

ZIL
LIMITED

Personal Care & Hygiene Products Company

First Quarterly Report
January - March
2024

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Company Information

Board of Directors

Dr. Salomon Jacobus Van Rooijen
Chairman, Non-Executive Director

Mr. Mubashir Hasan Ansari
Executive Director & Chief Executive Officer

Mrs. Feriel Ali-Mehdi
Non-Executive Director

Mr. Saad Amanullah Khan
Non-Executive Director

Mr. Muhammad Irfan-ul-Haq
Non-Executive Director

Mr. Muhammad Salman H. Chawala
Independent, Non-Executive Director

Mr. Ahsan Rashid
Independent, Non-Executive Director

Board Audit Committee

Mr. Muhammad Salman H. Chawala
Chairman

Mrs. Feriel Ali-Mehdi
Member

Mr. Ahsan Rashid
Member

Human Resource and Remuneration Committee

Mr. Ahsan Rashid
Chairman

Mrs. Feriel Ali-Mehdi
Member

Mr. Saad Amanullah Khan
Member

Mr. Mubashir Hasan Ansari
Member

Statutory Auditors

BDO Ebrahim & Co. Chartered
Accountants

Chief Financial Officer

Mr. Ata-ur-Rehman Shaikh

Company Secretary

Mr. Muhammad Shahid

Secretary HR&R Committee

Mr. Aneel Arshad Ali

Head of Internal Audit

Mr. Syed Abid Raza Rizvi

Legal Advisors

A. Qadir & Company

Registered Office

Ground Floor, Bahria Complex III,
M. T. Khan Road, Karachi - Pakistan.
Tel: +9221 35630251-60
Fax: +9221 35630266
Website: www.zil.com.pk
Email: Info@zil.com.pk

Factory

Link Hali Road, Hyderabad - 71000

Bankers

Dubai Islamic Bank
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Soneri Bank Limited
United Bank Limited
Standard Chartered Bank

Shares Registrar

THK Associates (Pvt) Limited
Plot No. 32, Jami Commercial Street 2,
D.H.A., Phase VII,
Karachi.
Ph: (021) 111-000-322



Directors' Review

The Board of Directors of ZIL Limited is pleased to announce the unaudited financial results of the Company for the three-month period ended March 31, 2024.

Company's operating performance:

The Company's net sales value for the first quarter stands at PKR.1.41Bn reflecting a growth of 14% compared to the same period of the prior financial year. This increase in revenue was on account of favorable sales mix and pricing management initiatives which led to healthy volume growth. The Company continued the trend of healthy gross profit due to efficient raw material procurement, and product mix improvement along with timely business decisions.

During the period ended March 2023, the financial cost of the Company increased by 9M due to high markup rates. A stable exchange rate resulted in exchange gain as compared to exchange loss last year. Selling & Distribution expenses increased significantly as part of the strategic decision to invest in sales team and distribution expansion to increase market penetration for fueling sales growth. Administrative expenses increased due to increase in professional fees and travelling expenses. However, the bottom line remained positive as the Company reported a Profit after tax of PKR.25M.

Financial Performance at a Glance:

	YTD Mar-24 PKR	YTD Mar-23 PKR
Net Sales Value	1.41Bn	1.24Bn
Gross Profit	0.38Bn	0.35Bn
Gross Profit %	27%	28%
Profit/(Loss) before taxation	39M	96M
Profit/(Loss) after taxation	25M	68M
Earnings/(Loss) per share - Rupees	4.12	11.04

Future Outlook:

It is expected that the conditions for businesses and the economy will remain challenging due to political uncertainty, sustained high inflation, and pressure on foreign exchange reserves. The risk of further devaluation of the exchange rate and increase in global commodity prices on account of global conflicts exists which will lead to higher imported cost of raw materials and higher fuel prices.

