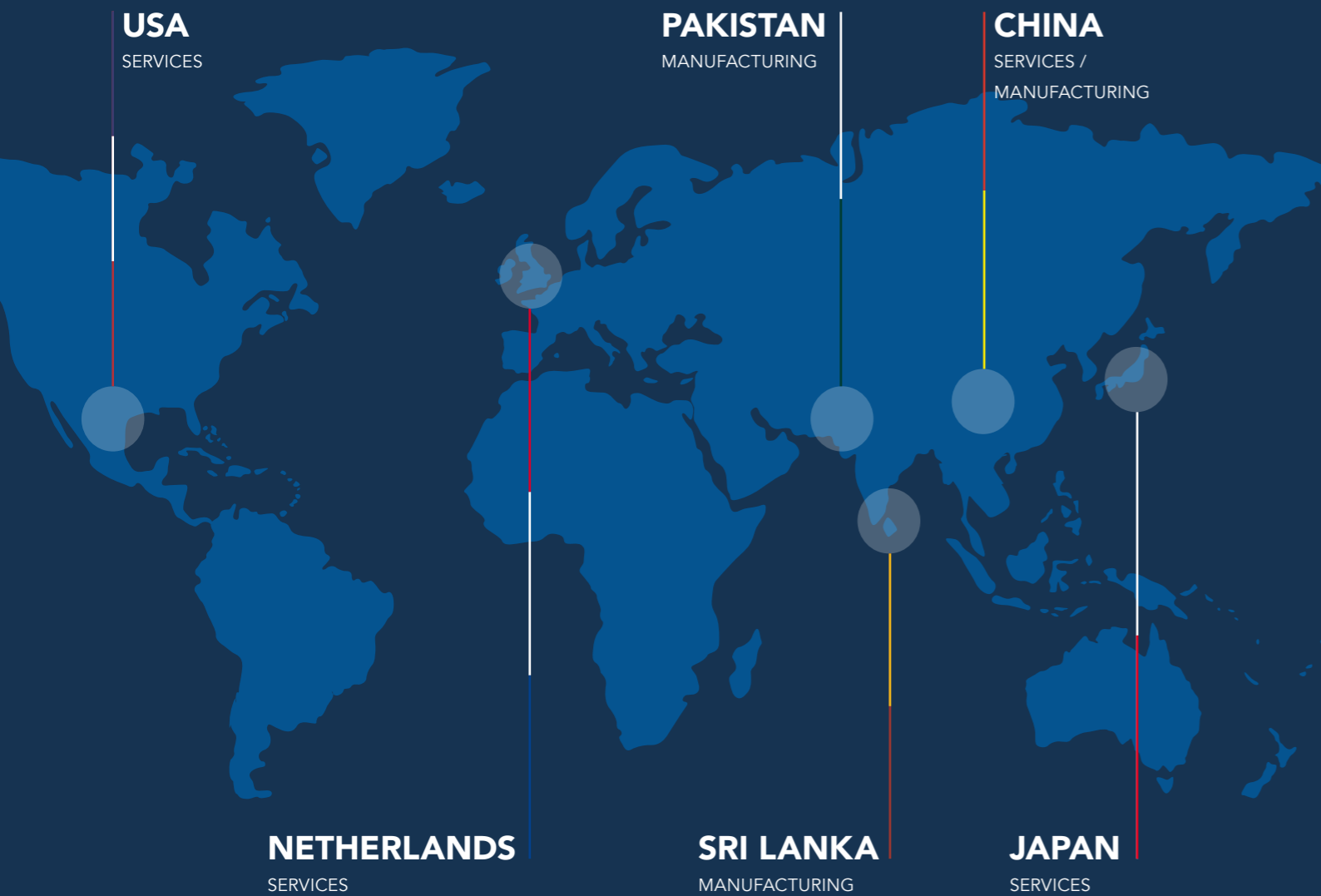


01

**COMPANY
OVERVIEW**

OUR FOOTPRINT

Global Presence through Affiliates & Associates



COMPANY PROFILE

Interloop Limited, headquartered in Pakistan, is a vertically integrated multi-category Full Family Clothing company, manufacturing Hosiery, Denim, Knitted Apparel & Seamless Activewear products for top international brands and retailers, endeavoring to become a Partner of Choice for all.

Being the largest listed textile company on Pakistan Stock Exchange by market capitalization & among Pakistan's largest exporters, with a current sales of USD 476 million, Interloop employs 31,986 highly motivated and engaged people from 15 nationalities, including 3,400 women. It enjoys an organizational network spread across 3 continents, with an extensive, well-equipped industrial infrastructure based in Pakistan, an associate manufacturing facility in Sri Lanka, affiliate manufacturing facility and sourcing office in China, and marketing services offices in USA, Europe and Japan.

Renowned globally for its manufacturing excellence, Interloop is also a pioneer in environmental consciousness and at the forefront of social change. Aiming for Race to Zero, it focuses on circular by choice, reducing carbon footprint, and using less water. Interloop Hosiery Plant 4 is South Asia's First LEED Gold Certified socks manufacturing facility. Interloop Denim is LEED Platinum certified and recognized as one of the seven greenest buildings in the world by PlaceTech. Interloop Hosiery Plant 5 is also a LEED Gold Certified socks manufacturing facility, and Interloop's all upcoming plants will be LEED certified.

Living the digital-first reality, we ensure that existing operations are carried out

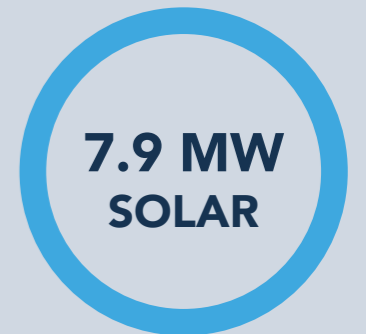
as per industry best practices, and new initiatives are pursued to digitize operations, enabling our people to work faster and better. We have already deployed Robotic Process Automation across repetitive tasks. Looptrace is our proprietary traceability solution to provide end-to-end traceability from product to the farm level, covering man, material, and machine.

476\$ MILLION SALES

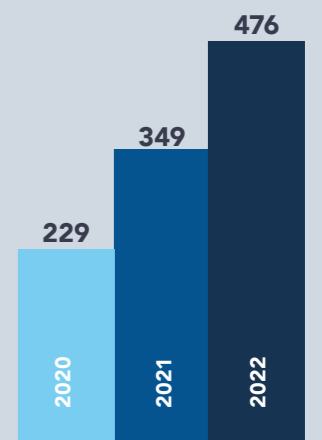
Interloop is a Business with Purpose! Following the Triple Bottom Line approach focused on People, Planet & Prosperity. Our Mission & reason for existence is to bring about a positive change in the community. We aim to transform lives, improve well-being, build a diverse, inclusive, and engaged workforce and conserve the environment, reflected in our business decisions & practices. Being a signatory to United Nations Global Compact and joining the UN Fashion Industry's Charter for Climate Action to drive net-zero GHG emissions by 2050, Interloop is fully committed to sustainable development.



31,986
Employees including
3400 Women



6.0 MW installed capacity till FY21
1.9 MW Solar Parking Shed added in FY22



Total Annual Sales
(USD Million)

OUR MISSION

To be an agent of *positive change* for the stakeholders and community by pursuing an *ethical* and *sustainable* business.



OUR CORE VALUES



INTEGRITY



CARE



ACCOUNTABILITY



RESPECT



EXCELLENCE

Vision 2025 is our growth led strategy which will enable Interloop to be a Full Family Clothing Partner of Choice

Vision 2025 charts out our strategy from July 2021 through to June 2026. It is guided by a customer first approach with our strategic focus on offering multi- category products, manufactured responsibly meeting the highest standards of social and environmental performance.

Our strategic focus will be to maintain leadership in hosiery and build credibility

of our new categories, offering products across all ages, genders and abilities, becoming a full family clothing supplier. We aim to be a partner of choice through exceptional customer service delivered by our value added services and responsible business practices.

To successfully deliver our strategy, we will unleash the potential of our people by

building a diverse, inclusive and engaged workforce creating a high performing organization. This will be enabled by our digital transformation and by an agile and lean mindset across all aspects of our business.



Our Vision 2025

To Become a Full Family Clothing Partner of Choice

HOW WE'LL DO IT

- 

PEOPLE
A diverse, inclusive and engaged workforce creating a high performing organization
- 

DIGITAL TRANSFORMATION
Drive efficiencies through digitalization and provide transparency to our customers with real time information
- 

AGILE MANUFACTURING
Drive an agile organization retaining our competitive position as a responsive high quality manufacturer



\$700M

REVENUE BY FY 2026
Transforming into a full family clothing business will build further credibility with our customers

2.5x

REVENUE THROUGH VALUE ADDED SERVICES
Providing value added services creating strong lasting partnerships

25%

LOWER CARBON FOOTPRINT AND RESOURCE CONSUMPTION
Lead the way in responsible manufacturing meeting highest standards of environmental and social performance

KEY PERFORMANCE INDICATORS

TURNOVER IN PKR

90.89B FY 2021
54.96B

PROFIT AFTER TAX IN PKR

12.36B FY 2021
6.29B

CURRENT RATIO IN TIMES

1.30 FY 2021
1.22

EARNINGS PER SHARE IN PKR

13.76

FY 2021 7.0

CASH DIVIDEND PER SHARE IN PKR*

4.00 FY 2021
2.50




BONUS ISSUE PER SHARE*

4% FY 2021
3%

RETURN ON EQUITY

41.28%

FY 2021 30.67%


HIGHLIGHTS 2022

LARGEST LISTED TEXTILE COMPANY

ON PAKISTAN STOCK EXCHANGE
BY MARKET CAPITALIZATION

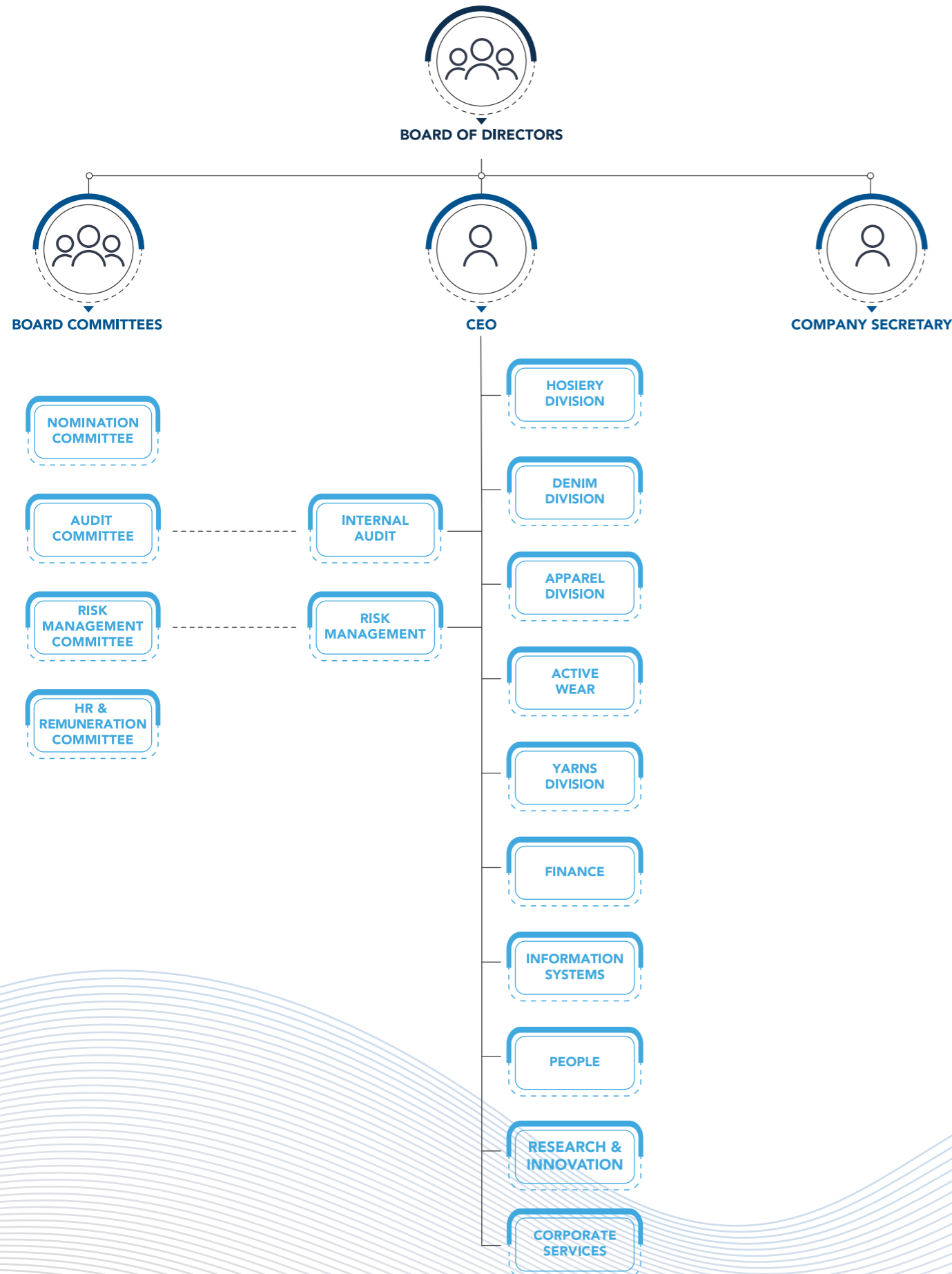
36%
YEAR ON YEAR
Revenue growth in USD

100M\$
APPAREL MANUFACTURING COMPLEX
Kicked-off construction of fully vertically integrated Apparel Manufacturing Complex worth 100 Mil USD at Interloop Apparel Park

LEED
GOLD CERTIFIED PLANT 5
Successful commissioning of LEED Gold certified Hosiery Plant 5 with record ramp up of 1200 knitting machines

* INCLUDES PKR 2 PER SHARE FINAL DIVIDEND AND 4% BONUS SHARES.

ORGANIZATIONAL STRUCTURE



RECOGNITIONS 2022

PERFORMANCE AWARD BY ADIDAS

Interloop Limited won the A&G Performance Award 2022 in the People Category during a video presentation at the adidas Brand Leadership Summit 2022. adidas recognized its global suppliers in six categories, including Manufacturing Excellence, Quality, Speed, Sustainability, Digital, and People. The citation during the award presentation quoted, "Interloop is maintaining industry-leading practices regarding Employees and Community Welfare. Increased women's participation in leadership roles and hiring more women in the overall workforce are appreciable. Interloop strives to have a balanced gender mix in its management, and its current talent acquisition mix is 50 / 50 for males and females and pays a lot of attention to employees' learning and development."



UN GCNP SUSTAINABILITY AWARD

Interloop has been recognized for Living the Global Compact Principles and Championing UN's SDGs and awarded the 1st prize in the Large National Enterprises category at The Global Compact Business Sustainability Awards 2021 held during the UN Leaders Summit 2022, Global Compact Network Pakistan.



MOST PREFERRED EMPLOYER AWARD

Interloop has been accorded the Most Preferred Employer in Textile Industry Award by the Pakistan Society of Human Resources Management (PSHRM) and Engage Consulting. The award was based on the results gleaned from the BPTW 2021 survey, taken up by over 40,000 employees across Pakistan, excluding employees of the nominated organizations, positioning Interloop as the Employer of Choice.



BUSINESS CATEGORIES



HOSIERY

795M

Pairs of Socks Annual Production Capacity

Over the last 30 years, Interloop Limited has maintained its position as one of the largest suppliers of socks to international brands and retailers globally, including Nike, adidas, STICHED, Target, H&M, C&A, Amazon, and Uniqlo, to name a few. With 5 vertically integrated manufacturing facilities spread across Pakistan. Interloop Hosiery is equipped with the latest Italian & Chinese Knitting Machines, Spanish Processing Machines, and Italian Dyeing Machines, having quick changeover capability and highly skilled staff to produce

high volumes of multi types and complex products. Interloop Hosiery Plant 4, located at Interloop Industrial Park, is Pakistan's & Region's First LEED Gold Certified Socks Production Facility, and the recently established Hosiery Plant 5 at Interloop Apparel Park is also a LEED Gold Certified Socks Manufacturing Facility.

Interloop has the capacity to produce 795 million pairs of socks annually, including athletic, performance, fashion, and casual wear for all genders and sizes, and one of the largest capacities for infant socks. The company is on a responsible manufacturing trajectory, ensuring sustainable production from farm to factory and the customers. As Interloop works towards becoming a full-service company for its customers, it has the edge of having in-house end-to-end services for product development, quality assurance, research & innovation, and

digital sampling. It is aggressively investing in its digital capabilities to transform its way of working across product design and development, manufacturing, and customer services. Interloop is in the process of expanding its capacity to 7,502 knitting machines at its manufacturing locations across Pakistan.

DENIM

6M

Garments Annual Production Capacity

As part of business diversification, Interloop started its Denim Apparel manufacturing operations in Dec 2019. Interloop Denim is one of the most technologically advanced facilities in South Asia and represents what the future of the Denim Industry will look like. The facility is LEED Platinum certified by US Green Building Council and in line with Lean concepts. The operations generate minimal environmental impact and prioritize worker well-being through commitment towards United Nations Sustainable Development Goals. With over 3,500 associates, Denim intends to achieve a 1:1 male to female ratio in its workforce in the long run. The plant has a current production capacity of 500,000 pcs per month and aims at enhancing it to 1 million pcs per month by 2023. The product line includes bottoms, shorts, skirts, jackets, and work wear cargos for all ages, genders, and sizes, providing services to brands and retailers such as Guess, Hugo Boss, Mustang, Diesel, Levi's Kids (Haddad Brands), Target, NYDJ, and INDITEX by maintaining a balanced geographical mix. Eco-friendly technologies have been used to replace traditional polluting processes and chemicals. Water conservation has been the key initiative for our Denim project, we are maintaining a liquor ratio of 1:3 across the board. Laser and Ozone machines have replaced manual processes to minimize the impact on workers and to ensure precision and quality.

The implementation of new, more efficient, and environmentally friendly technologies will have favorable impacts, both on our people & planet. Interloop Denim is set to become a model for Sustainability and manufacturing practices across Denim apparel manufacturing in the region.



BUSINESS CATEGORIES



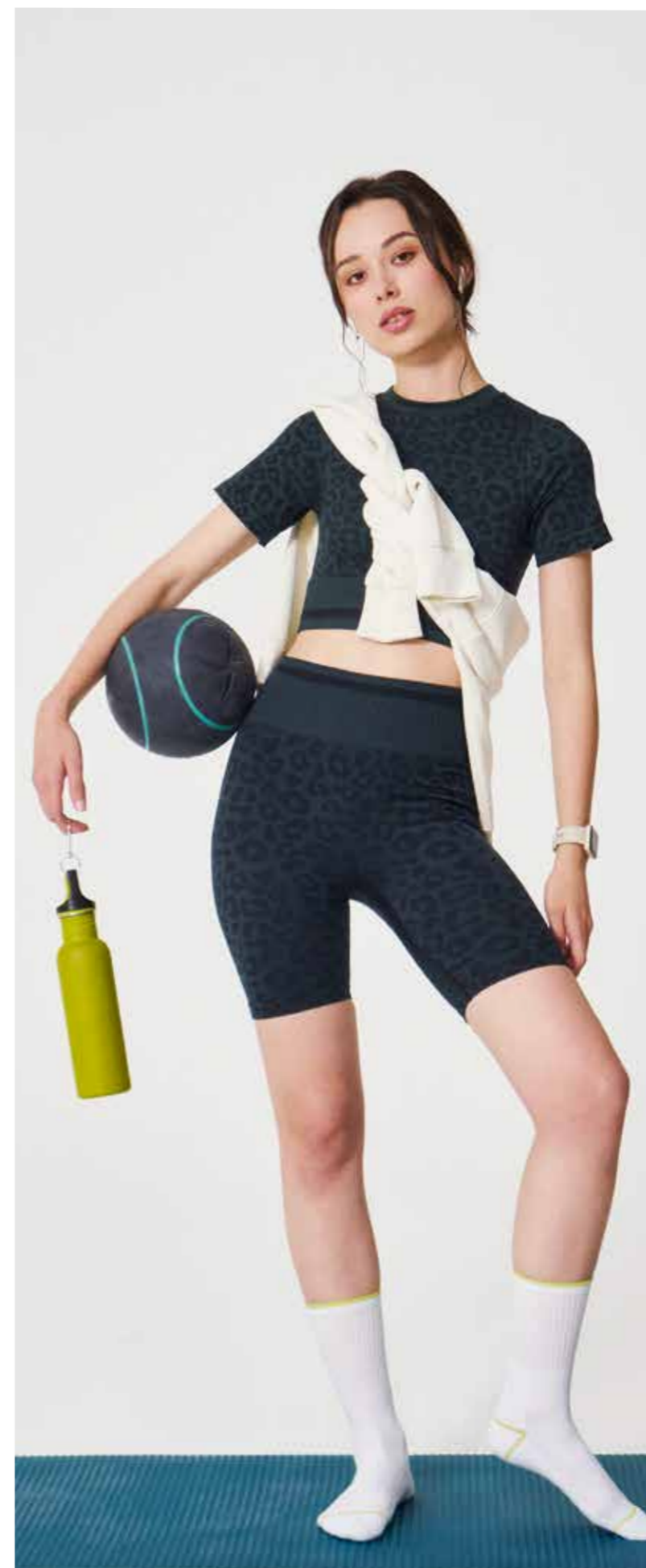
APPAREL 22M

Garments Annual Production Capacity

Expanding further into the Apparel segment, Interloop established its Knitwear Apparel Business in 2019 as a cut & sew pilot project, which is now backed by a modern dye house and state-of-the-art knitting facility commissioned in August 2021.

Our Apparel business has a dyeing capacity of 10 tons per day and a knitting capacity of 15 tons per day. Since Dec 2021, Interloop has become a fully vertically integrated Knitwear Apparel facility equipped with in-house knitting, dyeing, cutting, embellishment, and sewing capabilities. At the same time, we offer value-added printing and embroidery services to our customers.

Knitwear Apparel has a production capacity of 1.8 million garments per month. The product mix includes T-Shirts, Innerwear, Polo, Sweatshirts, Pants, Fleece Hoodies & Jackets exported to eminent brands and retailers in the USA, UK, and EU, including Target, JCPenney, Tom Tailor, Carhartt, Ben Sherman, Katin, Russel Athletic, Penfield Original Penguin, Elle, and Juicy Couture. A hi-tech and fully vertically integrated Apparel Manufacturing Complex will start its operations at Interloop Apparel Park, Faisalabad, in Q2 2023 with 50 tons of knitting/dyeing capacity per day, producing over 3 million garments per month.



ACTIVE WEAR

4M

Garments Annual Production Capacity

Interloop has set up a state-of-the-art vertically integrated Seamless Activewear facility at the Interloop Industrial Park. The business has an annual production capacity of 4 million pcs in various styles across high-performance Activewear to basic Underwear, offering ten different sizes to cover a wide range.

Top-notch equipment, including Italian knitting and dyeing machines to sewing machines of Japanese technology, ensures optimum quality with a vast capability in fabrics, dyeing techniques, and stitching operations.

Each garment is designed to blend style and performance seamlessly. We offer 360 stretches enabling freedom of movement. The microfiber yarns ensure optimum comfort and sweat management. Our body-mapping fabric construction provides ideally suitable fabric in line with body zone requirements, be it compression, ventilation, or rejuvenation, all with no seams between them.

Sourced from reliable supply partners, we use a wide range of performance yarn, including polyamide, polyester, polypropylene, and spandex, with a choice to opt for a recycled version.

A dedicated, self-sufficient product development department ensures quick sample turnaround while an in-house design team stays abreast with trends and fashion. An efficient sales team coordinates closely with PD, Design, and Customer to co-create the next best seller working up from yarn to end product.

Interloop Activewear is a proud partner of world-leading brands and retailers, including Adidas, Reebok, Guess, Zara, H&M, K-Mart, and Aldi.

BUSINESS CATEGORIES



YARNS

29.9M

Lbs Annual Production Capacity

SPINNING

Interloop produces 29.9 million Lbs of top-quality Yarn annually for a range of textile customers, following strict testing standards on automated spinning plants, equipped with the latest European & Japanese machines.

Raw Materials include:

- Pakistani and Imported Cotton
- BCI, Organic, and PSCP Cotton
- Acrylic, Viscose, Polyester, Modal & Tencel
- Re-Cycled Synthetic Fiber

Multiple varieties of yarn produced include:

Plain, Slub, Multi Count, Slub Lycra, Siro Slub Core, Polyamide Core, Siro & Blended Yarns etc.

More than 50% of yarn is consumed in-house with remaining serving world's renowned weavers, knitters, denim and towel manufacturers.

YARN DYEING & AIR COVERING

A state-of-the-art Yarn Dyeing & Elastomeric Yarn facility, equipped with modern machines including highly automated dyeing operations, automatic dyestuff, chemical dispensing system, etc., is providing a wide variety of colors in Spun and Filament Yarns. With an annual dyeing capacity of 5.07 million kgs, Interloop is providing a wide variety of colors in yarns including Polyester, Nylon, Acrylic, Coolmax, Modal, Tencel, Viscose, Wool, Bamboo, Blended, Microfibers, and Recycled Yarns. Modern Italian Air Covering Machines with annual

production capacity of 1 million kgs is been used for covering all types of in-house dyed, dope dyed, and raw white yarns with various brands of spandexes like Lycra and Creora at different customized percentages.

Keeping in view the vision 2025, the company is also planning to further add an in-house capacity of 5.5 tons per day which includes filament yarn dyeing capacity of 2.0 tons per day and 3.1 tons per day of elastomeric yarns to cater to Interloop Limited's all business categories and speed to market.

CUSTOMERS

Some of our top clients across **Europe, USA** and **Asia**



CORPORATE INFORMATION

BOARD OF DIRECTORS

Musadaq Zulqarnain
Chairman / Non-Executive Director

Navid Fazil
Chief Executive Officer / Executive Director

Muhammad Maqsood
Executive Director / Group CFO

Jahan Zeb Khan Banth
Non-Executive Director

Shereen Aftab
Non-Executive Director

Saeed Ahmad Jabal
Independent Director

Tariq Iqbal Khan
Independent Director



CHIEF FINANCIAL OFFICER

Muhammad Maqsood

COMPANY SECRETARY

Rana Ali Raza

HEAD OF INTERNAL AUDIT

Jamshaid Iqbal

CHIEF INFORMATION OFFICER

Yaqub Ahsan

LEGAL ADVISOR

HaidermotaBNR & Co.

AUDITORS

Kreston Hyder Bhimji & Co.
Chartered Accountants

AUDIT COMMITTEE

Tariq Iqbal Khan
Chairman

Saeed Ahmad Jabal
Member

Jahan Zeb Khan Banth
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Saeed Ahmad Jabal
Chairman

Navid Fazil
Member

Jahan Zeb Khan Banth
Member

NOMINATION COMMITTEE

Musadaq Zulqarnain
Chairman

Navid Fazil
Member

Muhammad Maqsood
Member

RISK MANAGEMENT COMMITTEE

Tariq Iqbal Khan
Chairman

Muhammad Maqsood
Member

Yaqub Ahsan
Member

Ahsan Pervaiz Sheikh
Member

Syed Hamza Gillani
Member

SHARE REGISTRAR

CDC SHARE REGISTRAR SERVICES LIMITED

Karachi Office:

Share Registrar Department CDC House,
99-B, Block-B, S.H.C.H.S, Main Shakra-e-
Faisal, Karachi -74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326031

Lahore Office:

Mezzanine Floor
South Tower, LSE Plaza, 19-Khayaban-e-
Aiwan-e-Iqbal, Lahore - 54000
Tel: (92-42) 36362061-66

BANKERS

- Allied Bank Limited
- Askari Bank Limited
- Bank Alfalah Limited
- Faysal Bank Limited
- Habib Bank Limited
- United Bank Limited
- Habib Metropolitan Bank Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- Meezan Bank Limited
- National Bank of Pakistan
- Standard Chartered Bank Pak Limited
- Summit Bank Limited
- The Bank of Punjab

REGISTERED OFFICE

Interloop Limited

AI – Sadiq Plaza, P – 157,
Railway Road, Faisalabad, Pakistan
Phone: (92-41) 2619724
Fax: (92-41) 2639400
Email: info@interloop.com.pk
Website: www.interloop-pk.com

CORPORATE OFFICE

Interloop Limited

1 Km Khurrianwala, Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan
Tel: (92-41) 4360400
Fax: (92-41) 2428704

PLANT SITES

Plant 1:

1 Km Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan

Plant 2 & 4:

7 Km Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan

Plant 3:

8 Km Manga Raiwind Road, Raiwind, Lahore,
Pakistan

Plant 5:

6 Km Bypass Road, Khurrianwala,
Faisalabad, Pakistan

Denim Plant:

8 Km Manga Raiwind Road, Raiwind, Lahore,
Pakistan

E-Communication

Website: www.interloop-pk.com
LinkedIn: Interloop Limited
Twitter: @InterloopLtd
Instagram: interlooplimited
YouTube: Interloop Limited



A large, stylized white outline of the number '2' is centered on a solid blue background. The number is composed of two main strokes, with the top stroke being a curved line that ends in a hook, and the bottom stroke being a horizontal line that also curves slightly at the end.

GOVERNANCE

BOARD OF DIRECTORS



MUSADAQ ZULQARNAIN
CHAIRMAN / NON-EXECUTIVE DIRECTOR

Musadaq Zulqarnain is the Chairman of Interloop Limited and Interloop Holdings & its subsidiaries. He also serves on the Board of Karandaaz; a not-for-profit organization promoting financial inclusion, sponsored by FCDO and Bill & Melinda Gates Foundation, and is President of Interloop Welfare Trust and Lyallpur Literary Council. He also serves on the Board of & is actively associated with The Citizens Foundation (TCF); the largest not-for-profit organization providing primary and secondary education to underprivileged children in Pakistan. He has served on the Board of Faisalabad Industrial Estate Development & Management Company (FIEDMC) for six years and also held the position of its CEO. Musadaq has also been a Member of the Board of Port Qasim Authority.

A mechanical engineer turned entrepreneur, Musadaq, through his vision & commitment, successfully led Interloop over the last 30 years to become a world leader in hosiery manufacturing, backed by a strong purpose of creating positive change. His leadership played an important role in expanding the business into Denim, Knitted Apparel, and Seamless Activewear manufacturing, turning Interloop into the largest apparel goods company on PSX and among the largest exporters of Pakistan.

A development enthusiast and philanthropist, Musadaq is actively engaged in nurturing the youth of Pakistan through education, women empowerment, and sports. He has always been at the forefront of providing free healthcare services for deserving patients and relief activities during disasters.



NAVID FAZIL
CHIEF EXECUTIVE OFFICER / EXECUTIVE DIRECTOR

Navid Fazil, a Founding Director and CEO of Interloop Limited, enjoys three decades' experience as an entrepreneur and has played a key role in developing Interloop Limited as one of the world's largest Hosiery manufacturers and a Full Family Clothing supplier for top international brands and retailers. He also serves on the Boards of TCPL and Interloop Holdings (Pvt.) Limited and is the Vice President of Interloop Welfare Trust, engaged in numerous philanthropic activities across the country.

An Electrical Engineer by training and a Masters in Management from Oxford, Navid puts great emphasis on Lean Manufacturing, Research & Innovation, and Sustainability. A strong supporter of Diversity, Inclusion & Equity, Navid is actively involved in many social responsibility programs and is part of the global Champions of Change Coalition; nurturing gender equality, women leadership, and respectful and inclusive workplaces. He is passionate about protecting the environment for future generations and keenly follows developments in regenerative agriculture worldwide.



MUHAMMAD MAQSOOD
EXECUTIVE DIRECTOR

Muhammad Maqsood is Executive Director Interloop Limited. He is also a Member of the Boards of Interloop Dairies, Texlan Center (Pvt.) Limited, Interloop Assets Management Limited, and Interloop Welfare Trust. With an overall experience of 27 years, Maqsood's association with Interloop spans 19 years. He is also performing his duties as Group CFO. His current responsibility portfolio includes Group finances, financial reporting, and taxation. Maqsood is a fellow member of Institute of Chartered Accountants of Pakistan & Institute of Financial Accountants, UK, and trained at INSEAD on Strategic Financial Management in Global Markets.

TARIQ IQBAL KHAN
INDEPENDENT DIRECTOR



Tariq Iqbal Khan is an Independent Director on the Board of Interloop Limited. He is serving as the Chairman of Audit Oversight Board (AOB) of Pakistan and Packages Converters Limited. He is also on the Boards of various eminent listed and non-listed companies. Previously, he has served on the Boards of multiple banks, pharmaceutical, chemical & petroleum companies, and also as the Chairman of SNGPL and ARL, etc.

A fellow member of the Institute of Chartered Accountants, Pakistan, Tariq has served the country for more than four decades by holding prominent positions in the private and public sectors. He played a pivotal role in founding the Islamabad Stock Exchange and subsequently served as its President. He also served as Member Tax Policy & Co-ordination at the Central Board of Revenue, followed by working as Commissioner, Securities & Exchange Commission of Pakistan (SECP) and later as Chairman SECP (acting) for a brief period where he was instrumental in restructuring SECP. Tariq served as the Chairman & MD of NIT for more than 8 years, which played a key role in establishing and stabilizing the capital markets.

SHEREEN AFTAB
NON-EXECUTIVE DIRECTOR



Shereen Aftab is currently a Non-Executive Director on the Board of Interloop Limited and has served on the Board as a Director since 1999. In the past, she has also been associated with Interloop as Director Merchandising. She holds a Ph.D. in Immunology from the University of Manchester, UK, and is an MBBS Medic. She is a self-taught artist working in acrylic and mixed media. She has a keen interest in animal welfare. She works with the Ayesha Chundrigar Foundation, which runs a large animal rescue center, among other activities. Currently, she is serving on the ACF board as Vice President.

JAHAN ZEB KHAN BANTH
NON-EXECUTIVE DIRECTOR



Jahan Zeb Khan Bantth currently serves as a Non-Executive Director on the Board of Interloop Limited. A chemical engineer by profession, Jahan Zeb previously worked with Interloop Limited as Director Technical, strategically leading the maintenance of Hosiery manufacturing equipment, expansion projects, BMR, and the Energy Division. Of the overall rich professional experience of 42 years, Jahan Zeb has spent the last 24 years with Interloop.

SAEED AHMAD JABAL
INDEPENDENT DIRECTOR



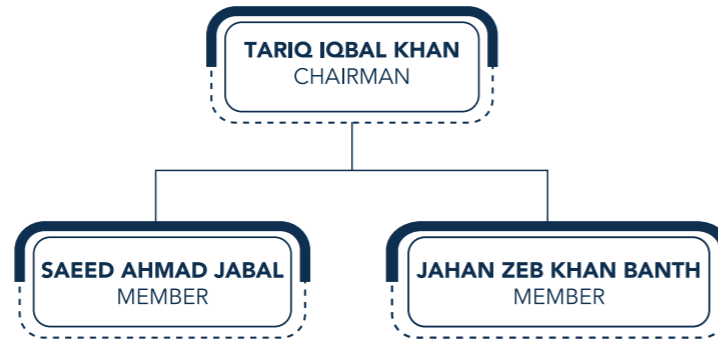
Saeed Ahmad Jabal is an Independent Director on the Board of Interloop Limited. He is a Chartered Accountant by profession and carries four and a half decades' rich and versatile experience working in Pakistan and overseas, in leadership positions throughout as CFO, Director Finance, Executive Director, Corporate Secretary, and Chief Internal Auditor in Fruit & Vegetable Juices and Preserves Industry, Textile sector industries including Spinning, Weaving, Fabrics Processing, Apparels, Home Textiles & Hosiery industries.

A significant milestone in Saeed's career was enhancing the computerized financial system on the IBM platform. He also supervised the implementation of the Oracle ERP System and converted accounting and financial data in composite textile manufacturing & export companies. Besides, he has expertise in developing systems and processes flowcharts, procedures, and policies for business operations, management and organizational development, and monitoring of ISO 9000 certification. While in overseas employment, Saeed had been a member of a big computerization project in the mid-80s and was responsible for the system's performance assurance and financial data handling by the computer system. He was also responsible for developing contracts and cost management and control of the contracted projects.

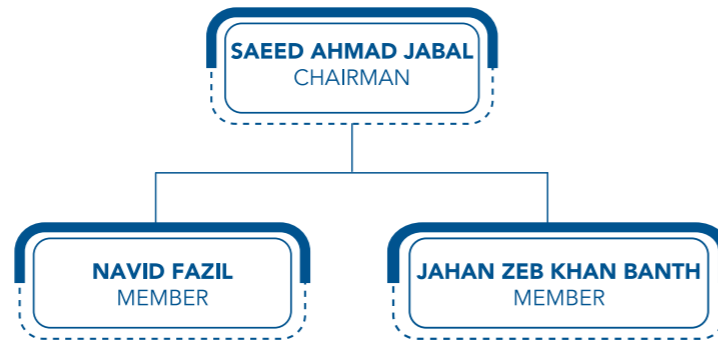
BOARD COMMITTEES



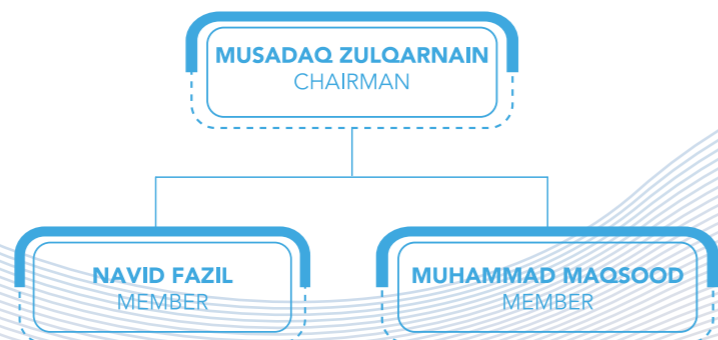
AUDIT COMMITTEE



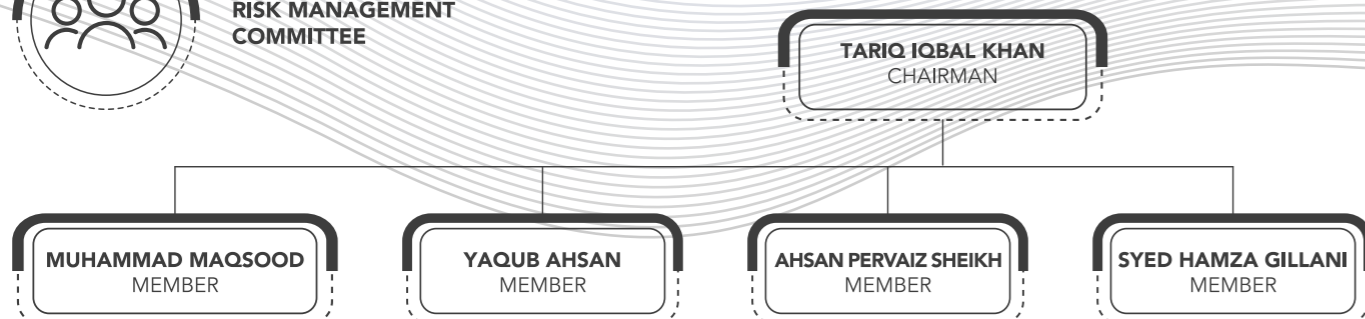
HUMAN RESOURCE & REMUNERATION COMMITTEE



NOMINATION COMMITTEE



RISK MANAGEMENT COMMITTEE



MANAGEMENT COMMITTEE



NAVID FAZIL
CHAIRMAN



TARIQ RASHID MALIK
PRESIDENT YARNS &
SOURCING



MUHAMMAD MAQSOOD
PRESIDENT/GROUP CFO



AZHAR SADIQ
PRESIDENT HOSIERY



ZAIN SADIQ
VICE PRESIDENT OPERATIONS



FEROZE AHMED
VICE PRESIDENT DENIM



FARYAL SADIQ
VICE PRESIDENT SALES &
MARKETING



YAQUB AHSAN
CHIEF INFORMATION OFFICER



MASOOMA ZAIDI
VICE PRESIDENT HOSIERY
SALES



AQEEL AHMAD
VICE PRESIDENT PEOPLE & OD



TAYYAB MASOOD
VICE PRESIDENT APPAREL



AHSAN PERVAIZ SHEIKH
VICE PRESIDENT CONTROLS &
BUSINESS CONTINUITY



SAIRA KHAN
SR. GENERAL MANAGER
STRATEGIC HR / L&D

CHAIRMAN'S REVIEW REPORT

"It is a privilege to be entrusted with Chairmanship of the Board of Interloop Limited (Company), comprising of diverse and proficient professionals. The recently concluded FY2022 is laced with landmark achievements and positive developments for the Company and its stakeholders."

BUSINESS PERFORMANCE

During the fiscal year (FY22), the performance of your Company remained extraordinary. The Company was able to successfully achieve highest ever net sales of Rs. 90.894 billion, compared to Rs. 54.962 billion during the previous year. Similarly, net profit after tax also increased notably from Rs. 6.292 billion to Rs. 12.359 billion, showing YoY increase of 96.45 %. The net profit translated into Earnings per Share (EPS) of Rs. 13.76 per share against Rs. 7.00 per share (restated) for the previous year. The Management is encouraged by the future prospects and expects to continue to demonstrate satisfactory performance through its efforts and strategic directions provided by the Board.

COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

The composition of the Board depicts reasonable balance and diversity including Executive Directors, Non-Executive Directors and Independent Directors possessing the requisite skills, core competencies and industry knowledge to lead the Company.

During the year under consideration, the Board performed its duties as required under the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (Regulations) effectively and diligently. The Board recognizes that well-defined corporate governance processes are vital for enhancing accountability. The Board is committed to ensure high standards of corporate governance to maintain stakeholder value.

The Board has constituted its Audit Committee, Human Resource & Remuneration Committee, Nomination Committee, and Risk Management Committee. These committees provided valuable input and assistance to the Board. The Audit Committee particularly focused on detailed review of the financial statements and effectiveness of its internal controls. The Company also has an independent Internal Audit department and follows a risk-based audit methodology. The committees held meetings and reported to the Board as per stipulations of the Regulations. Apart from the Board Committees' meetings, the Board met several times during the year for the review and approval of operational and financial results, and for the endorsement of the strategy and the annual budget.

