



THIRD QUARTER REPORT
MARCH 31,
2021-22
UN-AUDITED



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Company Information

Board of Directors

Khalid Bashir (Chairman)
Adil Bashir
Ahsan Bashir
Shams Rafi
Humayun Maqbool
Mohammad Iqbal
Maheen Hisham Adamjee

Chief Executive Officer

Nadeem Maqbool

Chief Financial Officer

Naeem Sheikh

Audit Committee

Shams Rafi (Chairman)
Ahsan Bashir (Member)
Humayun Maqbool (Member)

HR Nomination & Remuneration Committee

Maheen Hisham Adamjee (Chairperson)
Ahsan Bashir (Member)
Adil Bashir (Member)
Nadeem Maqbool (Member)

Risk Management Committee

Mr. Humayun Maqbool (Chairman)
Mr. Nadeem Maqbool (Member)
Mr. Ahsan Bashir (Member)

Share Registrar

Corptec Associates (Pvt.) Ltd.
503-E, Johar Town, Lahore

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Company Secretary

Shahzad Nazir

Bankers

Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
MCB Islamic Bank Limited
United Bank Limited
Dubai Islamic Bank Limited
Habib Metropolitan Bank Limited
Samba Bank Limited
FINCA Microfinance Bank Limited
Meezan Bank Limited
Bank Alfalah Limited

Registered Office

7-B-III, Aziz Avenue, Gulberg-V, Lahore
Ph: +92-423-5760379, 35760382
Fax: +92-423-5760376
Email: info@suraj.com
Web: www.suraj.com

Project Locations

Nooriabad, District Dadu, Sindh.
Kotla Kahloon, District Nankana Sahib, Punjab.
Bhaikot, Rawind, District Lahore, Punjab.

Directors' Report

On behalf of Board of Directors, I am pleased to present the operating and financial performance of the company for the Period ended 31 March 2022.

The textile industry has performed exceptionally well during the first nine months of the current financial year. However, during the last one month we have seen severe inflationary pressures, an increasing cost of money along with a weak rupee. Presently global economy is facing key challenges of high commodity prices and severe supply-chain disruptions due to various factors especially shipping which is affecting the flow of goods. These challenges have fueled global inflation and downgraded the growth outlook.

During the period under review company has shown consistent rise in profitability with an increase of 35.64% in sales value to Rs. 17 billion as compared with the corresponding period. This increase along with other income of Rs. 312 million has resulted in a net profit of Rs. 2.539 billion for the period upto 31 March 2022. Financial charges have increased due to increase in interest rates and additional charges due to the new weaving project. During the reporting period, the company has achieved an increase of 59% in profit after tax with earnings per share of Rs. 57.23 (2021: Rs. 35.95).

Brief Income Statement	Mar-22	Mar-21 (PKR in Million)	% Change
Sales	17,409	12,834	35.64%
Gross profit	3,807	2,223	71.20%
Operating profit	3,407	2,113	61.23%
Financial cost	(156)	(125)	24.97%
Profit before taxation	3,250	1,988	63.92%
Taxation	(711)	(392)	81.11%
Net Profit	2,539	1,595	59.19%
Earnings per Share (EPS)	57.23	35.95	

Due to declining trend in equities, the company has accounted for an impairment loss of Rs. 116.38 million during the period ended March-22. Due to domestic and global uncertainties, we are not very optimistic about performance of the equity market in the upcoming period.

Despite an increase of almost 20% in local raw cotton output, the country continues to face a shortage of domestic raw materials. The requirements of the textile spinning industry have increased due to full scale operations and expansion, due to which a significant quantity of raw cotton is being imported. This will result in maintaining pressure on the exchange rate. We understand the government is contemplating steps to increase our cotton production and we can only hope that they succeed. For the remainder of the year we remain optimistic but with a note of caution. There are severe cost push pressures with a rising trend in the agricultural complex as well as oil and gas. Presently the industry is faced with severe shortage of power to operate at full capacity with electricity and gas both remaining short of demand. Even if we are able to overcome this shortage, our utility charges are expected to rise significantly due to peak world prices of oil and gas.

Our new weaving unit commenced full operations during this quarter and we are confident that the enhanced capacity will contribute to our growth and profitability.

Your company will continue to focus on its core competencies and its managerial expertise to limit the negative effects and continue to try and perform as per the expectations of its stakeholders. We are always looking for new opportunities to diversify and shall keep you apprised of our efforts.

Acknowledgements

On behalf of the Board of Directors, I would take this opportunity to thank all our partners and employees for their continued support. I would also take this opportunity to express my gratitude to the Board for their valuable insights and guidance.