In order to overcome these obstacles, the management of the Company is continually evaluating these situations and taking appropriate measures to manage the challenges as mentioned earlier, and maintain growth. To increase market penetration, the management will continue to fully leverage potential in the value chain, evaluating consumer pricing to keep them competitive, providing options that offer good value, and raising overall customer happiness.

Acknowledgement:

The Board would like to extend its sincere gratitude to the management team and all employees of the Company whose unwavering commitment and persistent work have been instrumental in the growth of the Company. The Company's valued business partners, including consumers, customers, distributors, dealers, bankers, suppliers, and all other stakeholders, deserve the Board's profound appreciation.

For and on behalf of the Board of Directors

Mubashir Hasan Ansari
CEO / Director

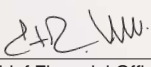
Karachi: April 25, 2024

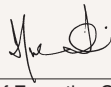


**Condensed Interim Statement of Financial Position (Un-audited)
As at March 31, 2024**

		March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	1,195,493	1,170,070
Intangible asset		4,643	5,094
Long term deposits		13,936	12,286
Long term loans to employees		1,104	934
		<u>1,215,176</u>	<u>1,188,384</u>
CURRENT ASSETS			
Stock-in-trade	7	653,939	676,181
Trade debts	8	280,481	231,219
Advances, prepayments and other receivables	9	177,049	159,131
Short term investments	10	50,000	176,243
Cash and bank balances	11	225,182	127,293
		<u>1,386,650</u>	<u>1,370,067</u>
Assets classified as held for sale	12	588,409	588,362
TOTAL ASSETS		<u><u>3,190,235</u></u>	<u><u>3,146,813</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 40,000,000 (December 31, 2023: 40,000,000) ordinary shares of Rs. 10/- each		<u>400,000</u>	<u>400,000</u>
Issued, subscribed and paid-up capital		61,226	61,226
Capital reserves			
Surplus on revaluation of property, plant and equipment		954,844	958,870
Revenue reserves			
General reserves		6,000	6,000
Unappropriated profit		<u>228,004</u>	<u>198,758</u>
		<u>1,250,074</u>	<u>1,224,854</u>
NON-CURRENT LIABILITIES			
Long term loan	13	2,708	6,228
Deferred taxation		199,840	204,010
Deferred staff liabilities		165,733	151,089
Lease liabilities		53,517	61,139
		<u>421,798</u>	<u>422,466</u>
CURRENT LIABILITIES			
Current maturity of non-current liabilities		80,290	125,594
Trade and other payables	14	1,236,439	1,169,205
Contract liabilities		30,846	83,368
Short term borrowings	15	31,846	-
Taxation		137,532	119,916
Unclaimed dividends		1,410	1,410
		<u>1,518,363</u>	<u>1,499,493</u>
CONTINGENCIES AND COMMITMENTS	16		
TOTAL EQUITY AND LIABILITIES		<u><u>3,190,235</u></u>	<u><u>3,146,813</u></u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer

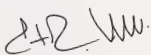

Director



**Condensed Interim Statement of
Profit or Loss (Un-audited)
For the quarter ended March 31, 2024**

	Note	Quarter ended	
		March 31, 2024	March 31, 2023
		(Rs. in '000)	
Sales - net	17	1,409,381	1,241,617
Cost of sales	18	(1,029,657)	(889,940)
Gross profit		<u>379,724</u>	<u>351,677</u>
Selling and distribution expenses		<u>(211,278)</u>	<u>(130,538)</u>
Administrative expenses		<u>(102,576)</u>	<u>(70,084)</u>
		<u>(313,854)</u>	<u>(200,622)</u>
Other income		4,684	5,738
Operating profit		70,555	156,793
Other charges		<u>(1,316)</u>	<u>(38,757)</u>
Financial charges		<u>(30,540)</u>	<u>(21,826)</u>
		<u>(31,856)</u>	<u>(60,583)</u>
Profit before taxation		38,698	96,210
Taxation		<u>(13,477)</u>	<u>(28,616)</u>
Profit for the period		<u>25,221</u>	<u>67,594</u>
		----- (Rupees) -----	
Earnings per share - basic and diluted (Rupees)		<u>4.12</u>	<u>11.04</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer

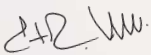

Director



**Condensed Interim Statement of
Comprehensive Income (Un-audited)
For the quarter ended March 31, 2024**

	Quarter ended	
	March 31, 2024	March 31, 2023
	(Rs. in '000)	
Profit for the period	25,221	67,594
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>25,221</u>	<u>67,594</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer

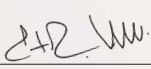

Director

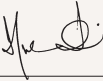


Condensed Interim Statement of Cash Flow (Un-audited)
For the quarter ended March 31, 2024

	March 31, 2024	March 31, 2023
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	38,698	96,210
Adjustments for:		
Finance costs	30,540	21,686
Depreciation and amortization	27,669	19,213
Provision against staff gratuity	18,294	11,295
Provision against other staff retirement benefits	-	493
Return on bank deposit	(1,773)	(230)
Dividend income	(2,838)	(507)
Provision of slow moving obsolete stock	-	(3,036)
Loss / (gain) on disposal of operating fixed assets	(46)	24
	<u>71,846</u>	<u>48,938</u>
Profit before working capital changes	110,544	145,148
Working Capital Changes		
(Increase) /Decrease in current assets:		
Stock-in-trade	22,242	(140,264)
Trade debts	(49,262)	(96,928)
Loans to employees	890	743
Long term deposits	(1,650)	-
Advances, prepayments and other receivables	(12,753)	(102,426)
	<u>(40,532)</u>	<u>(338,875)</u>
Increase / (Decrease) in current liabilities:		
Contract liabilities	(52,522)	(8,621)
Trade and other payables	67,970	266,642
	<u>85,460</u>	<u>64,294</u>
Income taxes paid	(5,057)	(20,983)
Staff gratuity paid	(3,651)	(1,981)
Other staff retirement benefits paid	-	(325)
Return received on bank deposits - under markup arrangements	1,773	230
Dividend received- on money market fund	2,838	507
Finance costs paid	(27,607)	(19,741)
	<u>(31,704)</u>	<u>(42,293)</u>
Net cash flows from operating activities	53,756	22,001
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in capital expenditure	(54,169)	(19,097)
Proceeds from disposal of operating fixed assets	1,606	1,687
Short term investments	125,000	150,434
Net cash flows generated from investing activities	72,437	133,024
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease repayment	(9,280)	(7,081)
Long term loan Repaid	(50,870)	(913)
Long Term loan obtained	31,846	-
Short term borrowings - Karobar and Salam finances	-	10,000
Net generated from / (used in) financing activities	(28,304)	2,006
Net increase in cash and cash equivalents	97,889	157,031
Cash and cash equivalents at the beginning of the period	127,293	73,356
Cash and cash equivalents at the end of the period	<u>225,182</u>	<u>230,387</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer


Director



**Condensed Interim Statement of
Changes in Equity (Un-audited)
For the quarter ended March 31, 2024**

Issued, subscribed and paid up capital	Capital Reserves	Revenue Reserves			Total
	Surplus on revaluation of property, plant and equipment	General Reserve	Unappro- priated profit / (Accumulated loss)	Total Reserves	

(Rs. in '000)

Balance as at January 01, 2023-(audited) 61,226 976,744 6,000 (64,094) (58,094) 979,876

Total comprehensive income for the period

Profit for the period	-	-	-	67,594	67,594	67,594
Other comprehensive income						
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)	-	(8,080)	-	8,080	8,080	-
	-	(8,080)		75,674	75,674	67,594

Balance as at March 31, 2023 (unaudited) 61,226 968,664 6,000 11,580 17,580 1,047,470