ROLE OF THE BOARD OF DIRECTORS

As the Chairman, I endeavor to make sure that the Board stays proactive and works closely with the Management to oversee the implementation of the Company's strategy and provide counsel wherever required. The Board and the Management are fully conscious of the challenges ahead and are well prepared to tackle them with the required vision, knowledge and experience.

I would like to put forward my appreciation for the admirable efforts of our Management, particularly the Chief Executive Officer, under whose inspiring leadership the Company maintained its growth trajectory regardless of the global & economic challenges. I am also grateful for the valuable contributions of my fellow Board members, who offered valuable

strategic guidance and direction in paving a prosperous way forward for the Company. Moving ahead together, we are committed to work earnestly for steering the Company towards accomplishment of its objectives, and deliver sustained results while ensuring value creation for the shareholders.

I would also like to share that all the Directors, including Independent Directors, fully participated and contributed in the decision making process of the Board. The Board performed its duties and responsibilities diligently in areas mention below, inter-alia:

- **Mission & Vision**
The Board members are mindful of the high level of ethical and professional standards laid down in our Mission which are adopted by the Company, and fully support the same in attaining the objectives dilated under Vision 2025.

- **Strategic Decision Making**
Overall corporate strategy and objectives have been set in line with the strategic vision of the Board from which the annual business plan has been derived, as well as, projected plans for the next five years have been set by the Management (Vision 2025), covering all functional and operational areas by utilization of available resources, modernization and expansion of production facilities to ensure continued growth.

- **Adequate Governance**
The Board has framed the Code of Conduct, which defines requisite behavior and has been disseminated throughout the Company, along with supporting policies and procedures. Adequate controls and robust systems are in place to ensure

effective control environment so that compliance with best practices of corporate governance is achieved. The Board has set high standards for honesty and integrity which we consider vital for success of the business.

- **Risk Management**
The Board undertook overall review of business risks ensuring effectiveness of risk identification, risk management and internal controls to safeguard assets and interest of the company and shareholders.

- **Presentations**
The Board Members were updated by the Management about achievement of financial results through regular presentations based on incisive and strategic analysis of all functional areas related to core business of the Company. Accordingly, the Board provided appropriate and timely directions and oversight.

- **Diligence**
The Board reviewed the quality and appropriateness of financial statements of the Company, reporting and transparency of disclosures, Company's accounting policies, corporate objective plans, budgets and other reports. The Board meetings were held at the required frequency, and the agenda along with the working papers were circulated well in time prior to the Board and Committees' meetings.

EVALUATION OF BOARD & COMMITTEE

Pursuant to the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, a mechanism has been put in place for annual evaluation of the performance of the Board of Directors of ILP. The main objective of this exercise is to evaluate the performance of the Board and its Committees internally. Strategic goals for the Management have been earmarked for the coming year and the Board's effectiveness is measured in the context of achievement of such objectives. Accordingly, the Board has completed its annual self-evaluation for the year 2022 and I am pleased to report that the overall performance benchmarked as per the criteria set for the year 2022, remained satisfactory. This assessment was based on standards set by the Board, in line with best corporate governance practices.

SUSTAINABILITY AS MISSION

Our Company's business is built on ethics, hard work, and concern for others and we firmly believe that contribution to our community has and will always be a measure of our success. We remain dedicated to our core values and strive to maintain long-term relationships with all stakeholders. Looking ahead, the Company will remain committed to contributing to the economic prosperity of all stakeholders and delivering strong value by investing in long-term reliability of existing operations, digital transformation initiatives, promoting gender diversity, improving environmental sustainability by reducing our carbon footprint, conserving natural resources and investing in community development

ACKNOWLEDGEMENT

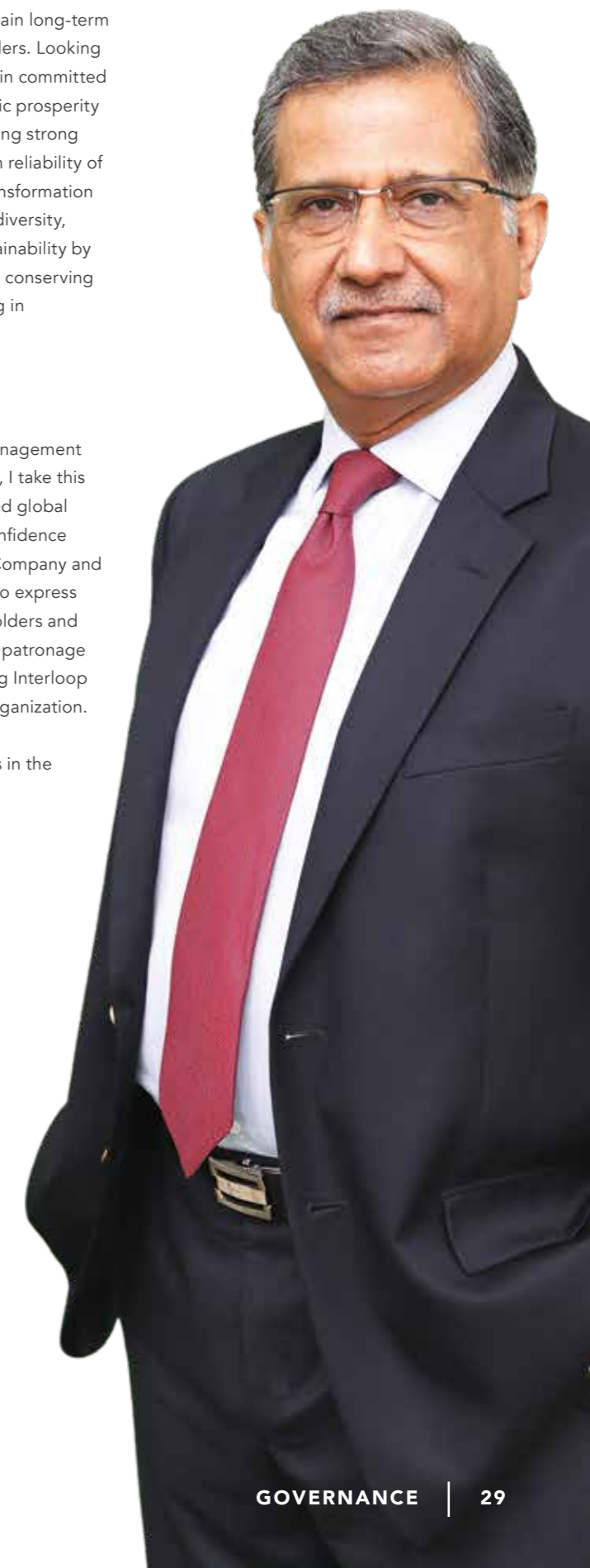
On behalf of the Executive Management Team and the Board members, I take this opportunity to thank our valued global customers for the trust and confidence they continue to place in the Company and its products. I would also like to express my gratitude to all our shareholders and employees for their continued patronage and encouragement in building Interloop Limited into an outstanding organization.

I wish the Company all success in the coming years.



MUSADAQ ZULQARNAIN
Chairman

Faisalabad,
September 15, 2022



DIRECTOR'S REPORT

The Directors of Interloop Limited ('the Company' or 'ILP') are pleased to present the Annual Report together with the audited Financial Statements and Auditors' Report thereon for the year ended June 30, 2022.

ECONOMIC & INDUSTRY OVERVIEW

The global economic recovery momentum slowed down in 2022, led by demand-supply imbalances post-pandemic, prolonged commodity upcycle as a spillover of the Russia-Ukraine conflict, and resultantly rising inflationary pressures. Consequently, the global central banks opted for monetary tapering and contractionary policies, which led IMF to revise the expected global growth to 3.2% in 2022 from 6.1% in 2021. Pakistan's economy, despite the challenging fiscal and monetary environment, managed to grow by 6.0% in FY22 versus 5.7% growth witnessed in FY21 and was mainly supported by the 'Manufacturing' sector's growth of 9.8% year on year (YoY) basis, followed by 6.2% YoY surge in 'Services' sector's productivity. The overheated economy and demand led to a burgeoning trade deficit, up 38% YoY to USD 39.6 billion in FY22, and continuous depreciation in the PKR exerted pressure on the CPI Inflation, which averaged 12.15% in FY22, higher than single digit CPI of 8.91% recorded in FY21. To curtail the demand and control rising inflation, the State Bank of Pakistan reversed the interest rate cycle and raised the policy rate by 675 basis points cumulatively to close the outgoing fiscal year at 13.75%. Workers' remittances continued to be a significant support to the Balance of Payments (BOP) as they jumped by 6% YoY to USD 31.2 billion in FY22.

The government has implemented various policy measures and sectoral reforms under the IMF program to control further deterioration in the monetary and fiscal

balances, which has paved the way for restoring the IMF installments. This will also result in the resumption of financial support from other international institutions to ramp up the country's foreign reserves and create a resultantly stable economic outlook. However, given the current global recessionary pressures coupled with domestic macro hurdles and recent catastrophic floods, Pakistan's growth prospects are also expected to remain lukewarm, with expected GDP growth below 3.5% in FY23, as per IMF.

Pakistan's government has a keen focus on pro-growth policies and incentives for the exports oriented sectors, especially textiles, given it is generating 60% of the country's total exports. Pakistan's textile sector's performance maintained its upward trajectory, and as per the Pakistan Bureau of Statistics (PBS), the industry witnessed record textile exports of USD 19.3 billion during FY22, showing 26% growth over the last year. The volumetric growth of 16% YoY in the value-added segment and record cotton prices primarily supported the double-digit export surge. Under the value-added division, the knitwear segment remained the top performer, growing by a substantial 34% YoY to USD 5.1 billion in FY22 due to a sharp rise in global demand, especially in the US and European countries. Readymade Garments and Bedwear also posted growth of 29% YoY and 19% YoY to USD 3.9 billion and USD 3.3 billion, respectively.

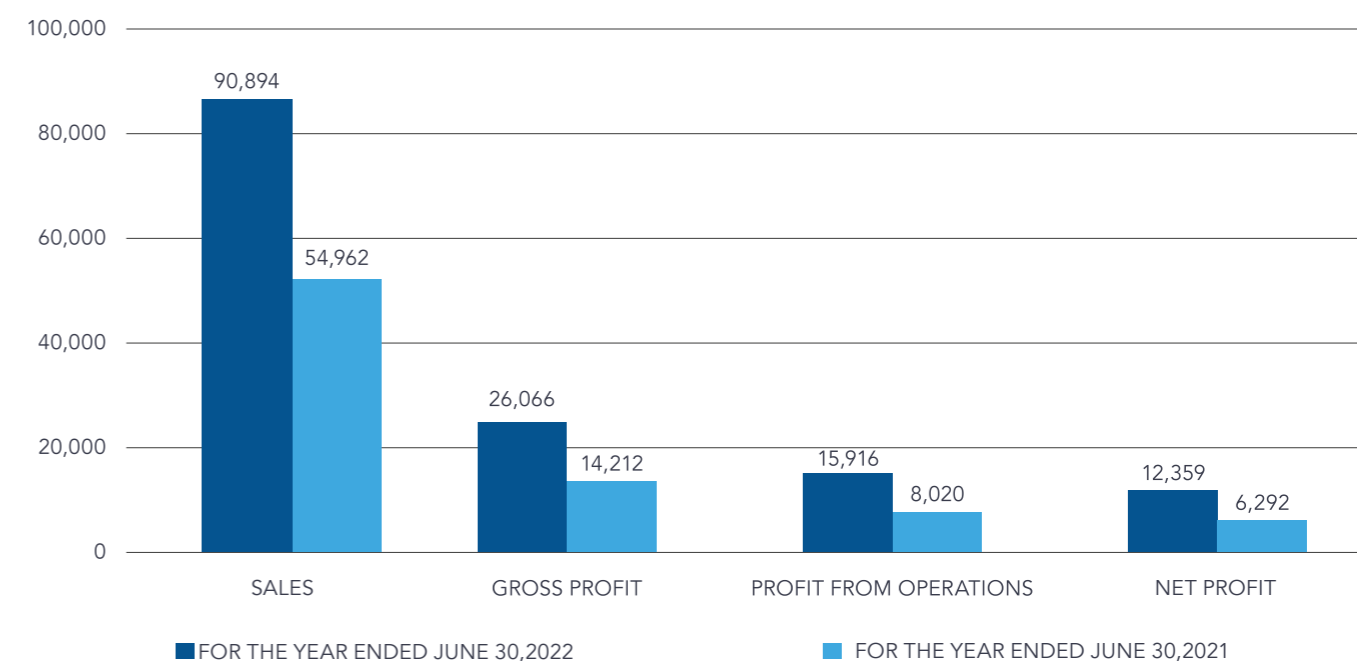
FINANCIAL AND OPERATIONAL PERFORMANCE

The current financial year (FY22) proved to be a challenging one. These challenges emerged from multiple fronts; various waves of the pandemic, surge in commodity prices, rising interest rates, weakening Pak Rupee, and persistent inflation posed a threat to an already distressed economy. While global supply chain bottlenecks persist, your company was able to navigate well through challenges. As a result, the company achieved several all-time high-performance benchmarks, including record revenues, volumes, and profitability. The company during FY22 delivered exceptional results by achieving the highest ever sales revenue of PKR 90,894 million compared to PKR 54,962 million during the corresponding year (FY21).

Despite the continuous surge in operational costs, the management's commitment to manufacturing excellence led the company's gross profit to grow significantly by 83.41%, amounting to PKR 26,066 million in FY22 as compared to PKR 14,212 million in the corresponding year. Volumetric growth, cost savings initiatives across the value chain and portfolio, and better pricing management also contributed to the notable improvement in profitability. The company, resultantly, achieved a profit after tax of PKR 12,359 million for the current financial year, reflecting an increase of 96.45% compared to PKR 6,292 million last year. This translated into earnings per share of PKR 13.76 in FY22 compared to PKR 7.00 per share in FY21.

The operating results of the company are summarized as follows:

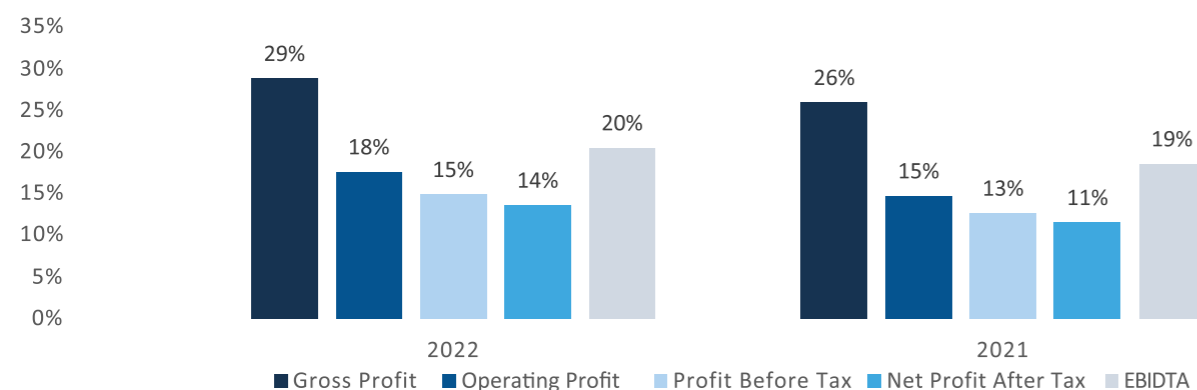
	2022	2021
	(PKR in Million)	
Sales – net	90,894.05	54,962.27
Gross profit	26,066.17	14,212.28
EBITDA	18,488.22	10,175.59
Profit before tax	13,423.47	6,872.86
Tax expense	(1,063.97)	(581.29)
Profit after tax	12,359.50	6,291.57
Other comprehensive loss	(263.12)	(71.65)
Total comprehensive income	12,096.38	6,219.92
Unappropriated profit brought forward	8,001.04	4,766.12
Transfer upon amalgamation	–	(804.5)
Accumulated profit available for appropriations	20,097.42	10,181.54
Appropriations		
- Final dividend 2020		(872.20)
- Interim dividend 2021		(1,308.30)
- Final dividend 2021	(872.20)	
- Interim dividend 2022	(1,796.73)	
Unappropriated profit carried forward	17,428.49	8,001.04
Earnings per share – Basic (PKR)	13.76	7.00
Earnings per share – Diluted (PKR)	13.76	7.00



The Company remains committed to delivering its long-term sustainable growth and value creation objectives. This is achieved through continued focus on operational excellence, product portfolio diversification, cost reduction, and a strong capital structure.

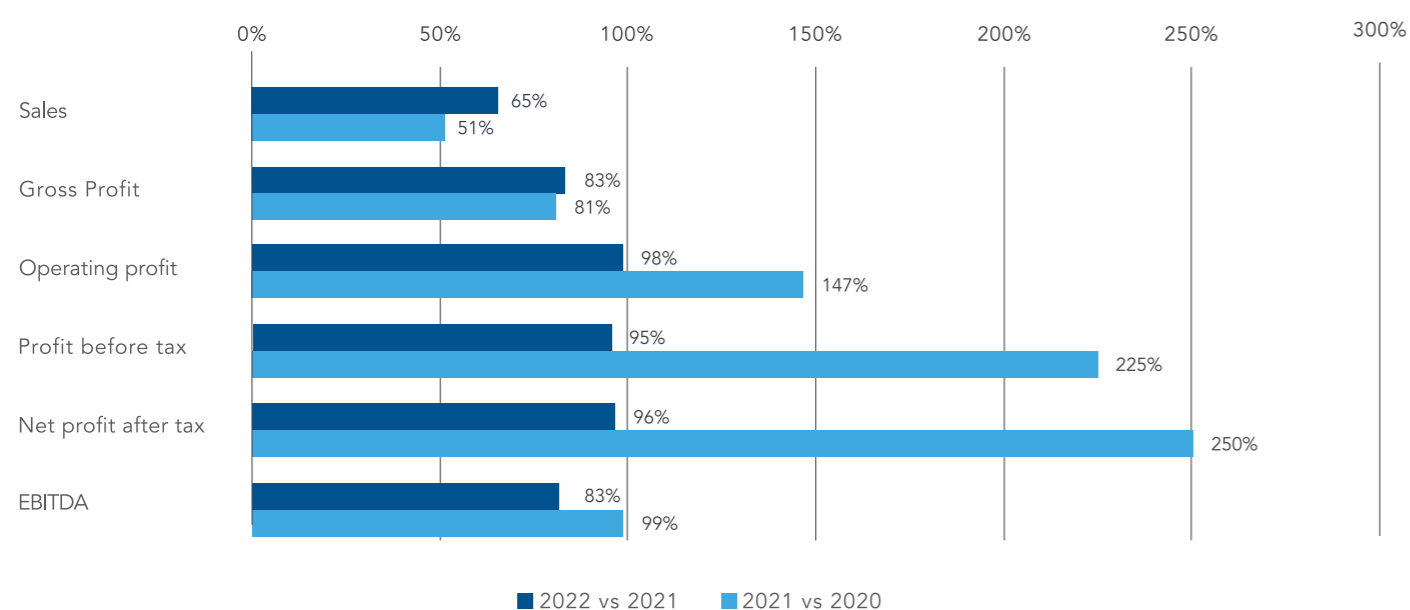
VERTICLE ANALYSIS

PARTICULARS	2022	2021
Gross profit	29%	26%
Operating profit	18%	15%
Profit before tax	15%	13%
Net profit after tax	14%	11%
EBITDA	20%	19%



HORIZONTAL ANALYSIS

PARTICULARS	2022 VS 21	2021 VS 20
Sales	65%	51%
Gross profit	83%	81%
Operating profit	98%	147%
Profit before tax	95%	225%
Net profit after tax	96%	250%
EBITDA	83%	99%



EARNINGS PER SHARE (EPS)

The Basic and Diluted earnings per share after tax is PKR 13.76 per share (2021: PKR 7.00 per share - restated)

DIVIDEND

The Board of Directors has recommended a Final Cash Dividend for the financial year ended June 30, 2022, at the rate of PKR 2 per share (i.e., 20%), subject to the approval of the members at the Annual General Meeting to be held on October 18, 2022. Including an interim dividend of PKR 2 per share (i.e., 20%) already paid, total cash distribution stands at PKR 4 (i.e., 40%) for the year ended June 30, 2022. These financial statements do not include the effect of the proposed final dividend.

EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

I. DIVIDEND

The Board of Directors, in its meeting held on September 15, 2022, has proposed a final cash dividend for the year ended June 30, 2022, @ PKR 2 per share, for approval of the members in the Annual General Meeting.

II. BONUS SHARES

The Board of Directors, in its meeting held on September 15, 2022, has proposed the issue of bonus shares in the proportion of 4%, i.e., 4 bonus shares for every 100 shares held, for the year ended June 30, 2022, for approval of the members in the Annual General Meeting.

BUSINESS SEGMENTS

The company's management has determined the following operating segments based on the information presented to the company's Board of Directors for allocation of resources and assessment of performance. Segment performance is generally evaluated based on certain key performance indicators, including business volume and gross profit. Based on the internal management reporting structure and products produced and sold, the company is organized into the following operating segments:

Hosiery:

Hosiery being the company's primary business, Interloop has the capacity to produce 795 million pairs of socks annually. Its manufacturing facilities are spread across Pakistan and are equipped with the latest Italian knitting & dyeing machines and Spanish processing machines. The company is in the process of expanding its capacity to 7502 knitting machines in Pakistan.

Denim:

Interloop Denim is one of South Asia's most technologically advanced facilities and represents the denim industry's future. The plant has a current production capacity of 6 million garments annually. Interloop Denim is set to become a model for sustainability and manufacturing practices across Denim apparel manufacturing in the region.

Apparel:

Interloop Apparel has 22 million garments annual production capacity. Apparel segment established its Knitwear Apparel Business as a cut & sew pilot project in 2019, which is now backed by a modern dye house and state of the art knitting facility with a dyeing capacity of 10 tons per day, and knitting capacity of 15 tons per day. It has in-house fabric knitting, dyeing, and finishing operations, while the value-added services are expanded to printing and embroidery. A hi-tech and fully vertically integrated Apparel Manufacturing Complex will start its operations at Interloop Apparel Park, Faisalabad in Q2 2023 with 50 tons of knitting/dyeing capacity per day, producing over 3 million garments per month.

Activewear:

Interloop has set up a state-of-the-art vertically integrated Seamless Activewear production facility at the Interloop Industrial Park, with the latest Italian knitting machines having an annual production capacity of 4 million garments. The latest Japanese machines provide a large variety of sewing capabilities, as well as a variety of styling from basic to high tech. The Seamless garments offer 360 stretch with no restricting seams.

A dedicated, self-sufficient product development department ensures quick sample turnaround while an in-house design team stays abreast with trends and fashion.

Yarns:

• Spinning:

Interloop produces 29.9 million Lbs of top quality Yarn annually for a range of textile customers, following strict testing standards on automated spinning plants equipped with the latest European machines.

• Yarn Dyeing & Air Covering

Interloop has a dyeing capacity of 5.07 million kgs annually, and Modern Italian Air Covering Machines with an annual production capacity of 1 million kgs. The company is also planning to add further an in-house capacity of 5.5 tons per day which includes filament yarn dyeing capacity of 2.0 tons per day and 3.1 tons per day of elastomeric yarns to cater to Interloop Limited's all business categories and speed to market.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The company is committed to maintaining high standards of Corporate Governance without any exception. The Directors are pleased to state that the company is compliant with the provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019, issued by the Securities and Exchange Commission of Pakistan (SECP) and form a part of the Listing Regulations of the Pakistan Stock Exchange (PSX).

The Directors confirm that:

1. The financial statements prepared by the management of the company present its state of affairs fairly, the results of its operations, cash flows, and changes in equity;
2. The company has maintained proper books of account;
3. Appropriate accounting policies have been consistently applied in the preparation of the financial statements, and accounting estimates are based on reasonable and prudent judgment;
4. International Financial Reporting Standards, as applicable in Pakistan and the requirements of the Companies Act 2017, have been duly followed in the preparation of the financial statements. Any departure thereof has been adequately disclosed and explained;

5. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations of the Pakistan Stock Exchange;

6. The internal control system is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue as an ongoing process to further strengthen the controls and bring improvements to the system;

7. There are no significant doubts about the company's ability to continue as a going concern;

8. Information regarding outstanding taxes and levies, as required by the listing regulations, is disclosed in the notes to the financial statements;

9. The company operates a contributory provident fund scheme for all employees and a defined benefit gratuity fund scheme for its management/non-management employees. The unaudited value of investment based as of June 30, 2022, is; Provident Fund: PKR 104,680,973

10. Statements regarding the following are annexed in this Annual Report:

- Key financial data for the last six (6) years
- Pattern of Shareholding

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The company has fully complied with the Listed Companies (Code of Corporate Governance) Regulations, 2019. A statement to this effect is annexed with this Annual Report.

BOARD OF DIRECTORS AND ITS COMMITTEES

THE BOARD

Interloop Limited has a Seven-Member (6 Male & 1 Female) Board of Directors, which comprises individuals with diverse backgrounds, core competencies, knowledge, and expertise relevant to the company's business. Moreover, none of the Executive Directors of the Company is serving as a Non-Executive Director in another Listed Company. Our Board composition represents the interests of all categories of Shareholders and consists of:

Independent Directors	2
Other Non-Executive Directors	3
Executive Directors	2

During the fiscal year FY22, Six (6) Board meetings were conducted. The names of Directors and the number of meetings attended by each Director are as follows:

NAME(S) OF DIRECTOR(S)		MEETINGS ATTENDED
Musadaq Zulqarnain	Chairman/Non-Executive Director	6
Navid Fazil	Chief Executive Officer/ Executive Director	6
Jahan Zeb Khan Banth	Non-Executive Director	6
Muhammad Maqsood	Group CFO/Executive Director	6
Shereen Aftab	Non-Executive Director	1
Saeed Ahmad Jabal	Independent Director	6
Tariq Iqbal Khan	Independent Director	6

Female Director

Mrs. Shereen Aftab is the only female Director on the Company's Board of Directors.

Board Committees

The Board of Directors has constituted Board's Audit Committee (AC), Human Resource & Remuneration Committee (HR&R), Nomination Committee (NC), and Risk Management Committee (RMC) as follows:

Audit Committee (AC)

The Audit Committee assists the Board in fulfilling its oversight responsibilities, primarily in reviewing and reporting financial and non-financial information and related internal controls to Shareholders and the audit processes. During the FY 2022, Eight (8) Committee meetings were held. The name of the Directors and the number of meetings attended by each Director are as follows:

NAME(S) OF COMMITTEE MEMBERS	MEETINGS ATTENDED
Tariq Iqbal Khan (Chairman)	8
Saeed Ahmad Jabal	8
Jahan Zeb Khan Banth	8

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR&R)

The Committee meets to review and recommend all elements of compensation, organization, and employee development policies related to the senior executives. During the FY22, Four (4) Committee meetings were held. The name of the Directors and the number of meetings attended by each Director are as follows:

NAME(S) OF COMMITTEE MEMBERS	MEETINGS ATTENDED
Saeed Ahmad Jabal (Chairman)	4
Navid Fazil	4
Jahan Zeb Khan Banth	4

NOMINATION COMMITTEE (NC)

A Board Nomination Committee has been constituted to assist the Board, primarily in keeping the structure, size, and composition of the Board under regular review and for making recommendations to the Board regarding any changes necessary therein. One (1) Committee meeting was held during the FY22. The names of Directors & Members who attended the meeting are as follows:

NAME(S) OF COMMITTEE MEMBERS	MEETINGS ATTENDED
Musadaq Zulqarnain (Chairman)	1
Navid Fazil	1
Muhammad Maqsood	1

RISK MANAGEMENT COMMITTEE (RMC)

The Risk Management Committee assists the Board in providing oversight on the adequacy and effectiveness of the risk management framework and internal control system. It includes evaluating operational, strategic, and external risks; and reviewing all material controls (financial, operational, compliance). During the FY22, Three (3) Committee meeting was held. The names of Directors & Members who attended the meeting are as follows:

NAME(S) OF COMMITTEE MEMBERS	MEETINGS ATTENDED
Tariq Iqbal Khan (Chairman)	3
Muhammad Maqsood	3
Yaqub Ahsan	3
Ahsan Pervaiz Sheikh	3
Syed Hamza Gillani	3

BOARD EVALUATION

The Board has a comprehensive mechanism for evaluation of its performance complying with Listed Companies (Code of Corporate Governance) Regulations, 2019, and based on emerging and leading best practices. The Board is required to evaluate its performance in accordance with the Best Practices. The Board's overall performance and its subcommittees measured on the basis of approved criteria remained satisfactory.

DIRECTORS' REMUNERATION

The Board has implemented a formal policy supported by transparent procedures for fixing Directors' remuneration. In accordance with the Code of Corporate Governance, no Director is involved in the determination of his/her own remuneration package. The Company does not pay remuneration to Non-Executive Directors except fees for attending the meetings. To retain the best talent, the Company's remuneration policies are structured in line with prevailing industry trends and business practices. For information on the remuneration of Directors and CEO FY22, please refer to notes in the Financial Statements.

DIRECTORS' TRAINING PROGRAM

The Directors' on the Board are well aware of their duties and responsibilities as outlined in the Corporate Laws and Regulations. In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, all our Directors, including the Chief Executive Officer, have certification under the Directors Training Program or are exempt from the Directors' Training Program by experience.

The Board is kept up-to-date on legal, regulatory, and governance matters through regular papers and briefings from the Company Secretary and presentations by internal and external advisors. Directors are responsible for upholding Corporate Governance and giving the Company a strategic direction. To optimize the effectiveness of the Board, it is pertinent

for new members to learn about the dynamics and operations of the Company. Your Company conducts various training programs to ensure that the entire Board is aligned with the Organization's Mission and Corporate Governance.

REVIEW OF CEO'S PERFORMANCE

The Board of Directors regularly evaluates the performance of the CEO, and this evaluation is based on the quantitative and qualitative values defined by the Board of Directors, which includes various financial and non-financial Key Performance Indicators (KPIs). The principle KPIs of evaluation include financial performance, business processes, compliance, business excellence, and people management. It also includes the accomplishment of objectives with reference to profits, organization building, succession planning, and corporate success. The CEO also appraises the Board regarding assessing senior management and their potential to achieve the Company's objectives.

CHAIRMAN'S REVIEW

The Chairman's review included in the Annual Report deals inter-alia with the economic outlook, performance of the Company, role of the Board of Directors and future prospects, and uncertainties.

ROLES AND RESPONSIBILITIES OF CHAIRMAN AND CEO

To promote a culture of transparency and good governance, the positions of the Chairman of the Board of Directors and the office of the Chief Executive Officer are held by separate incumbents with a clear demarcation of roles and responsibilities. Chairman represents the Non-Executive Directors of the Board and is entrusted with the overall supervision and direction of the Board's proceedings, and has the power to set the agenda, give directions and sign the minutes of the Board meetings. Chief Executive Officer is an Executive Director who also acts as the head of the Company's Management. He is authorized to implement the Board's policies within delegated limits besides the responsibilities.

REVIEW OF RELATED PARTIES TRANSACTIONS

The company has executed all transactions with its related parties at an arm's length price except where it has been disclosed in the financial statements. In compliance with the Companies Listed (Code of Corporate Governance) Regulations, 2019, and applicable laws and regulations, details of all related party transactions are placed before the Audit Committee, and upon recommendation of the Audit Committee, the same are placed before the Board for review and approval.

For information on the transaction with the related party in 2021-22, please refer to the notes in the Financial Statements.

TRADING IN THE SHARES OF THE COMPANY

Company Secretary was notified in writing about the trading and holdings of the company's shares by Directors & Executives or their spouses, along with the price, the number of shares, form of share certificates, and nature of the transaction, which were notified by the Company Secretary to the Board, SECP & PSX, within the stipulated time. All such holdings have been disclosed in the Pattern of Shareholding.

EMPLOYEE STOCK OPTION SCHEME

The company had introduced the "Interloop Limited Employees Stock Option Scheme, 2016 (ESOS or Scheme)" to offer Company Shares to its eligible Executive Employees, pursuant to the Public Companies (Employees Stock Option Scheme) Rules, 2001 (repealed), transforming them from Stakeholders to Shareholders. These shares qualify for bonus shares, dividends, or similar corporate benefits announced by the company from time to time. The scheme is flexible, voluntary, and focused on the long-term growth and prosperity of the employees. The members initially approved the scheme in the general meeting held on December 31, 2015, and by SECP through its letter no. SMD/CIW/ESOS/01/2016 dated September 01, 2016. Upon listing on the Pakistan Stock Exchange (PSX) during

the year 2019, certain amendments to the Scheme within the context of the listed company's regulations were approved by the Shareholders of the Company in its Annual General Meeting held on October 15, 2020, and by SECP through its letter no. SMD/CIW/ESOS/01/2016/184 dated February 25, 2021.

The scheme is now fully operative and applicable under the prescribed amendments; however, no fresh grant of options and/or allocation of shares under the scheme have been made during the fiscal year under consideration.

WHISTLEBLOWING POLICY

In line with the company's commitment to open communication, the whistleblowing policy through non-conformance reporting was designed to provide an avenue for employees to raise concerns and reassurance that they will be protected. As an aware and attentive organization, Interloop believes in the conduct of the affairs of its business in a fair and see-through approach by adopting the uppermost principles of professionalism, truthfulness, reliability, and principled manners.

CREDIT RATING

The management believes in transparency and credibility of financial information. In this regard, the company approached VIS Credit Rating Company Limited (VIS); a 'Full Service' rating agency providing independent rating services in Pakistan, which in its press release of June 03, 2022, assigned an initial entity rating of 'A+/A-1' (Single A plus/Single A-One) to Interloop Limited (ILP). Outlook on the assigned ratings was 'Stable Long-term.' The rating of 'A+' signified good credit quality with adequate protection factors. The risk may vary slightly from time to time because of economic conditions. The short-term rating of 'A-1' indicated high certainty of timely payment and excellent liquidity factors supported by good fundamental protection factors.

These ratings reflect Interloop's sound financial position resulting from a robust capital structure, a very low expectation of credit risk, and a strong capacity for timely payments of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

RISK GOVERNANCE AND INTERNAL CONTROLS

The Board of Directors is responsible for the governance of risk and for determining the company's level of risk tolerance by establishing Risk Management Policy. For this purpose, the Board has established an efficient system of internal controls for ensuring effective and efficient conduct of operations, safeguarding company assets, compliance with applicable laws and regulations, and reliable financial reporting. Management monitors such systems effectively while the Board Risk Management Committee reviews the internal control systems based on the assessment of risks and reports to the Board of Directors.

ADEQUATE INTERNAL FINANCIAL CONTROLS

The Board of Directors has established a system of sound internal financial controls to achieve effectiveness and efficiency in its operations, reliable financial reporting, and compliance with applicable laws and regulations. The company's independent Internal Audit function regularly monitors financial control implementation, whereas the Risk Management & Audit Committee continuously reviews the internal control framework and financial statements' effectiveness.

INTERNAL AUDIT AND CONTROL

The Board has set up an independent Internal Audit Function headed by a qualified person reporting to the Audit Committee. A clearly defined scope of internal auditing within the company broadly involves reviewing and evaluating its internal control system.

CHANGE IN THE NATURE OF BUSINESS

No significant changes have occurred during FY22 concerning the nature of the business of the company.

PATTERN OF SHAREHOLDING

The pattern of Shareholding as of June 30, 2022, is annexed to this report, which is required to be disclosed under the reporting framework.

DEBTS SERVICING

Our company has an effective cash flow strategy in place whereby inflows and outflows are projected and monitored regularly. This comprehensive strategy has always empowered your company in smooth settlement of its financial commitments and hopes to cater to any and every challenge that will come in its way. In compliance with the above, the management has put constant endeavors to rationalize borrowing costs by managing a balanced portfolio of sources of funds and efficient financing arrangements. The company has a practice of settling obligations timely, and accordingly, there is no history of any default concerning payment of debts, including this year.

COMMUNICATION

The company focuses on the importance of communication with all the stakeholders and ensures timely distribution of Annual, Half-yearly, and Quarterly Reports and Notices of the General Meetings specified in the Companies Act, 2017. The company engaged the Shareholders & Analysts through various annual briefing sessions. The activities of the company are timely updated on its website at www.interloop-pk.com.

CORPORATE BRIEFING SESSION (CBS)

Interloop Limited conducted a Corporate Briefing Session (CBS) based on Financial Statements for the year ended on June 30, 2021, on November 11, 2021, through a Zoom video link to apprise the stakeholders about the company's operational and financial performance and to solicit and

understand views of shareholders. Chief Financial Officer provided insight on the company's current year performance along with the future prospects. Investors, research analysts, fund managers, and management representatives attended the event and showed great interest in the company's affairs. The briefing was followed by a Question & Answer session to explain further the matters stated in the briefing. Going forward, the Board has set the intentions, and the management has planned to hold a Corporate Briefing Session for the year ended June 30, 2022, in November 2022.

BUSINESS CONTINUITY MANAGEMENT

The company has embraced the concept and the need for a Business Continuity Management (BCM) framework. It encompasses all aspects of planning, preparation, and operational management necessary to provide continuance of business operations under disaster circumstances. Business Continuity is integral to a company's operations to improve resilience and protect against disruptive incidents, reduce the likelihood, and ensure business recovery. It is the company's policy to maintain a BCM program and recovery plans to ensure prompt and efficient recovery of critical operations of its products and services from any incident or physical disaster the company may face from time to time. Further, the company has a complete insurance cover to protect financially and help minimize losses arising from catastrophic incidents.

APPOINTMENT OF STATUTORY AUDITORS

The present auditor's M/S. Kreston Hyder Bhimji & Company, Chartered Accountants., have completed their tenure for the year (FY22) and will be retiring at the conclusion of the forthcoming Annual General Meeting (AGM). Being eligible, they have offered themselves for re-appointment. The Audit Committee has recommended their re-appointment as company auditors for the year (FY23).

HEALTH, SAFETY & ENVIRONMENT

Your Company is committed to safeguarding a healthy environment for everyone by reducing the environmental impacts of its business through compliance with all environmental standards at the production facilities and is fully cognizant of its responsibility in this regard. We focus on sustainability by minimizing our carbon footprint and undertaking projects that help conserve water and energy. Moreover, the Company has been investing in green energy projects to protect the environment by reducing environmental footprints and has also collaborated with World Wide Fund (WWF) for a plantation drive. We are committed to responsible business practices, both within the Company and throughout our value chain.

Further, the Company is completely aware of its responsibilities toward joining the community in the fight against the pandemic. For the cause, we have been conducting regular awareness sessions, providing vaccination facilities (including Booster Dose) to the employees and workers at the factory premises, and ensuring that all staff is vaccinated in time. In addition, a dedicated clinic/dispensary, managed by a qualified team, is also available on each factory premises for wellbeing of the staff

CORPORATE SOCIAL RESPONSIBILITY

Pakistan is currently facing calamitous floods, which are enormous and unprecedented. Having lost everything, our countrymen are in desperate need of help. Interloop has always been conscious of its responsibility to help our people when needed. ILP, its sponsors, and employees have allocated PKR 200 million for relief through thousands of Rashan Bags, Dry meals, and cash distribution to the affected families. We pray that people devastated by this catastrophe can be rehabilitated as soon as possible.

We strongly believe in giving back to the community by actively supporting various social initiatives, including education, health care, sports, and literary activities. Interloop Welfare Trust, in partnership with The Citizens Foundation; the largest non-profit organization in Pakistan providing quality education to the disadvantaged, has established 32 school units since 2009, educating over 4,300 children, 50% girls from underprivileged communities, in an environment that encourages intellectual, moral, and spiritual growth. We are also providing around 620 young women and men access to technical and higher education through scholarships, promoting local talent by enabling 4,000 people to participate in sporting events and sponsoring literary events and activities for more than 10,000 people, especially the youth, for their intellectual and moral grooming.

Furthermore, your Company, in collaboration with the Salman Sufi Foundation, launched Women on Wheels (WOW) program in Faisalabad. This program has already commenced and is expected to be completed by December 2023. The WOW initiative aims to empower 1000 women by equipping them with the necessary skill-set and means to increase their mobility and independence through free motorcycle training lessons. It will also include road safety and anti-harassment workshops and prepare them for driving license testing. A detailed analysis of CSR activities is presented in the Annual and Sustainability Reports of the Company.

RISKS AND UNCERTAINTIES

Risks & Opportunities are discussed in detail in the Annual Report.

MATERIAL CHANGES DURING THE CURRENT YEAR

There are no material changes and commitments affecting the Company's financial position between the end of FY22 and the date of this report.

BUSINESS CHALLENGES AND FUTURE OUTLOOK

Pakistan's business landscape is uncertain amidst a global recessionary outlook and domestic structural reforms. The recent climate-induced floods have further added to the misery. The government abolished significant energy-related subsidies and imposed a Super tax in the current budget FY23 in order to meet revenue targets under the IMF program that has substantially raised the cost of doing business in the country. Moreover, the State Bank of Pakistan, in its recent Monetary Policy, has linked the interest rates on Long Term Financing Facility (LTFF) and EFS (Export Financing Scheme) loans with the Policy Rate to strengthen monetary policy transmission, however, while it has continued to incentivize exports by presently offering a discount of 500 bps relative to the policy rate. The change from fixed to floating rate coupled with a highly volatile forex regime will likely dampen the new exports-oriented CAPEX projects.

Interloop Limited remains committed to its customers and major stakeholders. The Company will continue to offer best-in-class and sustainable products. Moreover, we are also on track with our Apparel segment's expansion plans, which are expected to be completed as per the committed timeline.

Interloop understands its responsibility for creating a positive change to combat climate change. We are working in multiple directions to minimize our impact on the planet. These efforts include but are not limited to state-of-the-art technological advancements, green buildings, and GHG emissions reduction via an increasing share of renewable energy across all businesses:

- We have set an ambitious target of reducing GHG emissions by 25% by 2026. So far, we have added 7.8MW installed solar capacity in our system, which is more than 25% of our total requirement, and we plan to increase this capacity by two

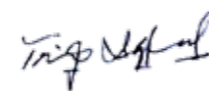
to three times. In addition, we are also working on switching to biomass fuels from conventional fossil fuels for steam generation, which will significantly impact our emission reduction.

- Water conservation is also among our top focus areas. We have inducted equipment based on nano-bubble technology for the wash process. Based on this technology, we have designed our Hosiery Plant 4 and 5 on zero process liquid discharge to support achieving a 25% water consumption reduction by 2026.