Nadeem Maqbool
Chief Executive

April 28, 2022
Lahore

ڈائریکٹرز رپورٹ

ایکوٹیز کے رجحان میں کمی کے باعث کمپنی کو مارچ 22ء میں اختتام پذیر مدت کے دوران 116.38 ملین روپے کا (impairment) خسارہ برداشت کرنا پڑا۔ ملکی وغیر ملکی سطح پر غیر یقینی کی وجہ سے آئندہ سہ ماہی میں ہمیں ایکویٹی مارکیٹ میں بہتری کے کوئی آثار نظر نہیں آ رہے۔ مقامی سطح پر خام کائٹن کی پیداوار میں تقریباً 20 فی صد اضافے کے باوجود ملکی سطح پر خام مال کی قلت جاری ہے۔ فل سکیل آپریشنز اور توسیع کے باعث نیٹسٹائل سپننگ انڈسٹری کی ضروریات میں اضافہ ہو چکا ہے اور خام کپاس کی بھاری مقدار درآمد کی جارہی ہے۔ اس کے نتیجے میں شرح مبادلہ پر دباؤ برقرار رکھنے میں مدد ملے گی۔ ہم جانتے ہیں کہ حکومت کپاس کی پیداوار میں اضافے کے لئے اقدامات کر رہی ہے اور ہم کامیابی کے لئے دعا گو ہیں۔ باقی سال امید کی کرن روشن رہی لیکن خطرے کے بادل منڈلاتے رہے۔ زرعی شعبے اور تیل و گیس کی صنعت میں قیمتوں میں اضافے کا بحران بھی سراٹھا رہا ہے۔ فی الوقت یہ صنعت اپنی کل استعداد پر کام کرنے کے لئے توانائی کی شدید قلت کا شکار ہے لہذا بجلی اور گیس کی دستیابی طلب سے کہیں زیادہ کم ہے۔ اس کے باوجود ہم اس قلت پر تقابو پانے میں کامیاب ہوئے۔ عالمی سطح پر تیل اور گیس کی قیمتوں میں اضافے کے باعث ان سہولیات کے اخراجات میں اضافے کی توقع کی جارہی ہے۔

ہمارا نیا ویونگ (weaving) یونٹ اس سہ ماہی میں مکمل فعال ہو گیا اور ہم پرامید ہیں کہ اضافی استعداد ہماری ترقی اور منافع میں اہم کردار ادا کرے گی۔

آپ کی کمپنی اپنی بنیادی صلاحیتوں اور انتظامی مہارت پر توجہ مرکوز کئے ہوئے ہے تاکہ منفی اثرات کو محدود کیا جاسکے اور اپنے اسٹیک ہولڈرز کے توقعات کے عین مطابق کارکردگی دکھائی جاسکے۔ ہم ہمیشہ تنوع کے نئے مواقع کی تلاش میں رہتے ہیں تاکہ آپ کو اپنی کاوشوں سے بھرپور استفادہ دلا جاسکے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کی جانب سے میں اس موقع پر اپنے تمام پارٹنرز اور ملازمین کی مسلسل حمایت پر شکریہ ادا کرنا چاہتا ہوں۔ میں اس موقع پر بصیرت اور ہنرمندی کے لئے بورڈ کو خراج تحسین بھی پیش کرنا چاہتا ہوں۔



ندیم مقبول

چیف ایگزیکٹو

28 اپریل، 2022ء

لاہور

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں 31 مارچ 2022ء کو اختتام پذیر مدت کے لئے کمپنی کی آپریٹنگ و مالیاتی کارکردگی ازراہ مسرت پیش کرتا ہوں۔ رواں مالیاتی سال کے پہلے نو ماہ کے دوران ٹیکسٹائل انڈسٹری نے انتہائی عمدہ کارکردگی دکھائی۔ البتہ، گذشتہ ایک ماہ کے دوران ہم مہنگائی، اخراجات میں اضافے اور روپے کی قدر میں کمی کے شدید دباؤ کا شکار تھے۔ عالمی معیشت ایشیائے جنوبی کی بلند قیمتیں اور شپنگ جیسے متعدد عوامل کے باعث سپلائی چین میں شدید رکاوٹ کی وجہ سے ایشیاء کی نقل و حمل پر منفی اثرات جیسے بنیادی مسئلوں سے دوچار ہے۔ انہیں مسائل کے باعث عالمی سطح پر مہنگائی میں اضافہ اور شرح نمو میں کمی واقع ہوئی۔

زیر جائزہ مدت کے دوران کمپنی نے فروخت کے حجم میں 35.64 فی صد اضافے کے ساتھ گذشتہ برس کی اسی مدت کے مقابلے میں 17 ارب روپے کا بتدریج منافع ریکارڈ کیا۔ 312 ملین روپے کی دیگر آمدنی کے ہمراہ اس اضافے کے باعث 31 مارچ 2022ء تک کے دوائیہ میں 2.539 ارب روپے کا خالص منافع ریکارڈ ہوا۔ شرح سود میں اضافے اور نئے ویونگ (weaving) پراجیکٹ پر اضافی اخراجات کے باعث مالیاتی لاگت میں اضافہ ہوا۔ زیر جائزہ مدت کے دوران کمپنی نے 57.23 روپے فی حصص آمدنی (2021: 35.95 روپے) کے ساتھ 59 فی صد منافع علاوہ ٹیکس حاصل کیا۔

31 مارچ 2022ء کو اختتام پذیر مدت کے لئے مختصر اکم ایشیمنٹ حسب ذیل ہے:

جامع اکم ایشیمنٹ	مارچ-22	مارچ-21	فی صد تبدیلی
(ملین روپوں میں)			
سیلز	17,409	12,834	35.64%
کل منافع	3,807	2,223	71.20%
آپریٹنگ منافع	3,407	2,113	61.23%
مالیاتی لاگت	(156)	(125)	24.97%
نفع برعہ ٹیکسیشن	3,250	1,988	63.92%
ٹیکسیشن	(711)	(392)	81.11%
خالص منافع	2,539	1,595	59.19%
فی حصص آمدنی (EPS)	57.23	35.95	