Balance as at January 01, 2024 (audited) 61,226 958,870 6,000 198,758 204,758 1,224,854

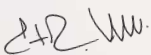
Total comprehensive income for the period

Profit for the period	-	-		25,221	25,221	25,221
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)	-	(4,026)		4,026	4,026	-

Balance as at March 31, 2024 (unaudited) - (4,026) 29,246 29,246 25,221

61,226 954,844 6,000 228,004 234,004 1,250,074

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer


Director



Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2024

1 STATUS AND NATURE OF BUSINESS

ZIL Limited (“the Company”) was incorporated as a private limited company in February 16, 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and was subsequently converted into a public limited company in November 1986. Its shares are listed on the Pakistan Stock Exchange Limited (formerly Karachi and Lahore Stock Exchanges). The principal activity of the Company is manufacture and sale of home and personal care products.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS / IMMOVABLE PROPERTIES

Location	Address
Head Office	Bahria Complex iii , Plot No. MISC-2, M.T. Khan Road, Karachi.
Factory	Link Hali Road, Hyderabad (Refer note 12 to these financial statements).
Factory - under construction	Plot # G-1 Located In Chemical Area Of Eastern Industrial Zone, Port Qasim Authority, Karachi.
Warehouse	Plot No. C-6, SITE Area, Near Mirpurkhas Road, SITE, Hyderabad.
Warehouse	1st Part of Plot No. 21-B, Industrial Estate, Multan.
Regional sales office central and Warehouse	Khewat No. 55, situated at 16-KM, Multan Road, Lahore.
Regional sales office -Central 2	Naeema Azam Tower 1st floor Office # 08. Commercial Area Phase I Industrial Estate.
Regional sales office-North	Plaza 52, Marina commercial, Cornice road, Phase 4, Bahria Town, Islamabad.
Quality assurance lab & Regional Sales office south	1st Floor, Pardesi House, Plot No. 2/1, RY-16, Old Queens Road, Karachi

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2024

These condensed interim financial statements of the Company for the quarter ended March 31, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard 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 Companies Act, 2017 differ with the requirements, of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 3.2** These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended December 31, 2023, which have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the un-audited condensed interim financial statements for the quarter ended March 31, 2023.

3.3 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise.

3.4 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Company. Figures have been rounded off to the nearest thousand rupees.

Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2024

4 SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended December 31, 2023.

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) **Standards, amendments and interpretations to accounting standards that are effective in the current period**

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2024, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) **Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company**

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended December 31, 2023.



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
6 PROPERTY, PLANT AND EQUIPMENT			
(Rs. in '000)			
Owned assets	6.1	1,048,565	1,046,498
Right-of-use assets	6.2	67,352	73,700
Capital work in progress	6.3	79,576	49,872
		<u>1,195,493</u>	<u>1,170,070</u>

6.1 Fixed assets

Opening net book value (NBV)		1,046,498	886,671
Transfer (at cost) from capital work in progress during the period / year	6.1.1	24,465	240,177
		1,070,963	1,126,848
Disposals (at NBV) during the period / year	6.1.2	(1,559)	(12,552)
Depreciation charged during the period / year		(20,839)	(67,798)
		(22,398)	(80,350)
Closing net book value (NBV)		<u>1,048,565</u>	<u>1,046,498</u>

6.1.1 Details of transfer from CWIP during the period / year are as follows:

Owned

Building on leasehold land	-	36,507
Plant and machinery	3,277	19,105
Furniture and fixtures	11,138	2,764
Dies and change part	-	2,400
Vehicles	8,555	154,654
Computers	1,495	24,747
	<u>24,465</u>	<u>240,177</u>

6.1.2 Details of deletion (NBV) during the period / year are as follows:

Owned

Plant and machinery	-	61
Furniture and Fixtures	-	52
Computers	12	783
Vehicles	1,547	11,656
	<u>1,559</u>	<u>12,552</u>