ACKNOWLEDGMENT

The Board places on record its gratitude to our Board Members, Management and the devotion of the employees of all cadres for their dedication and commitment. The Board also appreciates and acknowledges the assistance, guidance, and cooperation of all stakeholders, including the Government of Pakistan, financial institutions, business associates, customers, and all others whose efforts and contributions strengthened the Company.

On Behalf of the Board of Directors



TARIQ IQBAL KHAN
DIRECTOR

Faisalabad
September 15, 2022

- Building a Sustainable World is deeply rooted in Interloop's mission to ensure the wellbeing of our people and planet. In FY22, our hosiery Plant 5 became LEED Gold certified by USGBC, taking the total count of LEED-certified facilities to 3.

The unusually heavy monsoon rains and flash floods have put Pakistan's economy under great stress in the ongoing fiscal year (FY23), as the calamity has badly hurt agricultural activities in Sindh and Balochistan. While it is too early to assess the actual impact, Pakistan's economic

growth, where agriculture has a 23% share in the gross domestic product (GDP), will remain highly vulnerable in the aftermath of the floods.

The cotton growing area has been destroyed to a large extent and this situation may force the government to make additional cotton imports, negatively influencing the already high trade deficit. On the other hand, the unavailability of imported raw cotton or other unprocessed textiles will adversely affect the country's textile exports.

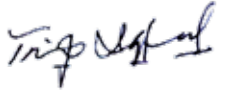


MUHAMMAD MAQSOOD
DIRECTOR

اظہار تشکر

بورڈ، اپنے بورڈ ممبرز، انتظامیہ اور تمام کیڈرز کے ملازمین کا ان کی لگن اور عزم پر مدلی شکر یہ ادا کرتا ہے۔ بورڈ، معاونت، رہنمائی اور تعاون پر حکومت پاکستان، مالیاتی اداروں، کاروباری ساتھیوں اور کسٹمرز سمیت تمام سٹیک ہولڈرز اور دوسرے ان تمام لوگوں کا مشکور و ممنون ہے جن کی کوششوں اور کامیابیوں نے کمپنی کو اسٹیج کام بنیاد بنا دیا۔

برائے اور از طرف بورڈ آف ڈائریکٹرز



طارق اقبال خان

ڈائریکٹر

فیصل آباد

15 ستمبر، 2022



محمد مقصود

ڈائریکٹر

کارپوریٹ بریفنگ سیشن (CBS)

انٹلوپ لمیٹڈ نے سٹیک ہولڈرز کو کمپنی کی کاروباری اور مالیاتی کارکردگی سے آگاہ کرنے اور شیئرز ہولڈرز کی رائے معلوم کرنے اور ان کے خیالات کو سمجھنے کے لیے 30جون، 2021 کو ختم ہونے والے سال کے مالیاتی گوشواروں کی بنیاد پر 11 نومبر، 2021 کو بذریعہ زوم وڈیولنک ایک کارپوریٹ بریفنگ سیشن (CBS) کا انعقاد کیا۔ چیف فنانشل آفیسر نے مستقبل کے امکانات کے ساتھ کمپنی کی رواں سال کی کارکردگی کے بارے میں معلومات فراہم کیں۔ اس ایونٹ میں سرمایہ کار، تحقیقی تجزیہ کار، فنڈ منیجرز اور انتظامیہ کے نمائندے شریک ہوئے اور انھوں نے کمپنی کے معاملات میں گہری دلچسپی ظاہر کی۔ بریفنگ کے بعد اس میں بیان کردہ معاملات کے بارے میں مزید وضاحت فراہم کرنے کے لیے سوال اور جواب کا سیشن ہوا۔ بورڈ طے کرچکا ہے اور انتظامیہ نے 30جون، 2022 کو ختم ہونے والے سال کے لیے نومبر، 2022 کے مہینے میں ایک کارپوریٹ بریفنگ سیشن منعقد کرنے کا منصوبہ بنایا ہے۔

کاروباری تسلسل برقرار رکھنے کا انتظام

کمپنی نے Business Continuity Management (BCM) فریم ورک کے تصور اور ضرورت کو اختیار کیا ہے۔ یہ منصوبہ بندی، تیاری اور آپریشنل مینجمنٹ کے اُن تمام پہلوؤں پر محیط ہے جو کسی آفت کے حالات میں بزنس آپریشنز کا تسلسل جاری رکھنے کے لیے ضروری ہوتے ہیں۔ چک کو بہتر بنانے اور ضلل پیدا کرنے والے واقعات کے خلاف تحفظ، ایسے امکان کو کم کرنے اور کاروباری بحالی کو یقینی بنانے کے لیے کاروباری تسلسل کمپنی کے آپریشنز کا ایک لازمی جزو ہے۔ کسی بھی ایسے واقعہ یا فزیکل تباہی سے جس کا کمپنی کو وقتاً فوقتاً سامنا کرنا پڑسکتا ہے، اس کی پراڈکشن اور سروسز کے اہم آپریشنز کی فوری اور موثر بحالی کو یقینی بنانے کے لیے BCM پروگرام اور بحالی کے منصوبے قائم رکھنا کمپنی کی پالیسی ہے۔ مزید برآں، کمپنی کے پاس مالی تحفظ اور کسی سانحہ سے ہونے والے نقصانات کو کم سے کم کرنے میں مدد کے لیے مکمل انشورنس کور ہے۔

قانونی آڈیٹرز کا تقرر

موجودہ آڈیٹرز میسرز کرسٹن حیدر، جیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس نے ایک سال (FY22) کی اپنی مدت پوری کر لی ہے اور وہ اگلے سالانہ اجلاس عام کے اختتام پر سبکدوش ہو جائیں گے۔ انھوں نے اہل ہونے کے ناتے خود کو دوبارہ تقرر کے لیے پیش کیا ہے۔ آڈٹ کمیٹی نے سال (FY23) کے لیے ان کے دوبارہ تقرر کی سفارش کی ہے۔

صحت، تحفظ اور ماحول

آپ کی کمپنی، پیداواری فیسلٹی میں تمام ماحولیاتی معیارات کی تعمیل اور اس بارے میں اپنی ذمہ داری کا مکمل احساس کرتے ہوئے اپنے بزنس کے ماحولیاتی اثرات کو کم کر کے ہر ایک کے لیے ایک صحت مند ماحول کا تحفظ کرنے کی پابند ہے۔ ہم کاربن کے اثرات کو کم سے کم کر کے اور ایسے پراجیکٹس کے ذریعے جو پانی اور بجلی کو محفوظ کرنے میں مدد دیتے ہیں، پائیداری پر توجہ مرکوز کرتے ہیں۔ مزید برآں، کمپنی ماحولیاتی اثرات کو کم کرتے ہوئے ماحول کے تحفظ کے لیے گرین انرجی پراجیکٹس میں سرمایہ کاری کر رہی ہے اور اس نے شجر کاری کی مہم کے لیے ورلڈ وائیز فنڈ (WWF) کے ساتھ بھی تعاون کیا ہے۔ ہم، کمپنی کے اندر اور اپنی پوری ویلیو چین، دونوں میں ذمہ دارانہ طور طریقوں کے پابند ہیں۔

اس کے علاوہ کمپنی، عالمی وبا کے خلاف لڑائی میں کمیونٹی کا ساتھ دینے کے لیے اپنی ذمہ داریوں سے پوری طرح آگاہ ہے۔ ہم اس مقصد کے لیے متواتر شعور بیدار کرنے کے سیشن منعقد کرتے ہیں، فیکٹری کے احاطے میں ملازمین اور کارکنوں کو (بوسٹر ووز سمیت) ویکسینیشن کی سہولت فراہم کر رہے ہیں اور اس امر کو یقینی بنا رہے ہیں کہ سارے عملے کو وقت پر ویکسین لگ جائے۔ اس کے علاوہ عملے کی بہبود کے لیے فیکٹری کے احاطے میں کوالیفائیڈ ٹیم کے زیر انتظام ایک کلینک / ڈسپینسری بھی موجود ہے۔

کارپوریٹ سماجی ذمہ داری

پاکستان کو ان دنوں تباہ کن سیلابوں کا سامنا ہے جن کی شدت بہت زیادہ اور غیر معمولی ہے۔ سب کچھ کھودینے کے بعد وطن کے لوگوں کو مدد کی بے انتہا ضرورت ہے۔ انٹلوپ ضرورت کے وقت لوگوں کی مدد کرنے کی اپنی ذمہ داری سے ہمیشہ آگاہ رہی ہے۔ ILP، اس کے سپانسرز اور ملازمین نے راشن کے ہزاروں ٹیلیوں، خشک کھانوں اور متاثرہ خاندانوں میں نقد رقم کی تقسیم کے ذریعے مدد کے لیے 200 ملین روپے مختص کیے۔ ہم دعا گو ہیں کہ اس سانحہ کے تباہ حال لوگ کم از کم حد تک جلد سے جلد دوبارہ اپنے پیروں پر کھڑے ہو جائیں۔

ہم تعلیم، صحت کی حفاظت، سپورٹس اور ادبی سرگرمیوں سمیت مختلف سماجی کاوشوں کی سرگرمی سے اعانت کرتے ہوئے کمیونٹی کو یقینین فائدہ پہنچے گا۔ انٹلوپ ویلفیئر ٹرسٹ، پاکستان میں کم مراعات یافتہ طبقے کے بچوں کو معیاری تعلیم فراہم کرنے والی سب سے بڑی غیر منافع بخش تنظیم دی سٹیٹرز فاؤنڈیشن کے اشراک سے 2009 سے اب تک 32 سکول قائم کرچکا ہے، جہاں کم مراعات یافتہ لوگوں کے 4,300 بچوں کو جن میں %50 لڑکیاں شامل ہیں، ایک ایسے ماحول میں تعلیم دی جارہی ہے جو فکری، اخلاقی اور روحانی افزائش کی حوصلہ افزائی کرتا ہے۔ ہم، وظائف کے ذریعے تقریباً 620 نوجوان عورتوں اور مردوں کو فنی اور اعلیٰ تعلیم تک رسائی بھی دے رہے ہیں، 4,000 افراد کو کھیلوں کے مقابلوں میں شرکت کے قابل بناتے ہوئے مقامی ٹیلنٹ کو فروغ دے رہے ہیں اور 10,000 سے زیادہ لوگوں بالخصوص

نوجوانوں کے لیے علمی و ادبی مقابلوں اور سرگرمیوں کی سرپرستی کر رہے ہیں تاکہ وہ فکری اور اخلاقی طور پر آگے بڑھ سکیں۔

علاوہ ازیں، آپ کی کمپنی نے مسلمان صوفی فاؤنڈیشن کے تعاون سے فیصل آباد میں ویمن آن وہیلز (WOW) پروگرام کا آغاز کیا۔ یہ پروگرام شروع ہو چکا ہے اور امید ہے کہ دسمبر، 2023 تک مکمل ہو جائے گا۔ WOW کا ڈش کا مقصد خواتین کی نقل و حرکت اور آزادی کے وسائل بڑھانے کے لیے موٹر سائیکل تربیت کے مفت اسباق کی فراہمی کے ذریعے انھیں بااختیار بنانا ہے۔ ان میں روڈ سیفٹی اور ہرسانی کے خلاف ورک شاپس بھی شامل ہوں گی اور انھیں ڈرائیونگ لائسنس ٹیسٹنگ کے لیے تیار کیا جائے گا۔ CSR سرگرمیوں کا تفصیلی تجزیہ کمپنی کی سالانہ اور پائیداری سے متعلق رپورٹس میں پیش کیا گیا ہے۔

خطرات اور غیر یقینی حالات

خطرات اور مواقع پر سالانہ رپورٹ میں تفصیل سے بات کی گئی ہے۔

کاروباری مشکلات اور مستقبل کی سوچ

عالمی انحطاط کے نقطہ نظر اور ملکی سٹرکچرل اصلاحات میں پاکستان کا کاروباری منظر نامہ غیر یقینی ہے۔ موسمی حالات کی وجہ سے آنے والے حالیہ سیلابوں نے مشکل بڑھادی ہے۔ حکومت نے آئی ایم ایف پروگرام کے تحت محاصل کے اہداف پورے کرنے کے لیے توانائی سے متعلق بڑی سبسڈی پر ختم کردیں اور مالی سال 23 کے حالیہ بجٹ میں سپر ٹیکس نافذ کر دیا۔ اس صورت حال نے ملک میں کاروبار کی لاگت کو بہت زیادہ بڑھا دیا ہے۔ اس کے علاوہ سٹیٹ بینک آف پاکستان نے مانیٹری پالیسی ٹرانسمشن کو مستحکم کرنے کے لیے اپنی حالیہ مانیٹری پالیسی میں لانگ ٹرم فنڈنگ فیسلٹی (LTFF) اور ایکسپورٹ فنڈنگ سکیم (EFS) کے قرضوں پر شرح سود کو پالیسی ریٹ سے منسلک کر دیا ہے، تاہم وہ پالیسی ریٹ سے متعلق 500bps کے ڈاؤنٹ کی پیشکش جاری رکھے ہوئے ہے۔ فکسڈ سے فلوئنگ ریٹ کی تبدیلی اور اس کے ساتھ زرمبادلہ کی انتہائی غیر یقینی صورت حال نئے برآمدی capex منصوبوں کے لیے مشکلات پیدا کرتی نظر آتی ہے۔

انٹلوپ لمیٹڈ اپنے کسٹمز اور بڑے سٹیک ہولڈرز کے ساتھ پر عزم ہے۔ کمپنی، اعلی درجے اور پائیدار مصنوعات کی پیشکش جاری رکھے گی۔ اس کے علاوہ ہم اپنے ایپریل سیگمنٹ کے توسیعی منصوبوں پر بھی کام کر رہے ہیں اور امید ہے کہ یہ وعدے کے مطابق مدت کے اندر مکمل ہو جائیں گے۔

انٹلوپ، موسمیاتی تبدیلی سے نمٹنے کے لیے ایک مثبت تبدیلی لانے کی اپنی ذمہ داری سے بخوبی واقف ہے۔ ہم کرہء ارض پر اثرات کو کم سے کم کرنے کے لیے کئی سمتوں میں کام کر رہے ہیں۔ ان کوششوں میں ٹیکنالوجی کی بہترین ترقی، گرین بلڈنگز اور تمام کاروبار میں قابل تجدید توانائی کا حصہ بڑھاتے ہوئے GHG اخراج میں کمی لانا شامل ہے، مگر یہ نہیں تک محدود نہیں ہے۔

☆ ہم نے 2026 تک اپنے GHG اخراج میں %25 تک کمی لانے کا ایک بلند حوصلہ ہدف مقرر کیا ہے۔ اب تک ہم اپنے سسٹم میں 7.8MW تھرمی توانائی شامل کرچکے ہیں، جو ہماری کل ضرورت سے %25 زیادہ ہے اور اس استعداد کو دو سے تین گنا بڑھانے کا ارادہ ہے۔ اس کے علاوہ ہم بھاپ پیدا کرنے کے لیے زمین سے نکلنے والے روایتی تیل کی جگہ بائیو ماس ایندھن کے استعمال پر بھی کام کر رہے ہیں جس سے اخراج کم کرنے پر خاطر خواہ اثرات مرتب ہوں گے۔

☆ پانی کے تحفظ پر بھی ہماری بہت زیادہ توجہ ہے۔ ہم نے ڈھلائی کے عمل کے لیے آلات کی بنیاد پر nano-bubble ٹیکنالوجی اختیار کی ہے۔ اس ٹیکنالوجی کی بنیاد پر ہمارے ہوزری پلانٹ- 4 اور 5 کو زیرو پراسیس لیکو نیڈ ڈسچارج پر تیار کیا گیا ہے۔ اس سے ہمیں 2026 تک پانی کی کھپت %25 تک کم کرنے میں مدد ملے گی۔

☆ اپنے لوگوں اور کرہء ارض کی بہبود کو یقینی بنانے کے لیے ایک پائیدار دنیا کی تعمیر انٹلوپ کے مشن کا اہم حصہ ہے۔ مالی سال 22 میں USGBC کی طرف سے ہمارے ہوزری پلانٹ-5 کو LEED Gold سرٹیفائیڈ کر دیا گیا، جس سے ہماری LEED سرٹیفائیڈ فیسلٹیز کی تعداد 3 ہوگئی۔

مون سون کی غیر معمولی بارشوں اور شدید سیلابوں نے رواں مالی سال (FY23) میں پاکستان کی معیشت کو شدید نقصان پہنچایا ہے، جس سے سندھ اور بلوچستان میں زرعی سرگرمیاں بری طرح متاثر ہوئی ہیں۔ اگرچہ اس مرحلے پر اصل نقصانات کا اندازہ لگانا قبل از وقت ہوگا تاہم پاکستان کی معاشی نمو جس میں زراعت مجموعی قومی پیداوار (GDP) میں %23 کی حصہ دار ہے، سیلابوں کے بعد بری طرح سے خطرے کی زد میں رہے گی۔

کپاس کی کاشت کا علاقہ (سندھ میں) بڑی حد تک تباہ ہو گیا ہے اور یہ صورت حال حکومت کو کپاس کی اضافی درآمدات پر مجبور کر سکتی ہے جو پہلے ہی بہت زیادہ تجارتی خسارے پر بری طرح سے اثر انداز ہوں گی۔ دوسری طرف درآمد شدہ خام کپاس یا دوسری غیر پرائیس شدہ ٹیکسٹائل کی عدم دستیابی ملک کی ٹیکسٹائل برآمدات پر منفی اثر ڈالے گی۔

میں مختلف مالیاتی اورغیر مالیاتی (KPIs) Key Performance Indicators شامل ہیں۔ جانچ کے بڑے KPIs میں مالیاتی کارکردگی ، بزنس پروسیجر ، تعمیل ، کاروبار میں کالمیت اور لوگوں کا نظم و نسق شامل ہے۔ اس میں منافع ، ادارے کی تعمیر ، ایک کے جانے کے بعد اس کی جگہ دوسرے کو لانے کی منصوبہ بندی اور کارپوریٹ کامیابی کے حوالے سے مقاصد کی تکمیل بھی شامل ہے۔ سی ای او بورڈ کو سینئر مینجمنٹ کے بارے میں اندازے اور کمپنی کے مقاصد حاصل کرنے کے لیے ان کی صلاحیت کے متعلق بھی آگاہ کرتے ہیں۔

چیئر مین کا جائزہ

چیئر مین کا جائزہ سالانہ رپورٹ میں شامل ہے۔ جس کا تعلق معاشی نقطہ نظر ، کمپنی کی کارکردگی ، بورڈ آف ڈائریکٹرز کے کردار اور مستقبل کے امکانات اور غیر یقینی حالات سے بھی ہے۔

چیئر مین اور سی ای او کا کردار اور ذمہ داریاں

شفافیت اور بہتر گورنس کے کلچر کو فروغ دینے کے لیے بورڈ آف ڈائریکٹرز کے چیئر مین اور چیف ایگزیکٹو آفیسر کے عہدے کردار اور ذمہ داریوں کی واضح حدود کے ساتھ الگ الگ ہیں۔ چیئر مین ، بورڈ کے نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کرتا ہے اور بورڈ کی کارروائیوں کی سمت کی مجموعی نگرانی کا ذمہ دار ہے اور اس کے پاس ایجنڈا طے کرنے ، ہدایات دینے اور بورڈ کے اجلاسوں کی کارروائی پر دستخط کرنے کا اختیار ہے۔ چیف ایگزیکٹو آفیسر ایگزیکٹو ڈائریکٹر ہوتا ہے جو کمپنی کی انتظامیہ کے سربراہ کی حیثیت سے بھی کام کرتا ہے۔ وہ ذمہ داریوں کے ساتھ ساتھ تفویض کردہ حدود کے اندر بورڈ کی پالیسیوں پر عمل درآمد کا مجاز ہوتا ہے۔

تعلق دار فریقوں سے لین دین کا جائزہ

کمپنی نے تعلق دار فریقوں کے ساتھ تمام لین دین کسی دباؤ کے بغیر آزادی کے ساتھ اپنے مفاد میں کیا ہے ، ماسوائے اس کے جس کو مالی گوشواروں میں منکشف کیا گیا ہے۔ لسٹیکمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ، 2019 اور قابل اطلاق قوانین و ضابطوں کے مطابق تعلق دار فریق سے تمام لین دین کی تفصیلات آڈٹ کمیٹی کے سامنے رکھی جاتی ہیں اور آڈٹ کمیٹی کی سفارش پر نظر ثانی اور منظوری کے لیے انھیں بورڈ کے سامنے پیش کیا جاتا ہے۔ 22-2021 میں تعلق دار فریق سے لین دین کے بارے میں معلومات کے لیے براہ کرم مالیاتی گوشواروں میں نوٹس دیکھئے۔

کمپنی کے شیئرز کی خرید و فروخت

ڈائریکٹرز اور ایگزیکٹوز اور ان کی شریک حیات کی طرف سے کمپنی کے شیئرز کی خرید و فروخت اور ہولڈنگز کے بارے میں قیمت ، شیئرز کی تعداد ، شیئرز سٹیکھولڈنگ کی قسم اور لین دین کی نوعیت کے ساتھ کمپنی بیکریٹری کو تحریری طور پر مطلع کیا گیا ، یہ تفصیلات کمپنی بیکریٹری کی طرف سے مقررہ وقت کے اندر بورڈ ، ایس ای سی پی اور پی ایس ایکس کو نوٹیفائی کی گئیں۔ اس قسم کی تمام ہولڈنگز کو پیرن آف شیئر ہولڈنگ میں منکشف کیا گیا ہے۔

ایمپلائئی سٹاک آپشن سکیم

کمپنی نے پبلک کمپنیز (ایمپلائز سٹاک آپشن سکیم) رولز، 2001 (منسوخ شدہ) کی رو سے کمپنی کے شیئرز اپنے مستحق ایگزیکٹو ملازمین کو پیش کرنے کے لیے " انٹروپ لمیٹڈ ایمپلائز سٹاک آپشن سکیم، 2016 (ESOS or Scheme)" متعارف کرائی تھی جس کے تحت انھیں سٹیک ہولڈرز سے شیئر ہولڈرز میں تبدیل کر دیا گیا۔ یہ شیئرز بونس شیئرز ، منافع منقسم یا اس جیسے ایسے کارپوریٹ فوائد کے لیے کو ایفائی کرتے ہیں جن کا اعلان کمپنی کی جانب سے وقتاً فوقتاً کیا جاتا رہا ہے۔ یہ سکیم پلگ دار ، رضا کارانہ اور ملازمین کی طویل المدت افزائش اور خوش حالی پر مرکوز ہے۔ اصل میں اس سکیم کی منظوری مہرز کی طرف سے 31 دسمبر 2015 کو منعقد ہونے والے اجلاس عام اور ایس ای سی پی کی طرف سے بذریعہ اس کے مکتوب نمبر SMD/CIW/ESOS/01/2016 مورخہ یکم تمبر ، 2016 دی گئی تھی۔ سال 2019 میں پاکستان سٹاک ایکسچینج (PSX) میں اندراج کے بعد کمپنی کے شیئر ہولڈرز کی طرف سے 15 اکتوبر، 2020 کو منعقد ہونے والے سالانہ اجلاس عام میں اور ایس ای سی پی کی طرف سے بذریعہ مکتوب نمبر SMD/CIW/ESOS/01/2016/184 مورخہ 25 فروری، 2021 اس سکیم میں لسٹیکمپنیز ریگولیشنز کے حوالے سے بعض ترامیم کی گئیں۔

یہ سکیم اب پورے طور پر کام کر رہی ہے اور تجویز کردہ ترامیم کے تحت قابل اطلاق ہے تاہم ، ذریر بحث مالی سال کے دوران اس سکیم کے تحت کوئی نئے آپشنز نہیں دیئے گئے یا شیئرز کی تخصیص نہیں کی گئی۔

Whistleblowing پالیسی

کھلی معلومات کے بارے میں کمپنی کے عدم سے مطابقت رکھتے ہوئے ، مسلمہ معیارات سے ہٹ کر پورٹنگ کے ذریعے whistleblowing پالیسی وضع کی گئی تاکہ ملازمین کو اپنے خدشات سے آگاہ کرنے کا طریقہ فراہم کیا جائے اور اس یقین دہانی کی تجدید کی جائے کہ ان کا تحفظ کیا جائے گا۔ ایک باخبر اور حاضر دماغ ادارے کی حیثیت سے انٹروپ پیشہ ورانہ اقدار ، سچائی ، انحصار کرنے اور اصولوں پر مبنی طور طریقوں کے اعلی ترین معیارات اختیار کرتے ہوئے کاروباری معاملات کو منصفانہ اور شفاف طریقے سے چلانے پر یقین رکھتا ہے۔

کریڈٹ ریٹنگ

انتظامیہ مالی معلومات کی شفافیت اور سادگی پر یقین رکھتی ہے۔ اس ضمن میں کمپنی نے پاکستان میں آزاد انٹرنیٹنگ سروس فراہم کرنے والی "فل سروس" ریٹنگ ایجنسی VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) سے رجوع کیا ، جس نے 03جون، 2022 کو اپنے پریس ریلیز میں انٹروپ لمیٹڈ (ILP)"A+/A-1" (Single A plus/Single A-One) ابتدائی entity ریٹنگ دی۔ تفویض کردہ ریٹنگ کے بارے میں نقطہ نظر " مستحکم " تھا۔ "A+" کی طویل المدت ریٹنگ تحفظ کے کافی عوامل کے ساتھ ایک بہتر کریڈٹ معیار کو اجاگر کرتی ہے۔ معاشی حالات کی وجہ سے خطرہ وقتاً فوقتاً معمولی سا اوپر نیچے ہو سکتا ہے۔ "A-1" کی قلیل المدت ریٹنگ ، بروقت ادائیگی کے بڑی حد تک یقینی ہونے اور لیکوئیٹی کے عمدہ عوامل کا اشارہ کرتی ہے جنھیں بہتر بنیادی حفاقتی محرکات کی مدد حاصل ہے۔

یہ ریٹنگز ، انٹروپ کی مستحکم مالی صورت حال کی عکاسی کرتی ہیں جو سرمایے کے طاقت ور ڈھانچے کا نتیجہ ہے اور کریڈٹ رسک کی بہت کم توقع اور مالی ذمہ داریوں کی بروقت ادائیگیوں کی بہت مضبوط استعداد کو ظاہر کرتی ہیں۔ اس استعداد کو نظر آنے والے حالات سے کوئی بڑا خطرہ لاحق نہیں ہے۔

رسک گورننس اور انٹرنل کنٹرولز

بورڈ آف ڈائریکٹرز ، رسک گورننس اور رسک مینجمنٹ پالیسی بنا کر رسک برداشت کرنے کے لیے کمپنی کی سطح کا تعین کرنے کا ذمہ دار ہے۔ بورڈ نے موثر اور باصلاحیت انداز میں کام چلانے ، کمپنی کے اثاثوں کی حفاظت ، قابل اطلاق قوانین اور ضابطوں کی تعمیل اور معتبر فنانشل رپورٹنگ کو یقینی بنانے کی خاطر اس مقصد کے لیے انٹرنل کنٹرولز کا ایک موثر نظام قائم کیا ہے۔ انتظامیہ ان سسٹمز کی موثر طریقے سے نگرانی کرتی ہے ، جب کہ بورڈ کی رسک مینجمنٹ کمیٹی خطرات کے اندازے کی بنیاد پر انٹرنل کنٹرول سسٹمز پر غور کرتی ہے اور بورڈ آف ڈائریکٹرز کو رپورٹ کرتی ہے۔

معقول انٹرنل فنانشل کنٹرولز

بورڈ آف ڈائریکٹرز نے اپنے آپریٹرز میں موثر کارکردگی اور صلاحیت حاصل کرنے ، معتبر فنانشل رپورٹنگ اور قابل اطلاق قوانین اور ضابطوں کی تعمیل کے لیے مضبوط فنانشل کنٹرولز کا نظام قائم کیا ہے۔ کمپنی کا آزاد انٹرنل آڈٹ فنکشن ، فنانشل کنٹرولز پر عمل درآمد کی باقاعدگی سے نگرانی کرتا ہے ، جب کہ رسک مینجمنٹ اینڈ آڈٹ کمیٹی انٹرنل کنٹرول فریم ورک اور فنانشل اسٹیٹمنٹس کا مستقل بنیادوں پر جائزہ لیتی ہے۔

انٹرنل آڈٹ اینڈ کنٹرول کمیٹی

بورڈ نے ایک کوالیفائیڈ شخص کی سربراہی میں آزادانہ انٹرنل آڈٹ فنکشن قائم کیا ہے جو آڈٹ کمیٹی کو رپورٹ کرتا ہے۔ کمپنی کے اندر انٹرنل آڈیٹنگ کا دائرہء کار واضح طور سے صراحت شدہ ہے جو وسیع معنوں میں اس کے داخلی کنٹرول سٹم کے جائزے اور جانچ پر مشتمل ہے۔

کاروبار کی نوعیت میں تبدیلی

مالی سال 22 کے دوران کمپنی کے کاروبار کی نوعیت سے متعلق کوئی اہم تبدیلیاں واقع نہیں ہوئیں۔

شیئر ہولڈنگ کا پیٹرن

30جون، 2022 کے مطابق شیئر ہولڈنگ کا پیٹرن ، جسے رپورٹنگ فریم ورک کے تحت بتانا ضروری ہے ، اس رپورٹ کے ساتھ منسلک ہے۔

Debts/قرضوں کی واپسی

آپ کی کمپنی نے ایک موثر کیش فلو حکمت عملی بنا رکھی ہے ، جس کی ذریعے ان فلووز اور آؤٹ فلووز باقاعدہ بنیادوں پر طے کیے جاتے ہیں اور ان کی نگرانی کی جاتی ہے۔ اس جامع حکمت عملی نے کسی بھی اور ہر ایسی مشکل سے نمٹنے کے لیے ، جو اس کے راستے میں آئے ، آپ کی کمپنی کو ہمیشہ اس کے مالی وعدے اور توقعات پوری کرنے کے قابل بنایا ہے۔ کمپنی نے مذکورہ بالا کی تعمیل کرتے ہوئے ادھار کی لاگت کو زیادہ موثر بنانے کے لیے مسلسل کوششیں کی ہیں ، یہ کام فنڈ کے ذرائع کے ایک متوازن پورٹ فولیو اور موثر فنانشنگ انتظامات کے ذریعے کیا جاتا ہے۔ ذمہ داریوں کو بروقت پورا کرنا کمپنی کا معمول ہے لہذا ، قرضوں کی واپسی کے ضمن میں کسی ڈیفالٹ کی کوئی تاریخ نہیں ہے اور اس میں یہ سال بھی شامل ہے۔

رابطہ

کمپنی تمام سٹیک ہولڈرز کے ساتھ رابطے کی اہمیت پر توجہ مرکوز کرتی ہے۔ انھیں سالانہ ، ششماہی ، سہ ماہی رپورٹیں اور عام اجلاسوں کے اطلاع نامے کمپنیز ایکٹ ، 2017 میں صراحت کردہ وقت کے اندر فراہم کیے جاتے ہیں۔ کمپنی نے سال کے دوران مختلف بریفنگ سیشنز کے ذریعے سٹیک ہولڈرز اور اینٹلسٹ کو شامل رکھا۔ کمپنی کی سرگرمیاں اس کی ویب سائٹ www.interloop-pk.com پر بروقت اپ ڈیٹ کی جاتی ہیں۔

کمٹی کے ارکان کے نام	جتنے اجلاسوں میں شریک ہوئے
مصدق ذوالقرنین (چیئرمین)	1
نوبدفاضل	1
محمد مقصود	1

رسک مینجمنٹ کمیٹی (RMC)

رسک مینجمنٹ کمیٹی، رسک مینجمنٹ فریم ورک اور انٹرنل کنٹرول سسٹم کے کافی اور موثر ہونے کے متعلق نگرانی فراہم کرنے میں بورڈ کی معاونت کرتی ہے۔ اس میں آپریشنل، ترویجی اور خارجی خطرات شامل ہیں: اور تمام مادی کنٹرولز (مالیاتی، آپریشنل اور تعمیل) کا جائزہ لیتی ہے۔ مالی سال 2021-22 کے دوران کمیٹی کے تین (3) اجلاس منعقد ہوئے۔ اجلاس میں شرکت کرنے والے ڈائریکٹرز اور ارکان کے نام مندرجہ ذیل ہیں:

کمٹی کے ارکان کے نام	جتنے اجلاسوں میں شریک ہوئے
طارق اقبال خان (چیئرمین)	3
محمد مقصود	3
یعقوب احسن	3
احسن پرویش	3
سیدتمزہ گیلانی	3

بورڈ کی طرف سے جانچ

بورڈ کے پاس سٹیٹیکمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل کے مطابق اور ابھرتے ہوئے اور اہم طور طریقوں کی بنیاد پر اپنی کارکردگی کو جانچنے کا ایک جامع طریقہ کار ہے۔ اس جانچ میں ایگزیکٹو ڈائریکٹرز، انڈیپنڈنٹ ڈائریکٹرز اور ذیلی کمیٹیوں کی کارکردگی کا اندازہ لگانا شامل ہے۔ بورڈ اور اس کی ذیلی کمیٹیوں کی مجموعی کارکردگی کا اندازہ منظور شدہ طریقہ کار کی بنیاد پر لگایا جاتا ہے جو اطمینان بخش ہے۔

ڈائریکٹرز کا معاوضہ

بورڈ نے ڈائریکٹرز صاحبان کا معاوضہ مقرر کرنے کے لیے شفاف طریقوں کی مدد سے ایک باضابطہ پالیسی پر عمل درآمد کیا ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق کوئی ڈائریکٹر اپنے معاوضے کا کچھ خود طے نہیں کرتا۔ کمیٹی، ایگزیکٹو ڈائریکٹرز کو اجلاسوں میں شرکت کی فیس کے علاوہ اور کوئی معاوضہ ادا نہیں کرتی۔ بہترین صلاحیتوں کے حامل افراد کو روک رکھنے کے لیے کمیٹی کی معاوضہ پالیسیاں انڈسٹری کے موجودہ رجحانات اور کاروباری طور طریقوں کے مطابق وضع کی جاتی ہیں۔ 2021-22 میں ڈائریکٹرز اور CEO کے معاوضے کے بارے میں معلومات کے لیے مالی گوشواروں کے نوٹس ملاحظہ کیجئے۔

ڈائریکٹرز کا تربیتی پروگرام

بورڈ کے ڈائریکٹرز کارپوریٹ قوانین اور ضابطوں میں بتائے گئے اپنے فرائض اور ذمہ داریوں سے بخوبی آگاہ ہیں۔ سٹیٹیکمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی دفعات کے مطابق چیف ایگزیکٹو آفیسر سمیت ہمارے تمام ڈائریکٹرز کے پاس ڈائریکٹرز ٹریننگ پروگرام کے تحت سرٹیفیکیشن ہے یا وہ تجربے کے باوصف ڈائریکٹرز ٹریننگ پروگرام سے مستثنیٰ ہیں۔

بورڈ کو کمیٹی سیکریٹری کی طرف سے باقاعدہ بیہرز اور بریفنگز کے ذریعے اور داخلی و خارجی مشیروں کی پریزنٹیشنز سے قانونی، ریگولیشنز اور گورننس کے معاملات کے بارے میں باخبر رکھا جاتا ہے۔ ڈائریکٹرز کارپوریٹ گورننس کو برقرار رکھنے اور کمیٹی کو ترویجی سمت دینے کے ذمہ دار ہیں۔ بورڈ کی موثر افادیت کو زیادہ سے بڑھانے کی خاطر نئے ممبرز کے لیے مناسب ہے کہ وہ کمیٹی کی حرکیات اور آپریشنز کے بارے میں سیکھیں۔ آپ کی کمیٹی اس بات کو یقینی بنانے کے لیے مختلف تربیتی پروگراموں کا انعقاد کرتی ہے کہ پورا بورڈ ادارے کے مشن اور کارپوریٹ گورننس سے وابستہ رہے۔

سی ای او کی کارکردگی کا جائزہ

بورڈ آف ڈائریکٹرز کی طرف سے باقاعدگی کے ساتھ سی ای او کی کارکردگی کو جانچا جاتا ہے اور یہ جانچ بورڈ آف ڈائریکٹرز کی طرف سے صراحت کردہ مقدراری اور معیاری اقدار کی بنیاد پر کی جاتی ہے، جن

ڈائریکٹرز کے نام	جتنے اجلاسوں میں شریک ہوئے
مصدق ذوالقرنین	6
نوبدفاضل	6
جہانزیب خان بٹھ	6
محمد مقصود	6
شیریں آفتاب	1
سعید احمد جبل	6
طارق اقبال خان	6

خاتون ڈائریکٹر

مسز شیریں آفتاب کمیٹی کے بورڈ آف ڈائریکٹرز پر واحد خاتون ڈائریکٹر ہیں۔

بورڈ کی کمیٹیاں

بورڈ آف ڈائریکٹرز نے بورڈ کی آڈٹ کمیٹی (AC)، انسانی وسائل اور مشاہرہ کمیٹی (HR&R)، نامزدگی کمیٹی (NC) اور رسک مینجمنٹ کمیٹی (RMC) قائم کی ہیں جن کی تفصیل مندرجہ ذیل ہے:

آڈٹ کمیٹی (AC)

آڈٹ کمیٹی بورڈ کو، بنیادی طور پر شیئر ہولڈرز کو مالیاتی اور غیر مالیاتی معلومات پر نظر ثانی اور رپورٹنگ، متعلقہ داخلی کنٹرولز اور آڈٹ پراسیسز کی نگرانی کی ذمہ داریاں پوری کرنے میں مدد دیتی ہے۔ سال 2021-22 میں کمیٹی کے آٹھ (8) اجلاس منعقد ہوئے۔ ڈائریکٹرز کے نام اور ہر ڈائریکٹر کی طرف سے شرکت کردہ اجلاسوں کی تعداد مندرجہ ذیل ہے:

کمٹی کے ارکان کے نام	جتنے اجلاسوں میں شریک ہوئے
طارق اقبال خان (چیئرمین)	8
سعید احمد جبل	8
جہانزیب خان بٹھ	8

انسانی وسائل اور معاوضہ کمیٹی (HR&R)

یہ کمیٹی اپنے اجلاس میں سینئر ایگزیکٹوز سے متعلق معاوضے، آرگنائزیشن اور ملازمین کی ڈیولپمنٹ پالیسیوں کے تمام اجزا پر غور اور سفارش کرتی ہے۔ سال 2021-22 کے دوران کمیٹی کے چار (4) اجلاس منعقد ہوئے۔ ڈائریکٹرز کے نام اور ہر ڈائریکٹر کی طرف سے شرکت کردہ اجلاسوں کی تعداد مندرجہ ذیل ہے:

کمٹی کے ارکان کے نام	جتنے اجلاسوں میں شریک ہوئے
سعید احمد جبل (چیئرمین)	4
نوبدفاضل	4
جہانزیب خان بٹھ	4

نامزدگی کمیٹی (NC)

بورڈ کے ڈھانچے، حجم اور تشکیل کو باقاعدگی کے ساتھ زیر غور لانے اور اس میں کسی بھی ضروری تبدیلی کے بارے میں سفارشات کرنے کے لیے بورڈ کی مدد کی خاطر ایک بورڈ نامزدگی کمیٹی قائم کی گئی ہے۔ سال 2021-22 کے دوران کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ اجلاس میں شرکت کرنے والے ڈائریکٹرز اور ارکان کے نام مندرجہ ذیل ہیں:

ii. بولس شیئرز

بورڈ آف ڈائریکٹرنے15 ستمبر،2022 کو منعقد ہونے والے اجلاس میں 30جون،2022 کو ختم ہونے والے سال کے لیے، سالانہ اجلاس عام میں ممبرز کی منظوری کے لیے

4% کے تناسب سے یعنی ہر 100 شیئرز پر 4 بولس شیئرز جاری کرنے کی تجویز پیش کی ہے۔

کاروباری شعبے

کمپنی کی انتظامیہ نے معلومات کی بنیاد پر مندرجہ ذیل آپریٹنگ سیکمنٹس کا تعین کیا ہے جو وسائل کی تخصیص اور کارکردگی کی جانچ کے لیے کمپنی کے بورڈ آف ڈائریکٹرز کو پیش کیے جاتے ہیں۔ عام طور سے سیکمنٹس پرفارمنس کی جانچ برٹس والیوم اور مجموعی منافع سمیت کارکردگی کے بعض کلیدی اعشاریوں کی بنیاد پر کی جاتی ہے۔

کمپنی، انٹرنل مینجمنٹ رپورٹنگ سٹرکچر اور تیار فروخت کی جانے والی مصنوعات کی بنیاد پر مندرجہ ذیل آپریٹنگ سیکمنٹس میں کام کرتی ہے:

ہوزری:

ہوزری، کمپنی کا بنیادی کاروبار ہونے کی وجہ سے انٹروپ کے پاس سالانہ 795 ملین موزوں کے جوڑے تیار کرنے کی گنجائش ہے۔ اس کی مینوفیکچرنگ فیسلٹیز پورے پاکستان میں پھیلی ہوئی ہیں اور جدید ترین اطالوی ہنگ ہارڈ اننگ مشینوں اور اسپین کی پراسیدنگ مشینوں سے لیس ہیں۔ کمپنی، پاکستان میں اپنی استعداد2750 ہنگ مشینوں تک وسیع کرنے کے پرائس میں ہے۔

ڈینم:

انٹروپ ڈینم ٹیکنالوجی کے لحاظ سے جنوبی ایشیا کی جدید ترین فیسلٹیز میں سے ایک ہے اور ڈینم انڈسٹری کے مستقبل کی نمائندگی کرتی ہے۔ پلانٹ کی موجودہ پیداواری گنجائش 6 ملین گارمنٹس سالانہ ہے۔

انٹروپ ڈینم اس علاقے میں ڈینم اسپرل مینوفیکچرنگ کی پائیداری اور مینوفیکچرنگ کے طور طریقوں کی ایک مثال بن رہی ہے۔

اسپرل:

انٹروپ اسپرل کی پیداواری استعداد 22 ملین گارمنٹس سالانہ ہے، اسپرل سیکمنٹ نے 2019 میں کٹائی اور سلائی کے پائیلٹ پراجیکٹ کی حیثیت سے اپنائٹ وئرا اسپرل برٹس قائم کیا جسے اب ایک جدید ڈاننگ ہاؤس اور اپنی مثال آپ ہنگ فیسلٹی کی معاونت حاصل ہے، اس کی ڈاننگ استعداد 10 ٹن یومیہ اور ہنگ استعداد 15 ٹن یومیہ ہے، اس میں ان ہاؤس فیبرک ہنگ، ڈاننگ اور فٹنگ آپریشنز کی سہولت موجود ہے جب کہ ویلیو ایڈڈ سروسز، پرننگ اور ایمبر اینڈری تک وسیع کردی گئی ہیں۔ ایک ہائی ٹیک عمودی طور پر مکمل مربوط اسپرل مینوفیکچرنگ کمپلیکس 2023 کی دوسری سہ ماہی میں انٹروپ اسپرل پارک، فیصل آباد میں کام شروع کر دے گا جس کی ہنگ /ڈاننگ گنجائش 50 ٹن یومیہ ہوگی اور یہ ماہانہ 3 ملین سے زیادہ گارمنٹس تیار کرے گا۔

ایکیٹووئز:

انٹروپ نے انٹروپ انڈسٹریل پارک میں ایک اپنی مثال آپ عمودی طور پر مربوط، سلائی کے کسی نشان سے عاری ایکٹووئز کی پراڈکشن فیسلٹی قائم کی ہے، جس میں 4 ملین پیرس کی اوسط سالانہ پیداواری گنجائش کی حامل جدید ترین اطالوی ہنگ مشینوں پر کام کیا جاتا ہے۔ جدید ترین چاپانی مشینیں سلائی کی صلاحیتوں کی ایک وسیع ورائٹی اور بنیادی سے ہائی ٹیک تک سٹائیلنگ کی ورائٹی فراہم کرتی ہیں۔ Seamless گارمنٹس رکاوٹ بننے والے کسی نشان کے بغیر 1360 سٹریچ کی پیشکش کرتے ہیں۔ یہ ایک پر عزم، خود کفیل پروڈکٹ ڈویلپمنٹ ڈیپارٹمنٹ فوری نمونے کی تبدیلی کو یقینی بناتا ہے جبکہ اندرون خانہ ڈیزائن ٹیم رجحانات اور فیشن کے ساتھ براہ رہتی ہے۔

پارنزا اسپننگ:

اس شعبے کا تعلق دھاگوں کی فروخت سے ہے اور یہ دو ذیلی شعبوں میں منقسم ہے۔

☆ سپننگ:

انٹروپ، جدید ترین یورپی مشینوں سے لیس خود کار سپننگ پلانٹوں پر جانچ کے سخت معیارات پر عمل کرتے ہوئے ٹیکسٹائل کے مختلف صارفین کے لیے سالانہ 29.9 ملین پاؤنڈ اعلیٰ معیار کا دھاگہ تیار کرتا ہے۔

☆ دھاگے کی رنگائی اور انزکورنگ:

انٹروپ کے پاس سالانہ 5.07 ملین کلوگرام ڈاننگ کی استعداد اور جدید اطالوی انزکورنگ مشینوں سے ایک ملین کلوگرام کی سالانہ پیداواری گنجائش ہے۔ کمپنی، 5.5 ٹن یومیہ کی مزید گنجائش شامل کرنے کا بھی منصوبہ بنا رہی ہے، جس میں یومیہ 2.0 ٹن فلیمنٹ یارن ڈاننگ کرنے کی گنجائش اور یومیہ 3.1 ٹن elastomeric یارن کی استعداد شامل ہے۔ اس کا مقصد انٹروپ لمیٹڈ کی تمام برٹس کنگلڈریز کو پورا کرنا اور مارکیٹ تک تیزی سے رسائی ہے۔

اور مارکیٹ تک تیزی سے رسائی ہے۔

کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک

کمپنی کسی استثناء کے بغیر کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے کے لیے پر عزم ہے۔ ڈائریکٹرز کو یہ بتاتے ہوئے خوشی ہے کہ کمپنی، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے جاری کردہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی دفعات پر عمل کرتی ہے اور پاکستان سٹاک ایکسچینج (PSX) کے لسٹنگ ریگولیشنز کا ایک جزو ہے۔ ڈائریکٹرز تصدیق کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالی گوشواروں میں اس کی صورت حال، اس کے کاروبار کے نتائج، کیش فلوز اور ایکٹیوٹی میں تبدیلیوں کو صحیح طریقے سے پیش کیا گیا ہے؛
- کمپنی نے حساب کتاب کے کھاتوں کو مناسب طریقے سے رکھا ہے؛
- مالی گوشواروں کی تیاری میں مسلسل مناسب اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور حساب کتاب کے تخمینوں کی بنیاد معقول اور متاثر فیصلے پر ہے؛
- مالی گوشواروں کی تیاری میں انٹرنیشنل فنانشل رپورٹنگ سٹینڈرڈز، جیسا کہ پاکستان میں قابل اطلاق ہیں اوکٹینیز ایکٹ، 2017 کے تقاضوں پر صحیح طریقے سے عمل کیا گیا ہے۔ ان سے کسی انحراف کو ٹھیک طریقے سے منکشف کیا گیا ہے اور اس کی وضاحت کی گئی ہے؛
- کارپوریٹ گورننس کے، بہترین طور طریقوں سے، جیسا کہ پاکستان سٹاک ایکسچینج کے لسٹنگ ریگولیشنز میں تفصیل بتائی گئی ہے، کوئی مادی انحراف نہیں کیا گیا؛
- داخلی کنٹرول کا نظام ساخت کے لحاظ سے مضبوط ہے، اس پر موثر طریقے سے عمل در آمد کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔ ان کنٹرولز کو مزید مستحکم بنانے اور سسٹم میں بہتری لانے کے مقصد کے ساتھ انٹرنل کنٹرولز کی نگرانی کا عمل ایک آگے بڑھتے ہوئے پرائس کے طور پر جاری رہے گا؛
- ایک آگے بڑھتے ہوئے ادارے کی حیثیت سے کام جاری رکھنے کے لیے کمپنی کی صلاحیت کے بارے میں کوئی قابل ذکر شبہات موجود نہیں ہیں؛
- واجب الادائیگیوں اور لیویز کے بارے میں معلومات، جیسا کہ لسٹنگ ریگولیشنز کی رو سے ضروری ہے، مالی گوشواروں کے نوٹس میں منکشف کی گئی ہیں؛
- کمپنی اپنے تمام ملازمین کے لیے ایک کنٹری بیوٹری پراویڈنٹ فنڈ سکیم اور انتظامی /غیر انتظامی ملازمین کے لیے صراحت کردہ بینیفٹ گرینچونگی فنڈ سکیم آپریٹ کرتی ہے۔ 30جون، 2022 کے اعداد و شمار کی بنیاد پر اس کی غیر آڈٹ شدہ ویلیو: 104,680,973 پاکستانی روپے ہے؛
- مندرجہ ذیل کے بارے میں اسٹیٹمنٹس اس سالانہ رپورٹ کے ساتھ منسلک ہیں:

☆ گزشتہ چھ (6) سالوں کا اہم مالی ڈیٹا

☆ شیئرز ہولڈنگ کا پتہ

کوڈ آف کارپوریٹ گورننس کی تعمیل کا اسٹیٹمنٹ

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں پر پوری طرح عمل کیا ہے۔ اس بارے میں اسٹیٹمنٹ اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں

بورڈ

انٹروپ لمیٹڈ کا سات رکنی (6 مرد اور 1 عورت) بورڈ آف ڈائریکٹرز ہے جو بنیادی اہلیت، کمپنی کے کاروبار سے متعلق علم اور مہارت رکھنے والے متنوع پس منظر کے حامل افراد پر مشتمل ہے۔ مزید برآں، کمپنی کا کوئی بھی ایگزیکٹو ڈائریکٹر کسی دوسری لسٹڈ کمپنی میں نان ایگزیکٹو ڈائریکٹر کی حیثیت سے کام نہیں کر رہا۔ ہمارے بورڈ کی تشکیل شیئر ہولڈرز کے تمام درجوں کے مفادات کی نمائندگی کرتی ہے اور مندرجہ ذیل پر مشتمل ہے:

☆ انڈیپنڈنٹ ڈائریکٹرز 2

☆ دیگر نان ایگزیکٹو ڈائریکٹرز 3

☆ ایگزیکٹو ڈائریکٹرز 2

مالی سال 22 کے دوران بورڈ کے چھ (6) اجلاس منعقد ہوئے۔ ڈائریکٹرز کے نام اور ڈائریکٹر کی طرف سے اجلاسوں میں شرکت کی تعداد مندرجہ ذیل ہے:

کمپنی کے کاروباری نتائج کا خلاصہ مندرجہ ذیل ہے:

	2021	2022
	(پاکستانی روپے بلین میں)	
خالص سیلز	54,962.27	90,894.05
مجموعی منافع	14,212.28	26,066.17
EBITDA	10,175.59	18,488.22
منافع قبل از ٹیکس	6,872.86	13,423.47
ٹیکس کا خرچہ	(581.29)	(1,063.97)
منافع بعد از ٹیکس	6,291.57	12,359.50
دیگر ہمہ قسم خسارہ	(71.65)	(263.12)
کل ہمہ قسم آمدنی	6,219.92	12,096.38
آگے ملایا گیا غیر مختص منافع	4,766.12	8,001.04
انضمام پر منتقلی	(804.5)	-
تخصیصات کے لیے دستیاب صافی منافع	10,181.54	20,097.42
تخصیصات		
-- حتمی منافع منقسمہ 2020	(872.20)	
-- عبوری منافع منقسمہ 2021	(1,308.30)	
-- حتمی منافع منقسمہ 2021		(872.29)
-- عبوری منافع منقسمہ 2022		(1,796.73)
آگے ملایا گیا غیر مختص منافع	8,001.04	17,428.49
آمدنی فی شیئر بنیادی (PKR)	7.00	13.76
آمدنی فی شیئر Diluted (PKR)	7.00	13.76

کمپنی، پائیدار افزائش اور قدر کی تخلیق کے اپنے طویل المدت مقاصد پر عمل کے لیے بدستور پر عزم ہے۔ یہ مقاصد آپریٹنگل مہارت، پراڈکٹ پورٹ فولیو کے تنوع، لاگت میں کمی اور سرمائے کے مضبوط ڈھانچے کے ذریعے حاصل کیے جا رہے ہیں۔

عمودی تجزیہ

	2021	2022
کل منافع	26%	29%
کاروباری منافع	15%	18%
منافع قبل از ٹیکس	13%	15%
بعد از ٹیکس خالص منافع	11%	14%
EBITDA	19%	20%

افقی تجزیہ

	2021 بہ مقابلہ 2020	2022 بہ مقابلہ 2021
سیلز	51%	65%
کل منافع	81%	83%
کاروباری منافع	147%	98%
منافع قبل از ٹیکس	225%	95%
بعد از ٹیکس خالص منافع	250%	96%
EBITDA	99%	83%

آمدنی فی شیئر (EPS)

بنیادی اور Diluted بعد از ٹیکس فی شیئر آمدنی 13.76 پاکستانی روپے فی شیئر ہے (2021: 7.00 پاکستانی روپے فی شیئر - دوبارہ بیان کردہ)

منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 30 جون، 2022 کو ختم ہونے والے مالی سال کے لیے 18 اکتوبر، 2022 کو منعقد ہونے والے سالانہ اجلاس عام میں ممبرز کی منظوری سے مشروط 2 پاکستانی روپے فی شیئر (یعنی 20%) کی شرح سے حتمی منافع منقسمہ کی سفارش کی ہے۔ 2 پاکستانی روپے فی شیئر (یعنی 20%) عبوری منافع منقسمہ کے ساتھ جو پہلے ہی ادا کیا جا چکا ہے 30 جون، 2022 کو ختم ہونے والے سال کے لیے کیش کی کل تقسیم 4 پاکستانی روپے (یعنی 40%) ہو جائے گی۔

فنانشل پوزیشن ڈیٹ کے اسٹیٹمنٹ کے بعد کے واقعات

i. منافع منقسمہ

بورڈ آف ڈائریکٹرز نے 15 ستمبر، 2022 کو منعقد ہونے والے اجلاس میں 30 جون، 2022 کو ختم ہونے والے سال کے لیے، سالانہ اجلاس عام میں ممبرز کی منظوری کے لیے 2 پاکستانی روپے فی شیئر کی شرح سے نقد منافع منقسمہ کی تجویز پیش کی ہے۔

STATEMENT OF COMPLIANCE

LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Interloop Limited

Year Ending: June 30, 2022

The company has complied with the requirements of the Regulations in the following manner:

- The total number of directors are Seven (7) as per the following:
 - Male : Six (6)
 - Female : One (1)
- The composition of Board is as follows:

CATEGORY	NAMES
Independent Directors	Tariq Iqbal Khan Saeed Ahmad Jabal
Other Non-Executive Directors (excluding female director)	Musadaq Zulqarnain Jahan Zeb Khan Banth
Executive Directors	Navid Fazil Muhammad Maqsood
Female Directors (Non-Executive)	Shereen Aftab

Note:-

For a Board comprising of seven member, one-third equates to 2.33. Two independent directors have been appointed, however, the fraction of 0.33 in such one-third is not rounded up as one since the fractions is below half (0.5) ;

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
- The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Act and these Regulations;
- The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

ڈائریکٹر صاحبان کی رپورٹ

انٹرویول لمیٹڈ ('کمپنی' یا 'ILP') کے ڈائریکٹرز کی جانب سے 30 جون 2022 کو ختم ہونے والے سال کی سالانہ رپورٹ مع آڈٹ شدہ مالی گوشوارے اور اس بارے میں آڈیٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

معاشی اور صنعتی جائزہ:

2022 میں دنیا بھر میں معاشی بحالی کی رفتار سست رہی، اس کی وجہ عالمی وبا کے بعد طلب و رسد کا عدم توازن، روس یوکرین تنازع کے بالواسطہ اثرات کے طور پر ایشیا کا طویل اپ سائیکل اور اس کے نتیجے میں افراط زر کا بڑھتا ہوا دباؤ تھا۔ نتیجتاً، عالمی مرکزی بینکوں نے سرمایہ کاری سے اجتناب اور اخراجات کم کرنے کی پالیسیاں اختیار کیں جس کی وجہ سے بین الاقوامی مالیاتی فنڈ (IMF) نے نظر ثانی کر کے 2022 میں متوقع عالمی نموہ 3.2% کردی جو 2021 میں 6.1% تھی۔ مشکل مالیاتی اور زری حالات کے باوجود پاکستان کی معیشت مالی سال 21 کی 5.7% کی نمو کے مقابلے میں مالی سال 22 میں 6.0% کی شرح سے ترقی کرنے میں کامیاب رہی۔ اس کی بڑی وجہ 'مینوفیکچرنگ' کے شعبے کی سال بہ سال (YoY) بنیاد پر 9.8% افزائش اور اس کے بعد 'سروسز' کے شعبے کی سال بہ سال 6.2% ترقی رہی۔ تیز رفتار معیشت اور مانگ کی بنیاد پر سال بہ سال 38% تک بڑھتا ہوا تجارتی خسارہ جو مالی سال 22 میں 39.6 بلین امریکی ڈالر تک پہنچ گیا اور پاکستانی روپے کی قدر میں مسلسل کمی نے کنزیومر پرائس انڈیکس (CPI) کی مہنگائی پر دباؤ ڈالا، جو مالی سال 22 میں 12.15% کی اوسط پر رہی، یہ اوسط مالی سال 21 میں ریکارڈ کی جانے والی 8.91% کی ایک عددی CPI سے زیادہ ہے۔ اسٹیٹ بینک آف پاکستان نے مانگ پر قابو پانے اور بڑھتی ہوئی مہنگائی کو روکنے کے لیے شرح سود کے پیہ کو پیچھے کی طرف موڑا اور شرح سود میں مربوط طریقے سے 675 بیس پوائنٹس کا اضافہ کر دیا۔ مالی سال کے اختتام پر یہ شرح سوہ 13.75% تھی۔ ترسیلات زر سے ادائیگیوں کے توازن (BOP) کو بہت زیادہ بہار املا اور سال بہ سال 6% اضافے سے یہ مالی سال 22 میں 31.2 بلین امریکی ڈالر تک پہنچ گئیں۔

حکومت نے زری اور مالیاتی توازن کے مزید یگانہ کو روکنے کے لیے آئی ایم ایف پروگرام کے تحت مختلف پالیسی اقدامات پر عمل کیا ہے اور شعبہ جاتی اصلاحات نافذ کی ہیں جن سے آئی ایم ایف کی اقساط کی بحالی کی راہ ہموار ہوئی۔ اس سے ملک کے غیر ملکی زرمبادلہ کے ذخائر بڑھانے کے لیے دیگر بین الاقوامی اداروں سے بھی مالی مدد بحال ہو جائے گی اور اس کے نتیجے میں معاشی منظر نامہ مستحکم ہوگا۔ تاہم، آئی ایم ایف کے مطابق، بڑے پیمانے پر داخلی مشکلات اور حالیہ تباہ کن سیلابوں کے ساتھ موجودہ عالمی معاشی سست روی کے دباؤ کے پیش نظر مالی سال 23 میں پاکستان کی معاشی افزائش بھی درمیانی سطح پر رہنے کے امکانات ہیں اور جی ڈی پی نموہ 3.5% کی سطح سے نیچے رہنے کی امید ہے۔

حکومت پاکستان نے برآمدی شعبوں، خاص طور سے ٹیکسٹائلز کے شعبہ سے متعلق جو ملک کی کل برآمدات کا 60% پیدا کرتا ہے، افزائشی پالیسیوں اور ترغیبات دینے پر توجہ مرکوز کی ہے۔ پاکستان کے ٹیکسٹائل کے شعبہ نے ترقی کی سطح برقرار رکھی اور ادارہ ہ شماریات پاکستان (PBS) کے مطابق اس صنعت نے مالی سال 22 میں 19.3 بلین امریکی ڈالر کی ریکارڈ برآمدات کیں، جو پچھلے سال کے مقابلے میں 26% زیادہ ہیں۔ کپاس کی ریکارڈ قیمتوں کے علاوہ ویلیو ایڈیڈ ٹیکسٹائلز میں سال بہ سال 16% کی مقداری افزائش نے بنیادی طور پر برآمدات میں دود عددی اضافہ کرنے میں مدد دی۔ ویلیو ایڈیڈ ویرین میں نٹ ویرٹیگنٹ کی کارکردگی سب سے بہتر رہی اور عالمی سطح پر خصوصاً امریکا اور یورپی ملکوں کی مانگ میں تیزی سے اضافہ کے باعث مالی سال 22 میں اس کی آمدنی میں سال بہ سال 34% کا خطیر اضافہ ہوا، جو 5.1 بلین امریکی ڈالر بنتا ہے۔ ریڈی میڈ گارمنٹس اور بیڈوئرز کے شعبوں میں سال بہ سال 29% اور 19% افزائش ہوئی جو بالترتیب 3.9 بلین اور 3.3 بلین امریکی ڈالر بنتی ہے۔

مالی اور کاروباری کارکردگی:

رواں مالی سال (FY22) ایک مشکل سال ثابت ہوا۔ یہ مشکلات کئی صورتوں میں سامنے آئیں، مثلاً: عالمی وبا کی مختلف لہریں، ایشیا کی قیمتوں میں اضافہ، سود کی بڑھتی ہوئی شرحیں، پاکستانی روپے کی قدر کا گرنا، پیلے سے دباؤ کی شکار معیشت کو مسلسل مہنگائی کے خطرے کا سامنا۔ اگرچہ عالمی سپلائی چین میں رکاوٹیں اب بھی برقرار ہیں تاہم، آپ کی کمپنی ان مشکلات پر بخوبی قابو پانے میں کامیاب رہی۔ اس کے نتیجے میں کمپنی نے ریکارڈ آمدنی، وائیومز اور منافع سمیت کارکردگی کے اعلیٰ ترین معیارات حاصل کیے۔

کمپنی نے کاروباری لاگت میں مسلسل اضافہ کے باوجود مالی سال 22 میں، اس سے پچھلے سال (FY21) کے دوران 54,962 بلین پاکستانی روپے کے مقابلے میں فروخت سے 90,894 بلین پاکستانی روپے کی بلندہ ترین آمدنی حاصل کرتے ہوئے غیر معمولی نتائج دیئے۔ ایشیا کی تیاری میں کاملیت کے بارے میں انتظامیہ کے پختہ عزم نے مالی سال 22 میں کمپنی کا مجموعی منافع 83.41% بڑھا تو ہونے سے 26,066 بلین پاکستانی روپے تک پہنچانے کی راہ ہموار کی، جو اس سے پچھلے سال 14,212 بلین پاکستانی روپے تھا۔ منافع میں نمایاں بہتری لانے میں مقداری افزائش، ویلیو چین اور پورٹ فولیو میں لاگت بچانے کی کاوشوں اور پرائسنگ کے بہتر نظم و نسق نے بھی کردار ادا کیا۔ کمپنی نے اس کے نتیجے میں رواں مالی سال میں 12,359 بلین پاکستانی روپے کا بعد از ٹیکس منافع حاصل کیا جو گزشتہ سال کے 6,292 بلین پاکستانی روپے کے مقابلے میں 96.45% اضافہ ظاہر کرتا ہے۔ اس سے مالی سال 22 میں فی شیئر آمدنی 13.76 پاکستانی روپے ہو گئی جو مالی سال 21 میں 7.00 پاکستانی روپے فی شیئر تھی۔

8. The Board has a formal policy and transparent procedures for remuneration of directors, in accordance with the Act and these Regulations;
9. All the directors are either exempt or have acquired the prescribed certification under Directors' Training Program specified and approved by the Commission. Supplemental to that, one female executive also obtained Directors' Training Program Certification from PICG during the fiscal year under consideration;
10. The Board has approved the appointment of the Chief Financial Officer, Company Secretary, and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

A) AUDIT COMMITTEE

Tariq Iqbal Khan	Chairman
Saeed Ahmad Jabal	Member
Jahan Zeb Khan Banth	Member

B) HUMAN RESOURCE AND REMUNERATION COMMITTEE

Saeed Ahmad Jabal	Chairman
Navid Fazil	Member
Jahan Zeb Khan Banth	Member

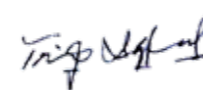
C) NOMINATION COMMITTEE

Musadaq Zulqarnain	Chairman
Navid Fazil	Member
Muhammad Maqsood	Member

D) RISK MANAGEMENT COMMITTEE

Tariq Iqbal Khan	Chairman
Muhammad Maqsood	Member
Yaqub Ahsan	Member
Ahsan Pervaiz Sheikh	Member
Syed Hamza Gillani	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees was as follows:
 - a) Audit Committee – Quarterly
 - b) Human Resource and Remuneration Committee – On requirement basis
 - c) Nomination Committee - On requirement basis
 - d) Risk Management Committee – On requirement basis
15. The Board has set up an effective Internal Audit function which comprises of professionals suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



TARIQ IQBAL KHAN
DIRECTOR

Faisalabad
September 15, 2022



MUHAMMAD MAQSOOD
DIRECTOR

INDEPENDENT REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE

Review Report on the Statement of Compliance Contained In Listed Companies (Code of Corporate Governance) Regulations, 2019.


We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulation, 2019 (the Regulations) prepared by the Board of Directors of Interloop Limited (the Company) for the year ended June 30, 2022, in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our Responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control system sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' Statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendations of the Audit Committee place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2022.



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Engagement Partner: Syed Aftab Hameed

Date: September 15, 2022

Place: Faisalabad

UDIN: CR202210475FJvC7aGbj



**RISKS &
OPPORTUNITIES**

RISK MANAGEMENT

Risk management is an integral part of all management and decision-making functions within Interloop. The company's Board of Directors is responsible for the governance of risk and determining the company's level of risk tolerance by establishing the Risk Management Policy. The Risk Management Department (RMD) is responsible for developing, implementing and monitoring the Risk Management Policy and supporting framework. The Policy aims at management of risks by identifying them early on and minimizing their impact on the business through mitigation strategies.

RISK GOVERNANCE

The Board of Directors is responsible for establishing the risk management framework and provides oversight through the Board Committees. They also determine the risk appetite and sets the culture of risk management including new initiatives and emerging risks. The Risk Management Committee assists the Board, primarily for monitoring and approving the risk policies and associated risk management framework. The Risk Management Committee is also responsible for:

1. Reviewing and evaluating significant risk exposures and the steps that business heads take to identify, measure, monitor, control and report such exposures, including risks such as strategic, credit, market, liquidity, operational (including technology risks) in consultation with the RMD

2. Reviewing significant issues identified by RMD and the Internal Audit department with respect to risk management and compliance activities

The Audit Committee monitors financial and regulatory compliance risks and the Internal Audit function provides independent and objective analysis of the company's controls and governance processes. The Human Resource & Remuneration Committee reviews succession planning for availability of adequate competent human resource for key company operations and assesses compensation programs to evaluate the risk of escalation of expense on Salaries & Wages.

The Board has setup a dedicated Risk Management Department for effective implementation of risk management policy,

strategy and associated framework. They are responsible for providing support and monitoring for the development, implementation, and continuous improvement of risk management practices including internal controls at all levels. RMD also collaborates with other departments to identify and evaluate risks related to their areas and devise suitable mitigating strategies.

It regularly provides analysis and reports on the adequacy and effectiveness of risk management and internal controls to the RMC and Management Committee as required. In addition, RMD's role is to foster a culture where risk can be identified and mitigated effectively.

RISKS & MITIGATION STRATEGIES

The Board of Directors carried out an in-depth analysis of the major risks faced by the company business that could threaten the business model, future performance, solvency or liquidity of the company. The types of risks include strategic, commercial, operational, and financial, which have been identified along with the nature of their impact and likelihood of occurrence, and the mitigation strategies to manage these risks.

TYPES	RISK	SOURCE	NATURE	MITIGATION STRATEGIES
STRATEGIC	Political and Economic Instability		EXTERNAL Impact: H Likelihood: M	Interloop Limited regularly participates in and provides valuable inputs to regulatory bodies, government trade and economic committees, think tanks and advocacy bodies. We continue to monitor the impact of government policies on Pakistan's economy at large and textile sector in particular. We continue to optimize country of production opportunities to minimize impact of political instability
	Regulatory Regime		EXTERNAL Impact: M Likelihood: M	Our Corporate and Legal Affairs and EHS teams continue to closely monitor any regulatory changes advised by SECP, Excise & Taxation, FBR, Customs and Labour Dept. and take appropriate measures accordingly
COMMERCIAL	Changing Tariff Regimes/Near Shoring		EXTERNAL Impact: H Likelihood: M	We continue to closely monitor competitive forces in the market and invest in our capacity, technology, diversification, quality, service delivery and ethical practices to maintain our deep relationships with global brands and retailers.
	Customer Bankruptcy		EXTERNAL Impact: M Likelihood: M	Our team continues to monitor financial results and market news and conducts credit risk analysis of our customer base. We regularly monitor our credit period and receivables amount and manage the risks associated with in tolerance levels
OPERATIONAL	Claims		INTERNAL Impact: M Likelihood: L	We continue to monitor and strongly emphasize on quality control and have strong measures in place to produce quality at source and have regular technical and proc ess audits to avoid passing on any critical defects to the customer
	Environment, Health and Safety (EHS)		INTERNAL Impact: H Likelihood: L	Interloop has a comprehensive EHS framework in place and proactively monitors all its processes that affect EHS with a robust mechanism in place, to ensure compliance with all EHS laws (local and international). In addition, all our physical assets are insured against unforeseen incidents such as fire, theft and so forth
	Attrition Rate		INTERNAL Impact: M Likelihood: L	Interloop continues to provide sustainable employment to more than 30,000 people. We have stringent workplace standards in place complying with international labor laws, however, our aim is to go beyond the minimum, break the class barriers and empower our team members, providing an equitable, inclusive and respectable workplace, keeping our people motivated and engaged

* H = High M = Medium L = Low

TYPES	RISK	SOURCE	NATURE	MITIGATION STRATEGIES
OPERATIONAL	Cyber Security Risk	EXTERNAL	Impact: L Likelihood: L	Interloop depends heavily on Information Technology for its business, therefore, an IT Risk Management Framework is followed to mitigate IT Risks. IT policies and controls are in place and IT Security is addressed using tools and techniques to secure infrastructure, applications, and data. IT Security and incidence response procedures are documented while the resiliency and support for business continuity are ensured through a disaster recovery site, real-time data replication, and periodic testing. Data backup policies exist as per best practices to protect against data loss. An IT Program Management unit exists to mitigate IT program execution risks. A Digital Agenda has been formulated and is being executed to protect against technology obsolescence. Technology operations are delivered by a team of ITIL-certified professionals.
	Currency Risk	EXTERNAL	Impact: H Likelihood: H	The company is a net exporter so the devaluation of PKR has a positive impact overall. However, in order to manage it effectively, the company closely monitors sentiments and market moves and from time to time uses different kinds of derivatives to minimize the risk
FINANCIAL	Monetary Policy Changes	EXTERNAL	Impact: M Likelihood: M	The Company's interest rate risk arises from long term financing, short term borrowings, loans and advances to subsidiary companies and bank balances in saving accounts. The Company management pro-actively manages its financial planning and carefully crafted its portfolio of borrowing through utilizing LTFF/ILTF and ERF in order to avoid any adverse impact of monetary policy
	Credit Risk/Market Risk	EXTERNAL	Impact: M Likelihood: L	The Company's exposure to credit risk and impairment losses relates to its trade debts. This risk is mitigated by the fact that majority of our customers have a strong financial standing and we have long-standing business relationships with all our customers. We do not expect non-performance by our customers; hence, the credit risk is minimal
	Liquidity Risk	EXTERNAL	Impact: H Likelihood: L	The company management is diligently managing its cash flow stream and carefully crafted its portfolio of investment and borrowing. The management thoroughly reviews key financial ratios and adjusts its strategy which keeps the company in financial discipline. Additionally, the company maintains enough reserve along with sufficient funded lines from the financial institutions.
	Capital risk	INTERNAL	Impact: M Likelihood: L	When managing capital, it is our prime objective to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders. Therefore, the Company management diligently opts for optimal capital structure to reduce the cost of capital. The Company maintains a low leveraged capital structure and monitors the capital structure on the basis of the gearing ratio

OPPORTUNITIES & MATERIALIZATION STRATEGIES

OPPORTUNITIES	SOURCE	CAPITAL	MITIGATION STRATEGIES
FULL FAMILY CLOTHING		Financial, Social and Relationship, Human Capital	Expanding our apparel products portfolio will be a key growth opportunity for us, as global apparel supply chains reorganize themselves amidst changing tariff regimes and the pandemic. Our strategy is to continue to build credibility with our customers and leverage our relationships offering a broader set of products including hosiery, denim, apparel and seamless active-wear products for all ages, sizes, genders and abilities.
MARKET PENETRATION		Human and Financial Capital	Our market intelligence and research and innovation teams focus on evaluating new demand patterns, buying behaviors and trends to stay ahead of the curve releasing new product concepts, identifying white spaces and capitalizing on untapped opportunities
VALUE ADDED SERVICES		Financial, Social and Relationship, Human Capital	We aim to be a partner of choice for our customers by offering value added services including trends and analytics, design services, collaborative planning, forecasting, warehousing and logistics. We will build on our existing long term relationships and bring on board new customers, offering superior customer experience and service
DIGITIZATION		Human, Manufactured and Financial Capital	We are investing in our digital capabilities and transforming the way we work to remain competitive and efficient. We are deploying technology across product design and development, manufacturing and customer services processes
SUSTAINABILITY		Human, Financial and Social & Relationship Capital	As demand patterns shift, the move towards more sustainably manufactured products has been accelerated by COVID-19 outbreak. We are investing in our capabilities to competitively source sustainable raw materials (organic, BCI, recycled), invest in technology and processes that minimize our impact on the environment (GHG emissions reduction, water and energy saving), and invest in upgrading our people as well as community well-being

INADEQUACY IN THE CAPITAL STRUCTURE & PLANS TO ADDRESS SUCH INADEQUACY

The Company manages its capital structure in the context of economic conditions and the risk characteristics of the underlying assets. For further details, related to the Company's capital risk management, please refer to note in the financial statement. Future projections indicate the adequacy of capital structure for the foreseeable future.

LIQUIDITY RISK STRATEGY

LIQUIDITY AND CASH FLOW MANAGEMENT STRATEGY

The company is diligently managing its cash flow stream and has thoughtfully crafted its portfolio of investment and borrowing. The management meticulously reviews key financial ratios and adjusts the company strategy, maintaining financial discipline. In addition to that, the company maintains enough reserves along with sufficient funded lines from the Financial Institutions

LIQUIDITY GENERATION

Internal cash generation is ensured through revenues and income from deposits / short term investments. Receipts from customers are effectively managed through optimized control on customers' credit. The management diligently monitors operating cash flow needs through effective cash flow forecasting. It periodically evaluates planned vs actual results and takes steps to keep it in line with plans. Furthermore, before taking external financing, the company carries out in-depth cash flow forecasting and considers optimal returns. This ensures optimum weighted average cost of capital and minimal reliance over external sources.

INVESTMENTS AND PLACEMENT OF FUNDS

The company has strategically diversified its portfolio overtime to maintain maximum returns while taking prudent levels of risks and exposure. The company prefers premium credit-rated institutions for investment and placement of funds to minimize liquidity and credit risk and profitable returns are ensured by investments in the money market / Government securities, term deposits with banks / financial institutions, and any other investment schemes to enhance profitability and increase shareholders' return. Further Liquidity risk-related information is given in the financial statement.





A solid blue graphic overlay on the right side of the image. It features a large, white-outlined number '4' and a white circle. The circle is partially overlapping the left edge of the blue area. The number '4' is positioned to the right of the circle.

**PERFORMANCE
& POSITION**

KEY FINANCIAL RATIOS

PARTICULARS		2022	2021	2020	2019	2018	2017
Profitability Ratios							
Gross Profit Margin	%	28.68	25.86	21.66	31.90	29.37	26.48
Net Profit Margin	%	13.60	11.45	4.95	13.86	12.48	11.35
Return on Equity	%	41.28	30.67	10.40	29.05	42.78	20.85
Liquidity Ratios							
Current Ratio	Times	1.30	1.22	1.14	1.27	0.86	1.26
Quick/Acid Test Ratio	Times	0.77	0.77	0.59	0.84	0.56	0.85
Investment/Market Ratios							
Earnings per share - basic	Rs	13.76	7.00	2.00	6.45	5.06	3.92
Earnings per share - diluted	Rs	13.76	7.00	2.00	6.45	5.06	3.92
Dividend Yield Ratio	%	3.28	3.57	4.55	6.78	-	-
Cash dividend per share - declared	Rs	4.00	2.50	2.00	3.00	5.00	5.21
Market Price - at year end	Rs	61.00	70.03	43.92	44.27	-	-
Break up value per share	Rs	33.33	23.52	19.81	20.50	47.78	76.04
Capital Structure							
Leverage Ratio	Times	1.74	1.50	1.27	0.93	2.04	0.74
Interest Cover	Times	7.16	8.29	3.15	7.09	10.62	10.81
Operating Cycle	Days	151.97	135.56	144.66	124.04	117.58	103.86

LAST SIX YEARS STATEMENT OF FINANCIAL POSITION

PARTICULARS	2022	2021	2020	2019	2018	2017
	(RUPEES IN '000)					
Assets						
Non Current Assets						
Property, plant and equipment	34,730,382	26,193,029	22,744,239	18,256,474	15,451,969	13,639,799
Intangible Asset	227,457	209,623	171,459	66,161	42,410	47,205
Long term investments	-	-	1,853,735	1,008,735	380,549	1,400,159
Long term loans	179,626	144,673	113,823	65,762	60,747	50,027
Long term deposits	86,955	60,478	38,337	28,019	25,055	29,372
Total non current assets	35,224,420	26,607,803	24,921,593	19,425,151	15,960,730	15,166,563
Current Assets						
Stores and spares	1,866,417	1,199,116	1,062,524	887,659	779,198	696,743
Stock in trade	23,142,048	11,276,308	8,810,625	6,282,491	5,121,718	3,565,881
Trade debts	28,603,965	15,052,940	7,207,391	8,247,740	7,293,008	4,814,220
Loan and advances	1,633,562	1,034,836	485,930	1,063,342	617,743	1,007,837
Deposit, prepayment and other receivables	998,491	318,708	193,182	194,544	179,864	480,505
Accrued Income	4,570	2,131	2,239	10,441	-	-
Tax refunds due from government	4,224,938	4,328,555	2,408,014	1,925,439	2,451,806	1,971,626
Short term investments	500,000	500,000	125,044	1,207,251	147,425	716,526
Deferred employee share option compensation expense	-	-	-	-	5,014	968
Cash and bank balances	117,119	374,442	150,787	1,538,564	193,687	58,599
Total current assets	61,091,110	34,087,036	20,445,736	21,357,471	16,789,463	13,312,905
Total Assets	96,315,530	60,694,839	45,367,329	40,782,622	32,750,193	28,479,468
Equity & Liabilities						
Equity						
Issued, subscribed and paid up capital	8,983,635	8,721,975	8,721,975	8,721,975	1,901,104	1,899,385
Reserves	3,528,149	3,791,602	3,791,602	3,791,602	38,863	21,052
Unappropriated profit	17,428,486	8,001,035	4,766,115	5,366,207	7,142,570	12,522,990
Total equity	29,940,270	20,514,612	17,279,692	17,879,784	9,082,537	14,443,427
Non current liabilities						
Long term financing	14,396,116	8,213,978	6,861,130	3,628,745	2,247,936	1,916,475
Lease liabilities	93,973	152,969	102,158	-	615	1,084
Deferred liabilities	5,048,654	3,816,001	3,140,682	2,482,623	1,925,612	1,572,461
Total non current liabilities	19,538,743	12,182,948	10,103,970	6,111,368	4,174,163	3,490,020
Current liabilities						
Trade and other payables	9,084,790	5,551,641	3,031,231	3,576,861	2,730,414	1,815,056
Unclaimed dividend	3,006	4,004	2,952	130,935	475,276	-
Accrued mark up	702,689	221,674	191,136	110,483	137,856	83,140
Short term borrowings	35,007,908	19,636,066	14,354,861	11,726,000	15,180,937	7,636,573
Derivative financial instruments	94,154	33,074	-	-	-	-
Current portion of non current liabilities	1,943,970	2,550,820	403,487	1,247,191	969,010	1,011,252
Total current liabilities	46,836,517	27,997,279	17,983,667	16,791,470	19,493,493	10,546,021
Total equity and liabilities	96,315,530	60,694,839	45,367,329	40,782,622	32,750,193	28,479,468

HORIZONTAL ANALYSIS ON STATEMENT OF FINANCIAL POSITION

PARTICULARS	2022 VS 2021	2021 VS 2020	2020 VS 2019	2019 VS 2018	2018 VS 2017	2017 VS 2016
	PERCENTAGE					
Assets						
Non Current Assets						
Property, plant and equipment	33%	15%	25%	18%	13%	16%
Intangible Asset	9%	22%	159%	56%	-10%	35%
Long term investments	0%	-100%	84%	165%	-73%	0%
Long term loans	24%	27%	73%	8%	21%	-21%
Long term deposits	44%	58%	37%	12%	-15%	-39%
Total non current assets	32%	7%	28%	22%	5%	14%
Current Assets						
Stores and spares	56%	13%	20%	14%	12%	19%
Stock in trade	105%	28%	40%	23%	44%	12%
Trade debts	90%	109%	-13%	13%	51%	1%
Loan and advances	58%	113%	-54%	72%	-39%	62%
Deposit, prepayment and other receivables	213%	65%	-1%	8%	-63%	111%
Accrued Income	114%	-5%	-79%	100%	0%	0%
Tax refunds due from government	-2%	80%	25%	-21%	24%	107%
Short term investments	0%	300%	-90%	719%	-79%	100%
Deferred employee share option compensation expense	0%	0%	0%	-100%	418%	100%
Cash and bank balances	-69%	148%	-90%	694%	231%	14%
Total current assets	79%	67%	-4%	27%	26%	28%
Total Assets	59%	34%	11%	25%	15%	20%
Equity & Liabilities						
Equity						
Issued, subscribed and paid up capital	3%	0%	0%	359%	0%	0%
Reserves	-7%	0%	0%	9656%	85%	100%
Unappropriated profit	118%	68%	-11%	-25%	-43%	19%
Total equity	46%	19%	-3%	97%	-37%	16%
Non current liabilities						
Long term financing	75%	20%	89%	61%	17%	-39%
Lease liabilities	-39%	50%	100%	-100%	-43%	100%
Deferred liabilities	32%	22%	27%	29%	22%	25%
Total non current liabilities	60%	21%	65%	46%	20%	-21%
Current liabilities						
Trade and other payables	64%	83%	-15%	31%	50%	-16%
Unclaimed dividend	-25%	36%	-98%	-72%	100%	0%
Accrued mark up	217%	16%	73%	-20%	66%	-7%
Short term borrowings	78%	37%	22%	-23%	99%	135%
Derivative financial instruments	185%	100%	0%	0%	0%	0%
Current portion of non current liabilities	-24%	532%	-68%	29%	-4%	-22%
Total current liabilities	67%	56%	7%	-14%	85%	55%
Total equity and liabilities	59%	34%	11%	25%	15%	20%

VERTICLE ANALYSIS ON STATEMENT OF FINANCIAL POSITION

PARTICULARS	2022	2021	2020	2019	2018	2017
	PERCENTAGE					
Assets						
Non Current Assets						
Property, plant and equipment	36%	43%	50%	44%	47%	48%
Intangible Asset	0%	0%	0%	0%	0%	0%
Long term investments	0%	0%	4%	2%	1%	5%
Long term loans	0%	0%	0%	0%	0%	0%
Long term deposits	0%	0%	0%	0%	0%	0%
Total non current assets	36%	43%	54%	46%	48%	53%
Current Assets						
Stores and spares	2%	2%	2%	2%	2%	2%
Stock in trade	24%	19%	19%	15%	16%	12%
Trade debts	30%	25%	16%	21%	23%	17%
Loan and advances	2%	2%	1%	3%	2%	4%
Deposit, prepayment and other receivables	1%	0%	1%	1%	1%	2%
Accrued Income	0%	0%	0%	0%	0%	0%
Tax refunds due from government	4%	7%	5%	5%	7%	7%
Short term investments	1%	1%	1%	3%	0%	3%
Deferred employee share option compensation expense	0%	0%	0%	0%	0%	0%
Cash and bank balances	0%	1%	1%	4%	1%	0%
Total current assets	64%	57%	46%	54%	52%	47%
Total Assets	100%	100%	100%	100%	100%	100%
Equity & Liabilities						
Equity						
Issued, subscribed and paid up capital	9%	14%	19%	21%	6%	7%
Reserves	4%	6%	8%	9%	0%	0%
Unappropriated profit	18%	13%	11%	13%	22%	44%
Total equity	31%	33%	38%	43%	28%	51%
Non current liabilities						
Long term financing	15%	14%	15%	9%	7%	7%
Lease liabilities	0%	0%	0%	0%	0%	0%
Deferred liabilities	6%	7%	7%	7%	6%	6%
Total non current liabilities	21%	21%	22%	16%	13%	13%
Current liabilities						
Trade and other payables	9%	9%	7%	9%	8%	6%
Unclaimed dividend	0%	0%	0%	0%	1%	0%
Accrued mark up	1%	1%	0%	0%	0%	0%
Short term borrowings	36%	32%	32%	29%	47%	26%
Derivative financial instruments	0%	0%	0%	0%	0%	0%
Current portion of non current liabilities	2%	4%	1%	3%	3%	4%
Total current liabilities	48%	46%	40%	41%	59%	36%
Total equity and liabilities	100%	100%	100%	100%	100%	100%

LAST SIX YEARS STATEMENT OF PROFIT OR LOSS

PARTICULARS	2022	2021	2020	2019	2018	2017
	(RUPEES IN '000)					
Sales	90,894,049	54,962,265	36,302,794	37,478,321	31,138,736	26,529,786
Gross Profit	26,066,169	14,212,280	7,863,718	11,954,714	9,144,499	7,026,284
Operating expenses	(10,149,751)	(6,192,379)	(4,610,725)	(5,538,024)	(4,655,082)	(3,520,071)
Profit from operations	15,916,418	8,019,901	3,252,993	6,416,690	4,489,417	3,506,213
Finance cost	(2,492,950)	(1,147,038)	(1,137,162)	(995,707)	(483,654)	(391,940)
Profit before taxation	13,423,468	6,872,863	2,115,831	5,420,983	4,005,763	3,114,273
Taxation	(1,063,972)	(581,292)	(319,428)	(226,216)	(119,954)	(103,188)
Profit for the year	12,359,496	6,291,571	1,796,403	5,194,767	3,885,809	3,011,085

HORIZONTAL ANALYSIS ON STATEMENT OF PROFIT OR LOSS

PARTICULARS	2022 VS 2021	2021 VS 2020	2020 VS 2019	2019 VS 18	2018 VS 2017	2017 VS 2016
	PERCENTAGE					
Sales	65%	51%	-3%	20%	17%	1%
Gross Profit	83%	81%	-34%	31%	30%	-6%
Operating expenses	64%	34%	-17%	19%	32%	14%
Profit from operations	98%	147%	-49%	43%	28%	-19%
Finance cost	117%	1%	14%	106%	23%	-17%
Profit before taxation	95%	225%	-61%	35%	29%	-20%
Taxation	83%	82%	41%	89%	16%	-52%
Profit for the year	96%	250%	-65%	34%	29%	-18%

VERTICAL ANALYSIS ON STATEMENT OF PROFIT OR LOSS

PARTICULARS	2022	2021	2020	2019	2018	2017
	PERCENTAGE					
Sales	100%	100%	100%	100%	100%	100%
Gross Profit	28.68%	25.86%	21.66%	31.90%	29.37%	26.48%
Operating expenses	-11.17%	-11.27%	-12.70%	-14.78%	-14.95%	-13.27%
Profit from operations	17.51%	14.59%	8.96%	17.12%	14.42%	13.22%
Finance cost	-2.74%	-2.09%	-3.13%	-2.66%	-1.55%	-1.48%
Profit before taxation	14.77%	12.50%	5.83%	14.46%	12.86%	11.74%
Taxation	-1.17%	-1.06%	-0.88%	-0.60%	-0.39%	-0.39%
Profit for the year	13.60%	11.45%	4.95%	13.86%	12.48%	11.35%

LAST SIX YEARS STATEMENT OF CASH FLOWS

PARTICULARS	2022	2021	2020	2019	2018	2017
	(RUPEES IN '000)					
Cash Flows from Operating Activities	(7,205,843)	(707,684)	2,602,454	5,856,137	(2,790,766)	1,238,798
Cash Flows from Investing Activities	(11,390,899)	(4,618,250)	(7,283,840)	(5,224,627)	(4,467,281)	(3,152,722)
Cash Flows from Financing Activities	18,339,419	5,413,852	2,477,398	1,654,622	7,369,132	1,945,152
Net (decrease) / increase in cash & cash equivalents	(257,323)	87,918	(2,203,988)	2,286,132	111,085	31,228



**SUSTAINABILITY
& CORPORATE
SOCIAL
RESPONSIBILITY**

PEOPLE

GOAL 2025

A diverse, inclusive and engaged workforce creating a high performing organization.