Financial Statements


Third Quarter Ended March 31, 2022

Condensed Interim Statement of Financial Position

As At March 31, 2022

		Un-Audited March 31, 2022	Audited June 30, 2021
	Note	(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
50,000,000 (30 June 2021: 50,000,000) ordinary shares of Rupees 10/- each			
		500,000	500,000
<hr/>			
Issued, subscribed and paid up share capital	4	443,722	403,384
Reserves	5	10,823,552	8,864,618
TOTAL EQUITY		11,267,274	9,268,002
<hr/>			
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	6	3,533,616	2,595,380
Liabilities against assets subject to finance lease		511	1,186
Deferred liabilities	7	786,082	396,510
		4,320,209	2,993,076
<hr/>			
CURRENT LIABILITIES			
Trade and other payables	8	3,282,159	2,206,833
Accrued mark-up		44,896	26,293
Short term borrowings		875,514	429,454
Provision for taxation - net		212,328	-
Unclaimed dividends		7,313	6,387
Current portion of non current liabilities	9	916,781	800,501
		5,338,991	3,469,468
TOTAL LIABILITIES		9,659,200	6,462,544
<hr/>			
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		20,926,474	15,730,546

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

		Un-Audited March 31, 2022	Audited June 30, 2021
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	7,894,206	5,570,690
Right of use asset		1,808	2,128
Investment properties		477,690	477,690
Long term investments	12	843,209	971,627
Long term deposits		21,871	22,076
		9,238,784	7,044,211
CURRENT ASSETS			
Stores, spares and loose tools	13	202,450	218,925
Stock in trade	14	5,654,923	3,203,682
Trade debts	15	2,286,901	1,439,847
Loans and advances	16	59,951	39,972
Short term deposits and prepayments		128,129	105,614
Income tax refundable - net		-	137,167
Other receivables		292,372	23,018
Short term investments	17	2,737,848	3,211,269
Cash and bank balances		298,964	282,975
		11,661,538	8,662,469
Non-current assets classified as held for sale		26,152	23,866
		11,687,690	8,686,335
TOTAL ASSETS		20,926,474	15,730,546


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Profit Or Loss (Un-Audited) For The Period Ended March 31, 2022

	Note	PERIOD ENDED		QUARTER ENDED	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
		------(Rupees in thousand)-----			
			Restated		
Revenue	18	17,409,482	12,834,652	6,344,735	4,396,905
Cost of Sales	19	13,602,090	10,610,704	5,144,468	3,434,978
Gross Profit		3,807,392	2,223,948	1,200,267	961,927
Distribution Cost	20	170,353	116,151	67,317	42,074
Administrative Expenses	21	177,584	151,613	67,068	50,050
Other Expenses	22	364,146	174,580	104,983	71,505
		712,083	442,344	239,368	163,629
		3,095,309	1,781,604	960,899	798,298
Other income	23	312,393	331,991	109,052	87,962
Profit from operations		3,407,702	2,113,595	1,069,951	886,260
Finance cost	24	156,912	125,560	57,463	45,193
Profit before taxation		3,250,790	1,988,035	1,012,488	841,067
Taxation	25	711,473	392,842	236,628	151,698
Profit after taxation		2,539,317	1,595,193	775,860	689,369
Earnings per share - Basic and diluted (Rupees)		57.23	35.95	17.49	15.54
			(Restated)		(Restated)

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Comprehensive Income (Un-Audited)
For The Period Ended March 31, 2022

	PERIOD ENDED		QUARTER ENDED	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	------(Rupees in thousand)-----			
Profit after taxation	2,539,317	1,595,193	775,860	689,369
Other comprehensive income / (loss):				
Items that will not be reclassified to profit or loss: (Deficit) / surplus arising on remeasurement of investments at fair value through other comprehensive income - net of tax	(136,661)	175,194	3,955	(32,286)
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive (loss) / income for the period	(136,661)	175,194	3,955	(32,286)
Total comprehensive income for the period	2,402,656	1,770,387	779,815	657,083

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


CHIEF EXECUTIVE OFFICER



DIRECTOR


CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (Un-Audited) For The Period Ended March 31, 2022