**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rs. in '000)	
6.2 Right-of-use assets		
Opening net book value (NBV)	73,700	37,051
Additions (at cost) during the period / year	-	61,947
Disposal (at NBV) during the period / year	-	(3,153)
Depreciation charged during the period / year	<u>(6,348)</u>	<u>(22,145)</u>
	<u>67,352</u>	<u>73,700</u>
6.3 Capital work in progress		
Building on leasehold land	40,076	40,076
Vehicles	35,643	12
Plant, machinery and equipment	610	9
Furniture & Fixtures	<u>3,248</u>	<u>9,775</u>
	<u>79,576</u>	<u>49,872</u>
Movement in capital work in progress		
Balance at the beginning of the period / year	49,872	103,507
Addition during the period	54,169	182,177
Transfer to operating fixed asset and intangibles	<u>(24,465)</u>	<u>(235,812)</u>
Balance at the end of the period / year	<u>79,576</u>	<u>49,872</u>
7 STOCK IN TRADE		
Raw material		
In hand	120,617	162,635
In transit	<u>892</u>	<u>92,776</u>
	121,509	255,411
Packing material	53,459	48,336
Work-in-progress	208	-
Finished goods	<u>481,362</u>	<u>375,033</u>
	656,538	678,780
Provision for slow moving inventory	<u>(2,599)</u>	<u>(2,599)</u>
	<u>653,939</u>	<u>676,181</u>
8 TRADE DEBTS		
Unsecured - considered good	280,481	231,219
Considered doubtful	<u>9,397</u>	<u>9,397</u>
	289,878	240,616
Less: allowance for expected credit loss	<u>(9,397)</u>	<u>(9,397)</u>
	<u>280,481</u>	<u>231,219</u>



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

Note **March 31,
2024** December 31,
(Un-audited) 2023
(Audited)
(Rs. in '000)

9 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES

Considered good

Advanced Taxation	140,664	135,634
LC Margin against imports	16,161	16,161
Advances to suppliers and contractors	8,754	79
Prepayments	9,209	877
Current maturity of loans to employees	1,519	2,578
Other receivables	743	3,802
	177,049	159,131

Considered doubtful

Advances to suppliers and contractors	803	803
Less: Provision held	(803)	(803)
	-	-
	177,049	159,131

10 SHORT TERM INVESTMENTS

SHORT-TERM INVESTMENT

At amortised cost:

Term deposit receipt (TDRs)	-	40,000
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At fair value through profit or loss:

Money market funds	10.1 50,000	136,243
	50,000	176,243

10.1 This represent investment in Meezan Rozana Amdani Fund at the rate of Rs. 50 per unit.

Note **March 31,
2024** December 31,
(Un-audited) 2023
(Audited)
(Rs. in '000)

11 CASH AND BANK BALANCES

Local currency

Cash in hand	433	216
Cash with banks		
Current / Collection accounts	218,175	120,933
PLS saving accounts	11.1 6,574	6,144
	224,749	127,077
	225,182	127,293

11.1 This carries profit rate at 14.5%-20.5% (2023: 14.5% - 20.5%) per annum.



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
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(Rs. in '000)

12 ASSETS CLASSIFIED AS HELD FOR SALE

Freehold land	400,040	400,040
Building on freehold land	38,992	38,992
Plant, machinery and equipment	115,492	115,492
Furniture and fixtures	1,283	1,283
Capital spares	17,039	17,039
Stores and spares	5,756	5,709
Deposit to Sui Southern Gas Company Limited	9,807	9,807
	<u>588,409</u>	<u>588,362</u>