TARGETS 2025

INCREASE WORKFORCE DIVERSITY



BOOST EMPLOYEE ENGAGEMENT



TRAIN WORKFORCE ON RELEVANT & FUTURE COMPETENCIES



ACHIEVEMENTS VS TARGETS 2022

IMPACT AREAS	TARGETS	ACHIEVEMENTS	
WORKFORCE DIVERSITY	10%	10.7%	
EMPLOYEE ENGAGEMENT	64.8%	64%	
WORKFORCE TRAINING	Events	101	158%
	Man Hours	22,896	30,350
	*IDPs	70%	86%

*Individual Development Plan

PLANET

ENVIRONMENTAL & SOCIAL GOAL 2025

Lead the way in responsible manufacturing meeting highest standards of environmental & social performance.

ENVIRONMENTAL TARGETS 2025

REDUCE CARBON FOOTPRINT IN GHG EMISSIONS BY



REDUCE WATER CONSUMPTION BY



INCREASE USE OF SUSTAINABLE RAW MATERIALS UPTO



DIVERT WASTE FROM LANDFILL



ZDHC (SUPPLIER TO ZERO)



(Aspirational level compliant facilities)

ENVIRONMENTAL ACHIEVEMENTS VS TARGETS 2022

IMPACT AREAS	WATER (Liters/KG)	GHG EMISSIONS (KG CO ₂ /KG)	SOLID WASTE (Diversion from Landfill)	SUSTAINABLE MATERIAL (% of total Material Procured)	CHEMICAL MANAGEMENT
TARGETS	-5%	-10%	50%	55%	ZDHC (Supplier to Zero) (Foundational level compliant facilities)
ACHIEVEMENTS	-2.80%	-1.35%	50%	69.80%	Achieved

SOCIAL TARGET 2025

INVEST IN
COMMUNITY WELL-BEING



SOCIAL ACHIEVEMENT VS TARGET 2022

IMPACT AREA	TARGET	ACHIEVEMENT	INITIATIVES
Invest % of Profit in Community Well-Being	4%	4%	<ul style="list-style-type: none"> Affordable, equitable quality education to 4300 children by sponsoring 32 TCF schools Technical & higher education scholarships for 620* young women & men Equal access to education for 1500* children with disabilities Early childhood development and pre-primary education to at least 152** children at Interloop's childcare centers Enabling 4000 local talent from grassroots through Sports events Organized literary & cultural activities for 10,000*** people Free healthcare for over 15,000* patients

*Approximate Figure **Children enrolled so far *** In FY2022, Literary Events were conducted virtually due to COVID-19 pandemic

PROSPERITY

ECONOMIC PERFORMANCE

Particulars		FY 2022 PKR in Million	FY 2021 PKR in Million
Direct Economic Value Generated			
Revenue	a	92,118	55,933
Direct Economic Value Distributed			
Operating Cost	b	54,071	33,762
Employee Wages/Benefits	c	19,165	12,327
Payment to Providers of Capital	d	6,071	3,326
Payment to Government	e	3,819	2,149
Investments in Community	f	490	330
Economic Value Retained	g=a-b-c-d-e-f	8,502	4,039

CERTIFICATIONS

ENVIRONMENTAL



COMMITMENTS & COLLABORATIONS



CHEMICAL MANAGEMENT



SOCIAL



OTHERS



MEMBERSHIPS





**FINANCIAL
STATEMENTS**

The graphic features a large, stylized number '6' composed of white outlines on a solid blue background. The number is positioned in the upper right quadrant of the blue area. Below the number, the words 'FINANCIAL STATEMENTS' are written in a bold, white, sans-serif font, stacked in two lines.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERLOOP LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of Interloop Limited ("the Company"), which comprise the statement of financial position as at June 30, 2022, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the Accounting and Reporting Standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit, total comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matter(s):

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
1.	Borrowings: (Refer notes 22, 24.2 and 27 to the financial statements)	
	<p>The Company has significant amounts of borrowings from Banks and other financial institutions amounting to Rs. 51.433 billion, being 77% of total liabilities, as at reporting date.</p> <p>Given the significant level of borrowings, finance costs, significant gearing, the disclosure given by the management in financial statements and compliance with various loan covenants, this is considered to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Review of loan agreements and facility letters to ascertain the terms and conditions of repayment, rates of markup used and disclosed by management for finance costs and to ensure that the borrowings have been approved at appropriate level. Verification of disbursement of loans and utilization on sample basis. Review of documents for charge registration with regulator - SECP. Verification of repayments made by the Company during the year on sample basis to confirm that repayments are being made on time and no default has been made.

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S. No	Key Audit Matter(s)	How the Matter was addressed in audit
		<ul style="list-style-type: none"> Assessing procedures designed by management to comply with the debt covenants and performing covenant tests on sample basis. Obtaining direct confirmations from Banks of the Company to confirm balances, terms & conditions stated in the facility offer letters and compliance thereof. Performing analytical procedures, recalculations and other related procedures for verification of finance costs. Ensuring that the outstanding liabilities have been properly classified and related securities and other terms are adequately disclosed in the financial statements.
2.	Capital expenditures (Refer notes 6 to the financial statements)	
	<p>The Company is investing significant amounts in its operations and there is a number of areas where management's judgment impacts the carrying value of property, plant and equipment and its respective depreciation profile. These include among others the decision to capitalize costs; and review of useful life of the assets.</p> <p>The Company's principal accounting policy on operating fixed assets and capital work in progress are disclosed in notes – 5.1 and 5.2 to the financial statements.</p> <p>We focused on this area since the amounts have a significant impact on the financial position of the Company and there is significant management judgment required that has significant impact on the reporting of the financial position for the Company. Therefore, considered as one of the key audit matters.</p>	<p>Our audit procedures in relation to capitalization of property, plant and equipment, amongst others include the following:</p> <ul style="list-style-type: none"> Understanding the design and implementation of management controls over capitalization and performing tests of control over authorization of capital expenditure and accuracy of its recording in the system. Testing, on sample basis, the costs incurred on projects with supporting documents and contracts. Assessing the nature of costs incurred for capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the accounting policy and applicable accounting standards. Checked the reasonableness of management's assessment of categories of assets and working of reclassification in categories of assets including impact of reclassification on both cost of assets and accumulated depreciation in each category. Inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including the calculation of related depreciation.

S. No	Key Audit Matter(s)	How the Matter was addressed in audit
3.	Inventory existence and valuation (Refer notes 10 and 11 to the financial statements)	
	<p>The company has significant levels of inventories amounting to Rs. 25 billion as at the reporting date, being 25.97% of the total assets of the Company.</p> <p>There is a risk in estimating the eventual NRV of items held, as well as assessing which items may be slow-moving or obsolete.</p> <p>The Company's principal accounting policy on stores and spares and stock in trade are disclosed in notes – 5.5 and 5.6 to the financial statements.</p> <p>The significance of the balance coupled with the judgments and estimates involved on their valuation has resulted in the inventories being considered as a key audit matter.</p>	<p>Our audit procedures over existence and valuation of inventory include, but were not limited to:</p> <ul style="list-style-type: none"> To test the quantity of inventories at all locations, we assessed the corresponding inventory observation instructions and participated in inventory counts on sites. Based on samples, we performed test counts and compared the quantities counted by us with the results of the counts of the management; For a sample of inventory items, re-performed the weighted average cost calculation and compared the weighted average cost appearing on valuation sheets; We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice; On a sample basis, we tested the net realizable value of inventory items to recent selling prices and re-performed the calculation of the inventory write down, if any; We also made enquires of management, including those outside of the finance function, and considered the results of our testing above to determine whether any specific write downs were required.
4.	Revenue recognition (Refer note 30 to the financial statements)	
	<p>We identified recognition of revenue of the Company as a key audit matter because revenue is one of the key performance indicators and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>The Company earns revenue from multiple business lines which operate as distinct business units with significant volume of revenue transactions.</p> <p>Revenue is recorded in accordance with the requirements of IFRS-15 which provides a comprehensive model of revenue recognition and requires the Company to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying the model to contracts with customers.</p> <p>For further information, refer to the summary of significant accounting policies, Revenue from contracts with customers' note 5.18 to the financial statements.</p>	<p>We performed a range of audit procedures in relation to revenue including the following:</p> <ul style="list-style-type: none"> We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; We performed analytical review procedures and other test of details over various revenue streams including the cut-off procedures to check that revenue has been recognized in the appropriate accounting period; We assessed the adequacy of the disclosures as per the guidelines set out in the applicable financial reporting requirements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

Based on our audit, we further report that in our opinion:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Syed Aftab Hameed - FCA.



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

Date: September 15, 2022
Place: Faisalabad
UDIN: AR2022104757S2YZRBxn

STATEMENT OF FINANCIAL POSITION

As at June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	34,730,382	26,193,029
Intangible assets	7	227,457	209,623
Long term loans	8	179,626	144,673
Long term deposits	9	86,955	60,478
		35,224,420	26,607,803
CURRENT ASSETS			
Stores and spares	10	1,866,417	1,199,116
Stock in trade	11	23,142,048	11,276,308
Trade debts	12	28,603,965	15,052,940
Loans and advances	13	1,633,562	1,034,836
Deposit, prepayment and other receivables	14	998,491	318,708
Accrued income	15	4,570	2,131
Tax refunds due from Government	16	4,224,938	4,328,555
Short term investments	17	500,000	500,000
Cash and bank balances	18	117,119	374,442
		61,091,110	34,087,036
TOTAL ASSETS		96,315,530	60,694,839
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	19	15,000,000	10,000,000
Issued, subscribed and paid up capital	20	8,983,635	8,721,975
Reserves	21	3,528,149	3,791,602
Unappropriated profit		17,428,486	8,001,035
		29,940,270	20,514,612
NON CURRENT LIABILITIES			
Long term financing	22	14,396,116	8,213,978
Lease liabilities	23	93,973	152,969
Deferred liabilities	24	5,048,654	3,816,001
		19,538,743	12,182,948
CURRENT LIABILITIES			
Trade and other payables	25	9,084,790	5,551,641
Unclaimed dividend		3,006	4,004
Accrued mark up	26	702,689	221,674
Short term borrowings	27	35,007,908	19,636,066
Derivative financial instruments		94,154	33,074
Current portion of non current liabilities	28	1,943,970	2,550,820
		46,836,517	27,997,279
CONTINGENCIES AND COMMITMENTS	29	-	-
TOTAL EQUITY AND LIABILITIES		96,315,530	60,694,839

The annexed notes 1 to 51 form an integral part of these financial statements.

Director

Director

Chief Financial Officer

Director

Director

Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Sales - net	30	90,894,049	54,962,265
Cost of sales	31	(64,827,880)	(40,749,985)
Gross profit		26,066,169	14,212,280
Operating expenses			
Distribution cost	32	(3,382,031)	(2,639,632)
Administrative expenses	33	(4,681,472)	(2,796,180)
Other operating expenses	34	(2,143,370)	(919,479)
		(10,206,873)	(6,355,291)
Other income	35	57,122	162,912
Profit from operations		15,916,418	8,019,901
Finance cost	36	(2,492,950)	(1,147,038)
Profit before taxation		13,423,468	6,872,863
Taxation	37	(1,063,972)	(581,292)
Profit for the year		12,359,496	6,291,571
			Restated
Earnings per share - basic and diluted (Rupees)	38	13.76	7.00

The annexed notes 1 to 51 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Profit for the year		12,359,496	6,291,571
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial loss on remeasurement of post retirement benefits obligations	24.1.4	(263,121)	(71,653)
Total comprehensive income for the year		12,096,375	6,219,918

The annexed notes 1 to 51 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2022

	Share capital	Capital reserve Share premium	Revenue reserve Unappropriated profit	Total
	(Rupees '000)			
Balance as at July 01, 2020	8,721,975	3,791,602	4,766,115	17,279,692
Profit for the year	–	–	6,291,571	6,291,571
Other comprehensive loss	–	–	(71,653)	(71,653)
Total comprehensive income for the year	–	–	6,219,918	6,219,918
Transfer upon amalgamation of IL Apparel (Pvt) Limited	–	–	(804,504)	(804,504)
Transactions with owners:				
Final cash dividend @ Re. 1 per share for the year ended June 30, 2020	–	–	(872,197)	(872,197)
Interim cash dividend @ Rs. 1.5 per share for the year ended June 30, 2021	–	–	(1,308,297)	(1,308,297)
Balance as at June 30, 2021	8,721,975	3,791,602	8,001,035	20,514,612
Profit for the year	–	–	12,359,496	12,359,496
Other comprehensive loss	–	–	(263,121)	(263,121)
Total comprehensive income for the year	–	–	12,096,375	12,096,375
Transaction cost on issuance of bonus shares	–	(1,793)	–	(1,793)
Transactions with owners:				
Bonus shares issued during the year	261,660	(261,660)	–	–
Final cash dividend @ Re. 1 per share for the year ended June 30, 2021	–	–	(872,197)	(872,197)
Interim cash dividend @ Rs. 2 per share for the year ended June 30, 2022	–	–	(1,796,727)	(1,796,727)
Balance as at June 30, 2022	8,983,635	3,528,149	17,428,486	29,940,270

The annexed notes 1 to 51 form an integral part of these financial statements.

Director

Director

Chief Financial Officer

Director

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

For the year ended June 30, 2022

	2022 (Rupees '000)	2021 (Rupees '000)
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,423,468	6,872,863
Adjustments for:		
Depreciation	2,774,273	2,279,613
Amortization	47,630	18,329
Depreciation on right of use assets	63,923	41,215
Workers' welfare fund	273,948	140,262
Workers' profit participation fund	721,746	369,111
Staff retirement gratuity	1,154,135	857,791
Loss on disposal of non current assets	15,204	19,535
Exchange loss/(gain) net	20,943	(36,056)
Inventory written off	-	434
Realized loss on derivative financial instruments	527,775	27,251
Unrealized loss on derivative financial instruments	94,154	33,074
Profit on term deposit receipts (TDRs)	-	(3,088)
Profit on term finance certificates (TFCs)	(55,441)	(45,624)
Interest on loan to Metis International (Pvt) Ltd	(1,489)	(1,152)
Reversal of impairment loss	-	(70,814)
Interest on receivables from IL Bangla Limited	-	(5,308)
Finance cost	2,492,950	1,147,038
Operating cash flows before working capital changes	21,553,219	11,644,474
Changes in working capital		
Increase in current assets		
Stores and spares	(667,301)	(126,666)
Stock in trade	(11,865,740)	(2,056,846)
Trade debts	(13,551,025)	(7,632,722)
Loans and advances	(575,394)	(469,075)
Deposit, prepayment and other receivables	(679,783)	(114,482)
Tax refunds due from government	(378,500)	(1,876,611)
Increase in current liabilities		
Trade and other payables	2,902,411	2,071,469
	(24,815,332)	(10,204,933)
Cash (used in) / generated from operations	(3,262,113)	1,439,541
Finance cost paid	(1,976,543)	(1,097,987)
Income tax paid	(581,855)	(531,448)
Staff retirement gratuity paid	(337,353)	(281,467)
Workers' profit participation fund paid	(380,983)	(119,000)
Long term loans paid	(58,285)	(88,237)
Long term deposits paid	(26,477)	(16,505)
Settlement of derivative financial instruments	(527,775)	(27,251)
Profit on term deposit receipts (TDRs) received	-	3,132
Exchange (loss)/gain - net	(54,459)	11,538
Net cash used in operating activities	(7,205,843)	(707,684)

	2022 (Rupees '000)	2021 (Rupees '000)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in:		
Property, plant and equipment	(11,423,547)	(5,077,335)
Intangible assets	(65,464)	(81,439)
Proceeds from disposal of operating fixed assets	43,179	90,848
Profit on term finance certificates (TFCs) received	54,933	45,609
Changes in long term investments	-	404,067
Net cash used in investing activities	(11,390,899)	(4,618,250)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing obtained	8,480,399	3,997,643
Repayment of long term financing	(2,757,691)	(747,505)
Payment of lease rentals	(83,416)	(50,297)
Changes in short term borrowings - net	15,371,842	4,393,453
Transaction cost on issuance of bonus shares	(1,793)	-
Dividend paid	(2,669,922)	(2,179,442)
Net cash generated from financing activities	18,339,419	5,413,852
Net (decrease)/increase in cash and cash equivalents (a+b+c)	(257,323)	87,918
Add: Transfer upon amalgamation	-	10,693
Cash and cash equivalents at the beginning of the year	374,442	275,831
Cash and cash equivalents at the end of the year	117,119	374,442

The annexed notes 1 to 51 form an integral part of these financial statements.


Director


Director


Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

1. LEGAL STATUS AND OPERATIONS

Interloop Limited (the Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand road, Lahore. The Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017,
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise stated in respective policy notes. In these financial statements, all the transactions are recorded on actual basis except for the statement of cash flows.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is also the Company's functional currency.

3. NEW AND REVISED STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS

3.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

There were certain amendments to accounting and reporting standards which became effective during the year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

3.2 Standards, interpretations and amendments to approved accounting standards that are issued but not yet effective and have not been early adopted by the Company

- **Amendment to IAS 16 'Property, Plant and Equipment' - Proceeds before Intended Use (effective for annual period beginning on or after January 01, 2022):**

The amendment prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendment is not likely to have an impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

- **Amendment to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of Fulfilling a Contract (effective for annual period beginning on or after January 01, 2022):**

The amendment specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendment is not likely to have an impact on the Company's financial statements.

- **Amendments to IFRS 3, 'Business Combinations' - Reference to the Conceptual Framework (effective for the Company's annual period beginning on January 01, 2022):**

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989 with a reference to the Conceptual Framework for Financial Reporting, that was issued in March 2018, without significantly changing its requirements. In addition, the Board added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities and it clarified existing guidance in IFRS 3 for contingent assets. The amendment is not likely to have an impact on the Company's financial statements.

- **Annual Improvements to IFRS Standards 2018–2020 Cycle. The new cycle of improvements addresses improvements to following approved accounting standards (effective for annual period beginning on or after January 01, 2022):**

- **IFRS 1 First-time Adoption of International Financial Reporting Standards:** This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards. The amendment is not likely to have an impact on the Company's financial statements.

- **IFRS 9 Financial Instruments:** The amendment clarifies which fees an entity includes when it applies the '10 percent' test in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is not likely to have an impact on the Company's financial statements.

- **IAS 41 Agriculture:** The amendment removes the requirement for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13 - Fair Value Measurement. The amendment is not likely to have an impact on the Company's financial statements.

- **Amendments to IAS 1, 'Presentation of financial statements' and IFRS Practice Statement 2- Disclosure of Accounting Policies (effective for the Company's annual period beginning on January 01, 2023):**

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. The amendment is not likely to have an impact on the Company's financial statements.

- **Amendments to IAS 1, 'Presentation of financial statements' - Classification of Liabilities as Current or Non-current (effective for the Company's annual period beginning on January 01, 2023):**

The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. Management expectations about events after the reporting date, for example on whether a covenant will be

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

breached, or whether early settlement will take place, are not relevant. The amendments clarify the situations that are considered settlement of a liability.

– **Amendments to IAS 8, 'Accounting policies, changes in accounting estimates and errors' - Definition of Accounting Estimates (effective for the Company's annual period beginning on January 01, 2023):**

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. The Company is yet to assess the full impact of the amendment.

– **IAS 12 Income Taxes -Amendments regarding deferred tax on leases and decommissioning obligations (Effective for annual periods beginning on or after 1 January 2023):**

The main change in Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) is an exemption from the initial recognition exemption provided in IAS 12. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

There are other amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented here.

Further, the following new standards have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purposes of their applicability in Pakistan:

IFRS - 1 'First time adoption of International Financial Reporting Standards'.
IFRS - 17 'Insurance Contracts'.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets - note 5.1
- Estimated useful life of intangible assets - note 5.3
- Impairment of non-financial assets - note 5.4
- Stores and spares - note 5.5
- Stock-in-trade - note 5.6
- Estimates for expected credit loss (ECL) of financial assets i.e. trade debts and other receivables- note 5.7
- Estimation used in right of use asset and corresponding lease liability - note 5.9
- Staff retirement benefits - note 5.11
- Provisions - note 5.15
- Contingencies - note 5.16
- Estimates as to expected value or most likely amount method for determination of variable consideration of transaction price - note 5.18

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

- Taxation - note 5.20
- Derivative financial instruments - note 5.25
- Impairment of financial assets - note 5.25

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Operating fixed assets and depreciation

Operating fixed assets, except freehold land which is stated at cost, are stated at cost less accumulated depreciation and identified accumulated impairment loss, if any. Cost comprises acquisition and other directly attributable costs.

Depreciation is calculated at the rates stated in note - 6.1 applying reducing balance method. The useful life and residual value of major components of operating fixed assets are reviewed annually to determine that expectations are not significantly different from the previous estimates. Adjustment in depreciation rate for current and future periods is made if expectations are significantly different from the previous estimates. Depreciation is charged from the month when an asset becomes available for use, whereas no depreciation is charged in the month of its disposal.

Expenditure, which enhances or extends the performance of operating fixed assets beyond its original specification and its useful life, is recognized as a capital expenditure and is added to the cost of the operating fixed assets. These are depreciated on reducing balance method at the rate mentioned in note - 6.1.

An item of operating fixed asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of operating fixed asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized in the statement of profit or loss.

5.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and represents direct cost of material, labour, applicable overheads and borrowing costs on qualifying assets. Transfers are made to relevant property, plant and equipment category as and when assets are available for its intended use.

5.3 Intangible assets - Computer software

Intangible assets are stated at cost less accumulated amortization and identified accumulated impairment loss, if any. These are amortized using the reducing balance method at the rates given in note - 7.1. Amortization on additions is charged from the month in which an intangible asset is acquired, while no amortization is charged for the month in which intangible asset is disposed off.

Costs associated with maintaining computer software program are recognized as an expense as and when incurred. Costs that are directly attributable to identifiable software and have probable economic benefits exceeding one year, are recognized as an intangible asset at the time of initial recognition. Direct costs include the purchase cost of software and related overhead costs.

Expenditure, which enhances or extends the performance of computer software beyond its original specification and useful life, is recognized as a capital expenditure and added to the cost of the software. These are amortized on reducing balance method at the rate mentioned in the relevant note.

5.3.1 Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as development cost in intangible assets. Directly attributable costs that are capitalized as part of the software includes advance payments for the software. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is ready for use.

5.4 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than stock in trade and stores and spares, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets of the unit on a pro-rata basis. Impairment losses on goodwill shall not be reversed.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

5.5 Stores and spares

Stores and spares are carried at moving average cost. Provision is made for slow moving and obsolete store items when so identified. Stores and spares held for capital expenditure are included in capital work in progress.

5.6 Stock-in-trade

These are stated at the lower of cost and net realizable value (NRV). The methods used for the calculation of cost are as follows:

Raw material - At factory	Moving average cost
- In transit	Invoice value plus direct charges in respect thereof.
Work in process and finished goods	Prime cost including a proportion of production overheads.

Wastes are valued at net realizable value.

Stock-in-trade is regularly reviewed by the management and any obsolete items are brought down to their net realizable value. Net realizable value signifies the selling price in the ordinary course of business less costs necessary to be incurred to affect such sale.

5.7 Trade debts and other receivables

Trade debts are recognized and carried at the original invoice amounts, being the fair value, less loss allowance, if any. For measurement of loss allowance for trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

5.8 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques in hand/cheques overdrawn, balances with banks and include short term highly liquid investments with original maturities of three months or less. The cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of change in value.

5.9 Leases

Right of use assets

At inception, the Company assesses whether a contract is or contains a lease. This assessment involves the exercise of judgement about whether the Company obtains substantially all the economic benefits from the use of the asset and whether the Company has a right to direct the use of the asset. The Company recognizes right of use assets (RoU) at the commencement date of the lease (i.e. the date the

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For the year ended June 30, 2022

underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Depreciation of RoU is charged to statement of profit or loss. Residual value and the useful life of an RoU are reviewed at least at each financial year-end. Depreciation on additions to RoU is charged from the month in which an asset is acquired, while no depreciation is charged for the month in which the asset is disposed off.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The related payment obligations, net of finance costs are classified as current and long term liability depending upon the timing of the payment.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to statement of profit or loss over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and leases of low value items.

5.10 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

5.11 Staff retirement benefits

(a) Defined Benefit Plan

The Company operates an unfunded gratuity scheme for all employees according to the terms of employment, subject to a minimum qualifying period of service. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at each reporting date. Remeasurement of net defined benefit liability, which comprise of actuarial gains and losses i.e. experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in other comprehensive income. The Company determines net interest expense/(income) on the defined benefit obligation for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to then-net defined benefit, taking into account any change in the net defined benefit obligation during the period as a result of contributions and benefit payments. Net interest expense and other expenses e.g. current service cost, related to defined benefit plans are recognized in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

(b) Defined Contribution Plan

There is a contributory provident fund for executive staff of the Company for which contributions are charged to profit or loss as and when incurred.

The Company makes monthly contribution to the fund at the rate of 7.5% whereas employees of the Company have the option to contribute more than 7.5% but not exceeding 12.5% of his/her monthly basic pay with the written approval of the Board. The assets of the fund are held separately under the control of trustees.

(c) Employees' Share Option Scheme (ESOS)

The fair value of the share option is measured at grant date as difference of fair value of share and exercise price and is recognized as an employee compensation expense, with a corresponding increase in equity, on the straight line basis over the vesting period. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

When share options are exercised, the proceeds received, net of any transaction costs, are credited to share capital (nominal value) and share premium.

5.12 Government grants

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants. Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

Government grant includes any benefit earned on account of a government loan obtained at below-market rate of interest. The loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

5.13 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximate fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.14 Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

5.15 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

5.16 Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

5.17 Foreign currency translation

Transactions in foreign currency during the period are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency at the rate of exchange prevailing at the reporting date. All non-monetary assets and liabilities are translated into rupees at exchange rates prevailing on the date of transaction or on date when fair values are determined. Exchange differences are charged to statement of profit or loss.

5.18 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognized as deferred revenue in the form of a separate refund liability.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Otherwise, control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- The Company's performance creates and enhances an asset that the customer controls as the Company performs; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

b) Rendering of services

Revenue from a contract to provide services is recognized over time as the services are rendered.

c) Interest income

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

d) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

5.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time when the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to statement of profit or loss in the period of as and when incurred.

5.20 Taxation

Current

The charge for current taxation is based on taxable income at current rates of taxation after taking into account tax credits, rebates and exemptions available, if any. However, for income covered under Final Taxation Regime (FTR), taxation is based on the applicable tax rates under such Regime. The charge for current tax also includes adjustments, where considered necessary, and the tax assessed from assessments framed during the year for such years is over/under the provision of tax then made.

Deferred

Deferred tax is accounted for using the statement of financial position method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the reporting date. In this regard, the effect on deferred taxation of the portion of income subjected to Final Tax Regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan, if considered material. However, no provision of deferred tax is made/required where the whole income of the Company arises and comes under the ambit of Final Tax Regime (FTR).

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

5.21 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit by weighted average number of shares outstanding during the period. Diluted EPS is calculated by adjusting for the effects of all dilutive potential ordinary shares.

5.22 Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which dividends are approved. by the members in the forthcoming AGM after the date of authorization of issue of financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

5.23 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes the strategic decisions.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

5.24 Related party transactions

All transactions with related parties are carried out at arm's length prices. Each transaction is evaluated to be characterized as an "arm's length transaction" and approximated to the arm's length criteria using one of the following methodologies:

- Market-based pricing
- Negotiated pricing
- Cost-based pricing

5.25 Financial Instruments:

5.25.1 Financial assets

A financial asset is measured at amortized cost if it is held in order to collect contractual cash flows which arise on specified dates and that are 'solely payment of principal and interest (SPPI)' on the principal amount outstanding. A debt investment is measured at fair value through other comprehensive income if it is held in order to collect contractual cash flows which arise on specified dates that are solely principal and interest and as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

A. Classification and measurement of financial assets

Investments and other financial assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in statement of profit or loss and presented in other income / (other operating expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other operating expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other operating expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

B. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

C. Impairment

The Company record an allowance for a forward-looking expected credit loss (ECL) approach for all loans and other debt financial assets not held at FVPL.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade and other receivables, the Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

D. Derivative financial instruments

Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value, with all gains or losses, realized and unrealized, recognized in the statement of profit or loss.

5.25.2 Financial liabilities

A. Classification and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

ii) Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

B. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

5.25.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	29,632,448	23,467,161
Capital work-in-progress	6.2	4,964,375	2,543,689
Right of use assets	6.3	133,559	182,179
		34,730,382	26,193,029

6.1 Operating fixed assets

Description	2022											
	Cost				Depreciation				W.D.V As on June 30, 2022	Rate %		
	As On July 1, 2021	Additions	Transfer upon amalgamation	Deletions	As on June 30, 2022	As on July 1, 2021	For the year	Transfer upon amalgamation			Adjustments	As on June 30, 2022
(Rupees '000)												
Owned												
Freehold land	2,132,389	432,411	-	-	2,564,800	-	-	-	-	-	2,564,800	-
Buildings on freehold land	7,994,854	1,443,236	-	-	9,438,090	3,061,490	581,754	-	-	3,643,244	5,794,846	10
Plant and machinery	22,112,767	5,069,606	-	(72,229)	27,110,144	9,426,295	1,588,318	-	(59,648)	10,954,965	16,155,179	10
Tools and equipment	1,456,513	451,611	-	(3,103)	1,905,021	559,954	117,324	-	(2,102)	675,176	1,229,845	10
Office equipment	718,432	228,401	-	(17,496)	929,337	320,424	108,694	-	(15,834)	413,284	516,053	20
Electric installations	2,333,598	831,002	-	(2,003)	3,162,597	791,479	193,575	-	(1,416)	983,638	2,178,959	10
Furniture and fixtures	590,782	249,932	-	(40)	840,674	220,572	49,769	-	(33)	270,308	570,366	10
Vehicles	800,652	296,661	-	(113,348)	983,965	292,612	134,839	-	(65,886)	361,565	622,400	20
Total	38,139,987	9,002,860	-	(208,219)	46,934,628	14,672,826	2,774,273	-	(144,919)	17,302,180	29,632,448	

Description	2021											
	Cost				Depreciation				W.D.V As on June 30, 2021	Rate %		
	As On July 1, 2020	Additions	Transfer upon amalgamation	Deletions	As On June 30, 2021	As On July 1, 2020	For the year	Transfer upon amalgamation			Adjustments	As on June 30, 2021
(Rupees '000)												
Owned												
Freehold land	1,723,264	188,598	220,527	-	2,132,389	-	-	-	-	-	2,132,389	-
Buildings on freehold land	7,323,607	610,953	60,294	-	7,994,854	2,530,865	521,017	9,608	-	3,061,490	4,933,364	10
Plant and machinery	20,367,053	1,593,773	241,678	(89,737)	22,112,767	8,148,454	1,314,441	37,090	(73,690)	9,426,295	12,686,472	10
Tools and equipment	1,282,851	96,820	76,842	-	1,456,513	464,024	83,665	12,265	-	559,954	896,559	10
Office equipment	497,145	195,230	39,139	(13,082)	718,432	254,422	64,156	11,334	(9,488)	320,424	398,008	20
Electric installations	1,984,922	290,621	62,840	(4,785)	2,333,598	641,190	142,514	10,620	(2,845)	791,479	1,542,119	10
Furniture and fixtures	480,528	93,405	16,849	-	590,782	176,184	41,694	2,694	-	220,572	370,210	10
Vehicles	689,573	198,784	40,938	(128,643)	800,652	236,008	112,126	12,560	(68,082)	292,612	508,040	20
Total	34,348,943	3,268,184	759,107	(236,247)	38,139,987	12,451,147	2,279,613	96,171	(154,105)	14,672,826	23,467,161	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

6.1.1 The detail of operating fixed assets disposed / written off during the year are as follows:

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Particulars of Buyers
(Rupees '000)							
Assets having book value exceeding Rs. 500,000 each							
Plant and Machinery							
Knitting Machine With Linking Device - Shft11336 - Sangiacomo Ht1	3,055	1,838	1,217	33	(1,184)	Negotiation	Mian Maqsood - Sir Syed Town, Dijkot Road, Faisalabad
Sub Total	3,055	1,838	1,217	33	(1,184)		
Tools and Equipments							
Portable Organic Waste Treatment Plant - Mailhem - 200 Kgs Capacity	3,103	2,102	1,001	560	(441)	Negotiation	Muhammad Safdar - Faisalabad
Sub Total	3,103	2,102	1,001	560	(441)		
Vehicles							
Toyota Corolla Altis	2,037	1,412	625	274	(351)	Company Policy	Muhammad Ramzan - Company Employee
Toyota Corolla GLI	1,926	1,150	776	673	(103)	Company Policy	Muhammad Sajjad - Company Employee
Honda Civic - Vti Oriel	2,671	1,593	1,078	942	(136)	Company Policy	Fahim Masood Khan - Company Employee
Honda City	1,587	923	664	450	(214)	Company Policy	For Muhammad Owais - Company Employee
Suzuki Cultus VXR	1,277	743	534	500	(34)	Company Policy	Tayyab Mahmood - Company Employee
Suzuki Cultus VXR	1,277	743	534	500	(34)	Company Policy	Faryad Ali - Company Employee
Honda City	1,587	919	668	531	(137)	Company Policy	Saber Hussain Shah - Company Employee
Suzuki Cultus VXR	1,277	752	525	500	(25)	Company Policy	Muhammad Ayub - Company Employee
Honda City	1,580	930	650	531	(119)	Company Policy	Nadeem Abbas Khan - Company Employee
Honda Civic I-Vtec	2,766	1,606	1,160	942	(218)	Company Policy	Shahid Majeed - Company Employee
Honda City Prosmatec	1,725	1,015	710	531	(179)	Company Policy	Imran Shoukat - Company Employee
Suzuki Cultus VXL	1,565	661	904	1,000	96	Negotiation	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1, Muhammad Pura, Faisalabad.
Toyota Corolla Altis	2,086	1,466	620	274	(346)	Company Policy	Ahmad Bilal Randhawa - Company Employee
Honda City	1,729	972	757	757	-	Company Policy	Nargas Gulnaz - Company Employee
Toyota Corolla GLI	2,522	989	1,533	1,575	42	Negotiation	Muhammad Yousaf, Imran Colony, Tariqabad, Mandi Bahauddin
Honda City	1,586	969	617	450	(167)	Company Policy	Fayyaz Rasool - Company Employee
Suzuki Swift DLX	1,412	817	595	550	(45)	Company Policy	Samoon - Company Employee
Honda City	1,648	980	668	531	(137)	Company Policy	Azhar Mahmood - Company Employee
Honda City	1,579	973	606	450	(156)	Company Policy	Abdul Rauf - Company Employee
Suzuki Cultus VXL	1,903	530	1,373	1,375	2	Negotiation	Umar Javaid, H. # 9, Mian Trust Hospital, Faisalabad
Toyota Fortuner	5,629	2,939	2,690	1,002	(1,688)	Company Policy	Azhar Sadiq - Company Employee
Honda Civic I-Vtec Oriel	2,762	1,640	1,122	942	(180)	Company Policy	Fazlay Mateen U Din - Company Employee
Honda City Prosmatec	1,710	1,163	547	1,010	463	Negotiation	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1, Muhammad Pura, Faisalabad.
Suzuki Swift DLX	1,499	974	525	281	(244)	Company Policy	Mahmood Ali - Company Employee
Honda City Prosmatec	1,788	1,047	741	550	(191)	Company Policy	Faryal Sohail - Company Employee
Suzuki Swift DLX	1,549	907	642	500	(142)	Company Policy	Rizwan Arshad - Company Employee
Honda BRV 1.5 I-Vtec	2,418	1,299	1,119	962	(157)	Company Policy	Muhammad Latif Zeb - Company Employee
Suzuki Cultus VXL	1,419	820	599	500	(99)	Company Policy	Mateen Sultan Khan - Company Employee
Suzuki Cultus VXR	1,693	113	1,580	1,650	70	Negotiation	Muhammad Anwar, H.# 6-E, Sheraz Park, Ittehad Colony, Multan Road, Lahore.
Suzuki Cultus VXL	1,419	831	588	500	(88)	Company Policy	Qaiser Mehmood - Company Employee
Honda BRV 1.5 I-Vtec	2,576	1,469	1,107	942	(165)	Company Policy	Adeel Tahir - Company Employee
Honda City Prosmatec	1,709	1,142	567	332	(235)	Company Policy	Muhammad Sufian Akhtar - Company Employee
Suzuki Cultus VXR	1,297	750	547	508	(39)	Company Policy	Saifullah Khalid - Company Employee
Honda City Aspire	1,982	1,176	806	737	(69)	Company Policy	Saeed Akhtar - Company Employee

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Description	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss)	Mode of Disposal	Particulars of Buyers
(Rupees '000)							
Honda City I-Vtec Mt Fog 1.3	1,574	1,061	513	281	(232)	Company Policy	Shoaib Zafar - Company Employee
Toyota Corolla Altis	2,297	1,363	934	737	(197)	Company Policy	Syed Kaleem Ahmad Jaafari - Company Employee
Honda City Mts	1,645	976	669	508	(161)	Company Policy	Muhammad Jaffar - Company Employee
Suzuki Cultus VXR	1,297	761	536	508	(28)	Company Policy	M Arif - Company Employee
Suzuki Cultus VXR	1,297	761	536	508	(28)	Company Policy	Adeel Zaman - Company Employee
Suzuki Swift DLX	1,440	844	596	562	(34)	Company Policy	Adnan Zaka - Company Employee
Suzuki Swift DLX	1,561	623	938	562	(376)	Company Policy	Amjad Dobotex - Company Employee
Honda Civic I-Vtec	2,485	1,456	1,029	961	(68)	Company Policy	Ijaz Hussain - Company Employee
Suzuki Cultus VXR	1,444	698	746	564	(182)	Company Policy	Ali Hassan - Company Employee
Honda City Prosmatec	2,627	960	1,667	1,732	65	Company Policy	Muhammad Shahbaz Tahir - Company Employee
Honda City	1,582	1,040	542	450	(92)	Company Policy	Abdul Hanan Khan - Company Employee
Honda City	1,813	1,065	748	508	(240)	Company Policy	Tahir Taymor - Company Employee
Honda City	1,807	1,061	746	508	(238)	Company Policy	Shahzad Sarwar - Company Employee
Honda City Aspire	2,082	1,223	859	562	(297)	Company Policy	Muhammad Arshad Kashif - Company Employee
Honda City Aspire	1,950	1,145	805	562	(243)	Company Policy	Muhammad Asif - Company Employee
Honda City	1,752	1,044	708	499	(209)	Company Policy	Kamran Sani - Company Employee
Toyota Corolla GLI	1,924	1,291	633	332	(301)	Company Policy	Mian Abrar Hussain - Company Employee
Suzuki Swift	1,735	904	831	850	19	Negotiation	Saeed Autos - Mr. Sheraz - House No. P-231, Street No. 1, Muhammad Pura, Faisalabad.
Sub Total	97,502	54,689	42,813	34,946	(7,867)		
Other assets having book value below Rs. 500,000 each							
	104,559	86,290	18,269	7,640	(10,629)		
Total - 2022	208,219	144,919	63,300	43,179	(20,121)		
Total - 2021	236,247	154,105	82,142	90,848	8,706		

6.1.2 Depreciation expense for the year has been allocated as under;

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Cost of sales	31	2,425,903	2,054,495
Administrative expenses	33	348,370	225,118
		2,774,273	2,279,613

6.2 Capital work-in-progress

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Civil works		1,450,282	1,216,376
Plant and machinery	6.2.1	851,990	547,137
Capital stores	6.2.2	436,760	129,762
Advances to suppliers		2,225,343	650,414
		4,964,375	2,543,689

6.2.1 Plant and machinery includes borrowing cost amounting to Rs. 24.205 million (2021: Nil) calculated at the rate of 4.50% to 15.17% per annum.