	RESERVES								Total Equity
	Share capital	Capital reserves			Revenue Reserves			Total	
		Share premium reserve	Fair value reserve on FVTOCI Investments	Sub total	General	Unappropriated profit	Sub total		
----- (Rupees in thousand) -----									
Balance as at 30 June 2020 - (Audited)	366,713	29,000	(229,568)	(200,568)	3,714,000	2,736,468	6,450,468	6,249,900	6,616,613
Bonus shares issued for the year ended 30 June 2020 @ 10%	36,671	-	-	-	-	(36,671)	(36,671)	(36,671)	-
Final dividend for the year ended 30 June 2020 @ Rupees 4.00 per Share	-	-	-	-	-	(146,685)	(146,685)	(146,685)	(146,685)
Profit for the period	-	-	-	-	-	1,595,193	1,595,193	1,595,193	1,595,193
Other comprehensive income for the period	-	-	175,194	175,194	-	-	-	175,194	175,194
Total comprehensive income for the period	-	-	175,194	175,194	-	1,595,193	1,595,193	1,770,387	1,770,387
Balance as at 31 March 2021 - (un-audited)	403,384	29,000	(54,374)	(25,374)	3,714,000	4,148,305	7,862,305	7,836,931	8,240,315
Profit for the period	-	-	-	-	-	963,328	963,328	963,328	963,328
Other comprehensive income for the period	-	-	64,359	64,359	-	-	-	64,359	64,359
Total comprehensive income for the period	-	-	64,359	64,359	-	963,328	963,328	1,027,687	1,027,687
Balance as at 30 June 2021 - (audited)	403,384	29,000	9,985	38,985	3,714,000	5,111,633	8,825,633	8,864,618	9,268,002
Transactions with owners:									
Bonus shares issued for the year ended 30 June 2021 @ 10%	40,338	-	-	-	-	(40,338)	(40,338)	(40,338)	-
Final dividend for the year ended 30 June 2021 @ Rupees 10.00 per share	-	-	-	-	-	(403,384)	(403,384)	(403,384)	(403,384)
Profit for the period	-	-	-	-	-	2,539,317	2,539,317	2,539,317	2,539,317
Other comprehensive loss for the period	-	-	(136,661)	(136,661)	-	-	-	(136,661)	(136,661)
Total comprehensive income for the period	-	-	(136,661)	(136,661)	-	2,539,317	2,539,317	2,402,656	2,402,656
Balance as at 31 March 2022 - (un-audited)	443,722	29,000	(126,676)	(97,676)	3,714,000	7,207,228	10,921,228	10,823,552	11,267,274

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Cash Flows (Un-Audited)
For The Period Ended March 31, 2022


	March 31, 2022	March 31, 2021
Note	(Rupees in thousand)	
		Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,250,790	1,988,035
Adjustment for non-cash and other items:		
Depreciation	405,194	345,901
Gain on disposal of property, plant and equipment	(32,858)	(13,269)
Net (gain) on short term investment	-	(112,466)
Reversal of allowance for expected credit loss	1,103	(26,063)
Gain on remeasurement of deferred liability	-	(41,076)
Impairment loss on equity investments	-	21,063
Unrealized (gain) / loss on remeasurement of investments at FVTPL	116,386	-
Provision for Workers' Profit Participation Fund	174,586	106,769
Provision for Workers' Welfare Fund	66,343	40,572
Profit on bank deposits	(12,496)	(8,166)
Dividend income	(262,546)	(119,921)
Exchange (gain) / loss	(233)	(5,139)
Finance cost	156,912	125,560
Cash flows from operating activities before working capital changes	3,863,181	2,301,800
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	16,475	(38,115)
Stock in trade	(2,451,241)	(777,173)
Trade debts	(847,924)	(266,589)
Loans and advances	(19,979)	(18,628)
Trade deposits and short term prepayments	(22,515)	(28,799)
Tax refunds due from the government	-	107,617
Other receivables	(269,354)	(17,611)
Increase in current liabilities:		
Trade and other payables	1,000,138	383,954
Net cash from /(used in) working capital	(2,594,400)	(655,344)
CASH GENERATED FROM /(USED IN) OPERATIONS	1,268,781	1,646,456

Condensed Interim Statement of Cash Flows (Un-Audited)

For The Period Ended March 31, 2022

	March 31, 2022	March 31, 2021
Note	(Rupees in thousand)	
Finance cost paid	(126,370)	(128,458)
Workers' profit participation fund paid	(165,741)	(45,788)
Profit on bank deposits received	12,496	8,166
Decrease in long term deposits	205	-
Income tax paid	(264,000)	(90,458)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	725,371	1,389,918
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(2,772,627)	(327,779)
Proceeds from disposal of property, plant and equipment	68,910	7,299
Investments - net	334,929	(543,262)
Dividend received	262,546	119,921
NET CASH USED IN INVESTING ACTIVITIES	(2,106,242)	(743,821)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	1,353,933	-
Repayment of lease liability	(675)	(205)
(Decrease)/ increase in short term borrowings - net	446,060	(512,073)
Dividend paid	(402,458)	(146,341)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	1,396,860	(658,619)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	15,989	(12,522)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	282,975	207,139
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	298,964	194,617

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

1. THE COMPANY AND ITS OPERATIONS

Suraj Cotton Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 7-B-III, Aziz Avenue, Gulberg-V, Lahore. The Company is engaged in manufacturing, sale and trading of yarn, cloth and processing of cloth.

2. BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2021. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

		Un-Audited March 31, 2022	Audited June 30, 2021		
		No of Shares		Un-Audited March 31, 2022	Audited June 30, 2021
				(Rupees in thousand)	
4.	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL				
		17,400,000	17,400,000	174,000	174,000
		26,972,243	22,938,443	269,722	229,384
		44,372,243	40,338,443	443,722	403,384
5.	RESERVES				
	Capital reserves:				
	Share premium reserve			29,000	29,000
	Fair value reserve on FVTOCI investments			(126,676)	9,985
				(97,676)	38,985
	Revenue reserves:				
	General reserve			3,714,000	3,714,000
	Unappropriated profit			7,207,228	5,111,633
				10,921,228	8,825,633
				10,823,552	8,864,618
6.	LONG TERM FINANCING - secured				
	Opening balance			2,962,714	2,590,654
	Obtained during the period / year			1,756,984	566,259
	Repaid during the period / year			(402,376)	(30,274)
	Other changes - non-cash movement			(416,372)	(163,925)
				3,900,950	2,962,714
	Less: Current portion shown under current liabilities			(367,334)	(367,334)
				3,533,616	2,595,380