12.1 On January 12, 2022, the Board of Directors in their meeting discussed and reviewed the operational difficulties of existing manufacturing facility (comprising of freehold land, building on freehold land, plant, machinery and equipment, capital spares, furniture and fixtures, store and spares tools and other related assets) located at Hyderabad due to housing society built in its surrounding area and approved the closure of factory, offering of Voluntarily Separation Scheme to factory staff and shifting of all manufacturing operations to toll manufacturing through third party arrangements. The above decisions had been approved by the shareholders in an extraordinary general meeting held on November 30, 2022 under section 183 (3) of Companies Act, 2017. Accordingly, the stated assets have been classified as assets held for sale. The sale of manufacturing facility was expected to be completed within a year from the date of classification. However, due to depressed economic conditions, the availability of prospective buyers offering respectable prices remain restricted and factory assets cannot be sold during the year despite the excessive efforts of the management of the Company. On December 8, 2023, in the Extra Ordinary General Meeting by the shareholders of the Company has re-approved the disposal of same. Factory disposal still in progress.

Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
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(Rs. in '000)

13 LONG TERM LOAN

Diminishing musharaka	13.1	7,991	8,870
Loan from director	13.2	50,000	100,000
		<u>57,991</u>	<u>108,870</u>
Less: current maturity shown under Current liability		<u>(55,282)</u>	<u>(102,642)</u>
		<u>2,708</u>	<u>6,228</u>



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

- 13.1** The Company has acquired vehicles under diminishing musharka agreement from First habib Modaraba. The loan is for a period of four years expiring on September 17, 2025, with an option to purchase the asset at nominal amount. This carries profit at the rate 3 months' KIBOR + 2% per annum (December 31, 2023: 3 months' KIBOR + 2% per annum).
- 13.2** The Company has acquired Rs.100 million unsecured loan from the director of the Company as per agreed terms and conditions dated 30 December 2021. The loan carries markup rate of 1 month KIBOR - 1% per annum payable monthly and has been obtained to meet working capital requirements. The current outstanding balance of loan is repayable in 2024.

	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
(Rs. in '000)			
14 TRADE AND OTHER PAYABLES			
Trade creditors		820,218	835,638
Accrued expenses		252,620	262,959
Sales tax payable		64,913	31,132
Deduction on account of vehicles for the employees		4,810	4,738
Accrued mark-up on short term borrowings		1,055	1,836
Workers' welfare fund		10,246	9,162
Workers' profit participation fund		2,190	2,770
Deposit against held for sale assets		75,711	20,000
Other liabilities		4,676	970
		<u>1,236,439</u>	<u>1,169,205</u>
15 SHORT TERM BORROWINGS			
From banking companies - secured			
Salam financing		-	-
From New Future Consumer International LLC	15.3	31,846	-
		<u>31,846</u>	<u>-</u>



Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2024

- 15.1** The represents Salam and Istisna financing facility available from a commercial bank amounting to Rs. 150 million (2023: Salam and Istisna finance facility of Rs. 150 million) and carries mark-up of matching tenure KIBOR+1.5% (2023: matching tenure KIBOR+1.5%) per annum. The facility is secured by way of first pari passu charge over present and future current assets amounting to Rs. 400 million. As of the reporting date, unutilised facility aggregated to Rs. 150 million (2023: Rs. 150 million). Above facility is valid up to April 30, 2024 and is generally renewable.
- 15.2** At March 31, 2024, unutilised letter of credit facilities from certain banks amounted to Rs.183.9 million (31 December 2023: Rs.64.9 million). These are secured against the import bills of the Company. Total facilities sanctioned to the Company amounted to Rs. 200 million (December 31, 2023: Rs. 200 million).
- 15.3** For working capital requirements Interest free short term loan was obtained from New Future Consumer International (Parent company), the proceeds were realised in January 2024.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

The status of other contingencies are same as disclosed in the annual audited financial statements for the year ended December 31, 2023.

16.2 Commitment

Commitment under letters of credit and contracts for the import of stock-in-trade items amounted to Rs. 42.3 million (December 31, 2023: Rs. 61.9 million).