6.2.2 Capital stores include factory tools and equipment, office equipment, electric installations, furniture and fixtures and vehicles that are held in store for future use and capitalization.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
6.3 Right of use assets			
Buildings			
Cost:			
Opening Balance		257,775	149,780
Additions / adjustments during the year		31,333	46,500
Transfer upon amalgamation		–	65,017
Disposal during the year		(31,026)	(3,522)
Closing balance		258,082	257,775
Accumulated depreciation:			
Opening balance		75,596	36,992
Depreciation for the year	6.3.1	63,923	41,215
Adjustment on disposal		(14,996)	(2,611)
Closing balance		124,523	75,596
Net book value		133,559	182,179
6.3.1 Depreciation on right of use assets has been allocated as under;			
Cost of sales	31	63,923	40,844
Administrative expenses	33	–	371
		63,923	41,215

6.4 Details of immovable property in the name of the Company:		
Usage	Location	Area
Plant 1	Chak # 76 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	19 Acres 7 Kanals 12 Marlas
	Chak # 194 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	3 Acres 13 Marlas
	Chak # 108 RB. 1 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	9 Marlas
Interloop Industrial Park - (Plant 2, Plant 4 & Spinning unit)	Chak # 103 RB, 7 - KM, Jaranwala Road, Khurrianwala, Faisalabad.	138 Acres 11 Kanals 4 Marlas 5 Sarsai
Plant 3	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	41 Acres 3 Kanals 8 Marlas
Denim Division	8 - KM, Manga Raiwind Road, Distt. Kasur, Lahore.	26 Acres 7 Kanals 14 Marlas
Apparel Industrial Park - (Plant 5 & Apparel unit)	Chak # 106 RB, 6 - KM, By Pass Road, Khurrianwala, Faisalabad.	241 Acres 4 Kanals 19 Marlas 8 Sarsai
Land	Chak # 200 RB, Near Toll Plaza Gatwala, Lathianwala, Faisalabad.	2 Acres 13 Marlas 5 Sarsai

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
7. INTANGIBLE ASSETS			
Computer software	7.1	218,057	209,623
Development cost - in progress		9,400	–
		227,457	209,623
7.1 Computer Software			
Cost:			
Opening balance		301,059	146,932
Addition during the year		56,064	185,730
Transfer upon amalgamation		–	4,883
Written off during the year		–	(36,486)
		357,123	301,059
Amortization:			
Opening balance		91,436	79,764
Transfer upon amalgamation		–	1,480
For the year amortization	7.2	47,630	18,329
Adjustment		–	(8,137)
		139,066	91,436
Net book value		218,057	209,623
Amortization rate		20%	20%

	Note	2022 (Rupees '000)	2021 (Rupees '000)
7.2 Amortization on intangible assets has been allocated as under;			
Cost of sales	31	832	2,118
Administrative expenses	33	46,798	16,211
		47,630	18,329

	Note	2022 (Rupees '000)	2021 (Rupees '000)
8. LONG TERM LOANS			
Considered good - Secured			
Loans to employees	8.1	171,357	131,788
Loan to director	8.2	8,269	12,885
		179,626	144,673
8.1 Loans to employees			
Opening balance		242,729	142,721
Add: transfer upon amalgamation		–	7,155
Add: disbursement made during the year		1,278,407	232,683
		1,521,136	382,559
Less: amount received during the year		(1,215,506)	(139,830)
		305,630	242,729
Less: receivable within twelve months	13	(134,273)	(110,941)
		171,357	131,788

8.1.1 These represent loans given to executives and other employees as per the Company's policy for house building and general purposes. The loan balances except for housing finance are interest free. The loans are recoverable in equal monthly installments from respective employees based on the tenor of the loan. The loans are secured against the employees' respective retirement benefits and are given as per Company's policy. These loans have not been carried at amortized cost as the effect of discounting is not considered material.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
8.2 Loan to director			
Opening balance		17,501	22,117
Less: amount received during the year		(4,616)	(4,616)
		12,885	17,501
Less: receivable within twelve months	13	(4,616)	(4,616)
		8,269	12,885

8.2.1 This represents loan paid to executive director of the Company as per house building finance policy of the Company. Under the first policy, home ownership grant of Rs. 2.5 million and mortgage assistance of Rs. 23.25 million. Tenure of the home ownership grant and mortgage assistance is for a period of six years. Mortgage assistance is repayable in 60 equal monthly installments along with markup thereon.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
9. LONG TERM DEPOSITS			
Considered good:			
Security deposits - unsecured		86,955	60,478
10. STORES AND SPARES			
Stores		677,644	336,118
Spares		1,188,773	862,998
		1,866,417	1,199,116
11. STOCK IN TRADE			
Raw materials		14,941,539	6,667,859
Work in process		2,592,821	1,368,804
Finished goods		5,607,688	3,239,645
		23,142,048	11,276,308
12. TRADE DEBTS			
Considered good:			
Foreign			
- Secured	12.1	12,289,640	6,234,955
- Unsecured		15,206,965	7,869,261
		27,496,605	14,104,216
Local			
- Unsecured	12.1	1,107,360	948,724
		28,603,965	15,052,940
12.1	It includes receivables from following related parties;		
Foreign			
Texlan Center (Pvt) Limited		756,854	307,824
Eurosox Plus BV		142,509	75,155
Local			
Socks & Socks (Pvt) Limited		194,931	144,208
		1,094,294	527,187

12.2 The maximum aggregate amount of receivable due from related parties at the end of any month during the year was Rs. 1094.294 million (2021: Rs. 623.720 million).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

12.3 At June 30, 2022, trade debts due from related parties aggregating to Rs. 171.024 million (2021: Rs. 200.957 million) were past due but not impaired. The ageing analysis of these trade debts is as follows:

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Not yet due		923,270	326,230
Upto 1 month		57,629	83,776
More than 1 month		113,395	117,181
		1,094,294	527,187

13. LOANS AND ADVANCES

Considered good:

Loans - secured

Current portion of loans to employees	8.1	134,273	110,941
Current portion of loan to director	8.2	4,616	4,616
Metis International (Pvt) Limited	13.1	8,272	6,398

Advances - unsecured

Advances to suppliers	13.2	1,457,576	911,211
Advances to employees	13.3	28,825	1,670
		1,633,562	1,034,836

13.1 This loan was given in foreign currency amounting to US \$ 275,000 at the rate of 15% per annum (amount in US \$ to be converted in PKR in accordance with conversion rate given at www.oanda.com). Upon lapse of payment date, additional mark up at the rate of 2.5% will be charged on monthly mark up installment due for each day of delay up to a maximum of 20%. The loan is secured through an irrevocable lien/charge on total assets of the Metis International (Pvt) Limited.

13.2 It includes advance payment of Rs. 13.740 million (2021: Nil) to Socks & Socks (Pvt) Limited - a related party. The maximum aggregate amount of receivable due from related party at the end of any month during the year was Rs. 13.740 million (2021: Nil). The aging analysis of this advances payment is as follows:

	2022 (Rupees '000)	2021 (Rupees '000)
Less than 3 months	13,740	-

13.3 Advances to employees are given to meet business expenses and are settled as and when expenses are incurred.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
14. DEPOSIT, PREPAYMENT AND OTHER RECEIVABLES			
Deposit			
LC margin		656,978	-
Prepayment			
Insurance premium		25,737	19,451
Prepaid expenses		2,423	10,071
Other receivables - considered good			
Subsidy on gas	14.1	304,442	288,511
Receivables from related parties	14.2	-	675
Others		8,911	-
		998,491	318,708

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

- 14.1** This represents the subsidy receivable against sui gas consumption from Government of Pakistan (GoP) amounting to Rs. 197.22 million (2021: Rs. 235.92 million) and Sui Northern Gas Pipelines Limited (SNGPL) amounting to Rs. 107.22 million (2021: Rs. 52.59 million). The GoP has fixed weighted average gas tariff of US \$6.5 per million British Thermal Unit (MMBtu) to zero-rated industry and announced subsidy to the units bearing higher rate than fixed one, whereas SNGPL allowed 50% system gas adjustment capped at initial contractual load.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
14.2 Receivables from related parties:			
Interloop Limited ESOS Management Trust	14.2.1	–	675

- 14.2.1** The Interloop Limited ESOS Management Trust "ESOS Trust" had been created to buy shares from the outgoing employee shareholders who had been issued shares under Interloop Employee Stock Option Scheme 2016 "ESOS" duly approved by the Securities & Exchange Commission of Pakistan "SECP". For the purposes of managing the ESOS trust, the Company had provided certain funds to ESOS Trust. Upon listing of the Company on the Pakistan Stock Exchange "PSX" and subsequent conversion & listing of such shares on the PSX during the past fiscal year, the ESOS Trust had become redundant and accordingly been dissolved in line with the directions of SECP and the legal advisers of the Company. Accordingly, the amount due from ESOS Trust has been settled in full during the fiscal year under consideration.

- 14.3** The maximum aggregate amount of other receivable due from related parties at the end of any month during the year was Rs. 0.68 million (2021: Rs. 0.68 million).

- 14.4** At June 30, 2022, other receivables from related parties aggregating to Nil (2021: Rs. 0.68 million) were past due but not impaired. The ageing analysis of these receivables is as follows:

	Note	2022 (Rupees '000)	2021 (Rupees '000)
More than 3 months		–	675

15. ACCURED INCOME

Interest on loan to Metis International (Pvt) Limited	3,441	1,510
Profit on term finance certificates (TFCs)	1,129	621
	4,570	2,131

16. TAX REFUNDS DUE FROM GOVERNMENT

DDT	1,139,194	2,398,409
Sales tax refundable	2,604,262	966,547
Income tax refundable	481,482	963,599
	4,224,938	4,328,555

17. SHORT TERM INVESTMENTS

Term Finance Certificates (TFCs) - Amortized cost:

Habib Bank Limited	17.1	500,000	500,000
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- 17.1** This represents investment as fully paid-up, rated, privately placed, perpetual, unsecured, subordinated, noncumulative, contingent convertible, additional Tire 1, capital eligible 5,000 term finance certificates (TFCs) of Habib Bank Limited having face value of Rs. 100,000/- each aggregating to Rs. 500 million (2021: Rs. 500 million). TFCs carry markup at the rate of 3 months KIBOR + 1.60% per annum payable quarterly in arrears.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	2022 (Rupees '000)	2021 (Rupees '000)
18. CASH AND BANK BALANCES		
Cash in hand	24,324	18,287
Cash at banks		
In current accounts	34,814	338,095
In foreign currency accounts	57,981	18,060
	92,795	356,155
	117,119	374,442

19. AUTHORIZED SHARE CAPITAL

	2022 (Number of shares in '000)	2021 (Number of shares in '000)	2022 (Rupees '000)	2021 (Rupees '000)
1,500,000	1,000,000	Ordinary shares of Rs. 10 each	15,000,000	10,000,000

- 19.1** The Company has increased its authorized share capital from 1,000 million shares to 1,500 million shares by the resolution passed in its 29th Annual General Meeting held on October 15, 2021.

20. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	2022 (Number of shares in '000)	2021 (Number of shares in '000)	2022 (Rupees '000)	2021 (Rupees '000)
132,166	132,166	Ordinary shares of Rs. 10 each fully paid in cash	1,321,663	1,321,662
766,197	740,031	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	7,661,972	7,400,313
898,363	872,197		8,983,635	8,721,975

	2022 (Number of shares in '000)	2021 (Number of shares in '000)
Ordinary shares of Rs. 10 each		
Fully paid in cash		Fully paid bonus shares
Ordinary shares of Rs. 10 each		
Number of shares in '000		

20.1 Movement in issued, subscribed and paid up capital

Opening balance	132,166	740,031
Issued during the year	–	26,166
Closing balance	132,166	766,197

- 20.1.1** During the year, the Company has issued 3% bonus shares (i.e. 3 shares for every 100 shares held on the entitlement date) out of the share premium account.

- 20.2** All ordinary shares rank equally with regard to the Company's residual assets. Holders of the shares are entitled to dividends from time to time and are entitled to one vote per share at the general meetings of the Company.

20.3 Employees share option scheme (ESOS)

The Company had introduced "Interloop Limited Employees Stock Option Scheme, 2016 (ESOS or Scheme)" to offer Company Shares to its eligible Executive Employees, pursuant to the Public Companies (Employees Stock Option Scheme) Rules, 2001 (repealed), transforming them from Stakeholders to

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Shareholders. These shares qualify for bonus shares, dividends, or similar corporate benefits announced by the company from time to time. The Scheme is flexible, voluntary, and focused on long term growth and prosperity of the employees.

The Scheme had originally been approved by the members in the general meeting held on December 31, 2015 and by SECP through its letter no. SMD/CIW/ESOS/01/2016 dated September 01, 2016. Upon listing on the Pakistan Stock Exchange (PSX) during the year 2019, certain amendments to the Scheme with the context of listed Companies regulations, had been approved by the Shareholders of the Company in its Annual General Meeting held on October 15, 2020 and by SECP through its letter no. SMD/CIW/ESOS/01/2016/184 dated February 25, 2021.

The Scheme is now fully operative and applicable under the prescribed amendments, however, no fresh grant of options and/or allocation of shares under the Scheme have been made during the fiscal year under consideration.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
21. RESERVES			
Capital reserve			
Share premium	21.2	3,528,149	3,791,602

21.1 This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO) and employees of the Company through employees stock option scheme (ESOS). This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
21.2 Movement in share premium			
Opening balance		3,791,602	3,791,602
Issuance of bonus shares		(261,660)	-
Transaction cost on issuance of bonus shares		(1,793)	-
Closing balance		3,528,149	3,791,602

	Note	2022 (Rupees '000)	2021 (Rupees '000)
22. LONG TERM FINANCING			
From financial institutions - secured			
Islamic banking:			
Islamic long term finance facility - ILTFF	22.1	3,448,273	2,565,731
Islamic temporary economic refinance facility - ITERF	22.2	44,500	47,690
Islamic finance renewable energy - IFRE	22.3	222,983	230,444
Diminishing musharika	22.4	3,944,980	3,319,775
Diminishing musharika vehicles	22.5	24,453	190,508
Syndicated finance facility	22.6	-	271,429
Conventional banking:			
Long term financing facility - LTFF	22.7	2,389,730	712,791
Demand finance loan	22.8	2,746,211	107,326
Temporary economic refinance facility - TERF	22.9	2,701,924	1,542,462
SBP renewable energy	22.10	154,382	-
Refinance for salaries	22.11	548,667	1,610,975
Syndicated finance facility (BMR)	22.12	-	53,449
		16,226,103	10,652,580
Less: Current portion of long term financing	28	(1,829,987)	(2,438,602)
		14,396,116	8,213,978

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

22.1 The Company has obtained Islamic Long Term Finance Facility - ILTFF for purchase of plant and machinery. The loan is secured against 1st JPP charge of Rs. 6,958 million (2021: Rs. 5,734 million) and ranking charge of Nil (2021: Rs. 1,200 million) over land, building and plant and machinery of the Company. Markup is to be charged at SBP ILTFF rate plus 0.75% per annum (2021: SBP ILTFF rate plus 0.75% per annum). The loan is obtained for a period of 10 years including 02 years grace period and repayment is to be made in quarterly installments.

22.2 The Company has obtained Islamic Temporary Economic Refinance Facility - ITERF for import of plant and machinery. The loan is secured against cumulative 1st JPP charge of Rs. 1,867 million over land, building and plant & machinery along with ILTFF and Diminishing Musharika facilities from MCB Islamic Bank Ltd. Markup is to be charged at SBP ITERF rate plus 0.95% per annum (2021: SBP ITERF rate plus 0.95% per annum). The loan is obtained for a period of 10 years including 02 years grace period and repayment is to be made in quarterly installments. This facility is discounted at the effective rate of interest. The differential markup has been recognised as deferred government grant as recognized in note. 24.2 to these financial statements.

22.3 The Company has obtained Islamic Finance Renewable Energy - IFRE to finance the solar energy project under SBP financing scheme for renewable energy. The loan is secured against 1st JPP charge of Rs. 331 million (2021: Rs. 494 million) on land, building and plant & machinery of the Company. Markup is to be charged at 3.75% per annum (2021: 3.75% per annum). The loan is obtained for a period of 6 years including 1 year grace period and repayment is to be made in quarterly installments.

22.4 The Company has obtained diminishing musharika arrangements from various banks to finance land, building and plant & machinery. The loan is secured against 1st JPP charge of Rs. 13,246 million (2021: Rs. 10,269 million), ranking charge of Nil (2021: Rs. 50 million) and specific charge of Nil (2021: Rs. 150 million) over land, building and plant & machinery of the Company. Out of 1st JPP charge of Rs. 13,083 million, charge of Rs. 5,595 million is also same for ILTFF and ITERF facilities. Markup is to be charged at the rate ranging from 03 months KIBOR plus 0.10% to 0.15% per annum (2021: 03 months KIBOR plus 0.10% to 0.25% per annum). The loan is obtained for a period of 06 to 10 years including 01 to 02 years grace period and repayment is to be made in quarterly installments.

22.5 The Company has obtained diminishing musharika facility from Faysal Bank Limited (FBL) to purchase locally manufactured non-commercial vehicles for use of company employees. The loan is secured against hypothecation charge of Rs. 534 million (2021: Rs. 266.67 million) over purchased vehicles, custody of original excise files and duplicate keys by FBL and Hire Purchase Agreement (HPA) in favour of FBL. Markup is to be charged at 03 months KIBOR plus 0.50% per annum (2021: 03 months KIBOR plus 0.50% per annum). The loan is obtained for a period of 5 years and repayment is to be made in monthly installments.

22.6 During the year the loan has been fully paid off and the charges has been vacated by the banks.

22.7 The Company has obtained Long Term Finance Facility - LTFF for the establishment of Hosiery Division - V, Apparel Division and Fabric Dye House unit as well as expansion of Active Wear, Energy and Spinning Units from various banks. The loan is secured against 1st exclusive / specific charge of Rs. 6,400 million (2021: Rs. 6,400 million), 1st JPP charge of Rs. 8,001 million (2021: Nil) and ranking charge of Rs. 667 million (2021: Nil) over land, building and plant & machinery of the Company. Markup is charged at the rate ranging from SBP LTFF rate plus 0.50% to 0.75% per annum (2021: SBP LTFF rate plus 0.75% per annum). The loan is obtained for a period of 10 years including 02 years grace period and repayment is to be made in quarterly installments.

22.8 The Company has obtained Demand Finance Facility for the establishment of Hosiery Division - V, Apparel Unit and Fabric Dye House unit as well as expansion of Active Wear, Energy and Spinning Units from various banks. The loan is secured against 1st exclusive / specific charge of Rs. 4,000 million (2021: Rs. 4,000 million), 1st JPP charge of Rs. 2,001 million (2021: Nil) and ranking charge of Rs. 4,934 million (2021: Nil) over land, building and plant & machinery of the Company. 1st exclusive / specific and ranking charges are same as for LTFF facilities and are also included in cumulative charges of LTFF. Markup is to be charged at the rate ranging from 03 months to 06 months KIBOR plus 0.05% to 0.25% per annum (2021: 06 months KIBOR plus 0.25% per annum). The loan is obtained for a period of 10 years including 02 years grace period and repayment is to be made in quarterly installments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

22.9 The Company has obtained SBP Temporary Economic Refinance Facility - TERF for the establishment of Hosiery Division - V and Fabric Dye House unit as well as expansion of Active Wear, Energy and Spinning Units from various banks. The loan is secured against 1st exclusive / specific charge of Rs. 6,400 million (2021: Rs. 6,400 million) over land, building and plant & machinery of the Company, which is same as for LTFF facilities and is also included in cumulative charges of LTFF. Markup is to be charged at the rate ranging from SBP TERF rate plus 0.75% to 1.25% per annum (2021: SBP TERF rate plus 0.75% to 1.25% per annum). The loan is obtained for a period of 10 years including 02 years grace period and repayment is to be made in quarterly installments.

22.10 The Company has obtained SBP renewable energy facility to finance solar project of 10MW. Solar project of 1.85MW capacity has been planned against which loan amount has been disbursed by the bank. The loan is secured against specific / exclusive charge of Rs. 260 million (2021: Nil) over machinery pertaining to solar project. Markup is to be charged at SBP rate plus 0.75% per annum (2021: Nil). The loan is obtained for a period of 12 years including 02 years grace period and repayment is to be made in quarterly installments.

22.11 The Company has obtained payroll finance scheme for payment of wages and salaries to the workers and employees during Covid - 19 pandemic at reduced rate of borrowing. The loan is secured against 1st JPP charge of Rs. 1,477 million (2021: Rs. 2,667 million) over the fixed assets of the Company. Markup is to be charged at SBP rate i.e. zero percent plus 0.90% to 1% per annum (2021: SBP rate i.e. zero percent plus 0.90% to 1% per annum). The loan is obtained for a period of 2.5 years and repayment is to be made in 08 quarterly installments. This facility is discounted at the effective rate of interest. The differential markup has been recognised as deferred government grant as recognized in note. 24.2 to these financial statements.

22.12 During the year these loans have been fully paid off and the charges has been vacated by the banks.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
23. LEASE LIABILITIES			
Opening balance		220,044	119,694
Transfer upon amalgamation		-	87,098
Additions / adjustments during the year		31,333	46,500
Accretion of interest		19,645	18,068
Payments during the year		(83,416)	(50,297)
Termination during the year		(20,947)	(1,019)
		166,659	220,044
Less: Current portion shown under current liabilities	28	(72,686)	(67,075)
		93,973	152,969

23.1 These represent lease contracts for Company manufacturing facility, warehouses, and employees hostel and have estimated lease terms between 3 to 5 years. These are discounted using incremental borrowing rate of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

23.2 The future minimum lease payments to which the Company is committed under the agreements will be due as follows:

	Not later than one year	Later than one year and not later than three years	More than three years
	(Rupees '000)		
At 30 June 2022			
Future minimum lease payments	85,428	89,968	12,741
Less: Un-amortized finance charges	(12,742)	(8,310)	(426)
Present value of future minimum lease payments	72,686	81,658	12,315
At 30 June 2021			
Future minimum lease payments	87,048	145,271	25,498
Less: Un-amortized finance charges	(19,973)	(16,818)	(982)
Present value of future minimum lease payments	67,075	128,453	24,516

	Note	2022 (Rupees '000)	2021 (Rupees '000)
24. DEFERRED LIABILITIES			
Staff retirement gratuity	24.1	4,890,568	3,810,946
Deferred income - Government grant	24.2	158,086	5,055
		5,048,654	3,816,001

24.1 Staff retirement gratuity

This represents an unfunded gratuity scheme which provides termination benefits for all employees of the Company who attain the minimum qualifying period. The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2022 using the Projected Unit Credit (PUC) Actuarial Cost Method. Details of the defined benefit plan are as follows:

	Note	2022 (Rupees '000)	2021 (Rupees '000)
24.1.1 Movement in the present value of defined benefit obligation			
Opening balance		3,810,946	3,126,168
Expenses recognized in the statement of profit or loss	24.1.2	1,154,135	857,791
Remeasurement of plan obligation chargeable to other comprehensive income	24.1.4	263,121	71,653
Balance transferred from / (to) Interloop Holdings (Pvt) Limited		387	(6,699)
Balance transferred to Interloop Welfare Trust		(668)	-
Transfer upon amalgamation		-	43,500
Paid during the year		(337,353)	(281,467)
Closing balance		4,890,568	3,810,946

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
24.1.2 Expenses recognized in the statement of profit or loss			
Current service cost		780,803	581,638
Interest cost		373,332	276,153
		1,154,135	857,791
24.1.3 Amounts charged in the statement of profit or loss are as follows:			
Cost of sales	31	978,277	731,837
Distribution cost	32	28,977	23,531
Administrative expenses	33	146,881	102,423
		1,154,135	857,791
24.1.4 Total remeasurement chargeable to other comprehensive income			
Remeasurement of plan obligation:			
Actuarial losses from changes in financial assumptions		(369,544)	89,583
Experience adjustments		632,665	(17,930)
		263,121	71,653

	2022	2021
24.1.5 Principal actuarial assumptions used		
Discount rate used for profit and loss charge	10.25%	9.25%
Discount rate for year end obligation	13.50%	10.25%
Salary increase used for year end obligation		
Salary increase for FY 2022	N/A	10.00%
Salary increase for FY 2023	10.00%	10.00%
Salary increase for FY 2024	10.00%	10.00%
Salary increase for FY 2025	10.00%	10.00%
Salary increase for FY 2026	13.25%	10.00%
Salary increase for FY 2027	13.25%	10.00%
Salary increase for FY 2028 onward	13.25%	10.00%
Demographic assumption		
Mortality rates (for deaths in service)	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year
Retirement assumption	60 years	60 years

24.1.6 The expected contribution to defined benefit obligation for the year ending June 30, 2023 will be Rs. 1,640.926 million.

24.1.7 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased / (decreased) as a result of a change in respective assumptions by 100 bps.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	2022 (Rupees '000)	2021 (Rupees '000)
Discount rate + 100 bps	(4,396,926)	(3,409,319)
Discount rate - 100 bps	5,479,193	4,293,648
Salary change + 100 bps	5,490,180	4,299,249
Salary change - 100 bps	(4,378,654)	(3,396,937)

The sensitivity analysis of the defined benefit obligation to the significant actuarial assumptions has been performed using the same calculation techniques as applied for calculation of defined benefit obligation reported in the statement of financial position.

24.1.8 Maturity profile

The average duration of defined benefit obligation for the year ended 2022 is 11 years (2021: 12 years).

The expected benefit payment for the next 10 years and beyond is as follows;

	Note	2022 (Rupees '000)	2021 (Rupees '000)
Between 1 to 3 years		1,568,477	1,149,069
Between 3 to 5 years		1,333,916	889,299
Beyond 5 years		289,949,645	98,922,655
		292,852,038	100,961,023
24.2 Deferred income - Government grant			
Opening balance		50,198	39,083
Government grant recognized		228,504	70,919
Transfer upon amalgamation		-	10,778
For the year amortization		(79,319)	(70,582)
		199,383	50,198
Current portion of deferred income	28	(41,297)	(45,143)
Closing balance		158,086	5,055

24.2.1 There are no unfulfilled conditions or other contingencies attaching to these grants.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
25. TRADE AND OTHER PAYABLES			
Creditors	25.1	2,519,808	1,909,705
Accrued liabilities	25.2	4,833,842	2,727,736
Contract liabilities - advances from customers	25.3	133,489	49,229
Other payables		320,620	249,117
Employees provident fund trust	25.4	5,510	3,898
Withholding tax payable		91,914	62,808
Workers' profit participation fund	25.5	721,751	365,241
Workers' welfare fund		457,856	183,907
		9,084,790	5,551,641

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	2022 (Rupees '000)	2021 (Rupees '000)
25.1 It includes payable to following related parties;		
Interloop Holdings (Pvt) Limited	25,457	30,100
Octans Digital (Pvt) Limited	3,098	2,299
PrintKraft (Pvt) Limited	28,723	16,532
Socks & Socks (Pvt) Limited	-	65
Momentum Logistics (Pvt) Limited	70,528	27,443
	127,806	76,439

25.2 It includes an amount of Rs. 551.642 million (2021: Rs. 326.259 million) relating to infrastructure cess payable and Nil (2021: Rs. 26.37 million) relating to associate company- Global Veneer Trading Limited.

25.2.1 Honourable Sindh High Court in its decision dated September 17, 2008 declared the imposition of infrastructure cess before December 28, 2006 as void and invalid. However, the Excise and Taxation Department filed an appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme court of Pakistan had disposed off the appeal with a joint statement of the parties that during the pendency of the appeal, another law i.e. fifth version came into existence which was not the subject matter of the appeal hence the case was referred back to High Court of Sindh with right to appeal to Supreme Court. The Company filed constitutional petition bearing No. 1809 of 2011 before Honourable High Court Sindh. On May 31, 2011, the High Court of Sindh had granted an interim relief on an application of petitioners on certain terms including discharge and return of bank guarantees / security furnished on consignment released up to December 27, 2006 and any bank guarantee / security furnished on consignment released after December 27, 2006 shall be encashed to the extent of 50% of the guaranteed or secured amount only with balance kept intact till the disposal of petition. In case the High Court upholds the applicability fifth version of law and its retrospective application, the authorities are entitled to claim the amounts due under the said law with the right to appeal available to petitioner. In the light of interim relief the Company has paid 50% of the amount of Infrastructure cess. Imports of the Company are being released against 50% payment of Infrastructure cess to Excise and Taxation Department and furnishing of bank guarantee of balance amount. On 4th June 2021, Honorable Sindh High Court passed an order whereby it upheld the contention of Sindh Government and suspend its own order for 90 days. The Company has filed writ petition CPLA NO. 4611 against the said order before the Supreme Court of Pakistan.

The Honourable Supreme Court of Pakistan granted an interim relief on September 01, 2021 against the impugned Judgment of the Sindh High Court. The Honourable Apex Court directed that till further orders, operation of the impugned Judgment of the High Court of Sindh dated June 04, 2021 and recovery of the impugned levy shall remain suspended. The petitioner shall keep the bank guarantee already submitted, pursuant to the order of the Sindh High Court, valid, operative and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future import consignments. However, in the light of the order of the Supreme Court of Pakistan, the Company has issued bank guarantees equivalent to the amount of the levy and no payment is being made subsequent to the order date of the Court.

The full amount of Infrastructure cess forms component of cost of imported items and provision recorded in books. Bank guarantees furnished regarding imposition of infrastructure cess have been disclosed in note - 29.1 to these financial statements.

25.2.2 The Government of Punjab imposed Punjab Infrastructure Development Levy in terms of the Punjab Infrastructure Development Cess Act, 2015 (the Act) read with PRA Notification No.PRA/IDC/2015 dated May 16, 2016 and PRA order No.PRA/Orders.08/2015 dated May 23, 2016. The Company being aggrieved filed writ petition vide WP No.24536 of 2016 before Honorable Lahore High Court challenging the constitutionality of the Act. The Lahore High Court on July 28, 2016 granted interim relief for clearance of goods subject to payment of 50% of the disputed amount and upon furnishing of a bank guarantee for the balance of 50% of the amount. The case is pending litigation before Honorable Lahore High Court, Lahore, the same has been adjourned without any next date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

25.3 The contract liabilities primarily relate to the advance consideration received from customers for sale of goods, for which revenue is recognized at point in time when goods are transferred. Out of Rs. 49.229 million recognized in contract liabilities as on June 30, 2021, Rs. 42.166 million has been adjusted and recognized as revenue during the year.

25.4 The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated in Employees Contributory Funds (Investment in Listed Securities) Regulations, 2018.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
25.5 Workers' profit participation fund			
Opening balance		365,241	113,577
Interest on funds utilized in the Company's business	36	15,747	1,553
Expense allocation for the year	34	721,746	369,111
		1,102,734	484,241
Paid during the year		(380,983)	(119,000)
Closing balance		721,751	365,241
26. ACCRUED MARK UP			
Mark up on:			
Long term financing		186,447	57,426
Short term borrowings		516,242	164,248
		702,689	221,674
27. SHORT TERM BORROWINGS			
From banking companies - Secured			
Islamic banking:			
IERS - II		2,230,000	2,230,000
Export finance scheme (EFS)		999,998	-
Running musharika		10,325,671	1,132,199
Conventional banking:			
ERF - II		18,220,000	13,627,000
FAPC - own source		2,600,000	2,052,000
Running finance		632,239	594,867
		35,007,908	19,636,066

27.1 These are secured against 1st Joint Pari Passu (JPP) charge of Rs. 66,665.33 million (2021: Rs. 44,395 million) and ranking charge of Rs. 2,666.67 million (2021: Nil) over all present and future current assets of the Company. Further to that, these are also secured by 2nd JPP ranking charge of Rs. 6,000 million (2021: Rs. 6,000 million) over all present and future plant and machinery of the Company in favor of all the lending banks. The total limits available to the Company for short term borrowings from all the banks are amounting to Rs. 51,996 million (2021: Rs. 33,296 million).

Mark up is charged as;

ERF - II / IERS - II	SBP Rate + 0.25% to 0.30% per annum (2021: SBP Rate + 0.25% to 0.30% per annum)
FAPC - own source	1 to 3 month Kibor + 0.05% to 0.10% per annum (2021: 3 months Kibor + 0.15% to 0.25% per annum)
Export finance scheme (EFS)	SBP refinance rate for EFS
Running finance/musharaka	1 to 3 month Kibor + 0.05% to 0.25% per annum (2021: 1 to 3 months Kibor + 0.10% to 0.25% per annum)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
28. CURRENT PORTION OF NON CURRENT LIABILITIES			
Long term financing	22	1,829,987	2,438,602
Lease liabilities	23	72,686	67,075
Deferred income - Government grant	24.2	41,297	45,143
		1,943,970	2,550,820

29. CONTINGENCIES AND COMMITMENTS

29.1 Contingencies

29.1.1 The Punjab Revenue Authority has created a demand of an amount of Rs. 29.931 million in respect of an alleged default on withholding of provincial sales tax on account of various transport services received by the Company during the period from March 01, 2015 to May 31, 2016 along with default surcharge and penalty under Punjab Sales Tax on Services Act, 2012, rejecting the exemption claim of the taxpayer company. The Company being aggrieved, filed an appeal before Commissioner (Appeals) Punjab Revenue Authority (PRA) which is pending adjudication at the terminal date.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
29.1.2 Bank guarantees issued by various banks on behalf of the company in favour of:			
Sui Northern Gas Pipelines limited (SNGPL) against supply of gas		720,657	635,853
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess		542,353	300,853
Faisalabad Electric Supply Company (FESCO) against supply of electricity		143,245	134,245
Punjab Revenue Authority against imposition of infrastructure cess		11,533	11,533
State Bank of Pakistan		110,112	110,112
Total Parco Pakistan Ltd		4,000	3,000
		1,531,900	1,195,596
29.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods.		6,794,202	5,546,980
29.2 Commitments			
Under letters of credit for:			
Capital expenditure		12,239,092	2,993,664
Raw materials		5,947,551	2,998,175
Stores and spares		470,201	38,595
		18,656,844	6,030,434

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
30. SALES - NET			
Export sales	30.1	84,230,046	50,368,323
Local sales		8,114,857	5,515,410
		92,344,903	55,883,733
Less:			
Sales discount		(283,818)	(113,523)
Sales tax		(1,167,036)	(807,945)
		(1,450,854)	(921,468)
		90,894,049	54,962,265

30.1 It includes exchange gain / (loss) amounting to Rs. 5,291.138 million (2021: Rs. (681.474) million).

30.2 Revenue is disaggregated based on geographical locations of our customers. The same is disclosed in note - 45.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
31. COST OF SALES			
Raw material consumed	31.1	42,334,871	25,962,379
Stores and spares consumed	31.2	2,043,050	1,562,094
Knitting, processing and packing charges		2,066,880	1,062,841
Salaries, wages and benefits	31.3	13,585,864	8,987,551
Staff retirement gratuity	24.1.3	978,277	731,837
Fuel and power		4,019,997	2,585,320
Repairs and maintenance		542,866	300,856
Insurance		77,190	61,031
Depreciation	6.1.2	2,425,903	2,054,495
Depreciation on right of use assets	6.3.1	63,923	40,844
Amortization	7.2	832	2,118
Rent, rate and taxes		36,940	1,993
Other manufacturing costs		208,412	124,702
		68,385,005	43,478,061
Work in process			
Opening balance		1,368,804	589,622
Transfer upon amalgamation		-	202,984
Closing balance		(2,592,821)	(1,368,804)
		(1,224,017)	(576,198)
Cost of goods manufactured		67,160,988	42,901,863
Finished goods			
Opening balance		3,239,645	3,089,208
Transfer upon amalgamation		-	52,281
Closing balance		(5,607,688)	(3,239,645)
		(2,368,043)	(98,156)
		64,792,945	42,803,707
DDT		34,935	(2,053,722)
		64,827,880	40,749,985

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

		2022 (Rupees '000)	2021 (Rupees '000)
31.1 Raw material consumed			
Opening balance		6,667,859	5,131,795
Transfer upon amalgamation		–	154,006
Purchases		50,608,551	27,344,437
		57,276,410	32,630,238
Closing balance		(14,941,539)	(6,667,859)
		42,334,871	25,962,379
31.2 Stores and spares consumed			
Opening balance		1,199,116	1,062,524
Transfer upon amalgamation		–	9,926
Purchases		2,710,351	1,688,760
		3,909,467	2,761,210
Closing balance		(1,866,417)	(1,199,116)
		2,043,050	1,562,094

31.3 Salaries, wages and benefits include Rs. 10.469 million (2021: Rs. 8.158 million) in respect of the provident fund contribution.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
32. DISTRIBUTION COST			
Staff salaries and benefits	32.1	514,075	343,793
Staff retirement gratuity	24.1.3	28,977	23,531
Sea and air freight		549,321	280,445
Shipping expenses		915,850	665,018
Selling commission		1,024,412	1,074,270
Export development surcharge		203,477	126,094
Marketing and advertisement		145,919	126,481
		3,382,031	2,639,632

32.1 Staff salaries and benefits include Rs. 1.655 million (2021: Rs. 1.135 million) in respect of the provident fund contribution.

NOTES TO THE FINANCIAL STATEMENTS

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	Note	2022 (Rupees '000)	2021 (Rupees '000)
33. ADMINISTRATIVE EXPENSES			
Staff salaries and benefits	33.1	2,804,516	1,619,330
Directors' remuneration		105,484	76,099
Staff retirement gratuity	24.1.3	146,881	102,423
Postage and communication		138,164	83,622
Electricity, gas and water		23,288	24,584
Rent, rates and taxes		219,068	158,665
Printing and stationery		155,789	94,620
Travelling and conveyance		109,576	43,871
Vehicles running and maintenance		43,531	26,231
Legal and professional charges		168,091	115,686
Repairs and maintenance		41,907	20,605
Auditors' remuneration	33.2	5,377	4,383
Insurance		24,278	21,378
Entertainment		137,000	92,245
Advertisement		6,357	10,656
Newspapers and periodicals		466	401
Depreciation	6.1.2	348,370	225,118
Depreciation on right of use assets	6.3.1	–	371
Amortization	7.2	46,798	16,211
Others		156,531	59,681
		4,681,472	2,796,180

33.1 Staff salaries and benefits include Rs. 10.693 million (2021: Rs. 6.738 million) in respect of the provident fund contribution.