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For The Period Ended March 31, 2022

	Un-Audited March 31, 2022	Audited June 30, 2021
	(Rupees in thousand)	
7. DEFERRED LIABILITIES		
Deferred income - Government grant	490,151	141,575
Gas Infrastructure Development Cess (GIDC) payable	-	56,982
Deferred income tax liability - net	295,931	197,953
	786,082	396,510
8. TRADE AND OTHER PAYABLES		
Creditors	1,392,553	480,909
Contract liabilities - unsecured	71,593	58,196
Accrued liabilities	1,324,398	1,176,484
Infrastructure cess payable	146,728	116,243
Payable to employees' provident fund trust	-	49
Income tax deducted at source	3,739	3,461
Sales tax payable	-	103,531
Workers' profit participation fund	174,586	165,741
Workers' welfare fund	168,562	102,219
	3,282,159	2,206,833
9. CURRENT PORTION OF NON CURRENT LIABILITIES		
Current portion of long term financing	367,334	367,334
Current portion of lease liability	626	587
Current portion of deferred income - Government grant	98,662	22,350
Current portion of GIDC	450,159	410,230
	916,781	800,501

10. CONTINGENCIES AND COMMITMENTS

Contingencies

- i) Guarantees of Rupees 303.476 million (30 June 2021: Rupees 288.476 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Director Excise and Taxation, Karachi against infrastructure cess and others.

Commitments

- i) Contracts for capital expenditure are approximately of Rupees 1,073.747 million (30 June 2021: Rupees 3,306.022 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 3,197.315 million (30 June 2021: Rupees 465.840 million).

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

	Note	Un-Audited	Audited
		March 31, 2022	June 30, 2021
		(Rupees in thousand)	
11. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - tangible	11.1	7,414,533	4,669,213
Capital work in progress	11.2	479,673	901,477
		7,894,206	5,570,690
11.1 Operating fixed assets - tangible			
Opening book value		4,669,213	4,940,565
Add: Additions during the period / year - cost	11.1.1	3,194,431	214,485
		7,863,644	5,155,050
Less: Deletions during the period / year		(44,236)	(21,921)
		7,819,408	5,133,129
Less: Depreciation during the period / year		(404,875)	(463,916)
Book value at the end of the period / year		7,414,533	4,669,213
11.1.1 Additions during the period / year - cost			
Free hold land		723,630	-
Factory building		-	21,320
Plant and machinery		2,305,316	172,427
Electric installations		52,699	-
Equipment's		58,849	-
Vehicles		53,937	20,738
		3,194,431	214,485
11.1.2 Capital work in progress			
Buildings on freehold land		300,932	233,247
Plant and machinery		156,448	653,126
Electric installations		22,293	15,104
		479,673	901,477
12. LONG TERM INVESTMENT			
Equity instruments - at FVTOCI		837,079	965,497
Knightbridge Residential Real Estate Partners (Partnership Firm)		6,130	6,130
		843,209	971,627

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For The Period Ended March 31, 2022

	Un-Audited March 31, 2022	Audited June 30, 2021
(Rupees in thousand)		
13. STORE , SPARE PARTS AND LOOSE TOOLS		
Stores	228,047	237,025
Spares parts	9,013	12,856
Loose tools	217	273
Stores in transit	8,812	12,410
	246,089	262,564
Less: Provision for slow moving, obsolete and damaged store items	(43,639)	(43,639)
	202,450	218,925
14. STOCK IN TRADE		
Raw material in transit	830,849	137,716
Raw material	1,826,805	2,016,200
Work in process	407,023	183,121
Finished goods	2,545,814	842,432
Waste	44,432	24,213
	5,654,923	3,203,682
15. TRADE DEBTS		
Secured against letters of credit	17,762	-
Unsecured	2,319,555	1,489,037
	2,337,317	1,489,037
Less: Allowance for expected credit loss	(50,416)	(49,190)
	2,286,901	1,439,847
16. LOANS AND ADVANCES		
Employees	7,030	6,337
Advances to suppliers	40,836	18,454
Letters of credit	12,085	12,677
Due from related parties	-	2,504
	59,951	39,972

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

		Un-Audited March 31, 2022	Audited June 30, 2021
	Note	(Rupees in thousand)	
17. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS			
Equity investments	17.1	319,504	398,068
Mutual funds	17.2	2,418,344	2,813,201
		2,737,848	3,211,269
17.1 Securities held at fair value through profit or loss			
Carrying value		504,847	357,464
Unrealised gain / (loss)		(185,343)	40,604
		319,504	398,068
17.2 Mutual funds			
HBL Cash Fund		414,087	501,041
Alfalah GHP Money Market Fund		265,016	368,648
MCB Cash Management Optimizer		294,426	386,467
NBP Money Market Fund		284,933	451,133
ABL Cash Fund		330,865	367,118
Atlas Money Market Fund		410,527	326,277
UBL Asset Management		242,436	412,517
Faysal Money Market Fund		176,054	-
		2,418,344	2,813,201

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For The Period Ended March 31, 2022