17 SALES - NET

	Quarter ended	
	March 31, 2024	March 31, 2023
	(Un-audited) (Rs. in '000)	
Gross sales	1,964,318	1,676,427
Sales tax	(329,732)	(274,038)
Trade discount	(225,043)	(160,772)
Sales return and rebate	(163)	-
	(554,938)	(434,810)
Net sales	<u>1,409,381</u>	<u>1,241,617</u>



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

	Quarter ended	
	March 31, 2024	March 31, 2023
	(Un-audited)	
	(Rs. in '000)	
18 COST OF SALES		
Raw & Packing material consumed	1,046,344	1,065,642
Salaries, wages and other benefits	30,435	28,821
Goods purchased for resale	35,026	36,325
Depreciation and amortisation	9,680	8,568
Fuel and power	952	948
Freight and handling charges	1,829	876
Stores and spares consumed	874	593
Rent, rates and taxes	1,818	4,172
Travelling and conveyance	3,382	1,638
Insurance	413	508
Repair and maintenance	32	108
Postage and telephones	90	96
Legal and professional charges	60	-
Printing and stationery	15	41
Subscription charges	210	469
Product research and development	3,953	74
Others	1,081	873
	<u>1,136,193</u>	<u>1,149,752</u>
Opening work in process	-	1,550
Closing work in process	(208)	(1,550)
	<u>(208)</u>	<u>-</u>
Cost of goods manufactured	<u>1,135,985</u>	<u>1,149,752</u>
Opening stock of finished goods	<u>375,033</u>	<u>269,227</u>
Closing stock of finished goods	<u>(481,362)</u>	<u>(529,039)</u>
	<u>(106,328)</u>	<u>(259,812)</u>
	<u>1,029,657</u>	<u>889,940</u>



**Notes to the Condensed Interim
Financial Information (Un-audited)
For the quarter ended March 31, 2024**

19	Name of related parties	Nature and basis of Relationship	Percentage of shareholding in the Company
	New Future Consumer International	Parent Company	84.84%
	General Trading LLC	Director	10.01%
	Mrs. Ferial Ali Mehdi		

19.1	Transactions during the period / year:	Quarter ended	
		March 31, 2024 (Un-audited) (Rs. in '000)	March 31, 2023
	Short term loan obtained from New Future Consumer International	31,845	-
	Repayment of Long Term Loan	(50,000)	-
	Other related parties		
	Contribution to the employees' provident fund	5,036	3,474
	Directors and chief executive officer (key management personnel)		
	Remuneration	10,502	27,460
	Other directors remuneration -meeting fees	640	270
	Interest on loan from director	3,518	4,535
	Other key management personnel		
	Managerial remuneration (excluding directors and chief executive officer)	44,860	19,396

19.2 Contribution to the provident fund is made in accordance with the requirements of staff service rules.

19.3 Remuneration of the key management personnel is in accordance with the terms of their employment. Directors' meeting fee is as approved by the board of directors.

20 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited financial statements for the year ended December 31, 2023.



Notes to the Condensed Interim Financial Information (Un-audited) For the quarter ended March 31, 2024

21 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.


22 GENERAL

22.1 Figures have been rounded off to the nearest of rupees unless otherwise stated.

22.2 The Board of Directors in their meeting held on 27 February 2024 have for the year ended 31 December 2023, proposed final cash dividend of Rs. 2 per share (2022: Rs. Nil per share) amounting to Rs. 12.245 million (2022: Rs. Nil million), the dividend was approved by members of the Company in the Annual General Meeting held on 24 April 2024. The financial statements for the period ended 31 March 2024 do not include the effect of the cash dividend, which will be recognised in the financial statements for the half year ending 30 June 2024.

23 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 25 April 2024 by the Board of Directors of the Company.


Chief Financial Officer


Chief Executive Officer


Director



ZIL
LIMITED

Personal Care & Hygiene Products Company

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SAAW PUNTES