	Note	2022 (Rupees '000)	2021 (Rupees '000)
33.2 Auditors' remuneration			
Annual audit fee		4,263	3,500
Other certification		79	53
Half yearly review		735	630
Out of pocket expenses		300	200
		5,377	4,383

	Note	2022 (Rupees '000)	2021 (Rupees '000)
34. OTHER OPERATING EXPENSES			
Exchange loss - net		20,943	–
Loss on disposal of non current assets	34.1	15,204	19,535
Inventory written off		–	434
Realized loss on derivative financial instruments		527,775	27,251
Unrealized loss on derivative financial instruments		94,154	33,074
Charity and donations	34.2	489,600	329,812
Workers' profit participation fund	25.4	721,746	369,111
Workers' welfare fund		273,948	140,262
		2,143,370	919,479

34.1 Loss on disposal of non current assets

Loss / (gain) on disposal of operating fixed assets	20,121	(8,706)
Gain on disposal of right of use assets	(4,917)	(108)
Loss on disposal of intangible assets	–	28,349
	15,204	19,535

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

34.2 Charity and donations

Names of donees' in which a director or his spouse has an interest:

Name of Donee	Interest in Donee	Name of Director / Spouse	2022 (Rupees '000)	2021 (Rupees '000)
Interloop Welfare Trust	Trustees	Mr. Navid Fazil	253,160	76,700
		Mr. Musadaq Zulqarnain		
		Mrs. Shereen Aftab		
		Mr. Jahanzeb Khan Banth		
Lyallpur Literary Council	Trustees	Mr. Muhammad Maqsood	1,600	800
		Mr. Musadaq Zulqarnain		
		Mrs. Nazia Navid		
			254,760	77,500

	Note	2022 (Rupees '000)	2021 (Rupees '000)
35. OTHER INCOME			
Income from financial assets			
Interest on loan to Metis International (Pvt) Ltd		1,489	1,152
Exchange gain - net		-	36,056
Profit on term deposit receipts (TDRs)		-	3,088
Profit on term finance certificates (TFCs)		55,441	45,624
Interest on receivables from IL Bangla Limited		-	5,308
Reversal of impairment loss		-	70,814
Other income- mutual funds		-	683
Income from non-financial assets			
Scrap sales		192	187
		57,122	162,912
36. FINANCE COST			
Mark up on:			
Short term borrowings		1,493,908	537,334
Long term financing - net		649,627	406,617
Interest on workers' profit participation fund	25.5	15,747	1,553
Interest on lease liabilities		19,645	18,068
Bank charges and commission		314,023	183,466
		2,492,950	1,147,038
37. TAXATION			
Current year	37.1	1,066,115	493,524
Prior year		(2,143)	87,768
		1,063,972	581,292

37.1 The relationship between tax expense and accounting profit has not been presented in these financial statements as almost all income of the Company falls under the ambit of presumptive tax regime.

37.2 Provision for deferred tax is not required as the Company is chargeable to tax under sections 154 and 169 of the Income Tax Ordinance, 2001 and no temporary differences are expected to arise in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	2022	Restated 2021		
38. EARNINGS PER SHARE - BASIC AND DILUTED				
38.1 Earnings per share - Basic				
Profit for the year (Rupees in '000)	12,359,496	6,291,571		
Weighted average number of ordinary shares outstanding during the year (Numbers in '000)	898,363	872,197		
Add: Bonus shares issued after the reporting period (Numbers in '000)	-	26,166		
	898,363	898,363		
Earnings per share - basic (Rupees)	13.76	7.00		
38.1.1 During the year, the Company has issued bonus shares. In accordance of the requirement of IAS 33 Earnings per share' the number of ordinary shares outstanding last year has been adjusted as if the event had occurred at the beginning of the year. Therefore, earnings per share has been restated accordingly.				
38.2 Earnings per share - Diluted				
No figures for diluted earnings per share have been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.				
39. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES				
	Balance as on July 01, 2021	Non cash changes	Cash Flows	Balance as on June 30, 2022
	(Rupees '000)			
Issued, subscribed and paid up capital	8,721,975	261,660	-	8,983,635
Capital reserve - share premium	3,791,602	(261,660)	(1,793)	3,528,149
Long term financing	10,652,580	(149,185)	5,722,708	16,226,103
Lease liabilities	220,044	30,031	(83,416)	166,659
Short term borrowings	19,636,066	-	15,371,842	35,007,908
Unclaimed dividend	4,004	2,668,924	(2,669,922)	3,006
	43,026,271	2,549,770	18,339,419	63,915,460
40. NUMBER OF EMPLOYEES				
Average number of employees during the year		29,524	22,789	
Number of employees at end of the year		31,986	25,378	

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	Note	2022 (Rupees '000)	2021 (Rupees '000)
41. SHARIAH SCREENING DISCLOSURE			
Loans/advances as per Islamic mode			
Loans	22,24.2 & 27	21,244,048	9,987,776
Shariah compliant bank deposits/bank balances			
Bank balances		9,952	115,316
Revenue earned from a shariah compliant business		90,894,049	54,962,265
Loss/Gain or dividend from shariah compliant investments			
Net realized gain on disposal of mutual funds		–	683
Mark up on Islamic mode of financing		(765,877)	(448,839)
Profits or interest on any conventional loan or advance			
Interest on loan to Metis International (Pvt) Ltd		1489	1,152
Profit on term deposit receipts (TDRs)		–	3,088
Profit on term finance certificates (TFCs)		55,441	45,624
Interest on receivables from IL Bangla Limited		–	5,308
Interest on workers' profit participation fund		(15,747)	(1,553)
Interest on lease liabilities		(19,645)	(18,068)
Interest on other conventional loans		(1,377,658)	(495,112)
Relationship with shariah compliant banks			
Name of institutions	Relationship with institutions		
MCB Islamic Bank	Bank Balance, long term financing and short term borrowing		
Allied Bank Limited (Islamic Banking)	Bank balance and long term financing		
Meezan Bank Limited	Bank Balance, long term financing and short term borrowing		
Bank Alfalah Limited (Islamic)	Bank balance		
Bank of Punjab (Taqwa Islamic Banking)	Bank balance		
Habib Bank Limited (Islamic Banking)	Bank Balance, long term financing and short term borrowing		
Faysal Bank Limited	Long term financing and short term borrowing		
United Bank Limited - Ameen	Bank Balance and short term borrowing		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

42. REMUNERATION TO CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2022		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	39,000	41,004	1,335,172
Directorship fee	–	14,200	–
Reimbursable expenses	–	–	158,589
Bonus	3,500	3,640	88,187
Staff retirement gratuity	–	–	52,552
Contribution to provident fund	–	–	13,275
Other allowances	–	4,140	122,631
	42,500	62,984	1,770,406
Number of persons	1	6	301
	2021		
	Chief Executive	Directors	Executives
	(Rupees '000)		
Managerial remuneration	30,000	30,600	553,698
Directorship fee	–	13,200	–
Reimbursable expenses	–	–	61,168
Staff retirement gratuity	–	–	24,630
Contribution to provident fund	–	–	7,248
Other allowances	49	2,250	98,269
	30,049	46,050	745,013
Number of persons	1	6	146

The chief executive officer, executive director and some executives are provided with company maintained cars.

43. TRANSACTIONS WITH RELATED PARTIES

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under the relevant notes to the financial statements. Remuneration to directors and key management personnel is disclosed in note 42. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name	Nature of transaction	2022 (Rupees '000)	2021 (Rupees '000)
Interloop Holdings (Pvt) Limited	Services received	174,340	176,195
	Purchase of assets - net	1,323	670
Texlan Center (Pvt) Limited	Sale of yarn	2,387,903	1,223,199
	Sale of packing material	87,929	54,124
Momentum Logistics (Pvt) Limited	Services received	524,916	99,205
PrintKraft (Pvt) Limited	Purchase of packing material	314,940	80,160
Global Veneer Trading Limited	Selling commission	27,106	364,937
Eurosox Plus BV	Sale of socks	491,986	334,674

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Name	Nature of transaction	2022 (Rupees '000)	2021 (Rupees '000)
Octans Digital (Pvt) Limited	Services received	15,770	7,848
	Purchase / (sales) of assets - net	159	(81)
Socks & Socks (Pvt) Limited	Rent expenses	2,135	4,012
	Processing services	12,047	4,325
	Sales of waste	-	54,658
	Sale of goods - net	428,443	56,371
	Sales of assets	-	36,080
Interloop Provident Fund Trust	Contribution to the fund	62,658	45,582
Key management personnel and other related parties	Sale of assets	1,182	5,908
	Mark up on house building finance loan	288	399
	Rent expenses	1,415	1,262
	Dividend paid	2,419,412	1,897,580

43.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Interloop Holdings (Pvt) Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Interloop Dairies Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Texlan Center (Pvt) Limited	Associate	Common Directors	Dagonna Road, Minuwangoda, Sri Lanka.
Momentum Logistics (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
PrintKraft (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Shifa Medical Center Islamabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
IRC Dairy products (Pvt) Limited	Associate	Subsidiary of Associate	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Global Veneer Trading Limited	Associate	Shareholding of Company's Directors	Bahnhofstasse22, 6300 Zug, Switzerland.
Eurosox Plus BV	Associate	Subsidiary of Associate	Constructieweg 1, 7451 PS Holten, Netherlands.
Interloop Welfare Trust	Trustee	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Interloop Provident Fund Trust	Trustee	Post Employment Benefit Plan	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Company Name	Basis of Relationship	Common Directorship / Percentage of shareholding	Address and Country of Incorporation
Octans Digital (Pvt) Limited	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Shifa National Hospital Faisalabad (Pvt) Limited	Associate	Common Directors	Shifa, International Hospitals, Sector H-8/4 Islamabad, Pakistan.
Lyallpur Literary Council	Associate	Common Directors	Al-Sadiq Plaza, P-157, Railway Road, Faisalabad, Pakistan.
Socks & Socks (Pvt) Limited	Associate	Common Directors	7- KM Khurrianwala-Jaranwala Road, Khurrianwala-Faisalabad, Pakistan.
Interloop Asset Management Limited	Associate	Common Directors	Plot No. 29, Street No. 40, G-10/4, Islamabad, Pakistan.

44. PROGRESS OF THE PROJECTS FROM INITIAL PUBLIC OFFERING

The Company had carried out IPO for setting up following two new projects.

- A socks knitting unit in Khurrianwala, Faisalabad, "Hosiery Division - V".
- A denim stitching unit in Lahore, "Denim Division".

Both the above mentioned projects have been successfully completed and operational. If and when there will be any material information regarding expansion of these projects the same will be notified as per applicable legal provisions.

45. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Based on internal management reporting structure and products produced and sold, the Company is organized into the following operating segments:

- a) **Hosiery**
This segment relates to the sale of socks.
- b) **Spinning**
This segment relates to the sale of yarn and its in-house use.
- c) **Denim**
This segment relates to the sale of denim products and garments.
- d) **Energy**
This segment generates electricity for in-house consumption.
- e) **Apparel**
This segment relates to the sale of fashion apparels.
- f) **Other operating segments**
These represent various segments of the Company which currently do not meet the minimum reporting threshold mentioned in International financial reporting standards 'Operating Segments' (IFRS 8). These mainly include domestic sales, yarn dyeing and active wear.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

45.1 Segment information

	Hosiery		Spinning		Denim		Energy		Apparel		Other Segments		Elimination of Intersegment Transactions		Total Company	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees '000)															
Sales																
External sales	69,584,985	43,513,005	6,317,797	5,143,772	5,922,393	3,572,053	-	-	5,871,473	1,157,477	3,197,399	1,575,958	-	-	90,894,049	54,962,265
Intersegment sales	293,044	230,812	8,003,777	4,877,787	2,074	18,648	3,073,027	2,638,434	5,721	3,261	1,320,354	1,130,052	(8,898,994)	(8,898,994)	-	-
Cost of sales	69,878,029	43,743,817	14,321,574	10,021,558	5,924,467	3,590,701	3,073,027	2,638,434	5,871,944	1,160,738	4,517,954	2,706,010	(12,698,196)	(12,698,196)	90,894,049	54,962,265
Gross profit/(loss)	(47,652,059)	(30,609,489)	(10,409,825)	(8,314,069)	(6,838,182)	(4,939,462)	(3,429,741)	(2,344,902)	(5,191,624)	(997,231)	(4,004,645)	(2,443,826)	12,698,196	8,898,994	(4,827,880)	(40,749,985)
Distribution cost	22,225,970	13,134,328	3,911,749	1,707,489	(913,715)	(1,348,761)	(356,714)	293,532	685,570	163,507	513,309	262,184	-	-	26,046,169	14,212,280
Administrative expenses	(2,457,935)	(2,068,818)	(42,573)	(58,161)	(421,605)	(329,801)	-	-	(309,689)	(84,374)	(150,229)	(98,478)	-	-	(3,382,031)	(2,639,632)
Profit/(loss) before taxation and unallocated income and expenses	(3,647,621)	(2,258,899)	(83,534)	(67,187)	(541,577)	(358,278)	(14,412)	(12,570)	(554,702)	(86,341)	(39,626)	(12,905)	-	-	(4,661,472)	(2,796,180)
Other operating expenses	(6,105,556)	(4,327,717)	(126,107)	(125,348)	(963,182)	(688,079)	(14,412)	(12,570)	(664,391)	(170,715)	(189,855)	(111,383)	-	-	(8,063,903)	(5,435,812)
Other income	16,120,414	8,806,611	3,785,642	1,582,141	(1,876,897)	(2,036,840)	(371,126)	280,962	21,179	(7,208)	323,454	150,801	-	-	18,002,666	8,776,468
Finance cost																
Taxation																
Profit after taxation																
Depreciation and amortization	1,528,161	1,217,065	198,615	211,933	600,490	588,473	162,628	169,940	244,138	40,172	151,795	111,574	-	-	2,885,826	2,339,157

45.2 Reconciliation of reportable segment assets and liabilities

	Hosiery		Spinning		Denim		Energy		Apparel		Other Segments		Unallocated		Total Company	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees '000)															
Assets	53,775,615	33,274,677	10,199,831	5,700,781	11,172,079	8,370,046	3,109,178	2,124,915	10,375,097	3,788,161	2,864,794	2,170,652	4,818,934	5,265,606	96,315,530	60,694,839
Liabilities	26,591,248	17,718,814	872,770	395,611	1,328,625	935,741	326,767	197,274	1,248,391	648,791	296,863	389,778	35,710,597	19,894,817	66,375,260	40,180,227
Segment Capital Expenditures	6,524,261	2,881,847	338,545	75,411	188,421	596,979	891,463	41,121	3,182,934	891,593	363,387	671,823	-	-	11,489,011	5,158,774
Geographical Information																
The Company's revenue from external customers by geographical locations is detailed below:																
Australia															74,887	1,083
Asia															5,892,622	4,502,014
Europe															29,440,547	18,399,574
United States															48,545,431	27,358,591
Pakistan															6,940,562	4,701,003
															90,894,049	54,962,265

45.3 All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

45.3.1 The Company earns its revenue from a large mix of customers.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

46. PLANT CAPACITY AND ACTUAL PRODUCTION

Hosiery

Installed capacity - knitting [DZN]
Actual production - knitting [DZN]

UOM

2022 2021
Figures in '000

Spinning

Installed capacity after conversion into 20/s [LBS]
Actual production after conversion into 20/s [LBS]

Yarn Dyeing

Installed capacity [KGs]
Actual production [KGs]

Denim

Installed capacity [Pieces]
Actual production [Pieces]

Active Wear and Apparel

The plant capacity of these divisions is indeterminable due to multi product plans involving varying processes of manufacturing and run length of order lots.

46.1 Reason for increase

The increase in actual production during the year when compared with capacity is mainly on account of:

- The actual production is planned to meet the internal demand and orders in hand.

47. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using 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 using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

2022						
Carrying Amount			Fair Value			
Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total

(Rupees '000)

On balance sheet financial instruments

Financial assets measured at fair value

Financial assets not measured at fair value

Long term loans	-	179,626	179,626	-	-	-	-
Long term deposits	-	86,955	86,955	-	-	-	-
Trade debts	-	28,603,965	28,603,965	-	-	-	-
Loans and advances	-	147,161	147,161	-	-	-	-
Other receivables	-	313,353	313,353	-	-	-	-
Accrued income	-	4,570	4,570	-	-	-	-
Short term investments	-	500,000	500,000	-	-	-	-
Cash and bank balances	-	117,119	117,119	-	-	-	-
	-	29,952,749	29,952,749	-	-	-	-

Financial liabilities measured at fair value

Derivative financial instruments	94,154	-	94,154	-	94,154	-	94,154
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Financial liabilities not measured at fair value

Long term financing	-	16,226,103	16,226,103	-	-	-	-
Lease liabilities	-	166,659	166,659	-	-	-	-
Trade and other payables	-	7,679,780	7,679,780	-	-	-	-
Unclaimed dividend	-	3,006	3,006	-	-	-	-
Accrued mark up	-	702,689	702,689	-	-	-	-
Short term borrowings	-	35,007,908	35,007,908	-	-	-	-
	94,154	59,786,145	59,880,299	-	94,154	-	94,154

NOTES TO THE FINANCIAL STATEMENTS

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2021						
Carrying Amount			Fair Value			
Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total

(Rupees '000)

On balance sheet financial instruments

Financial assets measured at fair value

Financial assets not measured at fair value

Long term loans	-	144,673	144,673	-	-	-	-
Long term deposits	-	60,478	60,478	-	-	-	-
Trade debts	-	15,052,940	15,052,940	-	-	-	-
Loans and advances	-	121,955	121,955	-	-	-	-
Other receivables	-	289,186	289,186	-	-	-	-
Accrued income	-	2,131	2,131	-	-	-	-
Short term investments	-	500,000	500,000	-	-	-	-
Cash and bank balances	-	374,442	374,442	-	-	-	-
	-	16,545,805	16,545,805	-	-	-	-

Financial liabilities measured at fair value

Derivative financial instruments	33,074	-	33,074	-	33,074	-	33,074
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Financial liabilities not measured at fair value

Long term financing	-	10,652,580	10,652,580	-	-	-	-
Lease liabilities	-	220,044	220,044	-	-	-	-
Trade and other payables	-	4,890,456	4,890,456	-	-	-	-
Unclaimed dividend	-	4,004	4,004	-	-	-	-
Accrued mark up	-	221,674	221,674	-	-	-	-
Short term borrowings	-	19,636,066	19,636,066	-	-	-	-
	33,074	35,624,824	35,657,898	-	33,074	-	33,074

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has exposures to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

48.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk such as equity risk. The sensitivity analysis in the following sections relate to the position as at June 30, 2022 and 2021.

48.1.1 Interest rate risk:

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investments in term deposit receipts, long term and short term loans, lease liabilities, short term borrowings and long term financing.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2022	2021
Fixed rate instruments		
Short term investments (Rupees in '000)	500,000	500,000
Loan to Metis International (Pvt) Limited - Secured (Rupees in '000)	8,272	6,398
Long term financing - Secured (Rupees in '000)	9,510,459	6,981,522
Lease liabilities (Rupees in '000)	166,659	220,044
Short term borrowings - Secured (Rupees in '000)	21,449,998	15,857,000
Variable rate instruments		
Loan to director - Secured (Rupees in '000)	10,385	15,001
Effective interest rate in percentage	2.19	2.25
Long term financing from financial institutions - Secured (Rupees in '000)	6,715,644	3,671,058
Effective interest rate in percentage	12.83	8.13
Short term borrowings from financial institutions - Secured (Rupees in '000)	13,557,910	3,779,066
Effective interest rate in percentage	13.94	8.50

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect statement of profit or loss of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Cash flow sensitivity analysis for variable rate instruments

If interest rates on loan, long term financing and short term borrowings from banks, at the year end date, fluctuate by 100 bps higher / lower with all other variables, in particularly foreign exchange rates held constant, profit before taxation for the year 2022 and 2021 would have been affected as follows:

	2022 (Amount '000)	2021 (Amount '000)
Effect on profit and loss of an increase in interest rate for loan to director	1,156	923
Effect on profit and loss of an increase in interest rate for long term financing	(33,303)	(34,895)
Effect on profit and loss of an increase in interest rate for short term borrowings	(70,342)	(20,424)
	(102,489)	(54,396)

Decrease in interest rates at June 30 would have had the equal but opposite effect of these amounts. Sensitivity analysis has been prepared on symmetric basis.

48.1.2 Currency risk / Foreign Exchange risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument, will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to foreign currency transactions.

Exposure to Currency Risk

The Company's exposure to currency risk is restricted to the amounts receivable from/payable to the foreign entities and bank balances which are denominated in currency other than the functional currency of the Company. The Company's exposure to currency risk is as follows:

Particulars	Currency	2022		2021	
		F.Currency	Rupees (Amount '000)	F.Currency	Rupees
Foreign currency bank accounts	US \$	282.10	57,971	114.39	18,051
	EUR €	0.05	10	0.05	9
			57,981		18,060
Trade debts	US \$	133,759.75	27,487,630	89,380.33	14,104,216
	GBP £	36.00	8,975	-	-
			27,496,605		14,104,216
Loans and advances	US \$	40.52	8,272	40.52	6,398
			27,562,858		14,128,674
Less: Payables - Creditors	US \$	(1,057.73)	(217,893)	(567.50)	(89,835)
	EUR €	(193.33)	(41,710)	(122.48)	(23,114)
	GBP £	-	-	(0.04)	(8)
	CHF	(0.42)	(90)	-	-
			(259,693)		(112,957)
On Balance sheet Exposure			27,303,165		14,015,717
Under letter of credit	US \$	56,410.69	11,620,602	22,079.61	3,495,202
	EUR €	24,494.41	5,284,669	10,496.67	1,980,826
	GBP £	32.50	8,122	62.74	15,679
	JPY ¥	322,513.76	486,448	237,972.40	358,934
	CHF	19.07	4,118	-	-
	CNY	50.70	1,568	-	-
Off Balance Sheet Exposure			17,405,527		5,850,641

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

The following significant exchange rates have been applied as at reporting date:

Foreign Currency	2022		2021	
	Selling (Rupees)	Buying	Selling (Rupees)	Buying
US \$	206.00	205.50	158.30	157.80
EUR €	215.75	215.23	188.71	188.12
GBP £	249.92	249.31	219.28	218.58
CNY	30.93	30.85	24.76	24.69
JPY ¥	1.51	1.50	1.43	1.43
CHF	215.96	215.43	171.86	171.32

Currency rate sensitivity analysis

If the functional currency, at reporting date, had weakened by 10% against the foreign currencies with all other variables held constant, the profit before taxation would have increased for the year 2022 and 2021 by the following amounts:

Foreign Currency	2022 (Rupees '000)	2021 (Rupees '000)
US \$	2,544,980	1,307,015
EUR €	(3,882)	(2,151)
GBP £	836	(1)
CHF	(8)	–
	2,541,925	1,304,863

A 10% strengthening of the functional currency against foreign currencies at June 30 would have had the equal but opposite effect of these amounts.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The analysis assumes that all other variables remained constant.

48.1.3 Other price risk:

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any significant other price risk.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

48.2 Credit risk:

Credit risk is the risk representing accounting loss that would be recognized at the reporting date if one party to a financial instrument will fail to discharge an obligation or its failure to perform duties under the contract as contracted. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations that is susceptible to changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry. The maximum exposure to credit risk at the reporting date is as follows :

	2022 (Rupees '000)	2021 (Rupees '000)
Long term loans	179,626	144,673
Long term deposits	86,955	60,478
Trade debts	28,603,965	15,052,940
Loans and advances	147,161	121,955
Other receivables	313,353	289,186
Accrued income	4,570	2,131
Short term investments	500,000	500,000
Bank balances	92,795	356,155
	29,928,425	16,527,518

Loans and advances consist of loans to employees & director and Metis International (Pvt) Ltd. Loans to employees and director are secured against their retirement benefits and loan to Metis International along with its accrued interest is also secured through an irrevocable lien/charge on total assets of the Metis International (Pvt) Limited. Therefore, the Company is not exposed to any significant credit risk on these loans.

Long term deposits have been mainly placed with suppliers of electricity, gas and telecommunication services. Considering the financial position and credit quality of the institutions, the Company's exposure to credit risk is not significant.

Trade debts amounting to Rs. 12,290 million (2021: Rs. 6,235 million) out of total debts are secured against letters of credit and insured contract. Furthermore, credit quality of customers is assessed taking into consideration their financial position and previous dealings and on that basis, individual credit limits are set. Moreover, the management regularly monitors and reviews customers' credit exposure. Accordingly, the Company is not exposed to any significant credit risk.

Other receivables constitute mainly receivables from the related party and subsidy on gas. Considering the financial position of related parties and credit quality of the institution, the Company's exposure to credit risk is not significant.

The Company has no material expected credit loss or impairment allowance at the year end regarding trade debts and other receivables.

Short term investments are investments in TFCs. The credit risk on these investments and their accrued profit is limited because counter party is bank with reasonably high credit ratings.

The credit quality of the Company's bank balances can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

Name of Bank	Date	Long term	Short term	Outlook	Agency
Allied Bank Limited	23-Jun-22	AAA	A1+	Stable	PACRA
Askari Bank Limited	25-Jun-22	AA+	A1+	Stable	PACRA
Bank Alfalah Limited	25-Jun-22	AA+	A1+	Stable	PACRA
Dubai Islamic Bank Pakistan Limited	29-Jun-22	AA	A-1+	Stable	JCR-VIS
Faysal Bank Limited	30-Jun-22	AA	A-1+	Stable	JCR-VIS
Habib Bank Limited	29-Jun-22	AAA	A-1+	Stable	JCR-VIS
Habib Metropolitan Bank Limited	25-Jun-22	AA+	A1+	Stable	PACRA
MCB Bank Limited	23-Jun-22	AAA	A1+	Stable	PACRA
MCB Islamic Bank Limited	23-Jun-22	A	A1	Stable	PACRA
Meezan Bank Limited	29-Jun-22	AAA	A-1+	Stable	JCR-VIS
National Bank of Pakistan	27-Jun-22	AAA	A-1+	Stable	JCR-VIS
Standard Chartered Bank Pakistan Limited	25-Jun-22	AAA	A1+	Stable	PACRA
The Bank of Punjab	18-Jun-22	AA+	A1+	Stable	PACRA
United Bank Limited	30-Jun-22	AAA	A-1+	Stable	JCR-VIS

Due to the Company's long standing relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the risk is minimal.

48.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's approach to manage liquidity risk is to maintain sufficient level of liquidity by holding highly liquid assets and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2022 the Company has Rs. 28,973 million (2021: Rs 14,296 million) unutilized borrowing limits available from financial institutions and Rs. 117.119 million (2021: Rs. 374.442 million) cash and bank balances. The management believes that the Company is not exposed to any liquidity risk.

The following are the contractual maturity analysis of financial liabilities as at June 30, 2022 and 2021:

	2022				
	Carrying amount	Contractual cash flows	Within 1 year	More than 1 year and up to 5 year	More than 5 year
	(Rupees '000)				
Financial Liabilities:					
Long term financing	16,226,103	21,490,100	2,856,088	13,235,516	5,398,496
Lease liabilities	166,659	188,137	85,428	102,709	–
Trade and other payables	7,679,780	7,679,780	7,679,780	–	–
Unclaimed dividend	3,006	3,006	3,006	–	–
Accrued mark up	702,689	702,689	702,689	–	–
Short term borrowings	35,007,908	35,007,908	35,007,908	–	–
	59,786,145	65,071,620	46,334,899	13,338,225	5,398,496

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

	2021				
	Carrying amount	Contractual cash flows	Within 1 year	More than 1 year and up to 5 year	More than 5 year
	(Rupees '000)				
Financial Liabilities:					
Long term financing	10,652,580	14,054,517	2,888,021	6,410,635	4,755,861
Lease liabilities	220,044	257,817	87,048	170,769	–
Trade and other payables	4,890,456	4,890,456	4,890,456	–	–
Unclaimed dividend	4,004	4,004	4,004	–	–
Accrued mark up	221,674	221,674	221,674	–	–
Short term borrowings	19,636,066	19,636,066	19,636,066	–	–
	35,624,824	39,064,534	27,727,269	6,581,404	4,755,861

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 22, 23 and 27 to these financial statements.

48.4 Capital risk management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, so that it can continue to provide returns for shareholders thereby maximizing their wealth, benefits for other stakeholders and reduce the cost of capital.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of debt to equity ratio, calculated on the basis of total debt to equity.

	2022 (Rupees '000)	2021 (Rupees '000)
Long term financing	16,226,103	10,652,580
Short term borrowings	35,007,908	19,636,066
Debts	51,234,011	30,288,646
Equity	29,940,270	20,514,612
Total capital (equity + debt)	81,174,281	50,803,258
Gearing ratio (percentage)	63.12	59.62

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

49. EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on September 15, 2022 have proposed a final cash dividend of Rs. 2 per share (2021: Re. 1 per share), amounting to Rs. 1,796.73 million (2021: Rs. 872.20 million) and bonus shares at 4% i.e. 4 shares for every 100 shares (2021: 3% i.e. 3 shares for every 100 shares) held on the entitlement date for the year ended June 30, 2022, for approval of the members at the Annual General Meeting of the Company.

50. DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on September 15, 2022 by the Board of Directors of the Company.

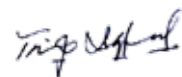
51. GENERAL

51.1 Corresponding figures

Corresponding figures have been rearranged and reclassified wherever necessary for the purpose of better presentation. However, during the year no material reclassification has been made in the corresponding figures.

51.2 Rounding

Figures have been rounded off to the nearest thousand.



Director



Director



Chief Financial Officer



7

**SHAREHOLDERS'
INFORMATION**

NOTICE OF 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting ("AGM") of Interloop Limited (the "Company") will be held on Tuesday, October 18, 2022 at 11:30 a.m. at the Interloop Executive Club, Interloop Industrial Park located at 7-KM Khurrianwala- Jaranwala Road, Khurrianwala, Faisalabad, to transact the following businesses:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Extra Ordinary General Meeting (EGM) of the Company held on February 24, 2022.
2. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2022, together with the Auditors' and Directors' Report thereon and Chairman's Review Report.
3. To approve Final Cash Dividend @ 20% [i.e. Rs. 2/Share], for the year ended June 30, 2022 as recommended by the Board of Directors.
4. To appoint Auditors and fix their remuneration for the financial year 2022-23. The members are hereby given notice that Audit Committee and the Board of Directors have recommended the name of retiring auditors, M/s Kreston Hyder Bhimji & Company, Chartered Accountants for re-appointment as Auditors of the Company.

SPECIAL BUSINESS:

5. To consider and approve as recommended by the Board of Directors of the Company, the issue of bonus shares in the proportion of 4% i.e., 4 bonus shares for every 100 shares held, for the year ended June 30, 2022 and in order to give effect to the aforesaid, if thought fit, pass with or without modification the following resolutions as Special Resolutions:

RESOLVED THAT a sum of Rs. 359,345,350 be utilized out of the share premium account of the Company and applied towards issue of 35,934,535 ordinary shares of Rs. 10 each to be allotted as fully paid bonus shares in the proportion of four (4) ordinary shares for every hundred (100) ordinary shares, i.e. 4 %, held by a shareholder of the Company.

FURTHER RESOLVED THAT the above bonus shares shall rank pari passu in all respects with the existing ordinary shares of the Company, as regards to future dividend(s) and in all other respects.

FURTHER RESOLVED THAT fractional entitlements of the members shall be consolidated into whole shares and sold in the stock market and the sale proceeds shall be donated to a charitable institution as permissible under the law.

FURTHER RESOLVED THAT the Chief Executive Officer and Secretary of the Company, be and are hereby jointly and / or severally authorized to give effect to above resolutions and to do and cause to be done all acts, deeds and things that may be necessary, incidental or required for issue, allotment and distribution of the said bonus shares and payment of sale proceeds of the fractional shares.

6. To approve potential transactions with Related Parties intended to be carried out in the financial year ending on June 30, 2023 and to authorize the Board of Directors of the Company, to carry out such Related Party transactions at its discretion from time to time, irrespective of the composition of the Board of Directors.

The resolutions to be passed as special resolutions are as under:

RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to approve the transactions to be conducted with the Related Parties on case to case basis for the financial year ending on June 30, 2023.

FURTHER RESOLVED THAT the Board of Directors of the Company may, at their discretion, approve specific Related Party transactions from time to time, irrespective of the composition of the Board, and in compliance with the Company's policy pertaining to Related Party transactions and notwithstanding any interest of the Directors of the Company in any Related Party transactions which have been noted by the Shareholders.

The Statement under Section 134(3) of the Companies Act, 2017, pertaining to the special business aforementioned is being circulated to the members along with the Notice of the Meeting.

OTHER BUSINESS:

7. To transact any other business with the permission of the Chair.

By Order of the Board



(Rana Ali Raza)
Company Secretary

Place: Faisalabad
Dated: September 26, 2022

Notes:

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from October 11, 2022 to October 18, 2022 (both days inclusive). Transfer requests on prescribed format, received at the office of the Share Registrar of the Company, M/s. CDC Share Registrar Services Limited, CDC House, 99 -B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 on or before the close of business on October 10, 2022 will be treated 'in time' for the purpose of above entitlement(s) to the transferees and/or to attend the AGM.

2. Virtual Participation in the AGM Proceedings:

Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the Company by providing the following information through email at aliraza.rana@interloop.com.pk;

Name of Shareholder	CNIC No.	Folio No./CDC Account No.	No. of Shares	Contact No.	Email Address
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Online meeting link and login credentials will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address by the end of business on Monday October 17, 2022. The login facility shall remain open from 11:00 am till the end of the Meeting on October 18, 2022.

3. Participation in the AGM:

All members, entitled to attend and vote at the meeting, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy must be a member of the Company. In case of corporate entities, a resolution of the Board of Directors / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity and an attested copy of CNIC shall be submitted to the Company at the meeting or along with a completed proxy form. The proxy holders are required to produce their original valid CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 hours before the time for holding the meeting.

CDC account holders will further have to follow the below mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

a) For Attending the Meeting

- i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid CNIC or the original passport at the time of attending the meeting.
- ii. Members registered on CDC are also requested to bring their particulars, I.D. numbers and account numbers in CDS.
- iii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

b) For Appointing Proxies

- i. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.
- ii. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii. The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- iv. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
- v. Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

4. Mandatory Submission of CNIC Copies:

With reference to the notification of Securities and Exchange Commission of Pakistan (SECP), SRO 779(1)2011 dated August 18, 2011, the Members/ Shareholders who have not yet submitted photo copy of their valid CNIC to the Company are required to send the same at the earliest directly to the Company's Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400. In case of non-receipt of the copy of valid CNIC and noncompliance of the above mentioned SRO of SECP, the Company may be constrained to withhold transfer of dividend in the future, if any.

5. Dividend Bank Mandate:

Pursuant to Section 242 of the Companies Act, 2017, members are requested to provide their CNIC's and bank account details including name of the bank, address of bank branch and International Bank Account Number (IBAN) to receive their cash dividend directly into their bank account. Therefore, all members who have not yet provided their CNIC and Bank Account details are once again reminded to immediately submit a copy of their CNIC and duly filled 'Dividend Bank Mandate Form' to the Company's Share Registrar or to the Company directly. In the absence of valid bank account details and CNIC, dividend amount will be withheld in compliance with the provisions of Act and Regulations made thereunder by the Commission. The 'Dividend Bank Mandate Form' is available on the Company's website i.e. www.interloop-pk.com

Members who hold shares in CDC accounts are required to provide their bank mandates to their respective participants.

6. Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 ("Income tax Ordinance"):

The rates of deduction of withholding tax for Filers and Non-Filers as prescribed under Section 150 of the Income Tax Ordinance 2001, are as under:

- For Filers of income tax returns 15.00%
- For Non-Filers of income tax returns 30.00%

Withholding tax on Dividend in case of Joint Account Holders

Members who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filers and tax will be deducted according to his/her shareholding.

If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below mentioned details of their shareholding to the Share Registrar of the Company latest by the Annual General Meeting date.

Folio No/ CDC Account No	Total No of Shares	Name of Principal Shareholder and CNIC #	Share Holding	Name of Joint Shareholder and CNIC #	Share Holding
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Valid Tax Exemption Certificate for Exemption from Withholding Tax

A valid tax exemption certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Shares Registrar prior to the date of commencement of Book closure otherwise tax will be deducted according to the applicable law.

7. Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017:

An updated list for unclaimed dividend / shares of the Company is available on the Company's website www.interloop-pk.com. These are unclaimed dividend / shares, which have remained unclaimed or unpaid for a period of three (3) years from the date these have become due and payable.

Shareholders are requested to ensure that their claims for unclaimed dividend and share are lodged promptly. Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House, 99 –B, Block B, S.M.C.H.S., Main Shahrah-e- Faisal, Karachi-74400 and collect / enquire about their unclaimed dividend, if any. In case no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid Account and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

8. Consent for video conference facility:

Pursuant to Section 132(2) & section 134(b) of the Companies Act, 2017, if the Company receives consent form from Shareholders holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference at least 7 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide following information and submit to registered office of the Company:

I / We, _____ of _____, being a member of Interloop Limited, holder of _____ ordinary share(s) as per Registered Folio / CDC Account No. _____ hereby opt for video conference facility at _____.

Signature of Member

9. Transmission of Audited Financial Statements / Notices Through Email:

Members are hereby informed that pursuant to SECP SRO 787(1)/2014 dated September 8, 2014, and under section 223(6) of the Companies Act 2017, circulation of Audited Financial Statements and Notice of Annual General Meeting has been allowed in electronic format through email.

In compliance with the above mentioned requirements, members who wish to receive the Annual Report 2022 in electronic form may file an application as per the form provided on the Company's website in compliance with the subject SRO. The members who have provided consent to receive Annual Report 2022 can subsequently request any other media including hard copy which shall be provided free of cost within seven days.

STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business given in agenda items No.5 & 6 of the Notice of AGM, which will be considered to be passed by the members. The purpose of this statement is to set forth the material facts concerning such Special Business.

Agenda Item No. 5 of the Notice –

To consider and approve issue of fully paid bonus shares.

With a view to capitalize the Share Premium balance, the Board of Directors of the Company in its meeting held on September 15, 2022 have proposed to issue bonus shares at the ratio of 4 :100 ; i.e., 4 (Four) fully paid-up ordinary shares for every 100 (one Hundred) ordinary shares held, thereby capitalize a sum of Rs. 359,345,350. These Bonus Shares shall rank pari passu with the existing ordinary shares of the Company, as regards to future dividend and in all other respects. However, they will not qualify for the final cash dividend declared for the year ended June 30, 2022.

The Directors are not interested in this business except as shareholders of the Company.

Agenda Item No. 6 of the Notice –

To authorize the Board of Directors of the Company to approve potential transactions with the Related Parties intended to be carried out in the financial year ending on June 30, 2023.

The Company shall be conducting transactions with its Related Parties during the year ending on June 30, 2023 in the normal course of business. The majority of Directors are interested due to their common directorship in the associated undertakings. In order to promote transparent business practices, the shareholders are required to authorize the Board of Directors to approve transactions with the related parties from time-to-time and on case to case basis for the year ending on June 30, 2023, which transactions shall be deemed to be approved by the Shareholders, irrespective of the composition of the Board, and in compliance with the Company's policy pertaining to Related Party transactions and notwithstanding any interest of the Directors of the Company in any Related Party transaction which has been noted by the shareholders.

The Directors are interested in the resolutions to the extent of their common directorships and shareholding in the associated companies and the privileges attached thereto only.

10. Transmission of Annual Audited Financial Statements Through CD/DVD/USB:

SECP through its SRO 470 (I)/2016 dated May 31, 2016 have allowed companies to circulate their Annual Audited Financial Statements to their members through CD/DVD/USB at their registered addresses. In view of the above, the Company has sent its Annual Report to the Shareholders in the form of CD/DVD. Any Member can send request for printed copy of the Annual Report to the Company on standard request form placed under the Investor Information section on its website <https://www.interloop-pk.com>.

11. Placement of Financial Statements on Website:

The Financial Statements of the Company for the year ended June 30, 2022 along with reports have been placed on the website of the Company:

<https://www.interloop-pk.com>.

12. Intimation of Changes of Address and declaration for non-deduction of Zakat:

Shareholders are requested to promptly notify any changes in their registered addresses and provide their declarations for non-deduction of zakat, if applicable, to the Share Registrar of the Company. Members who hold shares in CDC / participant accounts are required to update their addresses and submit their declarations for non-deduction of zakat, if applicable, to the CDC or their respective participants.

13. Information required under SRO 1240(1)/2017 dated December 06, 2017 in respect of Statement under Regulation no. 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017:

Sr#	Name of Investee Company	TAPAL YDF (PRIVATE) LIMITED. (TYDF)
a)	Total Investment Approved.	Equity investment up to Rs. 200.0 Million was approved by members in EOGM held on February 24, 2022.
b)	Amount of Investment Made to date.	Nil
c)	Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time.	No investment has been made in investee Company after the approval. Investment will be made depending on market conditions at appropriate time.
d)	Material change in financial statements of associated Company or associated undertaking since date of the resolution passed for approval of investment in such Company.	Tapal YDF (Private) Limited was incorporated on December 29, 2021 with authorized capital of Rs. 10 Million & paid up capital of Rs. 0.3 Million, respectively. At present, its Annual Audited Accounts are not yet available.

9.

آڈٹ شدہ مالی گوشواروں / نوٹسوں کی بذریعہ ای میل ترسیل:

ممبرز کو مطلع کیا جاتا ہے کہ ایس ای سی پی کے 2014/1(1) SRO مورخہ 8 ستمبر، 2014 کی رو سے اور کمپنیز ایکٹ، 2017 کے سیکشن (6) 223 کے تحت آڈٹ شدہ مالی گوشواروں اور سالانہ اجلاس عام کے نوٹسز کی ایکٹرا تک فارمیٹ میں بذریعہ ای میل تقسیم کی اجازت دے دی گئی ہے۔

جو ممبرز مذکورہ بالا تقاضوں کے مطابق سالانہ رپورٹ 2022 ایکٹرا تک طریقے سے وصول کرنا چاہتے ہیں وہ اس SRO کی تعمیل کرتے ہوئے کمپنی کی ویب سائٹ پر فراہم کردہ فارم کے مطابق درخواست دے سکتے ہیں۔ جو ممبرز سالانہ رپورٹ 2022 وصول کرنے کے لیے اپنی رضامندی دے چکے ہیں وہ ہارڈ کاپی سمیت کسی اور میڈیا کی درخواست بھی کر سکتے ہیں، انھیں ہارڈ کاپی سات روز کے اندر بلا معاوضہ فراہم کی جائے گی۔

10.

سالانہ آڈٹ شدہ مالیاتی گوشواروں کی بذریعہ CD/DVD/USB منتقلی:

ایس ای سی پی نے اپنے 2016 (1) SRO 470 مورخہ 31 مئی، 2016 کے ذریعہ کمپنیوں کو اجازت دی ہے کہ وہ سالانہ آڈٹ شدہ مالی گوشوارے کو اپنے ممبران کو CD/DVD/USB کے ذریعے ان کے رجسٹرڈ پتے پر بھیج دیں۔ کمپنی نے اس کو مد نظر رکھتے ہوئے شیئرز ہولڈرز کو سالانہ رپورٹ CD/DVD کی شکل میں بھیجی ہے۔ کوئی بھی ممبر سالانہ رپورٹ کی پرنٹ شدہ کاپی کے لیے کمپنی سے درخواست کر سکتا ہے۔ اس مقصد کے لیے کمپنی کی ویب سائٹ <https://www.interloop-pk.com> پر انویسٹرائٹ فارمیشن سیکشن میں معیاری درخواست فارم دستیاب ہے۔

11.