	PERIOD ENDED				QUARTER ENDED							
	March 31, 2022		March 31, 2021		March 31, 2022		March 31, 2021					
	Spinning	Weaving	Total	Spinning	Weaving	Total	Spinning	Weaving				
	-----Rupees in Thousand-----											
16 SALES	13,504,814	7,184,292	20,689,106	10,306,871	4,288,958	14,595,829	4,982,243	2,772,155	7,764,398	3,559,476	1,455,606	5,015,082
Local	-	-	-	-	-	-	-	-	-	-	-	-
Export	20,472	-	20,472	496	214,338	214,834	1,876	-	1,876	-	55,061	55,061
Inter-Segments	(3,300,096)	(3,300,096)	(3,300,096)	(1,976,011)	-	(1,976,011)	(1,421,539)	(1,421,539)	(1,421,539)	(673,238)	(673,238)	(673,238)
	10,225,190	7,184,292	17,409,482	8,331,356	4,503,296	12,834,652	3,572,580	2,772,155	6,344,735	2,886,238	1,510,667	4,396,905
18.1 Disaggregation of the Company's revenue from contracts with customer is as follows.												
Segments												
Sale of yarn	12,888,268	-	12,888,268	9,795,371	-	9,795,371	4,729,568	-	4,729,568	3,378,015	-	3,378,015
Sale of fabric	-	7,153,767	7,153,767	-	4,487,538	4,487,538	2,758,981	2,758,981	2,758,981	1,505,414	1,505,414	1,505,414
Sale of waste	637,018	30,525	667,543	511,996	15,758	527,754	284,551	13,174	277,725	181,461	5,253	186,714
Inter-segment eliminations	(3,300,096)	(3,300,096)	(3,300,096)	(1,976,011)	-	(1,976,011)	(1,421,539)	-	(1,421,539)	(673,238)	-	(673,238)
Total revenue from contracts with customers	10,225,190	7,184,292	17,409,482	8,331,356	4,503,296	12,834,652	3,572,580	2,772,155	6,344,735	2,886,238	1,510,667	4,396,905
Geographic markets												
Pakistan	13,504,814	7,165,169	20,669,983	10,306,871	4,288,958	14,595,829	4,974,497	2,753,032	7,727,529	3,559,476	1,455,606	5,015,082
China	-	-	-	-	50,106	50,106	-	-	-	-	-	-
Hong Kong	-	-	-	-	86,351	86,351	-	-	-	-	-	-
Italy	-	19,123	19,123	-	7,898	7,898	19,123	19,123	19,123	-	-	-
Portugal	-	-	-	-	-	-	-	-	-	-	7,898	7,898
Sri Lanka	20,472	-	20,472	496	-	496	19,622	-	19,622	-	-	-
South Korea	-	-	-	-	10,387	10,387	-	-	-	-	-	-
Turkey	-	-	-	-	46,160	46,160	-	-	-	-	33,727	33,727
Germany	-	-	-	-	13,436	13,436	-	-	-	-	13,436	13,436
Viet Nam	-	-	-	-	-	-	-	-	-	-	-	-
Inter-segment eliminations	(3,300,096)	(3,300,096)	(3,300,096)	(1,976,011)	-	(1,976,011)	(1,421,539)	-	(1,421,539)	(673,238)	-	(673,238)
Total revenue from contracts with customers	10,225,190	7,184,292	17,409,482	8,331,356	4,503,296	12,834,652	3,572,580	2,772,155	6,344,735	2,886,238	1,510,667	4,396,905
Timing of revenue recognition												
Goods transferred at a point in time	10,225,190	7,184,292	17,409,482	8,331,356	4,503,296	12,834,652	3,572,580	2,772,155	6,344,735	2,886,238	1,510,667	4,396,905
Total revenue from contracts with customers	10,225,190	7,184,292	17,409,482	8,331,356	4,503,296	12,834,652	3,572,580	2,772,155	6,344,735	2,886,238	1,510,667	4,396,905

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

	PERIOD ENDED		QUARTER ENDED	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
-----Rupees in Thousand-----				
19. COST OF SALES				
Raw material consumed	12,353,334	7,283,620	5,024,981	2,582,000
Sizing expenses	82,789	47,054	36,582	16,137
Stores, spares and loose tools consumed	215,098	199,728	77,575	67,436
Packing materials consumed	135,373	110,318	46,814	36,240
Salaries, wages and other benefits	883,750	716,593	309,601	239,160
Fuel and power	1,360,553	1,086,326	560,309	384,665
Repairs and maintenance	93,060	64,781	40,827	20,519
Insurance	26,497	23,369	9,583	7,936
Depreciation	380,666	324,587	158,534	109,629
Other factory overheads	18,474	15,197	6,208	5,166
	15,549,594	9,871,573	6,271,014	3,468,888
Work-in-process:				
Opening Stock	183,121	167,564	287,496	201,283
Closing Stock	(407,023)	(208,630)	(407,023)	(208,630)
	(223,902)	(41,066)	(119,527)	(7,347)
Cost of goods manufactured	15,325,692	9,830,507	6,151,487	3,461,541
Finished goods:				
Opening stock	866,645	1,353,734	1,583,228	546,974
Closing stock	(2,590,247)	(573,537)	(2,590,247)	(573,537)
	(1,723,602)	780,197	(1,007,019)	(26,563)
	13,602,090	10,610,704	5,144,468	3,434,978
20. DISTRIBUTION COST				
Salaries and other benefits	5,148	4,986	1,686	1,662
Commission to selling agents	139,174	81,574	55,970	30,188
Outward freight and shipment	23,867	25,609	9,283	8,825
Clearing and forwarding	2,113	3,491	330	1,260
Export development surcharge	51	491	48	139
	170,353	116,151	67,317	42,074

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For The Period Ended March 31, 2022

	PERIOD ENDED		QUARTER ENDED	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
-----Rupees in Thousand-----				
21. ADMINISTRATIVE EXPENSES				
Salaries, wages and other benefits	103,321	88,069	37,353	30,716
Rent, rates and taxes	7,189	6,741	2,702	2,084
Electricity and gas	6,608	6,092	2,122	1,759
Traveling and conveyance	5,487	3,707	1,899	2,053
Repair and maintenance	4,003	4,663	1,232	1,285
Vehicle running and maintenance	6,787	4,955	2,018	1,724
Printing and stationery	4,490	2,959	2,077	679
Communication	1,271	1,470	481	442
Fee and subscription	5,767	4,203	1,890	1,417
Advertisement	240	150	140	-
Insurance	2,566	2,080	943	695
Depreciation	24,528	21,314	9,109	7,135
Entertainment	282	175	87	56
Donation	5,045	5,035	5,015	5
	177,584	151,613	67,068	50,050
22. OTHER OPERATING EXPENSES				
Legal and professional	2,012	3,097	894	1,456
Auditors' remuneration	3,692	3,079	1,221	1,121
Workers profit participation fund	174,586	106,769	54,376	45,170
Workers welfare fund	66,343	40,572	20,663	17,164
Impairment loss on investment	-	21,063	-	-
Unrealised loss on re-measurement of investments at fair value through profit or loss	116,386	-	26,383	-
Exchange (gain) / loss	-	-	-	285
Reversal of allowance for expected credit loss	1,103	-	1,422	6,309
Other	24	-	24	-
	364,146	174,580	104,983	71,505

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

	PERIOD ENDED		QUARTER ENDED	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
-----Rupees in Thousand-----				
23. OTHER OPERATING INCOME				
Exchange gain / (loss)	233	5,139	(21)	-
Profit on bank deposits	12,262	8,166	6,333	1,398
Dividend income	262,546	119,921	100,820	35,607
Gain on remeasurement of deferred liability	-	41,076	-	-
Reversal of allowance for expected credit loss	-	26,063	-	-
Sale of empties and scrap	4,260	5,891	669	1,938
Gain on disposal of operating fixed assets	32,858	13,269	1,184	-
Unrealised gain on re-measurement of investments at FVTPL	-	112,466	-	49,019
Other	234	-	67	-
	312,393	331,991	109,052	87,962
24. FINANCE COST				
Interest / mark-up on:				
Long term financing	85,305	51,282	28,400	16,858
GIDC liability	11,939	21,019	2,710	7,419
Short term borrowings	50,298	43,213	22,312	17,152
Liabilities against assets subject to finance leases	100	-	29	-
Bank charges and commission	9,270	10,046	4,012	3,764
	156,912	125,560	57,463	45,193
25. TAXATION				
Charge for the period:				
Current	613,495	271,594	149,903	151,698
Deferred	97,978	121,248	86,725	-
	711,473	392,842	236,628	151,698

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

26. OPERATING SEGMENT INFORMATION

26.1 The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning: Production of different quality of yarn using natural and artificial fibers.

Weaving: Production of different quality of greige fabric using yarn.

Transactions between operating segments are recorded on arm's length basis in a manner similar to transactions with third parties. Inter segment sales and purchases have been eliminated from the total.

26.2

	SPINNING		WEAVING		ELIMINATION OF INTER-SEGMENT TRANSACTIONS		TOTAL-COMPANY	
	March 31 - 2022	March 31 - 2021	March 31 - 2022	March 31 - 2021	March 31 - 2022	March 31 - 2021	March 31 - 2022	March 31 - 2021
	Un-Audited (Rupees in Thousand)							
SALES								
External	10,225,190	8,331,356	7,184,292	4,503,296	-	-	17,409,482	12,834,652
Inter-segment	3,300,096	1,976,011	-	-	(3,300,096)	(1,976,011)	-	-
	13,525,286	10,307,367	7,184,292	4,503,296	(3,300,096)	(1,976,011)	17,409,482	12,834,652
COST OF SALES								
External	(7,014,048)	(6,650,784)	(6,588,042)	(3,959,920)	-	-	(13,602,090)	(10,610,704)
Inter-segment	(3,300,096)	(1,976,011)	-	-	3,300,096	1,976,011	-	-
	(10,314,144)	(8,626,795)	(6,588,042)	(3,959,920)	3,300,096	1,976,011	(13,602,090)	(10,610,704)
Gross profit	3,211,142	1,680,572	596,250	543,376	-	-	3,807,392	2,223,948
Distribution cost	(106,186)	(70,124)	(64,167)	(46,027)	-	-	(170,353)	(116,151)
Administrative expenses	(135,936)	(118,337)	(41,648)	(33,276)	-	-	(177,584)	(151,613)
	(242,122)	(188,461)	(105,815)	(79,303)	-	-	(347,937)	(267,764)
Profit before taxation and unallocated income and expenses	2,969,020	1,492,111	490,435	464,073	-	-	3,459,455	1,956,184
Unallocated income and expenses:								
Operating expenses							(364,146)	(174,580)
Other income							312,393	331,991
Finance cost							(156,912)	(125,560)
							(208,665)	31,851
Profit before taxation							3,250,790	1,988,035
Taxation							711,473	392,842
Profit for the period							2,539,317	1,595,193