مالی گوشواروں کو ویب سائٹ پر ڈالنا:

30 جون، 2022 کو ختم ہونے والے مالی سال کے لیے کمپنی کے مالی گوشوارے مع رپورٹس، کمپنی کی ویب سائٹ <https://www.interloop-pk.com> پر ڈال دیئے گئے ہیں۔

12.

پتہ میں تبدیلی اور زکوٰۃ نہ کاٹنے کے لیے حلف نامہ سے آگاہ کرنا:

شیئرز ہولڈرز سے گزارش ہے کہ وہ اپنے رجسٹرڈ پتہ میں تبدیلی سے کمپنی کے شیئرز رجسٹرار کو فوری طور پر آگاہ کریں اور زکوٰۃ منہاند کرنے کے لیے، اگر قابل اطلاق ہو، اپنے حلف نامے فراہم کریں۔ جن ممبرز کے شیئرز ڈی ڈی سی اپارٹسمنٹ اکاؤنٹس میں ہیں ان کے لیے ضروری ہے کہ وہ اپنے پتہ آپ ڈیٹ کروائیں اور زکوٰۃ کی عدم ٹوٹی، اگر قابل اطلاق ہو، کے حلف نامے CDC یا اپنے متعلقہ پارٹنیشن کو دیں۔

13.

کمپنیز (ایسوسی ایٹڈ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017 کے ریگولیشن نمبر (2) 4 کے تحت اسٹیٹمنٹ کے ضمن میں SRO 1240(1)/2017

مورخہ 06 دسمبر، 2017 کے تحت درکار معلومات:

نمبر شمار	انویسٹی کمپنی کا نام	ٹپال YDF (پرائیویٹ) لمیٹڈ۔ (TYDF)
(a)	منظور شدہ کل سرمایہ کاری	24 فروری، 2022 کو منعقد ہونے والے غیر معمولی اجلاس عام (EOGM) میں ممبرز کی طرف سے 200.0 ملین روپے کی ایکویٹی انویسٹمنٹ کی منظوری دی گئی۔
(b)	اب تک کی جانے والی سرمایہ کاری کی مالیت	کوئی نہیں
(c)	سرمایہ کاری کی منظور شدہ مقررہ مدت سے انحراف کے اسباب، جہاں سرمایہ کاری کے فیصلہ پر مخصوص وقت میں عمل درآمد ہونا تھا۔	منظوری کے بعد انویسٹی کمپنی میں کوئی سرمایہ کاری نہیں کی گئی۔ سرمایہ کاری کا انحصار مناسب وقت پر مارکیٹ کے حالات پر ہے۔
(d)	ایسوسی ایٹڈ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگز میں سرمایہ کاری کی منظوری کی قرارداد پاس کیے جانے کی تاریخ کے بعد ان کے مالی گوشواروں میں مادی تبدیلی	ٹپال YDF (پرائیویٹ) لمیٹڈ بالترتیب 10 ملین روپے کے مجاز سرمائے اور 0.3 ملین روپے کے ادا شدہ سرمائے کے ساتھ 29 دسمبر، 2021 کو قائم کی گئی تھی۔ اس وقت اُس کے سالانہ آڈٹ شدہ حسابات دستیاب نہیں ہیں۔

کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے تحت خصوصی کارروائی کے بارے میں مادی حقائق کا اسٹیٹمنٹ

یہ اسٹیٹمنٹ AGM کے نوٹس کے ایجنڈا آئٹم 5 اور 6 میں مذکور خصوصی کارروائی سے متعلق مادی حقائق بیان کرتا ہے، جس پر ممبرز غور کر کے اس کی منظوری دیں گے۔ اس اسٹیٹمنٹ کا مقصد اس قسم کی خصوصی کارروائی کے بارے میں مادی حقائق بیان کرنا ہے۔

نوٹس کا ایجنڈا آئٹم نمبر 5 -

مکمل ادا شدہ نوٹس شیئرز کے اجراء پر غور کرنا اور منظوری دینا

شیئرز پریمیم بیلنس سے فائدہ اٹھانے کے پیش نظر کمپنی کے بورڈ آف ڈائریکٹرز نے 15 ستمبر، 2022 کو منعقد ہونے والے اپنے اجلاس میں ہر 100 (ایک سو) عام شیئرز کے لیے 4 (چار) مکمل ادا شدہ عام شیئرز یعنی 100:4 کے تناسب سے نوٹس شیئرز جاری کرنے کی تجویز دی، جو 359,345,350 روپے بنے گے۔ مستقبل کے منافع منقسمہ اور دیگر تمام معاملات میں یہ نوٹس شیئرز کمپنی کے موجودہ آرڈینری شیئرز کے مساوی ہوں گے۔ تاہم، یہ 30 جون، 2022 کو ختم ہونے والے سال کے لیے اعلان کردہ حتمی منافع منقسمہ کے لیے کو ایفائی نہیں کریں گے۔

اس برنس میں ڈائریکٹرز کی، کمپنی کے شیئرز ہولڈرز کے سوا کوئی دلچسپی نہیں ہے۔

نوٹس کا ایجنڈا آئٹم نمبر 6 -

کمپنی کے بورڈ آف ڈائریکٹرز کو تعلق دار فریقوں کے ساتھ اُس امکانی لین دین کی منظوری کا اختیار دینا جو 30 جون، 2023 کو ختم ہونے والے مالی سال میں کرنے کا ارادہ ہے۔

ڈائریکٹروں کی اکثریت متعلقہ کاموں میں ان کی مشترکہ ڈائریکٹر شپ کی وجہ سے دلچسپی رکھی ہے۔ شفاف کاروباری طور طریقوں کو فروغ دینے کی خاطر شیئرز ہولڈرز کے لیے ضروری ہے کہ وہ بورڈ آف ڈائریکٹرز کو 30 جون، 2023 کو ختم ہونے والے سال کے لیے وقتاً فوقتاً اور معاملہ وار بنیاد پر تعلق دار فریقوں سے لین دین کی منظوری کا اختیار دیں، اس لین دین کو بورڈ کی ساخت سے قطع نظر، اور تعلق دار فریق سے کسی بھی لین دین سے متعلق کمپنی کی پالیسی کے مطابق اور تعلق دار فریق سے کسی ایسے لین دین میں کمپنی کے ڈائریکٹرز کی دلچسپی کے باوجود، شیئرز ہولڈرز کی جانب سے منظور سمجھا جائے گا، جس کے بارے میں شیئرز ہولڈرز نے توجہ دلائی ہو۔

ڈائریکٹران اپنی مشترکہ ڈائریکٹر شپ اور متعلقہ کمپنیوں میں شیئرز ہولڈنگ اور صرف اس سے منسلک مراعات کی حد تک مذکورہ قراردادوں میں دلچسپی رکھتے ہیں۔

(a) • اجلاس میں شرکت کے لیے :

- i. افراد کی صورت میں اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز جن کی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ یڈ ہیں، اجلاس میں شرکت کے وقت اپنے اصل کارآمد شناختی کارڈ یا اصل پاسپورٹ کی تصدیق کرائیں۔
- ii. سی ڈی سی میں رجسٹرڈ ممبرز سے یہ درخواست بھی ہے کہ وہ اپنے کوائف، شناختی کارڈ نمبر اور سی ڈی سی اکاؤنٹ نمبر ساتھ لائیں۔
- iii. کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع نامزد کردہ کے دستخط نمونہ (اگر یہ اس سے پہلے فراہم نہیں کیے گئے) اجلاس کے وقت پیش کرنا ہوں گے۔

(b) • نمائندوں کی تقرری کے لیے :

- i. افراد کی صورت میں اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز جن کی رجسٹریشن کی تفصیلات ضابطوں کے مطابق اپ لوڈ یڈ ہیں، اجلاس میں شرکت کے وقت اپنے اصل کارآمد شناختی کارڈ یا اصل پاسپورٹ کی تصدیق کرائیں گے۔
- ii. اصل مالکان اور نمائندے کے کارآمد شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں نمائندگی فارم کے ساتھ جمع کرانا ہوں گی۔
- iii. اجلاس کے وقت نمائندہ اپنا اصل کارآمد شناختی کارڈ یا اصل پاسپورٹ پیش کرے گا۔
- iv. کاروباری ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع دستخط نمونہ (اگر یہ اس سے پہلے فراہم نہیں کیے گئے) کمپنی کو پیش کرنا ہوں گے۔
- v. نمائندگی فارم کی گواہی دو افراد دیں گے، جن کے نام، پتہ اور کارآمد شناختی کارڈ نمبر فارم پر درج ہوں گے۔

4. شناختی کارڈ کی کاپیاں لازمی پیش کرنا:

بحوالہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کا نوٹیفکیشن، 2011 (1) SRO 779 مورخہ 18 اگست، 2011، جن ممبرز / شیئرز ہولڈرز نے ابھی تک اپنے کارآمد شناختی کارڈ کی فوٹو کاپی جمع نہیں کرائی وہ جلد سے جلد یہ کاپی براہ راست کمپنی کے شیئرز رجسٹرار، بینرز سی ڈی سی شیئرز رجسٹرار سرولیمینڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی - 74400 کو بھیجیں۔ کارآمد شناختی کارڈ کی کاپی نہ ملنے اور ایس ای سی پی کے مذکورہ بالا SRO کی عدم تعمیل کی صورت میں کمپنی مستقبل میں منافع منقسمہ، اگر کوئی ہو، کی منتقلی کو روک لینے پر مجبور ہوگی۔

5. بزرگیہ بینک منافع کی لازمی ادائیگی:

کمپنیز ایکٹ، 2017 کے سیکشن 242 کے مطابق ممبرز سے گزارش ہے کہ وہ اپنا نقد منافع منقسمہ براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے بینک کے نام، بینک برانچ کے پتے اور انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) سمیت اپنے شناختی کارڈ اور بینک اکاؤنٹ کی تفصیلات فراہم کریں۔ ان تمام ممبرز کو جنہوں نے ابھی تک شناختی کارڈ اور بینک اکاؤنٹ کی تفصیلات فراہم نہیں کیں، ایک بار پھر یاد دہانی کروائی جاتی ہے کہ وہ فوری طور سے اپنے شناختی کارڈ کی ایک کاپی اور صحیح طریقے سے پُر کیا ہوا "ڈیویڈنڈ بینک مینڈیٹ فارم" کمپنی کے شیئرز رجسٹرار یا براہ راست کمپنی کو پیش کریں۔ کارآمد بینک اکاؤنٹ کی تفصیلات اور شناختی کارڈ کی عدم موجودگی میں ایکٹ کی دفعات اور کمیشن کی طرف سے ان کے تحت وضع کردہ ضابطوں پر عمل کرتے ہوئے منافع منقسمہ کی رقم روک لی جائے گی۔ "ڈیویڈنڈ بینک مینڈیٹ فارم" کمپنی کی ویب سائٹ www.interloop-pk.com پر دستیاب ہے۔

جن ممبرز کے شیئرز سی ڈی سی اکاؤنٹس میں ہیں ان کے لیے ضروری ہے کہ وہ اپنے متعلقہ پارٹنیشنرز کو بینک مینڈیٹ فراہم کریں۔

6. اکٹم ٹیکس آرڈیننس، 2001 ("اکٹم ٹیکس آرڈیننس") کے سیکشن 150 کے تحت منافع منقسمہ سے اکٹم ٹیکس کی کوٹھی:

گوشوارے جمع کرانے اور گوشوارے جمع نہ کرانے والوں کے لیے وہ ہولڈنگ ٹیکس کی کوٹھی کی شرحیں، جیسا کہ اکٹم ٹیکس آرڈیننس، 2001 میں تجویز کیا گیا ہے، مندرجہ ذیل ہیں:

اکٹم ٹیکس گوشوارے جمع کرانے والوں کے لیے %15.00

اکٹم ٹیکس گوشوارے جمع نہ کرانے والوں کے لیے %30.00

جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں منافع منقسمہ پر وہ ہولڈنگ ٹیکس

جن ممبرز کی فائلز اور نان فائلرز کے پاس جوائنٹ شیئرز ہولڈنگ ہے ان کے ساتھ الگ الگ برتاؤ کیا جائے گا اور اس قسم کی مخصوص صورت حال میں ہر اکاؤنٹ ہولڈر کو فائلر یا نان فائلر باور کیا جائے گا اور اس کی شیئرز ہولڈنگ کے مطابق ٹیکس منہا کیا جائے گا۔

اگر شیئرز کے بارے میں پتہ چلا ناممکن نہ ہو تو پھر ہر اکاؤنٹ ہولڈر کے بارے میں یہ سمجھا جائے گا کہ ان کے پاس شیئرز کا مساوی حصہ ہے اور اسی لحاظ سے کوٹھی کی جائے گی۔ لہذا، زیادہ شرح سے ٹیکس کی کوٹھی سے بچنے کے لیے جوائنٹ اکاؤنٹ ہولڈرز سے گزارش ہے کہ وہ زیادہ سے زیادہ سالانہ اجلاس عام کی تاریخ تک اپنی شیئرز ہولڈنگ کی مندرجہ تفصیلات کمپنی کے شیئرز رجسٹرار کو فراہم کریں۔

فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر	شیئرز کی کل تعداد	بڑے شیئرز ہولڈر کا نام اور شناختی کارڈ نمبر	شیئرز ہولڈنگ تناسب (شیئرز کی تعداد)	جوائنٹ شیئرز ہولڈرز کے نام اور شناختی کارڈ نمبر	شیئرز ہولڈنگ تناسب (شیئرز کی تعداد)
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وہ ہولڈنگ ٹیکس کوٹھی سے استثناء کے لیے کارآمد ٹیکس استثناء سرٹیفکیٹ

اکٹم ٹیکس آرڈیننس، 2001 کے سیکشن 150 کے تحت وہ ہولڈنگ ٹیکس کوٹھی سے استثناء کے لیے ایک کارآمد ٹیکس استثناء سرٹیفکیٹ ضروری ہے۔ جو ممبرز اکٹم ٹیکس آرڈیننس، 2001 کے سیکنڈ شیڈول کے پارٹ IV کی شق 47B کے تحت کو ایفائی کرتے ہیں اور استثناء حاصل کرنے کے خواہش مند ہیں وہ لکھاتے کی بندش کی تاریخ سے قبل ٹیکس سے استثناء کے اپنے کارآمد سرٹیفکیٹ کی کاپی شیئرز رجسٹرار کو لازمی فراہم کریں ورنہ قابل اطلاق قانون کے مطابق ٹیکس منہا کیا جائے گا۔

7. کمپنیز ایکٹ، 2017 کے سیکشن 244 کے تحت غیر دعوی دار منافع منقسمہ / شیئرز:

کمپنی کے غیر دعوی دار منافع منقسمہ / شیئرز کی اپ ڈیٹیڈ فرسٹ کمپنی کی ویب سائٹ <https://www.interloop-pk.com> پر دستیاب ہے۔ یہ غیر دعوی دار منافع منقسمہ / شیئرز اس تاریخ سے جب یہ واجب الادا اور قابل ادائیگی تھے، تین (3) سال کی مدت سے غیر دعوی دار یا غیر ادا شدہ بڑے ہیں۔

جو شیئرز ہولڈرز کسی وجہ سے اپنا منافع منقسمہ، اگر کوئی ہے، کلیم نہیں کر سکتے، انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیئرز رجسٹرار، بینرز سی ڈی سی شیئرز رجسٹرار سرولیمینڈ، سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی - 74400 سے رابطہ کریں اور اپنا غیر دعوی دار منافع منقسمہ، اگر کوئی ہو، وصول کریں / معلوم کریں۔ اگر کوئی کلیم دائر نہیں کیا جائے گا تو کمپنی غیر دعوی دار / غیر ادا شدہ اکاؤنٹ اور شیئرز کمپنیز ایکٹ، 2017 کے سیکشن (2) 244 کے مطابق وفاقی حکومت کو ڈیپازٹ کرانے کی کارروائی کرے گی۔

8. وڈیو کانفرنس سہولت کے لیے رضامندی:

کمپنیز ایکٹ، 2017 کے سیکشن (2) 132 اور سیکشن (b) 134 کے تحت اگر کمپنی کو اجلاس میں بذریعہ وڈیو کانفرنس شرکت کے لیے سالانہ اجلاس عام کی تاریخ سے کم از کم سات روز قبل کسی محل وقوع پر رہنے والے مجموعی طور پر %10 یا اس سے زیادہ شیئرز ہولڈنگ کے مالک ممبرز کی رضامندی موصول ہو تو کمپنی اس شہر میں وڈیو کانفرنس کی سہولت کا انتظام کرے گی، بشرطیکہ وہاں ایسی سہولت دستیاب ہو۔ براہ کرم اس سہولت سے فائدہ اٹھانے کے لیے مندرجہ ذیل معلومات فراہم کریں اور یہ فارم کمپنی کے رجسٹرڈ پتہ پر بھیجیں:

میں / ہم _____ جن کا تعلق _____ سے ہے، انٹرویو لپ لمیٹڈ کا ممبر ہونے کے ناتے جو _____ آرڈینری شیئرز (شیئرز) کے مالک ہیں برطابق رجسٹرڈ فولیو / سی ڈی سی اکاؤنٹ نمبر _____ بمقام _____ وڈیو کانفرنس کی سہولت کے خواہش مند ہیں۔ _____

دستخط ممبرز

انٹرنیوٹ لمیٹڈ اطلاع برائے 30 واں سالانہ اجلاس عام

بذریعہ اطلاع دی جاتی ہے کہ انٹرنیوٹ لمیٹڈ ("کمپنی") کا سالانہ اجلاس عام ("AGM") منگل 18 اکتوبر، 2022 کو صبح 11:30 بجے انٹرنیوٹ لمیٹڈ، انٹرنیوٹ لمیٹڈ پارک واقع KM-7 کھڑیا نوالہ-جڑانوالہ روڈ، کھڑیا نوالہ، فیصل آباد منعقد ہوگا جس میں مندرجہ ذیل امور نمائے جائیں گے۔

عمومی امور:

1. کمپنی کے 24 فروری، 2022 کو منعقد ہونے والے غیر معمولی اجلاس عام (EGM) کی کارروائی کی توثیق۔
2. 30 جون، 2022 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالی گوشواروں کی وصولی، غور و خوض اور منظوری دینا اور اس کے ساتھ اس بارے میں آڈیٹرز اور ڈائریکٹرز رپورٹ اور چیئر مین کی جائزہ رپورٹ۔
3. 30 جون، 2022 کو ختم ہونے والے سال کے لیے بورڈ آف ڈائریکٹرز کی سفارش کے مطابق 20% کی شرح سے (یعنی 2 روپے / شیئر) حتمی تقسیم منقسمہ کی منظوری۔
4. مالی سال 2022-23 کے لیے آڈیٹرز کا تقرر اور ان کا مشاہرہ طے کرنا۔ ممبرز کو مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے ریٹائر ہونے والے آڈیٹرز، میسرز کریسٹن حیدر بھی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو دوبارہ کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

خصوصی امور:

5. 30 جون، 2022 کو ختم ہونے والے سال کے لیے کمپنی کے بورڈ آف ڈائریکٹرز کی سفارش کے مطابق ہر 100 شیئر پر 4% کے تناسب سے یعنی 4 بونس شیئرز کے اجراء پر غور اور منظوری اور اسے باضابطہ بنانے کے لیے، اگر مناسب سمجھا جائے تو مندرجہ ذیل قرارداد کی کسی رد و بدل کے ساتھ یا بغیر خصوصی قرارداد کی حیثیت سے منظوری۔
- قرارداد طے پایا کہ کمپنی کے شیئر پر بیمہ کاؤنٹ میں سے 359,345,350 روپے کی رقم استعمال کی جائے اور اسے مبلغ 35,934,535 عام حصص 10 روپے فی کے آڈیٹرز کی شیئرز کے اجراء پر خرچ کیا جائے، جو ہر 100 (ایک سو) آڈیٹرز کی شیئرز کے لیے 4 (چار) آڈیٹرز کی شیئرز، یعنی کمپنی کے کسی شیئر ہولڈر کے پاس موجود 4% کے تناسب سے، مکمل ادا شدہ بونس شیئرز کے طور پر مختص کیے جائیں گے۔
- مزید قرارداد طے پایا کہ یہ بونس شیئرز مستقبل کے منافع منقسمہ اور دیگر تمام معاملات کے ضمن میں ہر لحاظ سے کمپنی کے موجودہ آڈیٹرز کی شیئرز کے مساوی ہوں گے۔
- مزید قرارداد طے پایا کہ ممبرز کے ایک مکمل شیئر سے کم (fractional) استحقاق کو مکمل شیئرز میں مربوط کر دیا جائے گا، جنہیں سٹاک مارکیٹ میں فروخت کیا جائے گا اور اس سے جو رقم حاصل ہوگی وہ قانون کے مطابق کسی خیراتی ادارے کو عطیہ کر دی جائے گی۔

مزید قرارداد طے پایا کہ کمپنی کے چیف ایگزیکٹو اور کمپنی سیکریٹری اجتماعی اور انفرادی طور پر ان قراردادوں پر عمل درآمد اور ایسے تمام کام کرنے، امور انجام دینے اور معاملات کے مجاز ہوں اور انہیں بذریعہ ہذا مجاز بنایا جاتا ہے، جو مذکورہ بونس شیئرز کے اجراء، الاٹمنٹ اور تقسیم اور fractional شیئرز کی فروخت کے حاصلات کی ادائیگی کے لیے ضروری، اتفاقی اور درکار ہوں۔

6. متعلقہ فریقین کے ساتھ اس امکان لین دین کی منظوری جو 30 جون، 2023 کو ختم ہونے والے مالی سال میں کرنے کا ارادہ ہے اور کمپنی کے بورڈ آف ڈائریکٹرز کو یہ اختیار دینا کہ وہ بورڈ آف ڈائریکٹرز کی ہیئت سے قطع نظر اپنی صوابدید کے مطابق وقتاً فوقتاً متعلق دار فریقوں کے ساتھ لین دین کرے۔

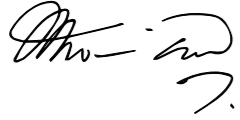
خصوصی قراردادوں کی حیثیت سے جو قراردادیں منظور کی جائیں گی وہ مندرجہ ذیل ہیں:

قرارداد طے پایا کہ کمپنی کے بورڈ آف ڈائریکٹرز کو 30 جون، 2023 کو ختم ہونے والے مالی سال میں متعلقہ فریقین کے ساتھ الگ الگ معاملہ کی بنیاد پر لین دین کی منظوری کا مجاز ہے۔ مزید قرارداد طے پایا گیا ہے کہ کمپنی کا بورڈ آف ڈائریکٹرز بورڈ کی ہیئت سے قطع نظر اور تعلق دار فریقوں سے لین دین کے بارے میں کمپنی کی پالیسی پر کاربند رہتے ہوئے اور تعلق دار فریق سے کسی بھی ایسے لین دین میں کمپنی کے بورڈ آف ڈائریکٹرز کے کسی مفاد کے باوجود، جس کے بارے میں شیئر ہولڈرز نے توجہ دلائی ہو، وقتاً فوقتاً اپنی صوابدید پر متعلقہ فریقین کے ساتھ مخصوص قسم کے لین دین کی منظوری دے سکتا ہے۔

ممبرز کو خصوصی امور سے متعلق، جن کا اوپر جو الودایا گیا ہے کمپنی ایکٹ، 2017 کے سیکشن (3) 134 کے تحت اسٹیٹمنٹ، اجلاس کے اس نوٹس کے ساتھ بھیجا جا رہا ہے۔

دیگر امور:

7. صدر اجلاس کی اجازت سے کوئی کارروائی نمٹانا۔



بمقام بورڈ

(رانانا علی رضا)

کمپنی سیکریٹری

بمقام: فیصل آباد

تاریخ: 26 ستمبر، 2022

گزارشات:

1. شیئر ٹرانسفر کس کی بندش:

کمپنی کی شیئر ٹرانسفر کس 11 اکتوبر، 2022 سے 18 اکتوبر، 2022 (بشمول دونوں دن) تک بند رہے گی۔ منتقلی کی جو درخواستیں تجویز کردہ فارمیٹ پر 10 اکتوبر، 2022 کو کاروباری اوقات بند ہونے سے پہلے کمپنی کے شیئر رجسٹرار، میسرز ڈی سی شیئر رجسٹرار سرورس لمیٹڈ، ڈی سی ہاؤس، 99-B، بلاک B، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی۔ 74400 کو موصول ہو جائیں گی، وہ ٹرانسفر کے مذکورہ بالا اور/یا سالانہ اجلاس عام میں شرکت کے استحقاق کے لیے بروقت سمجھے جائیں گی۔

2. سالانہ اجلاس عام (AGM) کی کارروائی میں ورچوئل شرکت:

سالانہ اجلاس عام میں ورچوئل شرکت کے خواہش مند شیئر ہولڈرز کے لیے مشورہ ہے کہ وہ کمپنی کو aliraza.rana@interloop.com.pk پر بذریعہ ای میل مندرجہ ذیل معلومات فراہم کر کے خود کو رجسٹر کریں:

شیئر ہولڈر کا نام	شناختی کارڈ نمبر	فولیو نمبر / سی ڈی سی اکاؤنٹ نمبر	شیئرز کی تعداد	رابطہ نمبر	ای میل ایڈریس
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آن لائن اجلاس کالنگ اور لاگ ان کی تفصیلات صرف ان ممبرز کو فراہم کی جائیں گی جن کی تمام مطلوبہ کوائف پر مشتمل ای میل، پیر 17 اکتوبر، 2022 کو کاروباری اوقات ختم ہونے تک فراہم کردہ ای میل ایڈریس پر مل جائیں گی۔ لاگ ان کی سہولت 18 اکتوبر، 2022 کو صبح 11:00 بجے سے اجلاس کے اختتام تک کھلی رہے گی۔

3. سالانہ اجلاس عام میں شرکت:

اجلاس میں شرکت اور ووٹ دینے کے اہل تمام ممبرز، اپنی طرف سے شرکت اور ووٹ دینے کے لیے تحریری طور پر کسی دوسرے شخص کو اپنا نمائندہ مقرر کر سکتے ہیں۔ نمائندے کے لیے کمپنی کا ممبر ہونا ضروری ہے۔ کاروباری اداروں کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع اس فرد کا دستخط نمونہ، جسے کاروباری ادارے کی طرف سے نمائندگی کرنے اور ووٹ دینے کے لیے نامزد کیا گیا ہے اور سی این آئی سی کی تصدیق شدہ کاپی، نمائندگی کے مکمل کردہ فارم کے ساتھ اجلاس کے وقت کمپنی کو جمع کرانا ہوگی۔ نمائندگی کے حامل افراد کے لیے ضروری ہے کہ وہ اجلاس کے وقت اپنا اصل کارآمدی این آئی سی یا اصل پاسپورٹ پیش کریں۔

موثر ہونے کے لیے ضروری ہے کہ صحیح طریقے سے پُر اور دستخط شدہ نمائندگی کے فارم اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں پہنچ جائیں۔

سی ڈی سی اکاؤنٹ ہولڈرز کو مندرجہ ذیل رہنما اصولوں پر مزید عمل کرنا ہوگا، جیسا کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے طے کیا ہے۔

PATTERN OF SHAREHOLDING AS ON JUNE 30, 2022

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
486	1	100	18,364
373	101	500	124,362
1,133	501	1,000	654,552
1,500	1,001	5,000	2,786,845
256	5,001	10,000	1,800,119
124	10,001	15,000	1,496,655
56	15,001	20,000	960,834
45	20,001	25,000	1,011,186
24	25,001	30,000	656,891
26	30,001	35,000	843,977
21	35,001	40,000	787,597
16	40,001	45,000	669,132
10	45,001	50,000	479,406
13	50,001	55,000	675,882
15	55,001	60,000	873,102
14	60,001	65,000	873,046
7	65,001	70,000	476,526
8	70,001	75,000	576,830
5	75,001	80,000	389,990
3	80,001	85,000	249,072
5	85,001	90,000	438,808
6	90,001	95,000	551,955
6	95,001	100,000	595,436
4	100,001	105,000	408,907
3	105,001	110,000	318,661
1	110,001	115,000	113,590
1	115,001	120,000	119,800
3	120,001	125,000	367,423
3	125,001	130,000	385,003
5	130,001	135,000	660,365
1	135,001	140,000	139,576
2	140,001	145,000	281,594
7	145,001	150,000	1,044,657
2	150,001	155,000	304,600
2	155,001	160,000	313,565
2	160,001	165,000	324,291
2	165,001	170,000	332,305
4	175,001	180,000	703,501
3	180,001	185,000	546,494
1	190,001	195,000	194,000
2	195,001	200,000	393,448
2	200,001	205,000	405,820
4	205,001	210,000	826,345
1	210,001	215,000	215,000
2	225,001	230,000	455,065
2	230,001	235,000	466,750
1	235,001	240,000	236,900
1	245,001	250,000	250,000
1	260,001	265,000	263,680
1	275,001	280,000	279,626

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
1	280,001	285,000	281,667
1	285,001	290,000	287,560
3	300,001	305,000	906,169
1	305,001	310,000	306,000
1	325,001	330,000	325,950
1	340,001	345,000	342,937
1	370,001	375,000	374,954
2	385,001	390,000	772,969
1	395,001	400,000	400,000
1	405,001	410,000	409,633
1	410,001	415,000	411,525
1	420,001	425,000	423,385
1	435,001	440,000	440,000
1	440,001	445,000	440,325
1	470,001	475,000	475,000
1	495,001	500,000	500,000
1	500,001	505,000	501,221
1	510,001	515,000	515,000
1	555,001	560,000	557,714
1	580,001	585,000	580,833
1	610,001	615,000	611,813
1	615,001	620,000	619,496
1	650,001	655,000	651,585
1	700,001	705,000	704,591
1	760,001	765,000	761,700
1	775,001	780,000	777,306
1	790,001	795,000	793,709
1	860,001	865,000	862,686
1	915,001	920,000	918,884
1	1,020,001	1,025,000	1,020,113
1	1,280,001	1,285,000	1,282,770
1	1,290,001	1,295,000	1,292,000
1	1,445,001	1,450,000	1,447,507
1	1,520,001	1,525,000	1,520,959
1	1,725,001	1,730,000	1,726,955
1	1,910,001	1,915,000	1,913,315
1	2,025,001	2,030,000	2,025,752
1	2,085,001	2,090,000	2,086,832
1	2,250,001	2,255,000	2,251,189
1	2,555,001	2,560,000	2,556,295
1	3,335,001	3,340,000	3,335,665
1	3,490,001	3,495,000	3,490,719
1	3,635,001	3,640,000	3,637,973
1	3,845,001	3,850,000	3,847,050
1	3,915,001	3,920,000	3,918,244
2	4,115,001	4,120,000	8,240,000
2	4,470,001	4,475,000	8,941,836
1	5,450,001	5,455,000	5,451,926
1	6,230,001	6,235,000	6,230,606
1	6,435,001	6,440,000	6,438,335

INFORMATION FOR SHAREHOLDERS

SHAREHOLDING			
Number of Shareholders	From	To	Total Shares Held
1	7,140,001	7,145,000	7,143,903
2	7,415,001	7,420,000	14,832,000
1	11,085,001	11,090,000	11,089,219
1	11,665,001	11,670,000	11,669,590
1	13,440,001	13,445,000	13,443,118
1	14,280,001	14,285,000	14,283,586
1	17,585,001	17,590,000	17,588,687
1	35,780,001	35,785,000	35,782,251
1	57,150,001	57,155,000	57,151,226
1	290,970,001	290,975,000	290,973,803
1	307,450,001	307,455,000	307,453,805
4,282			898,363,374

Categories of Shareholders	Shareholders	Share Held	Percentage
Directors and their spouse(s) and minor children	12	717,400,240	79.86
Associated Companies, undertakings and related parties	–	–	–
NIT and ICP	–	–	–
Banks Development Financial Institutions, Non-Banking Financial Institutions	8	17,182,147	1.91
Insurance Companies	12	16,327,503	1.82
Modarabas and Mutual Funds	59	40,540,502	4.51
General Public			
a. Local	3,928	84,784,838	9.44
b. Foreign	124	436,909	0.05
Foreign Companies	2	11,783,180	1.31
Others	137	9,908,055	1.10
Totals	4,282	898,363,374	100.00
Shareholding 10% or more	2	598,427,608	66.61

COMPANY REGISTERED OFFICE

Interloop Limited
 Al – Sadiq Plaza, P – 157,
 Railway Road, Faisalabad, Pakistan
 Phone: +92 – 41 – 2619724
 Fax: +92 – 41 – 2639400

SHARE REGISTRAR

CDC Share Registrar Services Limited

Karachi Office:
 Share Registrar Department
 CDC House, 99-B, Block B,
 S.H.C.H.S, Main Shahra-e-Faisal,
 Karachi – 74400
 Tel: (92-21) 111-111-500
 Fax: (92-21) 34326031

Lahore Office:
 Mezzanine Floor,
 South Tower, LSE Plaza,
 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
 Tel: (042) – 36362061-66

COMPANY WEBSITE

Updated information regarding the Company can be accessed at www.interloop-pk.com. The website contains the latest financial results of the Company together with Company's profile and product range.

EXCHANGE LISTING

Interloop Limited became listed on Pakistan Stock Exchange (PSX) on April 5, 2019.

STOCK SYMBOL

The stock symbol for dealing in equity shares of Interloop Limited is "ILP".

ANNUAL LISTING FEE

The Annual listing fee for the financial year 2022-23 has been paid within the prescribed time limit.

FINANCIAL CALENDAR

September 2022	Audited annual results for the year ended June 30, 2022
September 2022	Mailing of annual reports
October 2022	Annual General Meeting
October 2022	Unaudited first quarter financial results
February 2023	Unaudited half year financial results duly reviewed by Auditor
April 2023	Unaudited third quarter financial results

STATUTORY COMPLIANCE

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing regulations of PSX.

SHARE TRANSFER SYSTEM

Share transfers received by the Company's Share Registrar are registered within the prescribed period.

ANNUAL GENERAL MEETINGS

Pursuant to Section 132 of the Companies Act, 2017, the Company holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation in Karachi, Lahore & Islamabad.

AGM 2022 will be held as on:

Date: October 18, 2022

Time: 11:30 A.M.

Venue: Interloop Executive Club, Interloop Industrial Park, 7 KM, Khurrianwala-Jaranwala Road, Khurrianwala, Faisalabad

DATES OF BOOK CLOSURE

The register of the members and shares transfer books of the Company will remain closed from October 11, 2022 to October 18, 2022 (both days inclusive).

DATE OF DIVIDEND PAYMENT

The payment of dividend, upon declaration by shareholders at the forthcoming Annual General Meeting, will be made on or after October 18, 2022.

Last year, the Company has transferred the final cash dividend on October 22, 2021 after approval from shareholders at the 29th Annual General Meeting.

PROXIES

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another person as his/her proxy to attend and vote on his/her behalf. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to attend and vote is entitled to appoint a proxy who sought to be a member of the Company. The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be deposited at the registered office of the Company not less than forty-eight hours before the said general meeting.

CIRCULATION OF ANNUAL REPORTS THROUGH CD / DVD / USB

As notified by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 470(1)/2016, dated May 31, 2016, and in continuation with the SRO 787(1)/2014 dated September 8, 2014, further supported by Section 223(6) of the Companies Act 2017 and approved by the Shareholders. The Company shall circulate Annual Report 2022 to its shareholders in the form of CD. Any member requiring printed copy of Annual Report 2022 may send a request using a Standard Request Form placed on Company website.

DIVIDEND MANDATE (MANDATORY)

As per provision of Section 242 of Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders and SECP vide S.R.O.1145(I)/2017 (as amended) directed all shareholders to provide their valid International Bank Account Numbers (IBAN) to receive cash dividend electronically. Company shall be constrained to withhold the payment of Dividend to the shareholders, in case of non-availability of IBAN of the shareholder or authorized person.

UNCLAIMED DIVIDEND

Shareholders, who by any reason, could not claim their dividends / shares, if any, are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend/ shares, if any. In compliance with Section 244 of the Companies

Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

WITHHOLDING TAX/ZAKAT ON DIVIDENDS:

As per the provisions of Section 150 of the Income Tax Ordinance, 2001, withholding tax is deductible at source on the amount of dividend paid by the Company at the rate of 15% for filers and at the rate of 30% for non-filers.

In the light of clarification from Federal Board of Revenue, all the shareholders who intend to seek exemption from withholding of taxes on payment of dividend under clause 47B of Part – IV of the Second Schedule of the Income Tax Ordinance, 2001, are requested to provide valid Exemption Certificate under section 159(1) of the Income Tax Ordinance, 2001 duly issued by the concerned Commissioner of Inland Revenue in order to claim the said exemption. Zakat is also deductible at source from the dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for non-deduction of zakat.

REDRESSAL OF INVESTOR COMPLAINTS

Investors approach the Company for their queries and complaints generally through Company Secretarial Section. Various means of filing a complaint are available on Company's website. Investors' complaints / queries are usually related to receipt of latest dividends, request for hard copies of annual/ quarterly reports, updation of bank account details to receive dividends, change of address, transfer/transmission of shares and unclaimed dividends etc. These queries / complaints are handled with utmost priority meeting the expectations of investors to their satisfaction.

OUTSTANDING EMPLOYEE STOCK OPTIONS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY SHARE CAPITAL

NIL

STOCK MARKET DATA OF HIGH AND LOW PRICE OF EQUITY SHARES ON PAKISTAN STOCK EXCHANGE DURING FY2022

Highest	Lowest
80.32	60.74

INTERLOOP LIMITED FORM OF PROXY ANNUAL GENERAL MEETING

I/We _____ of _____

CDC A/C NO./ FOLIO NO. _____ being a shareholder of Interloop Limited ("The Company")

hold _____ Ordinary Shares do hereby appoint _____

Mr./Ms./Miss _____ of _____

CDC A/C NO./ FOLIO NO. _____ and or falling him/her _____

of _____ who is/are also a shareholder of the said Company, as my /our proxy in my /our absence to

attend and vote for me /us at the 30th Annual General Meeting of the Company to be held on October 18, 2022 (Tuesday)

at 11:30 A.M. at Interloop Executive Club, Interloop Industrial Park, 7-KM Khurrianwala-Jaranwala Road, Faisalabad and/

or any adjournment thereof in the same manner as I/we myself /ourselves would vote if personally present at that meeting.

At witness my/our hand this _____ day of _____ 2022.

Witness 1:

1. Signed: _____

Name: _____

Address: _____

C.N.I.C/Passport NO. _____

Affix
Revenue Stamp of
Rs. 5/-

Signature of Member(s) _____

(The signature should match with the
specimen registered with the Company)

Witness 2:

1. Signed: _____

Name: _____

Address: _____

C.N.I.C/Passport NO. _____

Important:

- This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, Interloop Limited, Al-Sadiq Plaza P-157, Railway Road, Faisalabad, not less than 48 hours before the time of holding the meeting.
- If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC/SNIC (Computer National Identity Card/Smart National Identity Card) numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with proxy form.
- In case of corporate entity, the Board of Directors resolution/power of attorney with specimen shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی فارم انٹرویو لمیٹڈ سالانہ اجلاس عام

میں / ہم _____ کے _____
سی ڈی سی اکاؤنٹ نمبر / فوئیو نمبر _____ انٹرویو لمیٹڈ ("کمپنی") کے _____ شیئرز ہولڈر ہونے کے ناطے، محترم / محترمہ _____
کے _____ سی ڈی سی اکاؤنٹ نمبر / فوئیو نمبر _____ اور / یا اُسے _____ کے _____
جو کہ مذکورہ کمپنی کے شیئرز ہولڈر بھی ہے، کمپنی کے 30 سالانہ اجلاس عام میں جو 18 اکتوبر، 2022 بروز منگل وار صبح 11:30 بجے انٹرویو لمیٹڈ
کلب، انٹرویو انڈسٹریل پارک، KM-7 کھڑیا نوالہ - جڑانوالہ روڈ، فیصل آباد میں منعقد ہوگا یا اس کے التوا کی صورت میں، میری / ہماری غیر موجودگی میں میری / ہماری طرف سے شرکت
کرنے اور اسی طرح سے ووٹ دینے کے لیے اپنا / اپنی نمائندہ مقرر کرتا ہوں / کرتے ہیں، جیسا کہ میں / ہم ذاتی طور پر اس اجلاس میں موجود ہوتے ہوئے ووٹ دیتا / دیتے۔
دستخط بروز _____ 2022 _____

گواہان

(-5 روپے کارسیدی
ٹکٹ یہاں چسپاں کریں)

(1) نام: _____

پتہ: _____

شناختی کارڈ / پاسپورٹ نمبر: _____

دستخط: _____

(2) نام: _____

پتہ: _____

شناختی کارڈ / پاسپورٹ نمبر: _____

دستخط: _____

نوٹس:

- 1- صحیح طریقے سے مکمل کیا ہوا اور دستخط شدہ پراکسی فارم، اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر، انٹرویو لمیٹڈ، الصادق پلازہ، P-157، ریلوے روڈ، فیصل آباد کو
مل جانا چاہیے۔
- 2- اگر کوئی ممبر ایک سے زیادہ نمائندے مقرر کرے گا اور کمپنی کو ایک سے زیادہ پراکسی فارم جمع کروانے کا تو ایسے تمام نمائندگی نامے غیر موثر سمجھے جائیں گے۔
- 3- پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتہ اور شناختی کارڈ نمبر / سمارٹ قومی شناختی کارڈ نمبر اس فارم پر درج ہوں گے۔
- 4- اصل مکان اور نمائندے کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کے ساتھ پیش کی جائیں۔
- 5- کاروباری ادارے کی صورت میں کمپنی کو پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ مع دستخط نمونہ پیش کیے جائیں گے (اگر اس سے پہلے فراہم نہیں کیے گئے)

CORPORATE OFFICE

1-KM, Khurrianwala-Jaranwala Road
Khurrianwala, Faisalabad, Pakistan

Tel: +92 41 4360400

Fax: +92 41 2428704

REGISTERED OFFICE

Al-Sadiq Plaza, P-157, Railway Road,
Faisalabad, Pakistan

Tel: +92 41 2619724

Fax: +92 41 2639400

Email: info@interloop.com.pk