Inter segment sales and purchases have been eliminated on consolidation.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

26.3 Reconciliation of Reportable Segment Assets and Liabilities

	SPINNING		WEAVING		TOTAL-COMPANY	
	Un-Audited March 31, 2022	Audited June 30, 2021	Un-Audited March 31, 2022	Audited June 30, 2021	Un-Audited March 31, 2022	Audited June 30, 2021
	----- (Rupees in Thousand) -----					
Total assets for reportable segment	11,812,430	8,211,374	5,029,145	2,697,553	16,841,575	10,908,927
Unallocated assets:						
Investment properties					477,690	477,690
Long term investments					843,209	971,627
Income tax refundable - net					-	137,167
Short term Investments					2,737,848	3,211,269
Non-current assets classified as held for sale					26,152	23,866
Total assets as per condensed interim statement of financial position					20,926,474	15,730,546
Total liabilities for reportable segments	5,194,325	4,953,210	3,459,152	1,106,437	8,653,477	6,059,647
Unallocated liabilities:						
Deferred liabilities					786,082	396,510
Unclaimed dividend					7,313	6,387
Provision for taxation - net					212,328	-
Total liabilities as per condensed interim statement of financial position					9,659,200	6,462,544

27 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 31 March 2022 - Un-Audited	Level 1	Level 2	Level 3	TOTAL
	Rupees in Thousand			
Financial assets				
Fair value through profit or loss	2,737,848	-	-	2,737,848
Fair value through other comprehensive income	836,879	-	-	836,879
	3,574,727	-	-	3,574,727

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

Recurring fair value measurements at 30 June 2021 - Audited	Level 1	Level 2	Level 3	TOTAL
Rupees in Thousand				
Financial assets				
Fair value through profit or loss	3,211,269	-	-	3,211,269
Fair value through other comprehensive income	965,497	-	-	965,497
Derivative Financial Liabilities	-	1,185	-	1,185
	4,176,766	1,185	-	4,177,951

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the half year ended 31 March 2022. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine level 1 fair values

Specific valuation technique used to value financial instruments was use of quoted market prices on dealer quotes for similar investments.

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

28. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, key management personnel and provident fund trust. The Company is in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

		Un-Audited			
		PERIOD ENDED		QUARTER ENDED	
		March 31,	March 31,	March 31,	March 31,
		2022	2021	2022	2021
		----- (Rupees in thousand) -----			
i)	Transactions				
	Associated companies				
	Purchase of electricity	50,741	9,307	23,314	4,820
	Sale of goods	125,806	43,078	61,528	12,160
	Sale of non-current assets	3,042	2,340	-	-
	Purchase of goods	265,899	100,375	76,987	56,338
	Insurance expense	48,578	50,592	4,508	4,303
	Dividend paid	191,719	69,716	-	-
	Number of bonus shares issued	1,917,193	1,742,903	-	-
	Key management personnel				
	Remuneration paid to Chief Executive Officer, Director	40,066	36,257	13,354	12,093
	Dividend paid	54,127	19,477	-	-
	Number of bonus shares issued	541,271	486,737	-	-
	Other related parties				
	Company's contribution to provident fund trust	22,223	18,680	7,713	6,356

As at 31 March 2022 (Un-audited)

		Associated Companies	Other Related Parties	Total
		Rupees in Thousand		
ii)	Period end balances			
	Trade debts	9,845	-	9,845
	Trade and other payables	70,526	-	70,526

Selected Notes to the Condensed Interim Financial Statements (Un-Audited) For The Period Ended March 31, 2022

				As At 30 June 2021 (Audited)			
				Associated Companies	Other Related Parties	Total	
				Rupees in Thousand			
	Trade debts		16,071	-		16,071	
	Loans and advances		62	-		62	
	Trade and other payables		14,959	-		14,959	
				UN-AUDITED		AUDITED	
				March 31,		March 31,	
				2022		2021	
				(Rupees in thousand)			
29.	DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX						
	Loan / advances obtained as per Islamic mode:						
	Loans			11,706		61,171	
	Shariah compliant bank deposits / bank balances						
	Bank balances			60,669		144	
				UN-AUDITED			
				March 31,		Dec 31,	
				2022		2021	
				(Rupees in thousand)			
30.	Profit earned from shariah compliant bank deposits / bank balances						
	Profit on deposits with banks						
	Revenue earned from shariah compliant business						
	Gain or dividend earned from shariah complaint investments						
	Dividend income			47,120		31,979	
	Unrealized gain on re-measurement of investments at FVTOCI			(64,958)		121,885	
	Unrealized gain on re-measurement of investments at FVTPL			(74,808)		29,339	
	Realized gain on investments at FVTPL			-		19,163	
	Mark-up paid on Islamic mode of financing			11,734		7,397	
	Profits Earned or Interest Paid on any conventional Loans / Advance						
	Interest paid on loans						
	Profit earned on deposits with banks						
				133,239		97,144	
				12,262		8,166	

**Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
For The Period Ended March 31, 2022**

Relationship with shariah compliant banks

Name	Relationship
Dubai Islamic Bank Pakistan Limited	Bank balance
MCB Islamic Bank Limited	Bank balance and short term borrowings
Meezan Bank Limited	Bank balance and short term borrowings
First Habib Modaraba	Lease

31. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

32. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on April 28, 2022


33. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

34. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER





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